ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, and is subject to the safe harbor created by those sections. For more information, see "Cautionary Note Regarding Forward-Looking Statements." When reviewing the discussion below, you should keep in mind the substantial risks and uncertainties that impact our business. In particular, we encourage you to review the risks and uncertainties described in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024. These risks and uncertainties could cause actual results to differ materially from those projected or implied by our forward-looking statements contained in this report. These forward-looking statements are made as of the date of this management's discussion and analysis, and we do not intend, and do not assume any obligation, to update these forward-looking statements, except as required by law.

The following discussion should be read in conjunction with our condensed consolidated financial statements and accompanying notes thereto contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, and with our audited consolidated financial statements and accompanying notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

All amounts are expressed in United States dollars unless otherwise stated.

OVERVIEW

Aptose Biosciences Inc. ("Aptose," the "Company," "we," "us," or "our") is a science-driven clinical stage biotechnology company committed to the development and commercialization of precision medicines addressing unmet clinical needs in oncology, with an initial focus on hematology. The Company's small molecule cancer therapeutics pipeline includes products designed to provide single agent efficacy and to enhance the efficacy of other anti-cancer therapies and regimens without overlapping toxicities. The Company's executive offices are located in San Diego, California, and our head office is located in Toronto, Canada.

Aptose Programs

Tuspetinib, ("Tuspetinib" or "TUS"), Aptose's lead program, is being developed for frontline combination therapy in newly diagnosed acute myeloid leukemia ("AML") patients to unlock the most significant patient impact and greatest commercial opportunity. AML is a highly aggressive cancer of the bone marrow and blood, and there is a tremendous unmet need for an improved therapy that can extend the survival of newly diagnosed AML patients and improve their quality of life. Newly diagnosed older AML patients typically fail all frontline (1L) therapies, and responses to subsequent salvage therapies in the relapsed or refractory (R/R) setting are limited, highlighting the need for a more effective triple drug ("triplet") combination therapy to increase survival in the frontline setting.

While AML can occur at any age, the majority of patients are over 65 years and the median age of diagnosis is 68 years. The current standard of care treatment in the 1L setting for these "older" newly diagnosed AML patients includes a doublet combination of venetoclax and a hypomethylating agent ("VEN+HMA"). Exploratory triple drug therapies ("triplets") using currently available drugs as 3rd agents added to VEN+HMA have achieved notable response rates but are compromised because of toxicities and limited activity only in certain subpopulations of AML patients. In contrast, tuspetinib is a convenient, orally administered, once-daily kinase inhibitor that targets select kinases operative in AML and exerts broad activity across AML populations including those with adverse genetics. However, tuspetinib avoids targeting kinases that typically cause toxicities associated with other kinase inhibitors and has demonstrated an excellent safety profile. These properties position tuspetinib as an ideal 3rd agent to add to the VEN+HMA backbone therapy, creating a superior, safer, and mutation-agnostic frontline triplet (TUS+VEN+HMA) to treat newly diagnosed AML.

Aptose is conducting a Phase 1/2 clinical trial (TUSCANY Study) to develop tuspetinib in a TUS+VEN+HMA triplet drug combination to treat newly diagnosed AML patients currently in the United States only. The tuspetinib-based TUS+VEN+AZA triplet frontline combination therapy in newly diagnosed AML patients at the 40 mg initial dose of TUS already has achieved complete remissions ("CRs" and often referred to as "complete responses") and MRD-negativity (no measurable residual disease) in difficult-to-treat AML patients, and these patients have experienced no significant safety concerns or dose-limiting toxicities to date. Following enrollment of the 40 mg TUS dose level, the dose was escalated to 80 mg TUS with the TUS+VEN+AZA triplet in a separate set of patients. The 80 mg dose level completed enrollment and demonstrated continued safety and CRs. Following the 80 mg dose level, the dose was escalated to 120 mg in a new set of patients in the TUS+VEN+AZA triplet. As of June 30, 2025, 10 patients have been enrolled across the three dose levels. On August 6, 2025, Aptose announced an escalation from the 120 mg TUS dose to the 160 mg TUS dose, based on its favorable review of safety and efficacy data from patients in the first three cohorts (40 mg, 80 mg, and 120 mg TUS dose levels) of the trial. As of October 30, 2025, 4 patients have been administered 160 mg TUS as part of the TUS+VEN+AZA

