

ASX Announcement

3 August 2026

Japanese patent granted for CBD capsule

Key Highlights

- Japanese patent granted covering Avecho's proprietary TPM[®]-enhanced cannabidiol (CBD) capsule
- Adds to patents already granted in the United States and Europe, covering three of the world's largest pharmaceutical markets
- Insomnia affects an estimated 14 million adults in Japan — a significant commercial opportunity for Avecho's CBD capsule
- Granted patents provide long-dated protection, running to 2043 in the United States and to 2041 in Europe and Japan
- Patent applications remain in progress across all other key commercial territories, further strengthening global protection for Avecho's CBD product

Melbourne, Australia, 3 August 2026: Avecho Biotechnology Limited (ASX: AVE) ("Avecho" or "the Company") is pleased to announce that a patent relating to its proprietary TPM[®]-enhanced cannabidiol (CBD) capsule has been granted in Japan.

The Japanese patent represents another important addition to Avecho's growing international intellectual property portfolio for its lead CBD product, which is currently undergoing pivotal Phase III clinical development for the treatment of insomnia.

The grant in Japan follows the grant of the corresponding patents in the United States and Europe, providing Avecho with long-dated protection running to 2043 in the United States and to 2041 in both Europe and Japan. Japan is the world's third-largest pharmaceutical market¹, and insomnia is highly prevalent, with published studies estimating that it affects around 13–14% of adults — approximately 14 million people². Securing patent protection in Japan therefore represents a significant commercial opportunity for Avecho as it advances its CBD capsule towards registration.

Corresponding patent applications remain under review across all other key commercial territories. Together, these applications are intended to provide broad international protection for Avecho's CBD capsule and support its continued clinical development, commercialisation and regional licensing activities.

Avecho CEO Dr Paul Gavin said: "The grant of this patent in Japan represents another important step in establishing comprehensive global intellectual property protection for our CBD capsule.

"Japan joins the United States and Europe as jurisdictions where our core patent has now been granted, giving us protection across three of the world's most significant pharmaceutical markets. With applications continuing to advance elsewhere, we are building a strong international patent position around our lead product as it moves through Phase III development."

Avecho's CBD capsule combines cannabidiol with the Company's proprietary Tocopheryl Phosphate Mixture (TPM[®]) drug delivery technology, which has been demonstrated to improve the absorption of CBD.

¹ IQVIA and Japan Ministry of Health, Labour and Welfare (MHLW) data, as reported in the U.S. Department of Commerce Japan Country Commercial Guide (trade.gov).

² Itani O, Jike M, Watanabe N, Kaneita Y. Nationwide epidemiological study of insomnia in Japan. *Sleep Medicine* 2016;25:130–138.



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This announcement has been authorised by the Board of Directors of Avecho Biotechnology Limited.

About Avecho

Avecho Biotechnology Limited develops and commercialises innovative Human and Animal Health products using its proprietary drug delivery system called Tocopheryl Phosphate Mixture (TPM®). TPM is derived from Vitamin E using unique, proprietary and patented processes and is proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients.

Avecho's lead asset is a proprietary cannabidiol ("CBD") TPM soft-gel capsule demonstrated to increase CBD absorption. The CBD soft-gel capsule is currently undergoing Phase III clinical development for the treatment of insomnia.

See more here - avecho.com.au

About Insomnia

Insomnia is a sleep disorder defined as dissatisfaction with sleep quantity or quality associated with difficulty initiating sleep, difficulty maintaining sleep and the inability to return to sleep on awakening. It can manifest as a primary indication or be symptom of other disorders, including anxiety and depression. Chronic insomnia is the most prevalent manifestation, characterised by insomnia symptoms occurring at least three nights per week and for at least three months. Consequences of insomnia include daytime sleepiness, poor memory function, decline in concentration with negative impacts on social and work activities. Approximately 10-30% of the global population have symptoms of insomnia, with 10-15% classified as chronic³. Based on the current global population, up to 237M people are affected by insomnia, with the sleep economy and sleep aids market estimated to reach US\$950Bn by 2032⁴. In Australia, as many as ~60% of the population have at least some symptoms of insomnia with a total cost to the Australian economy estimated to be A\$19.1 billion⁵. In August 2023, the Australian Government issued a statement indicating that sleep health should be considered a national priority as important as fitness and nutrition⁶.

About Avecho's Phase III Trial Program

The Company is currently conducting a pivotal (Phase III), multi-centre, randomized, double-blind, placebo-controlled clinical trial evaluating the efficacy and safety of CBD TPM soft-gel capsules in adults for use in the reduction of insomnia severity. The trial is the largest of its kind testing cannabidiol, taking place at multiple sites around Australia. Aided by advice from international sleep and regulatory experts, the trial has been designed to meet the requirements of the Australian Therapeutic Goods Administration ("TGA"), US Food and Drug Agency and the European Medicines Agency. Trial Participants will be randomly assigned to one of three groups to receive nightly doses of either 75mg or 150mg of CBD, or a placebo for eight weeks. Participants will use validated questionnaires and daily sleep diaries over the course of the study to record the duration and quality of their sleep.

Further information about the study can be found at ClinicalTrials.gov (Study Identifier: NCT05840822).

³ <https://www.thegoodbody.com/insomnia-statistics/>

⁴ <https://finance.yahoo.com/news/sleep-economy-sleep-aids-market-133100851.html>

⁵ <https://www.deloitte.com/au/en/services/economics/analysis/rise-try-to-shine.html>

⁶ <https://www.health.gov.au/sites/default/files/2023-08/bedtime-reading-inquiry-into-sleep-health-awareness-in-australia.pdf>

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A successful Phase III trial is Avecho's final clinical step in support of a submission to the TGA for pharmaceutical registration of the CBD TPM soft-gel capsule for the management of insomnia. This opportunity is particularly significant in Australia, where regulatory changes in 2020 allow for over-the-counter sales of CBD products direct from pharmacy without a prescription, provided they gain appropriate approvals. Avecho has an opportunity to be the first in this area as no other Phase III CBD trials in Australia have succeeded. Initial projections estimated the Australian over-the-counter CBD market would grow to over US\$125M per annum⁷.

Forward-Looking Statements

Certain statements in this announcement are forward looking statements. Forward-looking statements can generally be identified by the use of words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "may", "assume" and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

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Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, Avecho disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of Avecho since the date of the announcement.

Avecho's major projects include delivering TPM enhanced injectable, oral and topical products for the human health market, including the recently announced application of TPM to cannabinoids. The Company is also developing TPM® to enhance feed efficiency and health of livestock.

⁷ Fresh Leaf Analytics, Australian Medicinal Cannabis Market, H1 2021
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