ASX ANNOUNCEMENT

30 October 2026

September 2026 Quarterly Activities Report

Highlights

- **Commercial Semiconductor Platform:** Platform built and end-to-end workflow tested as supported by experienced growing team.
- **TrialKey Commercialisation:** Increased TrialKey business development activity generating higher enquiry levels, with new client engagement anticipated for December 2026 quarter.
- **Advisor Appointments:** Sam Weiss appointed Strategic Advisor and Associate Professor Anupam Chattopadhyay appointed to the new Advisory Board, adding engineering software and semiconductor expertise.
- **Strategic Placement:** Strongly supported strategic placement of $2.8 million completed.
- **Financial Snapshot:** Cash position of $5.83 million cash and no debt at quarter end.

Pathkey.AI Ltd (ASX: PKY) (Pathkey or the Company) reports on its activities for the quarter ended 30 September 2026 (Q1 FY27). Chipforge secured its first customer contract ahead of platform release, while a $2.8 million placement strengthened funding for product development and commercialisation. The appointments of Sam Weiss and Associate Professor Anupam Chattopadhyay added industry experience as the business prepares for broader customer use.

Development work during the September quarter advanced both platforms towards broader commercial use and has continued into the December quarter. Chipforge focused on connecting the engineering stages needed to turn hardware requirements into tested designs. TrialKey extended its assessment and optimisation capabilities to help customers evaluate study plans, compare alternatives and understand the implications for execution and cost.

Chipforge development progress and commercial launch preparations

During the September quarter, Chipforge advanced the engineering work required to connect hardware requirements, circuit-code generation, verification, error correction and implementation within one platform. Work covered the FPGA design workflow, integration with established engineering tools and testing on physical hardware. Development has continued into the December quarter as the team prepares for commercial release.

The team developed the design records and reusable component structures needed to retain requirements, design decisions and test evidence as a design changes. Work also covered the software and operating systems needed to manage platform updates, monitor performance and support customer delivery. These are important foundations for a product that engineers can use on practical design tasks.

This work was supported by expanded technical teams across Australia, Singapore and India, combining software engineering, AI and agentic model development, and hardware engineering. The immediate focus remains on completing the initial release version of the Chipforge platform, testing and initial work with customers to test the platform.

What Chipforge is being built to do

Chipforge is being developed to take an engineer's requirements and translate them into chip design code, then connect verification, simulation and implementation within one workflow. Our initial focus is field-programmable gate arrays (FPGAs), existing chips whose internal circuits can be reconfigured after manufacture. Engineers can load a design, test its operation and make changes without manufacturing a new chip.

The objective is to reduce the specialist effort and manual handovers involved in designing custom hardware. The engineer directs the requirements and reviews the results. The longer-term development direction includes application-specific integrated circuits (ASICs), chips manufactured for a particular purpose. FPGA development and future ASIC capability are distinct stages of the product roadmap.

First commercial contract ahead of platform release

On 11 August 2026, Chipforge announced its first commercial customer contract ahead of general platform release. The agreement was announced as a ten-week proof-of-value programme with a fixed fee of US$50,000. This proof of value undertaken with a client provides a phased scope covering automation, real-time object recognition and deterministic control, with a design produced through the Chipforge workflow and demonstrated on FPGA hardware. Chipforge has delivered the first phase of work and timing to progress to the next stage is dependent on client readiness for integration into their mechanical solution. Refer to ASX Announcement dated 11 August 2026.

Chipforge commercial model

The initial route to revenue is a defined engineering project, with the scope, success criteria and technical support agreed with the customer. Customers can start with a new circuit design, a change to an existing design or a debugging problem, alongside their existing engineering tools. This allows the customer to assess the platform against a practical requirement before considering wider use.

The longer-term opportunity is to undertake repeat projects and ongoing platform use, including usage fees and software licensing until a customer converts from payment of project fees to recurring revenue. Supported project delivery and broader software release require different levels of product readiness and customer support. Recurring revenue will depend on continued customer adoption; it is not established by an initial project contract.

Industry expertise to support commercialisation

Pathkey appointed Sam Weiss as Strategic Advisor to the CEO and Chipforge team. Mr Weiss chaired Altium from 2007 to 2024, through its growth into a global provider of printed circuit board design software and acquisition by Renesas. His experience in scaling engineering software is relevant as Chipforge develops its product and route to market. Refer to ASX Announcement dated 12 August 2026.

Pathkey formed an Advisory Board to support Chipforge's team build-out and commercialisation. Its inaugural member, Associate Professor Anupam Chattopadhyay of Nanyang Technological University, brings expertise in chip design and AI. He has been involved in developing and testing Chipforge's early-stage technology. The appointment formalises access to that expertise as the platform moves towards commercial release. Refer to ASX Announcement dated 10 September 2026.

TrialKey development progress and customer offering

During the September quarter, TrialKey expanded its clinical trial assessment and planning capabilities beyond predictive analysis alone. Development work extended assessment to confidential draft protocols, added tools to propose and compare alternative study designs, and connected the analysis with competitor benchmarking and indicative cost comparisons. This work has continued into the December quarter, alongside further testing, client validation and business development.

