ASX Announcement | 30 April 2026

AdAlta Limited (ASX:1AD)

QUARTERLY ACTIVITIES REPORT – MARCH QUARTER 2026

"East-to-West" strategy launched with BZDS1901 CAR-T therapy showing frequent responses in advanced mesothelioma, including complete tumour clearance in some patients

Key highlights

- **BZDS1901**, a highly differentiated CAR-T therapy for mesothelioma and other solid cancers, secured under co-development agreement with Shanghai Cell Therapy Group Co Ltd ("**SHcell**"), formally launching AdAlta's "East-to-West" cellular immunotherapy strategy.
- **Strong early clinical results** reported in advanced, treatment-resistant mesothelioma, including multiple tumour responses and **two patients achieving complete tumour clearance (Complete Response)** – a rare outcome in this disease setting.
- **One Complete Response patient remains alive 22 months after treatment**, with no reported tumour recurrence.
- **Manufacturing is mission-critical** for patient-specific CAR-T therapies. Successful transfer to Australia and future automation can materially enhance BZDS1901's strategic partnering and licensing value.
- AdAlta, Oribiotech and Cell Therapies signed an MoU to bring Oribiotech's **IRO automated cell therapy manufacturing platform** to Australia and Asia Pacific.
- AdAlta and Cell Therapies signed **the first Work Order** to transfer BZDS1901 manufacturing to Australia, supporting future Australian Phase 1 clinical trials (post period end).
- $1.2 million raised via private placement.
- $0.15 million additional R&D Tax Incentive refund received.

AdAlta Limited (ASX:1AD) ("AdAlta" or **"the Company")**, developer of next generation cell and protein therapeutics, provides its Appendix 4C cash flow report for the quarter ended 31 March 2026 (Q3 FY26), together with the following financial and operational update.

During the quarter, the Company entered a collaboration with Shanghai Cell Therapy Group Co Ltd ("**SHcell**") to co-develop the groundbreaking CAR-T[1] cancer therapy, BZDS1901, formally launching its "East to West" cellular immunotherapy operations. BZDS1901 is being developed for mesothelioma and has potential in more than ten additional cancers.

Importantly, BZDS1901 has already delivered multiple responses in patients with advanced mesothelioma, including two complete responses where tumours were fully cleared. One of these patients remains alive 22 months after treatment with no reported recurrence. These outcomes are highly significant in a cancer with historically poor treatment options.

Manufacturing remains a key value driver for CAR-T therapies. AdAlta signed its first Work Order with Cell Therapies Pty Ltd ("**CTPL**") to transfer BZDS1901 manufacturing to Australia and optimise the process. The Company also signed an MoU with CTPL and Oribiotech to access next-generation automated manufacturing technology, strengthening AdAlta's future partnering position while reducing development cost and timelines.

[1] CAR-T (chimeric antigen receptor-T cell) therapy is a living drug manufactured from a patient's own immune cells by engineering them in a laboratory to incorporate a receptor that can bind to a molecule found on the surface of a cancer, enabling the immune cells to be able to find and kill cancer. As a living drug, CAR-T cell therapy has the potential for a single dose to have durable effects and to be potentially curative.

The cash balance at the end of Q3FY26 was $0.83 million (Q2 FY26 $1.58 million).

Reflecting on the quarter, AdAlta's CEO and Managing Director, Dr Tim Oldham commented:

"We continue to see cancer patients benefit from CAR-T therapies after other treatments have failed. Our East-to-West strategy is designed to bring these breakthroughs in solid cancers to Western markets. Mesothelioma remains a devastating disease with limited treatment options, making the early BZDS1901 results especially encouraging.

The fact that BZDS1901 has shown response rates well above current standards, including complete responses, highlights its potential.

Manufacturing is equally critical. By transferring production to Australia and accessing advanced automation through Oribiotech, we are building a platform that can support future trials, scalability and strategic partnering."

A. Operational updates

1. "East to West" cellular immunotherapies operations launched

AdAlta's East-to-West strategy seeks to identify leading Asian cell therapy innovations and develop them for Western-regulated markets using Australian manufacturing and clinical expertise.

Co-development of BZDS1901: anti-PD1 armoured MSLN CAR-T for mesothelioma

AdAlta signed a co-development agreement with SHcell to bring BZDS1901 to markets outside China.

BZDS1901 is a clinical-stage, first-in-class armoured CAR-T therapy targeting mesothelin ("**MSLN**"), a protein linked to mesothelioma and more than ten other cancers.