triplet. Following completion of the 160 mg dose level, we expect to select two dose levels for expansion and to dose up to 10 patients total on each of those dose levels. This expansion effort is designed to select the optimal doses for advancement into Phase 2/3 clinical trials. As the ongoing TUSCANY study matures, we expect to continue delivering additional important clinical data (CR and MRD negativity rates, safety, and survival) over the next 6 to 12 months.

Before advancing to the TUS+VEN+HMA triplet, it was essential to understand the safety, tolerability, and anti-leukemic activity of tuspetinib as a single agent (TUS alone) and as the TUS+VEN doublet combination. Therefore, we conducted a global clinical trial of TUS as a single agent in patients with relapsed or refractory (R/R) AML followed by a trial with the TUS+VEN doublet therapy in R/R AML patients. With experience gained from these studies, Aptose has now initiated the TUS+VEN+HMA frontline therapy to treat newly diagnosed AML patients who are ineligible for intensive chemotherapy.

To be precise, we have now completed a dose-escalation and dose-exploration international Phase 1/2 clinical trial to assess the safety, tolerability, pharmacokinetics, pharmacodynamic responses, and clinical activity of TUS as a single agent in patients with R/R AML. Significant reductions in bone marrow blasts and clinical responses without dose-limiting toxicities were achieved at four dose levels (40, 80, 120, and 160 mg) across a broad diversity of mutationally defined AML populations while maintaining a favorable safety profile. Tuspetinib has continued to demonstrate a favorable safety profile to date and has caused no drug-related QTc prolongations, significant liver or kidney toxicities, muscle damage, or differentiation syndrome, and no myelosuppression with continuous dosing of patients in remission. At a dose of 80 mg, tuspetinib demonstrated notable response rates in R/R AML patients that had never been treated with venetoclax (VEN-naive AML): CR/CRh=36% among all-comers, CR/CRh=50% among patients with mutated FLT3, and CR/CRh=25% in patients with unmutated FLT3.

After completing the single-agent dose escalation and exploration trial, tuspetinib advanced to the APTIVATE expansion trial of the Phase 1/2 program to evaluate the TUS+VEN doublet in relapsed/refractory ("R/R") AML patient populations. The TUS+VEN doublet combination therapy maintained a favorable safety profile: no new or unexpected safety signals were observed, and no drug-related adverse events involving QTc prolongation, differentiation syndrome, or deaths were reported. The TUS+VEN doublet combination also achieved significant bone marrow reductions and clinical responses in heavily pretreated R/R AML patients, including those with mutated TP53, mutated NKRAS, wildtype or mutated FLT3, and those who had failed prior therapy with venetoclax ("Prior-VEN") or FLT3 inhibitors ("Prior-FLT3i").

Collectively, the clinical safety and efficacy data with TUS single agent and TUS+VEN doublet in R/R AML patients positioned tuspetinib for development as the TUS+VEN+HMA triplet in newly diagnosed AML patients. Newly diagnosed AML patients are VEN-naïve, FLT3i-naïve, and HMA-naïve – this patient population is expected to be highly responsive to a tuspetinib-containing triplet therapy. Based on the safety and efficacy profile of tuspetinib, we believe that tuspetinib as part of the TUS+VEN+HMA triplet, if approved, could establish a new standard of care therapy for newly diagnosed patients with mutated or unmutated FLT3 and in patients with other adverse genetic abnormalities. These beliefs regarding potential patient treatment and commercial opportunities are based on management's current assumptions and estimates, which are subject to change, and there can be no assurance that tuspetinib will ever be approved or successfully commercialized, or that, if approved and commercialized, it will ever generate significant revenues. See our "Risk Factors – "We are an early-stage development company with no revenues from product sales" and "We have a history of operating losses. We expect to incur net losses, and we may never achieve or maintain profitability" in our Annual Report on Form 10-K filed with the SEC on March 28, 2025.

