

## ASX ANNOUNCEMENT

ASX: 1AI | 21 January 2026

## \$3 MILLION DEBT FACILITY SECURED WITH SCOTPAC

### Highlights

- **\$3.0 million debt finance facility secured with ScotPac, a leading Australian lender specialising in invoice and working capital finance.**
- **Revolving and flexible:** funds can be drawn and repaid as required, with interest charged only on amounts utilised.
- **Non-dilutive financing** that complements the Company's existing cash reserves.
- **Supports scaling of Algorae's revenue-generating commercialisation operations, including inventory funding and execution of supply opportunities across ANZ.**

Algorae Pharmaceuticals Ltd (ASX:1AI) ("Algorae" or "the Company") is pleased to announce that it has secured a **A\$3.0 million** receivables-based working capital facility with **ScotPac Business Finance** ("ScotPac") for an initial term of 24 months.

This funding strengthens AlgoraeRx's ability to expand its revenue-generating commercial operations by enabling faster deployment of capital into inventory, supply execution and scaling customer demand across Australia and New Zealand. The facility is revolving and self-liquidating, enabling the Company to draw down and repay funds flexibly as needed, with interest applying only to funds utilised.

The facility is secured against AlgoraeRx's trade receivables and supported by a parent guarantee from Algorae Pharmaceuticals Ltd, complementing existing cash resources to optimise overall working capital management.

### Key terms (summary)

- **Limit:** A\$3.0 million
- **Type:** Receivables-based, revolving
- **Initial Term:** 24 months
- **Interest Rate:** BBSY + 6.70% (Bank Bill Swap Rate for Jan is 3.6025%)
- **Economics:** Revolving with interest charged only on drawn amounts; standard arrangement, management and other fees & conditions apply
- **Counterparty:** ScotPac Business Finance

**Authorised for release by the Board of Directors of Algorae Pharmaceuticals Ltd**

**END.**

## Corporate and Media Enquiries

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Executive Chairman

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## About Algorae Pharmaceuticals

Algorae Pharmaceuticals Ltd (ASX: 1AI) is an AI-enabled pharmaceutical company with a dual focus on drug-combination discovery and pharmaceutical commercialisation. The Company's proprietary AI platform, AlgoraeOS, applies artificial intelligence to identify synergistic drug combinations and inform preclinical experimental design.

In parallel, Algorae operates a commercialisation business, AlgoraeRx, which sources, licenses and supplies generic and specialty medicines in Australia and New Zealand through manufacturing partners and established distribution channels. Algorae collaborates with research institutions and industry partners to translate AI-predicted therapies and expand patient access to high-quality medicines.

For more information visit [www.algoraepharma.com](http://www.algoraepharma.com) or follow @algoraepharma on X or LinkedIn.

## Forward-looking Statements

This document may contain certain forward-looking statements, relating to Algorae's business, which can be identified by the use of forward-looking terminology such as "promising," "probable", "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates, nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales.

In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, or expected. Algorae is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.