Patients with advanced mesothelioma (infamously associated with asbestos exposure) currently have limited options, with existing second-line treatments (treatments after initial therapy has failed to control tumours) typically delivering: [2]

- Tumour shrinkage in only 11–29% of patients
- Complete tumour clearance being rare
- Median survival of 8–10 months

By contrast, early BZDS1901 studies in 14 patients in China have reported:

- Up to 50% overall response rate (tumour shrinkage)
- Up to 20% complete response rate (complete tumour clearance)
- Encouraging survival outcomes, with one complete responder alive at 22 months
- An earlier generation of the product achieved median survival of 25 months in an earlier study

These early results suggest BZDS1901 could represent a significant new treatment option in a large unmet market. The global market for mesothelioma-related drugs alone is forecast to reach $12.2 billion by 2034,[3] with the addressable market for BZDS1901 in advanced mesothelioma estimated at US$4.2 billion,[4] before possible expansion to other cancers.

AdAlta will receive 60% of proceeds from any commercialisation event (licensing transaction) following Phase 1 completion.

[2] See for example CONFIRM study (nivolumab against placebo): DA Fennell et al, Lancet Oncol 2021 (22) 1530
[3] https://www.biospace.com/malignant-mesothelioma-market-size-to-reach-usd-12-2-billion-by-2034-impelled-by-increasing-popularity-of-gene-therapy
[4] Assumes addressable market 90% of relapsed/refractory incidence population is MSLN positive (Servais et al 2021 Human Cancer Bio); and conservative price of US$250,000 per dose (compares with typical prices in South Korea US$270k; Japan US$300k; EU US$350k; Australia US$400k; US US$370-450k per literature sources for CD19 and BCMA CAR-T products)

Manufacturing is mission critical and took significant steps forward with CTPL and Oribiotech

Unlike conventional drugs, CAR-T therapies are manufactured individually from each patient's own cells. Manufacturing quality, speed, cost and consistency are therefore central to clinical and commercial success and heavily scrutinised in CAR-T transactions.

For regulatory and logistical reasons, BZDS1901 cannot be manufactured in China for patients anywhere else in the world. Successfully transferring and optimising BZDS1901 manufacturing in Australia is significant because it:

- Supports planned Australian clinical trials
- Demonstrates the process can be replicated outside China
- Provides confidence in global scalability
- Reduces future supply chain and regulatory risk
- Increases attractiveness to larger pharmaceutical partners evaluating licensing or acquisition opportunities

Establishing a validated and optimised Australian process can therefore create substantial strategic value beyond enabling Western clinical data alone.

BZSD1901 was selected by AdAlta because it already utilises a short (2-day compared with around 9 days for many traditional CAR-T products) and low cost manufacturing technology.

AdAlta has now executed the first Work Order with its manufacturing partner, CTPL, to bring the BZDS1901 process to Australia and optimise it in accordance with an already completed technology feasibility assessment. CTPL are capable of becoming AdAlta's global manufacturing reference site for BZDS1901.

Looking ahead, it is equally important that AdAlta have access to next generation scale manufacturing and automation platform technology. The MoU executed with CTPL and Oribiotech provides access to the IRO automated platform, which aims to deliver:[5]

- 10–50x higher throughput in the same footprint.
- Shorter manufacturing times and higher success rates.
- 30–50% potential cost savings.
- Digital tools and expertise for rapid process optimization and easy technology transfer.

This supports AdAlta's strategy to build scalable next-generation cell therapy capability.

2. Monetising i-body® enabled assets

AdAlta continues to seek partners or investors for AD-214, its lead internally developed fibrosis asset, targeting lung and kidney fibrosis. Several new enquiries were received and prospects engaged during the quarter. Recent interest has increasingly focused on kidney fibrosis.

The Company is also progressing opportunities for WD-34, its anti-malarial i-body® program, including grants, third-party funding and possible creation of a dedicated spinout company.

[5] Ori data: https://oribiotech.com/iro and https://oribiotech.com/data. Target performance metrics also based on internal Ori data.

3. Near-term objectives

AdAlta near term operational goals are:

Milestone/activity	When	Significance
BZDS1901		
➢ US FDA regulatory advice (pre-IND meeting)	H1 FY27	Confirms and de-risks remaining manufacturing and preclinical activities required prior to Phase 1
➢ Manufacturing technology transfer and optimisation	Begin Q1 FY27	Confirms reliable and cost effective "just in time" process for making each patient specific dose of BZDS1901; increases attractiveness to larger pharmaceutical partners
➢ Ongoing clinical results from China IIT study	~ Quarterly	Establishes how long BZDS1901 controls tumors and resulting survival benefit; critical indicator of potential for partners
➢ Preclinical IND-enabling studies	Begin H1 FY27	Ensure complete FDA IND (Investigational New Drug) submission to approve Phase 1 trial; supports marketing to partners
Other assets		
❖ Screening additional "East to West" assets	Ongoing	Evaluating opportunities to expand pipeline with additional assets that can be advanced to inflection points rapidly and at low cost; particularly leveraging recent OriBiotech collaboration
❖ WD-34 (malaria) and AD-214 (fibrosis) out-licensing	Ongoing	Monetises previously developed IP

B. Corporate and organization updates

1. Capital raising

The Company raised $1.2 million during Q3 FY26 via a private placement. Funds will be used to:

- Accelerate AdCella's East-to-West strategy
- Progress additional transaction opportunities
- Strengthen intellectual property
- Provide working capital

2. Board changes

Fadi Diab joined the AdAlta Board as a Non-executive Director on 18 March 2026.