Luxeptinib ("LUX") is an orally administered, highly potent kinase inhibitor that selectively targets defined clusters of kinases that are operative in hematologic malignancies. LUX has demonstrated clinical activity in R/R AML and in R/R B-cell cancer patients but has not consistently achieved the necessary exposure levels to drive responses. Absorption of the original G1 formulation hindered the effectiveness of luxeptinib, so a new G3 formulation was developed. Clinical evaluation of the G3 formulation has been completed in a single dose bioavailability study across five dose levels and then with continuous dosing using two different dose levels. The G3 formulation achieved improved plasma exposure benchmark, with approximately 10-fold better absorption, and comparable to better tolerability than the original formulation. We are not exploring alternative development paths or collaborations for LUX. Given current funding and our prioritization of tuspetinib, we have paused funding the development of luxeptinib. For further information about the historical development of Luxeptinib, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

PROGRAM UPDATES

Tuspetinib

Indication and Clinical Trials:

Tuspetinib is an oral, highly potent, small molecule inhibitor of kinases operative in myeloid malignancies and known to be involved in tumor proliferation, resistance to therapy and differentiation. Preclinical *in vitro* and *in vivo* studies suggest that tuspetinib may be an effective monotherapy and combination therapy in patients with hematologic malignancies including AML. A U.S. based Phase 1/2 clinical trial with the TUS+VEN+HMA triplet drug combinations in newly diagnosed AML patients is currently being conducted. An international Phase 1/2 clinical trial has been completed in patients with relapsed or refractory AML, in which patients received either TUS single agent or the TUS+VEN doublet. That study delivered evidence of excellent safety and robust clinical activity, including multiple complete remissions (CRs) in R/R AML patients with various disease genotypes, and the resulting data enabled advancement of TUS into the TUS+VEN+AZA triplet TUSCANY clinical study.

The FDA granted orphan drug designation to tuspetinib for treating patients with AML in October 2018. The FDA grants orphan drug designation to encourage companies to develop therapies for treating diseases that affect fewer than 200,000 individuals in the United States. Orphan drug status provides research and development tax credits, an opportunity to obtain grant funding, exemption from FDA application fees and other benefits. The orphan drug designation also provides us with seven additional years of marketing exclusivity in this indication.

On December 3, 2024, the Company announced that the National Cancer Institute (“NCI”), part of the National Institutes of Health, and Aptose Biosciences Inc. have entered into a Cooperative Research and Development Agreement (“CRADA”). Under the CRADA, the NCI and Aptose will collaborate on the clinical development of Aptose’s proprietary lead clinical-stage compound tuspetinib, an inhibitor of key signaling kinases involved in myeloid malignancies, in the NCI Cancer Therapy Evaluation Program (“CTEP”) sponsored myeloMATCH trials employing combinations of targeted therapy for the treatment of molecularly defined acute AML and myelodysplastic syndromes (“MDS”) populations. These trials will be conducted by NCI’s National Clinical Trials Network (“NCTN”), with the participation of the NCI Community Oncology Research Program (“NCORP”) in the U.S. and Canada.

The myeloMATCH precision medicine trials (NCT05564390), funded by the NCI, were officially launched on May 16, 2024. myeloMATCH aims to expedite the development of tailored drug combination treatments for patients with newly diagnosed AML and MDS and to treat patients with these aggressive cancers of the blood and bone marrow from diagnosis throughout their treatment journey.

