QBIOTICS GROUP SHAREHOLDER UPDATE

February 2025

KEY POINTS AND HIGHLIGHTS

- Strong preliminary data from Phase IIa clinical trial in Soft Tissue Sarcoma presented at key conferences.
- Medical leadership strengthened with the appointment of Professor Victoria Elegant as Chief Medical Officer and Professor Aurelien Marabelle as key advisor.
- Leading global clinical oncology experts appointed to QBiotics' newly established Clinical Advisory Board.
- $7.4m R&D tax incentive refund received.
- Cash at bank as of 31 December 2024 stood at AU$39.2m.

Dear Shareholders,

We are pleased to provide the following update on the key activities of QBiotics Group Limited (QBiotics) since our last shareholder newsletter in August.

Human Oncology (tigilanol tiglate)

Clinical trial – soft tissue sarcoma

We were pleased to report that strong preliminary results had been presented last September and December from our Soft Tissue Sarcoma (STS) Phase IIa trial. The presentations followed completion of recruitment in June of the Phase IIa open label, single-arm clinical trial, which evaluated tigilanol tiglate in 10 patients with advanced STS (QB46C-H07) at Memorial Sloan Kettering Cancer Center (New York, USA).

Principal Investigator, Edmund Bartlett, MD from Memorial Sloan Kettering Cancer Center, presented a poster at the European Society for Medical Oncology (ESMO) Congress 2024 in Spain, September 2024. The preliminary data showed that tigilanol tiglate appears safe for patients with STS. Efficacy was observed across numerous STS histologic types, exceeding the primary endpoint for a promising response and the tolerability and activity warranted further investigation of tigilanol tiglate in patients with STS either alone or in combination with other agents.

Further data on the same patient cohort was then presented by Edmund Bartlett, MD, at the Connective Tissue Oncology Society (CTOS) Annual Meeting in San Diego, November 2024. In addition to preliminary data, where 10 complete responses and 8 partial responses were observed from the 26 tumours treated, the CTOS presentation included additional observations made by the investigators showing that patients with metastatic STS disease, who were originally non-responsive to systemic therapies, began to respond to systemic therapy after treatment with tigilanol tiglate.

A final report from the initial arm of the trial is expected by March 2025.

The CTOS data support QBiotics' hypothesis on possible mechanisms of action for tigilanol tiglate and led QBiotics to extend the study. Ethics approval has been granted for this study extension and QBiotics is preparing to initiate the extension arm by March 2025. Supported by the Orphan Drug Designation (granted to tigilanol tiglate in STS by the US Food and Drug Administration in February 2024) and the strong data presented at the ESMO and CTOS meetings, we are working with regulatory consultants to outline a path forward towards registration in this indication.

Clinical trial – head & neck cancer

The multi-centre QB46C-H08 Phase II clinical trial in head and neck cancer is an open-label, single-arm study, to assess the efficacy of tigilanol tiglate in patients with a broad range of solid tumours of the head and neck region. The trial is currently recruiting at five sites in the United Kingdom and two sites in Australia.

Partnering of tigilanol tiglate

We continue to engage with target partner companies regarding the potential to bring tigilanol tiglate into the later stages of development and for its registration and full commercialisation.

As mentioned above, Edmund Bartlett, MD, lead clinician on our STS trial presented strong preliminary data and observations at the European Society for Medical Oncology Annual Conference in September 2024 and at the Connective Tissue Oncology Society Annual Meeting in November 2024. Such presentations are key to engaging the interest of potential pharmaceutical and biotech company partners, worldwide.

Wound Healing (EBC-1013)

Our first in human Phase I wound healing safety trial in trial (EBC-1013) is now open across four sites in Australia and aims to recruit up to 35 adult patients.

EBC-1013 is a topically applied semi-synthetic small molecule for the treatment of a wide range of chronic and acute wounds and burns. The clinical trial is a placebo-controlled, multi-centre, Phase I dose escalation trial to assess the safety and tolerability of EBC-1013 in patients with Venous Leg Ulcers (VLUs).

Corporate update

Board of Directors

Mark Fladrich was appointed as Non-Executive Chair following the sudden and unexpected passing of Dr Susan Foden. Sue's contributions to QBiotics and to the industry as a whole were immeasurable, and her loss has been deeply felt by all who had the privilege of knowing and working with her.

After long and productive tenures, Professor Bruce Robinson AC and Mr Andrew Denver retired from the board at the Company's Annual General Meeting in November 2024. David Phillips assumed the roles of Chair of the Audit and Risk Management Committee and Chair of the Remuneration Committee.

Clinical Advisory Board

We established a Clinical Advisory Board (CAB), appointing leading global clinical oncology experts to provide strategic guidance for QBiotics' human oncology programme. The CAB is chaired by Professor Alexander Eggermont, MD, PhD and includes esteemed oncology and drug development experts, Professor Aurelien Marabelle, Professor Kevin Harrington, Professor Ignacio Melero, Dr Edmund Bartlett, Dr Jason Luke and Dr Alan Barge.

Medical Leadership strengthened

We announced the strengthening of our medical leadership with the appointment of Professor Victoria Elegant as Chief Medical Officer and Professor Aurelien Marabelle as a consultant and key advisor for the Company's oncology programme. Professor Marabelle will collaborate with QBiotics on the development and strategic direction of our human oncology drug development and commercialisation programme.

