(ASX:VBS)

ASX ANNOUNCEMENT 28 July 2026

Quarterly Activities Report and Appendix 4C

Vectus Biosystems Limited (ASX:VBS) (Vectus or the Company) is pleased to present its Quarterly Activities Report and Quarterly Cash Flow Report – Appendix 4C for the period ended 30 June 2026.

HIGHLIGHTS

- Dr Tara Speranza appointed Chief Executive Officer (CEO) and Chief Technology Officer (CTO), bringing more than two decades of experience spanning scientific research, translational drug development, biotechnology commercialisation, strategic advisory and capital markets.
- $0.791 million placement completed to accelerate VB0004 clinical trial work and other drug programmes.
- Sale of VB4-P5 renal small molecule compound to XORTX Therapeutics Inc. (XORTX) completed.
- Appointment of Cardinal Health Regulatory Services (CHRS).

Dr Speranza appointed CEO and CTO

During the quarter, Vectus appointed Dr Speranza as its CEO and CTO, effective 7 May 2026. She had provided consulting services to the Company since August 2025 and therefore commenced the role with a strong understanding of Vectus' scientific platform, its lead compound VB0004 and its broader portfolio of drug candidates.

Dr Speranza brings more than two decades of experience spanning scientific research, translational drug development, biotechnology commercialisation, strategic advisory and capital markets. She previously held senior research positions at the University of Sydney and the University of Geneva, where her work focused on novel molecular targets and the translation of scientific discoveries into potential therapeutic products. During her academic career, Dr Speranza also led a commercial partnership with global pharmaceutical company Servier that contributed to the development and commercialisation of an anti-osteoporotic therapy. Following her academic career, she held a range of investment, advisory and capital markets roles supporting healthcare and biotechnology companies with valuation, capital raising, strategic positioning and transaction execution. Dr Speranza has also been involved in the assessment and progression of investments and partnerships across early and late-stage healthcare assets, including licensing and other strategic transaction processes.

The appointment strengthens the Company's leadership capabilities as Vectus progresses its next phase of development. Dr Speranza's combined scientific, commercial and capital markets experience is expected to support the advancement of

VB0004 into additional clinical studies, while also assisting the Company's engagement with potential strategic, licensing and commercial partners.

Subsequent to her appointment, Dr Speranza hosted an investor webinar to provide an update on Vectus' strategic direction, corporate priorities and development plans. A replay is available at: https://youtu.be/04yEZsOsPS4?si=dOtVkRmV6foDIsob

$791,000 Placement to Accelerate VB0004 Clinical Trial Work and Other Drug Programmes

In May 2026, Vectus completed a placement of 7,910,000 new fully paid ordinary shares at $0.10 per share, which raised $791,000 (the Placement). The Placement was supported by a number of qualifying sophisticated investors, which did not include any related parties of the Company. The net proceeds of the Placement are being used to accelerate the Phase Ib clinical trial for VB0004, which targets the prevention and reversal of fibrosis in the lungs, heart and kidneys. Proceeds are also being used to advance Vectus' other emerging lead compounds and for working capital.

VB4-P5 Renal Compound Transaction

In April 2026, the Company finalised the execution of the out-licensing of its VB4-P5 renal small molecule compound to XORTX, following satisfaction of the closing conditions of the transaction. The transaction closed on 14 April 2026 and resulted in Vectus receiving a direct equity interest in XORTX, a Canadian biotechnology company listed on Nasdaq exchange and previously on the TSX Venture Exchange.

As consideration for the transaction, XORTX issued the Company 154,544 common shares, representing approximately 9.9% of XORTX's issued share capital, together with 692,150 pre-funded warrants that may be exercised into shares without any additional material payment by Vectus. Certain portions of these securities are subject to voluntary lock-up periods ranging from 45 to 180 days following the completion of the transaction.

Under the transaction, XORTX acquired the patents, intellectual property (IP) and data specifically relating to VB4-P5 and its potential application in renal fibrosis and kidney disease. The Company retained a licence to the relevant patents and IP for potential applications outside those fields.

Through its holding in XORTX, Vectus retains exposure to the future development and commercialisation of VB4-P5, as well as XORTX's broader development portfolio, without being required to provide further funding for those programmes.

The Company engages CHRS as its United States (US) Regulatory Agent

Subsequent to the end of the quarter, Vectus announced it had engaged CHRS as its US Regulatory Agent, who will act as the primary point of contact for all Food and Drug Administration (FDA)-facing regulatory activities for the Company's lead compound, VB0004, and, potentially, its other pipeline assets as they advance.