Manufacturing*:*

Following the Tuspetinib licensing agreement between Aptose and Hanmi on November 4, 2021 (the "Tuspetinib Licensing Agreement"), Aptose received from Hanmi an existing inventory of drug product expected to support continuation of the current Phase 1/2 study. The Company and Hanmi also entered into a separate supply agreement in 2022 for additional production of new drug substance and drug product to support further clinical development. Additional batches of API and drug product have been produced by other companies during 2022 and 2023.

Program Updates at Recent Scientific Forums:

On October 16, 2025, Aptose announced that Tuspetinib exceeds expectations when combined with standard of care treatment across diverse populations of newly diagnosed AML. Aptose announced that data from the ongoing TUSCANY trial of tuspetinib in combination with venetoclax and azacitidine (TUS+VEN+AZA) were presented in a poster presentation, entitled “TUSCANY Study of Safety and Efficacy of Tuspetinib plus Standard of Care Venetoclax and Azacitidine in Study Participants with Newly Diagnosed AML Ineligible for Induction Chemotherapy,” at the European School of Haematology (ESH) 7th International Conference on Acute Myeloid Leukemia “Molecular and Translational”: Advances in Biology and Treatment, being held from October 16-18, 2025 in Estoril, Portugal. Data to date from 10 patients in the TUSCANY trial across all three cohorts, 40 mg, 80 mg or 120 mg TUS dose in TUS+VEN+AZA, reveal promising clinical safety and antileukemic activity and support the use of TUS with standard of care treatment across a broad range of AML populations, including those carrying adverse mutations regardless of FLT3 mutation status.

Key Messages included:

- TUS in combination with standard dosing of VEN+AZA has been well tolerated with no DLT, no treatment-related deaths, no differentiation syndrome, no QTc prolongation, no prolonged myelosuppression after remission in Cycle 1, and no CPK elevations reported at any dose levels to date in these newly diagnosed AML patients.
- Addition of TUS to VEN+AZA achieved CR/CRh responses in 6/6 (100%) patients treated at the higher dose levels of 80 mg and 120 mg TUS, exceeding the 66% rate expected from VEN+AZA alone.

- Oveall, TUS+VEN+AZA CR/CRh responses were observed in 9/10 (90%) patients.
    - 7 of 8 (88%) CR/CRh responses in FLT3 wildtype AML, representing 70% of AML population.
    - TUS+VEN+AZA MRD-negativity noted in 7/9 (78%) responding patients by central flow cytometry.
    - CR/CRh responses achieved across diverse mutational subtypes including: unmutated FLT3, FLT3-ITD, NPM1c, biallelic TP53 with complex karyotype, RAS, and myelodysplasia related mutations.
    - Dosing at the TUS 160 mg level is now ongoing.

On August 6, 2025, Aptose announced that the Cohort Safety Review Committee (the "CSRC") monitoring Aptose's Phase 1/2 TUSCANY trial of TUS in combination with standard of care dosing of venetoclax and azacitidine (TUS+VEN+AZA triplet) has approved escalating from 120 mg TUS dose to 160 mg TUS dose based on its favorable review of safety and efficacy data from patients in the first three cohorts (40 mg, 80 mg, and 120 mg TUS dose levels) of the trial. Enrollment is open for dosing subjects at the 160 mg TUS dose level.

Key Messages included:

- Safety Review Committee endorses escalation to 160 mg TUS dosing.
- Cohorts with 120 mg, 80 mg, 40 mg TUS dosing completed with no dose-limiting toxicities.
- Excellent safety and complete remissions (CRs) in some of the most difficult-to-treat AML populations.
- No dose reductions required to the standard-of-care VEN/AZA with TUS dose cohorts.
- TUS+VEN+AZA triplet continues to achieve CRs and minimal residual disease (MRD)-negativity with favorable safety in newly diagnosed AML patients.