The team extended the platform to accept an early study concept or confidential draft protocol, allowing assessment before a trial is publicly registered. Historical trial evidence and machine-learning models inform assessment of recruitment risk, potential amendments, early termination and the estimated probability of meeting the primary endpoint. An optimisation agent was developed to use those insights to propose alternative designs within agreed study and budget constraints, for expert review.

Work during the quarter also added practical planning tools around that analysis. Competitor analysis identifies comparable studies and benchmarks design choices, while indicative cost modelling helps customers compare the financial implications of alternative plans. Review functions allow users to check extracted information and compare proposed changes with the original study plan, creating a documented basis for discussion with clinical and statistical advisers.

TrialKey also developed statistical analysis plan assessment and incorporated supported statistical features into assessment and optimisation. Testing and client validation of these additional functions are continuing in the December quarter. Together, the development work broadens the customer offering from identifying risks to assessing practical changes to study design and execution.

TrialKey commercial priorities

The commercial model combines scoped assessment, design-support and document-review engagements for biotech sponsors with pilot licensing opportunities through contract research organisations (CROs). A direct engagement can address one study or planning decision. CRO adoption could extend use across multiple sponsor studies, creating opportunities for repeat assessments and licensing, subject to evaluation and agreed terms.

TrialKey's increased business development activity has generated an increase in enquiries, with new client engagement anticipated in the quarter ending 31 December 2026. The focus is to convert those enquiries into paid assessment and design-support work, alongside opportunities for repeat use and CRO pilot licensing. Previous paid work for Imunexus Therapeutics and Armstrong Clinical provides an initial basis for customer delivery.

TrialKey's assessments support clinical and statistical judgement. Predictive results and proposed changes do not establish treatment efficacy or guarantee trial success. Cost comparisons are indicative, and further validation remains important to assessing performance across customer studies.

Funding and quarterly cash flows

The Company cash position of $5.83 million as at 30 September 2026 includes receipt of approximately $3.89 million from placement and option exercise. The Company continues to participate in R&D Tax Incentive Programs to generate cash offsets for R&D activities across both Chipforge and TrialKey platforms.

In accordance with Listing Rule 4.7.B, the Company made payments of $212,000 to related parties for the quarter. The payments were in respect of fees to directors, CEO and related entities for services and are included in operating cash flows.

Subsequent corporate update

Following quarter end, Carly Terzanidis was appointed Company Secretary following Jonathan Hart's resignation. Refer to ASX announcement dated 16 October 2026.

This announcement has been authorised for release by the Board of Pathkey.AI Ltd.

About Pathkey AI Ltd

Pathkey.AI Ltd (ASX: PKY) is an Australian technology company developing businesses that apply artificial intelligence to complex industry tasks. Chipforge is developing a semiconductor design and verification platform, initially focused on programmable chips. TrialKey applies AI and machine-learning analysis to clinical trial design and assessment. Pathkey provides capital, governance and commercial support for these businesses.

Forward looking statements

This announcement contains forward-looking statements about product development, recruitment, commercial launch, customer delivery and commercialisation. These statements reflect current intentions and assumptions and are subject to technical, commercial, staffing and funding risks. Actual outcomes and timing may differ materially. Development priorities and signed contracts do not guarantee product release, customer acceptance, recurring revenue or cash receipts. The Company does not undertake to update forward-looking statements except as required by law.

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Appendix 4C

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

Name of entity	
PATHKEY.AI LTD	
ABN	**Quarter ended ("current quarter")**
71 063 144 865	30 September 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	10	10
1.2	Payments for		
	(a) research and development	(293)	(293)
	(b) product manufacturing and operating costs		
	(c) advertising and marketing	(207)	(207)
	(d) leased assets		
	(e) staff costs	(210)	(210)
	(f) administration and corporate costs	(395)	(395)
1.3	Dividends received (see note 3)		
1.4	Interest received	32	32
1.5	Interest and other costs of finance paid		
81.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(1,063)**	**(1,063)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(47)	(47)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(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	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)	(97)	(97)
2.6	**Net cash from / (used in) investing activities**	**(144)**	**(144)**

Note: 2.5 Other relates to capitalised transactions costs in relation to the Chipforge acquisition

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,890	3,890
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	(259)	(259)
3.5	Proceeds from borrowings		
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**	**3,631**	**3,631**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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	3,410	3,410
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,063)	(1,063)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(144)	(144)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,631	3,631
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	**Cash and cash equivalents at end of period**	**5,829**	**5,829**

5.	**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	Bank balances	391	3,410
5.2	Call deposits	5,438	
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**5,829**	**3,410**

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	212
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Includes payment of fees to directors, CEO and their related entities for research and development.

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 amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**		

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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,063)
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,829
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,829
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	5.48

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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?

Answer: N/A

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?

N/A

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?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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: .....30 October 2026.....

Authorised by: .....the Board..... .....
(Name of body or officer authorising release – see note 4)

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 is encouraged 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 – eg 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.