Appili Therapeutics Reports Financial and Operational Results for Third Quarter of Fiscal Year 2026

US$82 Million in Pending Proposals Across Multiple Infectious Disease Programs

US$40 Million NIAID Funding Award Supports VXV-01 Development Through Phase 1

LIKMEZ® (ATI-1501) Commercial Momentum with Increased U.S. Market Adoption

HALIFAX, Nova Scotia, Feb. 12, 2026 -- Appili Therapeutics Inc. (TSX:APLI; OTCPink: APLIF) (the “Company” or “Appili”), a biopharmaceutical company focused on drug development for infectious diseases and medical countermeasures, today announced its financial and operational results for the third quarter of its fiscal year 2026, which ended on December 31, 2025. All figures are in Canadian dollars unless otherwise stated.

“During the past quarter, we made important progress in advancing multiple U.S. federal funding proposals that, if awarded, could meaningfully support our key pipeline and collaborator programs.” said Dr. Don Cilla, President and CEO of Appili. “With the recent award up to US $40 million for VXV-01 and continued access to non-dilutive capital, Appili is steadily strengthening its funding base to drive infectious disease assets forward.”

Non-Dilutive Government Funding Model Delivering Results

Appili continues to leverage strategic government partnerships to advance its infectious disease and biodefense pipeline. The Company has secured over US$75 million in cumulative government funding since inception and has an additional US$82 million in proposals in active review across multiple programs. Non-dilutive funding sources enable Appili to advance critical development activities, including manufacturing, preclinical studies, regulatory activities, and clinical trial preparation and conduct, while preserving shareholder value.

ATI-1801 – Topical Antiparasitic Program with an Aligned Regulatory Path

Following positive feedback from the U.S. Food and Drug Administration (“FDA”) on its scientific bridging strategy, ATI-1801, a topical formulation of paromomycin for cutaneous leishmaniasis has a clearly defined registration pathway to support an NDA submission. Appili is actively pursuing non-dilutive funding from global health organizations and government agencies that share the Company’s focus on tropical diseases to execute this strategy and complete the remaining development work.

Appili’s ATI-1801 is potentially eligible to receive a Priority Review Voucher (“PRV”) upon FDA approval, which is anticipated as early as the fourth quarter of 2029 subject to securing the requisite funding. Recent PRV transactions have reached US$200 million, representing meaningful non-dilutive value creation

LIKMEZ® (ATI-1501), Commercial Momentum Building in U.S. Market

Saptalis Pharmaceuticals, Appili’s manufacturing and commercialization partner, continues to commercialize LIKMEZ (metronidazole oral suspension, 500 mg/5 mL), the first and only FDA-approved liquid oral formulation of metronidazole. Since the re-launch in May 2025, LIKMEZ has demonstrated steady sales growth, reflecting strong clinician and patient demand.

Under the agreement with Saptalis, Appili is eligible to receive sales-based milestone payments and royalties, providing a growing source of commercial revenue. In April 2025, additional patents protecting LIKMEZ's composition and preparation methods were published in the U.S. and Mexico, with patent protection extending through 2039.

ATI-1701 – Biodefense Vaccine Candidate Achieves Key Manufacturing and Scientific Milestones

ATI-1701, a live-attenuated vaccine candidate for tularemia, achieved a key operational milestone during the fiscal year with the successful GMP manufacture of drug substance and drug product. The GMP drug product may be formally dispositioned for use in Phase 1 clinical trials.

Subject to renewal of certain pending legislation in the U.S., Appili believes that ATI-1701 may be eligible for a PRV, if approved by the FDA.

VXV-01 – Advancing Through NIAID-Funded Development Program

During the third quarter, Appili was awarded a contract by the U.S. National Institute of Allergy and Infectious Disease (“NIAID”) valued at up to US$40 million to advance VXV-01, Vitalex Biosciences’ (“Vitalex”) first-in-class, dual-antigen vaccine targeting multidrug-resistant Candida species. Appili leads development as the prime contractor, with Vitalex providing asset development and scientific expertise as subcontractor.