On June 12, 2025, Aptose presented clinical data on safety, response, and MRD-negativity from the TUSCANY Phase 1/2 clinical trial of Tuspetinib triplet therapy in newly diagnosed AML patients during an oral presentation at the European Hematology Association Congress (EHA 2025), held from June 12-15, 2025, in Milan, Italy. The title of the presentation was "TUSCANY Study of Safety and Efficacy of Tuspetinib Plus Standard of Care Venetoclax and Azacitidine in Study Participants with Newly Diagnosed AML Ineligible for Induction Chemotherapy". Dr. Gabriel Mannis, Associate Professor of Medicine, Stanford University School of Medicine, key opinion leader (KOL) in the treatment of AML, and an investigator in the TUSCANY study, delivered the oral presentation and reported safety and efficacy data from the first two dose cohorts at 40 mg of TUS or 80 mg of TUS in the TUS+VEN+AZA triplet. Dr. Mannis also noted that three patients were rapidly enrolled on the third dose cohort of 120 mg TUS in the TUS+VEN+AZA triplet, and that no DLTs have been observed to date. The oral presentation also included minimal residual disease (MRD-negativity) assessments and a longer duration of follow-up.

The TUS+VEN+AZA triplet is being developed as a mutation-agnostic frontline therapy to treat large, mutationally diverse populations of newly diagnosed AML patients who are ineligible to receive induction chemotherapy. The data presented reveal complete responses across patients with diverse mutations, including TP53-mutated/CK AML and FLT3-wildtype AML patients. TUS could have a significant commercial opportunity in the largest markets and the most challenging of AML cases, following regulatory clearance.

Key Messages included:

- Addition of TUS to the standard of care VEN+AZA creates a well-tolerated and mutation-agnostic frontline triple drug therapy for newly diagnosed AML patients.
- AML patients with diverse mutations, including TP53-mutated/CK and FLT3-wildtype, safely achieved complete remissions and MRD negativity.
- Ten AML patients dosed across 40 mg, 80mg, and 120 mg TUS with TUS+VEN+AZA triplet.

Key Findings included:

- As of June 30, 2025, ten newly diagnosed AML patients received the TUS+VEN+AZA combination:
    - Four received the 40 mg dose of TUS, three received the 80 mg dose of TUS, and three received the 120 mg dose of TUS

- At the initial dose of 40 mg TUS (n=4), with patients on the longest duration of drug:
    - Three subjects achieved CRs and were MRD-negative, including
        - Patient with FLT3-ITD
        - Patient with FLT3-WT
        - Patient with TP53/CK
- At the 80 mg TUS dose level (n=3):
    - All three patients (100%) achieved composite complete remissions (CR and CRi)
    - A TP53-mutated/CK AML patient achieved an CRh
    - Too early in treatment for final MRD assessment
- At the 120 mg TUS dose level (n=3):
    - All three patients at the 120 mg TUS dose level remain on therapy
    - All three patients (100%) already achieved composite complete remissions (CR and CRi)
    - Too early in treatment for formal MRD assessments
- Regardless of mutation status, TUS is active in newly diagnosed AML patients
    - MRD-negative responses achieved across diverse genetic populations, including adverse TP53 mutations and CK
    - Responses continue to evolve, and the triplet continues to be well tolerated with no DLTs
- TUS can be administered safely with standard-of-care dosing of VEN/AZA
    - TUS PK properties not altered by VEN, AZA, antifungals or food
    - No prolonged myelosuppression in Cycle 1 in the absence of AML
    - No treatment-related deaths; 9 out of 10 enrolled subjects remain on study
    - No treatment-related QTc prolongation, CPK elevations, or differentiation syndrome

On February 20, 2025, Aptose announced that the CSRC monitoring Aptose's Phase 1/2 TUSCANY trial of tuspetinib in combination with standard of care dosing of venetoclax and azacitidine (TUS+VEN+AZA triplet) has unanimously approved escalating from a 40 mg dose of TUS to an 80 mg dose of TUS based on its favorable review of data from the first four patients in the trial. No significant safety concerns or dose-limiting toxicities (DLTs) have been reported, including no prolonged myelosuppression of subjects in remission. All four subjects treated in the 40 mg cohort remain on study, while enrollment is open for the 80 mg dose cohort.