Under the engagement, CHRS will facilitate and prepare all FDA-facing communications, interactions and submissions on behalf of Vectus, including the Orphan Drug Designation Request, pre-Investigational New Drug (pre-IND) communications and the IND application for VB0004 in idiopathic pulmonary fibrosis (IPF).

CHRS is a leading US regulatory affairs consultancy with deep expertise in FDA submissions and drug development strategies.

Finance and Corporate

The Company is focussed on potential licensing opportunities and a variety of collaborations, and has, accordingly, significantly reduced its operating costs. In May 2026 Vectus completed the Placement of 7,910,000 shares at $0.10 per share that raised $791,000. The funds expended by the Company during the quarter were in connection with the commercialisation of VB0004, together with IP renewals and corporate overheads. The payments for commercialisation, patents, staff costs and Phase I for the quarter amounted to $74,000. Cash-on-hand as at 30 June 2026 was $718,000. Payments to related parties during the June 2026 quarter were the CEO's salary of $28,000 and the fees of $11,000 (for corporate services, including cost re-imbursement in line with budget) paid to Regional Corporate Services Pty Ltd, of which Non-Executive Director Maurie Stang is a director.

Ronald Shnier
Chairman

Tara Speranza
CEO and CTO
info@vectusbiosystems.com.au

This announcement was authorised by the Board of Directors

About Vectus Biosystems Limited

Vectus Biosystems Limited (ASX:VBS) (Vectus or the Company) is an Australian clinical-stage biotechnology company developing novel therapies for fibrotic diseases, with an initial focus on advancing its lead compound, VB0004, for the treatment of idiopathic pulmonary fibrosis (IPF), a progressive, and often fatal, lung disease with significant unmet medical need. VB0004 is a first-in-class antifibrotic candidate that has demonstrated the ability to reverse established fibrosis in preclinical models, and has successfully completed Phase Ia clinical studies, establishing a favourable safety and pharmacokinetic profile.

Beyond IPF, the Company is advancing a broader pipeline of antifibrotic assets targeting cardiovascular, renal and liver fibrosis, leveraging a platform approach to address diseases driven by pathological tissue scarring. The commercial potential of the platform has been externally validated through a licensing agreement with an international biotechnology company for one of Vectus' renal fibrosis assets, showing a pathway for potential future milestone and royalty revenues.

The Company will continue its clinical development with an ambition to create shareholder value through the advancement, partnering and commercialisation of innovative therapies that address significant unmet needs in fibrotic disease.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Vectus Biosystems Limited

ABN	Quarter ended ("current quarter")
54 117 526 137	30 June 2026

Consolidated statement of cash flows

1 Cash flows from operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) patent and research expenses	(41)	(303)
(b) staff costs and directors' fees	(33)	(203)
(c) occupancy cost	-	-
(d) corporate overheads	(57)	(276)
(e) legal and professional fees	(37)	(218)
(f) other operating items	-	(4)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income tax refund received (including R&D tax offset)	-	422
1.7 Government grants and tax incentives	-	-
1.8 Others (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(167)	(574)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	-	-

3	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	791	791
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	250
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	791	1,041

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	94	251
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(167)	(574)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	791	1,041
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**718**	**718**

5	**Reconciliation of cash and cash equivalents**		
	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	718	94
5.2	Term Deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (item 4.6)**	**718**	**94**

6	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	39
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

7 Financing facilities

Note: The term "facility' includes all forms of financing arrangements available to the entity

Add notes as necessary for an understanding of the sources of finance available to the entity

		Total facility $A'000	Amount drawn $A'000
7.1	Loan facilities	450	450
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	450	450
7.5	Unused financing facilities available at quarter end		-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The loan facility of up to $450,000 has been entered into with Director Maurie Stang, which has been fully drawn down. This facility can be repaid, without penalty, if Vectus secures alternative funding. The drawdown of the loan is to be repaid from future receipts from the ATO of research and development (R&D) cash-back or from other funds received and repayment shall be made subject to the Board's approval. The loan facility has an interest rate equal to the ATO benchmark rate (currently at 8.77%) and there is no registered security.

8	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(167)
8.2	Cash and cash equivalents at quarter end (item 4.6)	718
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	718
8.5	**Estimated quarters of funding available** (item 8.4 divided by item 8.1)	4.31

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Not applicable

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Not applicable

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not applicable

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **28 July 2026**

Authorised for release to the market by the Vectus Board of Directors.

Notes:

1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules isencouraged to do so.

2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.