ASX ANNOUNCEMENT

ASX: 1AI | 12 December 2025

Highlights

- **Receipt of comprehensive *in silico* synergy predictions from AlgoraeOS v2 covering >500,000 CBD–drug–cell line combinations**
- **AOS2 outperforms representative state-of-the-art models, including those from Google DeepMind, across all major synergy metrics (ZIP, Bliss, HSA, Loewe)**
- **Preliminary analysis has identified 90 potential high-quality CBD–drug combination candidates for further evaluation**
- **Advanced confidence-weighted outputs enable risk-aware prioritisation and more efficient candidate selection**
- **Discussions commenced with Peter MacCallum Cancer Centre regarding a second program and independent validation of AOS2 results**

AI-enabled pharmaceutical company **Algorae Pharmaceuticals Ltd (ASX: 1AI)** ("Algorae" or "the Company") is pleased to advise that it has received the comprehensive *in silico* synergy predictions generated by **AlgoraeOS v2 ("AOS2")**, completion of which was announced on 10 November 2025.

The AOS2 prediction set comprises CBD in combination with more than 3,000 approved and investigational drugs, evaluated across 170 cell lines, representing in aggregate more than 500,000 potential CBD–drug–cell line combinations.

As previously announced on 10 November 2025, AOS2 outperformed representative state-of-the-art models, including those from Google DeepMind, and demonstrated stronger calibration across biologically diverse, clinically relevant synergy regions. AOS2 predictions span the full spectrum of interaction from strong agonism to strong synergy and provide additional granularity across each of the four well-recognised synergy metrics (ZIP, Bliss, HSA and Loewe).

Each prediction is associated with confidence-weighted outputs which quantify both data-driven and model-driven uncertainty, enabling risk-aware prioritisation of every synergy prediction. These advanced metrics provide additional tools to scrutinise and refine candidate selection.

Algorae has now completed a preliminary examination of the AOS2 predictions. Using pre-specified prioritisation thresholds that balance the magnitude of predicted synergy with uncertainty reduction and biological generalisability, **the Company has identified 90 potential high-quality drug combination candidates**.

Chief Scientific Officer, **Dr James McKenna** commented:

"While the improved predictive capabilities of AOS2 are obviously advantageous, the enhanced granularity around synergy predictions, coupled with the embedded risk-aware uncertainty metrics for each prediction, cannot be overstated. Together these new tools will provide a powerful approach for prioritising candidates for further interrogation and progression to in vitro validation assays".

A/Prof Fatemeh Vafaee, UNSW Sydney and UNSW AI Institute, commented:

"AOS2 demonstrates the kind of sovereign, high-performance AI needed to expand the therapeutic landscape. What makes this platform particularly compelling is that it outperforms global state-of-the-art models while remaining lightweight, deployable and biologically well-grounded. Its ability to generalise across diverse biological contexts, together with confidence-weighted outputs, gives researchers higher clarity in prioritising combinations for downstream validation. This is a strong example of academic–industry collaboration delivering practical, scalable tools that can materially accelerate translational drug discovery."

Implications and next steps

Algorae will now further prioritise potential candidates following analysis of commercial and intellectual property considerations before progressing selected combinations into preclinical validation assays. The Company has already commenced discussions with **Peter MacCallum Cancer Centre ("PMCC")** regarding a second program and independent validation testing of AOS2 results.

These *in silico* findings build on the independent preclinical validation data for AlgoraeOS v1 (AOS1) at the PMCC, as announced on 5 December 2025.

In parallel with the Company's AI drug discovery activities, the commercial pharmaceutical business is developing rapidly, with additional products, and agreements progressing through the pipeline. Algorae will continue to update shareholders as key commercial milestones are achieved.

Authorised for release by the Board of Directors of Algorae Pharmaceuticals Ltd

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About Algorae Pharmaceuticals

Algorae Pharmaceuticals (ASX: 1AI) is an AI-enabled pharmaceutical company with a dual focus on drug-combination discovery and pharmaceutical commercialisation. The Company's proprietary AI platform, AlgoraeOS, applies machine learning and deep neural networks to identify synergistic drug combinations and guide dose selection for preclinical development. In parallel, Algorae operates a commercialisation business, AlgoraeRx, that sources, licenses and supplies generic and specialty medicines in Australia and New Zealand through partnered manufacturers and established distribution channels. Algorae collaborates with leading research institutions and industry partners to translate AI-predicted therapies and to expand patient access to high-quality medicines.

Algorae is listed and publicly traded on the Australian Securities Exchange (ASX: 1AI), providing investors an opportunity to participate in the Company's growth.

For more information visit www.algoraepharma.com or follow @algoraepharma on X or LinkedIn.

Forward-looking Statements

This document may contain certain forward-looking statements, relating to Algorae's business, which can be identified by the use of forward-looking terminology such as "promising," "probable", "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates, nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, or expected. Algorae is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.