Post period end, on 17 April 2026, Dr David Fuller retired as a Non-Executive Director.

3. Cash management initiatives

Operating costs continue to be tightly managed.

Underlying cash operating costs for Q3 FY26 were $0.46 million, down from $0.52 million in Q2 FY26 (excluding SHcell payment of US$1.0m (AUD$1.46m)).

C. Financial position

Net cash operating outflows for the Q3FY26 quarter were $1,925,833, inclusive of $1,463,657 paid to SHcell.

A Research & Development Tax Incentive refund of $151,727 was received in the Q3FY26 quarter following grant of an advance overseas finding in respect of offshore expenditure in the FY25 year.

During the quarter, the Company raised A$1.2 million (before costs) via a Placement to sophisticated investors at A$0.005 per share, issuing 240,000,000 ordinary shares. For every two shares issued, one free attaching option (ASX:1ADO) was granted, exercisable at A$0.01 with an expiry of 3 June 2028.

62 Capital Pty Ltd acted as Lead Manager for the Placement and received a fee of 6% of the gross proceeds raised, settled in shares and options on the same terms as the Placement (ex GST). In addition, 62 Capital were issued 75,000,000 Lead Manager Options exercisable at A$0.01, with expiry date of 3 June 2028 (ASX:1ADO) issued at A$0.000001.

The cash balance at the end of the Q3FY26 quarter was $0.83 million (versus $1.58 million at the end of the previous quarter).

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C were $163,834, which was a partial payment of previously foregone fees and salary for the Non-executive Directors and CEO and Managing Director. Further payment of Board Fees and CEO salary remain at the discretion of the Board.

D. Summary

Q3 FY26 marked a transformational quarter for AdAlta, with the formal launch of its East-to-West cellular immunotherapy strategy through the SHcell collaboration.

The early BZDS1901 data – showing frequent tumour responses and complete tumour clearance in some advanced mesothelioma patients – highlights the potential value of the program.

At the same time, major progress in Australian manufacturing capability and access to next-generation automation strengthens AdAlta's ability to create value through future development, partnering and commercialisation.

For an opportunity to engage in a virtual discussion of this report see:
https://investorhub.adalta.com.au/link/y5XDzP

This ASX announcement has been authorised for release by the Board of AdAlta Limited (ASX:1AD).

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For more information

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Appendix 4C

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

Name of entity	
ADALTA LIMITED	
ABN	**Quarter ended ("current quarter")**
92 120 332 925	31 March 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(1,552)	(1,993)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(82)	(213)
	(f) administration and corporate costs	(449)	(1,099)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	7
1.5	Interest and other costs of finance paid	-	(53)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	152	934
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,926)**	**(2,417)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(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)	-	-
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)	1,200	2,807
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	(29)	(38)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(425)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – (provide details if material) - Repayment in respect to Investment Agreement	-	(405)
3.10	**Net cash from / (used in) financing activities**	**1,171**	**1,939**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,583	1,306
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,926)	(2,417)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
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)	1,171	1,939
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**828**	**828**

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	78	40
5.2	Call deposits	750	1,543
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)**	**828**	**1,583**

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	164
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

The amount at 6.1 includes ad hoc Director fees and CEO and Managing Director salary paid during the period. Non-executive Director fees for the period since September 2025 and CEO/Managing Director salary for since October 2025 remain at the discretion of the Board.

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)	(1,926)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	828
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	828
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	**0.4**

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?

The Company continues to prioritise its "East to West" cellular immunotherapy strategy while seeking to monetise its i-body® enabled assets. Activity is managed in accordance with available cash reserves and in collaboration and consultation with partners. The current quarter included a license payment in respect of BZDS1901 of US$1.0m (AUD$1.46m) and $164k of Directors fees and Managing Director salary which remain at the discretion of the Board. Without these payments, the estimated quarters of funding available would be 2.8.

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?

Yes. The Company has engaged advisors to assist with a proposed capital raise. It is also evaluating options to secure additional financing facilities leveraging its future R&D Tax Incentive rebates.

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?

Yes, on the basis of its fund raising initiatives and ability to manage its cash flows.

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.

30 April 2026

Date: .....

The Board

Authorised by: .....
(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.