Under an agreement with Vitalex, Appili retains an exclusive option to acquire worldwide rights to VXV-01. This structure positions Appili to transition from development lead to asset owner with minimal upfront investment risk.

VXV-01 is targeted at addressing a critical global health need. Nearly 6.5 million people annually are affected by invasive fungal infections, resulting in approximately 3.8 million deaths. Currently, no fungal vaccines are approved for human use, highlighting the potential for VXV-01 to emerge as a highly promising first-in-class candidate for the prevention of serious fungal diseases.

Lender Extensions
Pursuant to the terms of such extensions, all amounts owing under the Bloom Burton Loan, together with all accrued and unpaid interest, will be due on March 31, 2026. All amounts owing under the Long Zone Holdings Loan, together with all accrued and unpaid interest, unless Appili completes an equity financing with minimum gross proceeds of at least CAD$450,000 by February 28, 2026, in which case the extension will continue in full force and effect until March 31, 2026.

Financial Results
The Company prepares its financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board and Part I of Chartered Professional Accountants of Canada Handbook–Accounting. All figures are in Canadian dollars unless otherwise stated.

For the three months ending December 31, 2025, the Company reported a net and comprehensive loss of $1 million ($0.01 per share), representing an increase of $0.5 million compared to the net loss of $0.5 million ($0.004 per share) for the same period in 2024. The higher loss was mainly driven by a $2.6 million reduction in government assistance, partially offset by a $1.2 million decrease in research and development expenses, $0.2 million decrease in general and administrative expenses and a $0.7 million increase in foreign exchange gains. As of December 31, 2025, the Company's cash balance was $0.2 million, down from $1.2 million as of March 31, 2025.

As of December 31, 2025, the Company had 128,366,120 issued and outstanding Common Shares, 11,910,281 stock options, and 39,048,000 warrants outstanding.

This press release should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the second quarter of the 2026 fiscal year and the related MD&A, copies of which are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

About Appili Therapeutics
Appili Therapeutics is an infectious disease biopharmaceutical company that is purposefully built, portfolio-driven, and people-focused to fulfill its mission of solving life-threatening infections. By systematically identifying urgent infections with unmet needs, Appili's goal is to strategically develop a pipeline of novel therapies to prevent deaths and improve lives. The Company is currently advancing a diverse range of anti-infectives, including an FDA approved ready-made suspension of metronidazole for the treatment of antimicrobial resistant infections, a vaccine candidate to eliminate a serious biological weapon threat, and a topical antiparasitic for the treatment of a disfiguring disease. Led by a proven management team, Appili is at the epicenter of the global fight against infection. For more information, visit www.AppiliTherapeutics.com.

Forward looking statements
This news release contains "forward-looking statements", including with respect to the potential for partnered projects to be developed, the potential that Appili will receive government awards and / or contracts related to its proposal submissions, further anticipated milestones and the timing thereof, the Company's development plans and timelines with respect to ATI-1501, ATI-1701, ATI-1801 and VXV-01, the timing of any milestone and/or royalty payments in respect of ATI-1501, the potential PRV eligibility of ATI-1701 and ATI-1801 and the Company's expectations with respect to its ability to operate as a going concern and satisfy its ongoing working capital requirements. (ii) ,. Wherever possible, words such as "may," "would," "could," "should," "will," "anticipate," "believe," "plan," "expect," "intend," "estimate," "potential for" and similar expressions have been used to identify these forward-looking statements. These forward-looking statements reflect the current expectations of the Company's management for future growth, results of operations, performance and business prospects and opportunities and involve significant known and unknown risks, uncertainties and assumptions, including, without limitation, (i) the risk that the Company may not secure any government funding in respect of any proposal submitted prior to the date hereof, (ii) risks relating to the ability of the Company to repay the LZH Loan and the Bloom Burton Loan as and when they become due (including the risk that any waivers the Company may require thereunder will not be provided), and (iii) those risks listed in the annual information form of the Company dated June 25, 2025, and the other filings made by the Company with the Canadian securities regulatory authorities (which may be viewed at www.sedarplus.ca). Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. The Company disclaims any intention or obligation to revise forward-looking statements whether as a result of new information, future developments or otherwise, except as required by law.

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