Conference presentations

In addition to data presentations at European Society for Medical Oncology (ESMO) Congress 2024 in Spain and the Connective Tissue Oncology Society (CTOS) Annual Meeting in San Diego, I was also pleased to present at the Bell Potter Healthcare Conference, in November (virtual conference).

Financial update

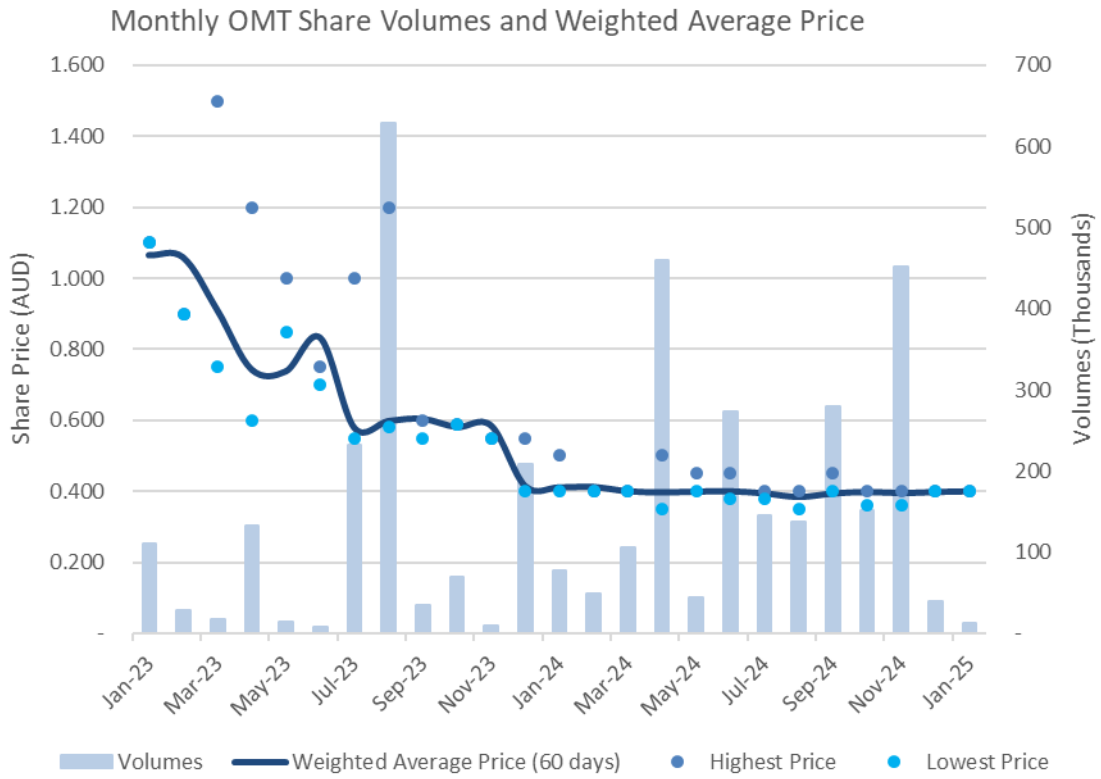
In November 2024, QBiotics received a $7.4 million cash refund from the Australian Federal Government's R&D Tax Incentives related to eligible R&D expenditure incurred during the year ended 30 June 2024.

The Interim Financial Report for the six months ended 31 December 2024 was lodged with the Australian Securities and Investments Commission (ASIC) in early February 2025 and is available on the Company's website.

As of 31 December 2024, cash at bank was $39.2 million, with an average cash burn rate for the period 1 July 2024 to 31 December 2024 of $2.1 million per quarter (2024: $3.9 million per quarter).

Buying and selling QBiotics shares

A summary of the recent Off Market Trading data can be found in the graph below.



If you have any questions, or require clarification on any of the above, please contact the Company. Shareholder enquires should be directed to QBiotics Group by emailing investors@qbiotics.com. Shareholders are encouraged to view the 'Announcements' page of the Company's website for the latest Company announcements.

As noted in our recent email to shareholders, we are committed to improving communication with you, our valued shareholders. To this extent, in addition to our announcements, annual and half year financial reporting, annual general meeting and the shareholder newsletters, we are excited to introduce shareholder webinars as part of our ongoing engagement efforts to keep you informed and engaged.

The first shareholder webinar is scheduled for 10am (AEDT) on 26 March 2025. The webinars will give shareholders an opportunity to hear directly from me on recent developments and share insights into upcoming milestones. Shareholders will also have an opportunity to submit any questions ahead of the webinar. Full details including registration and dial-in information is available below.

QBiotics Group shareholder webinar:

Date: Wednesday 26 March
Time: 10:00am AEDT
Registration: https://us02web.zoom.us/webinar/register/WN_mt_AxsvYQ6WG0pq1xhBfEA

Thank you for your ongoing support which underpins our vision, our drive and all our achievements.

Yours sincerely,

Stephen Doyle
Chief Executive Officer and Managing Director

DISCLAIMER

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This shareholder update may contain forward-looking statements concerning the Company's business, operations, financial performance and condition as well as the Company's plans, objectives and expectations for its business, operations, financial performance and condition. Any statements that are not of historical facts may be deemed to be forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates and management's beliefs and assumptions. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties, assumptions and other factors that are in some cases beyond the Company's control. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. As a result, any or all of the Company's forward-looking statements in this update may eventuate to be inaccurate.