Key Findings and Messages included:

- To date, four newly diagnosed AML patients have received the lowest dose of TUS (40 mg) as part of the (TUS+VEN+AZA) combination.
- Three patients with unmutated (wildtype) FLT3 (FLT3-WT) completed Cycle 1 of treatment with no dose-limiting toxicities (DLTs) and no TUS dose adjustments.
    - Two FLT3-WT patients achieved complete remissions (CR and CRh) by the end of Cycle 1.
    - Notably, a patient with biallelic TP53 mutations and a complex karyotype obtained CR.
    - The third FLT3-WT patient experienced significant reductions in bone marrow leukemic blasts during Cycle 1 and remains on therapy in Cycle 2.
- The fourth patient, harboring FLT3-ITD and NPM1 mutations, is currently dosing in Cycle 1 and is not yet eligible for response evaluation.
- Pharmacokinetic (PK) analyses of TUS show that plasma levels are unaffected by the addition of AZA, providing predictability and avoiding the need for dose alterations due to PK interactions.

- Similarly, VEN plasma levels in Cycle 1 are consistent with published results and the prior TUS/VEN APTIVATE study in R/R AML, indicating no clinically significant interactions with TUS.

On February 12, 2025, Aptose reported early safety and response results from Aptose's Phase 1/2 TUSCANY trial with a 40 mg dose of tuspetinib in combination with standard of care dosing of venetoclax and azacitidine (TUS+VEN+AZA triplet) in mutationally diverse populations of newly diagnosed AML patients who are ineligible to receive induction chemotherapy.

Key Findings and Messages included:

- In January 2025, Aptose announced the initiation of the TUSCANY trial and dosing in the first cohort of newly-diagnosed AML patients with the lowest starting dose (40 mg) of TUS as part of the TUS+VEN+AZA triplet, and the early data reveal promising clinical safety and antileukemic activity.
- Four newly diagnosed AML patients have received the lowest dose of TUS (40 mg) as part of the (TUS+VEN+AZA) combination.
- Three patients with unmutated (wildtype) FLT3 (FLT3-WT) completed Cycle 1 of treatment with no dose-limiting toxicities (DLTs) and no dose adjustments.
    - Two FLT3-WT patients achieved complete remissions (CR and CRh) by the end of Cycle 1.
    - Notably, a patient with biallelic TP53 mutations and a complex karyotype obtained CR.
    - The third FLT3-WT patient experienced significant reductions in bone marrow leukemic blasts during Cycle 1 and remains on therapy in Cycle 2.
- The fourth patient, harboring FLT3-ITD and NPM1 mutations, is currently dosing in Cycle 1 and is not yet eligible for response evaluation.
- Pharmacokinetic (PK) analyses for TUS show plasma levels unaffected by the addition of AZA, providing predictability and avoiding the need for dose alterations due to PK interactions.

In December 2024, Aptose initiated the triple drug combination TUSCANY study of tuspetinib + venetoclax + azacitidine (TUS+VEN+AZA) in newly diagnosed AML patients with a 40 mg dose of tuspetinib and then dose escalated the tuspetinib dose to 80 mg. The TUSCANY clinical study of the TUS+VEN+AZA triplet in newly diagnosed AML patients is ongoing. Safety and activity as a single agent were demonstrated with the 40 mg dose of tuspetinib in R/R AML patients demonstrated safety and activity as a single agent. This 40 mg dose represents one dose level below the 80 mg single agent recommended phase 2 dose ("RP2D") of tuspetinib in R/R AML patients. This dose escalation approach is the typical FDA-recommended starting dose for drug combination studies.

In December 2024, Aptose attended the 66th Annual American Society of Hematology ("ASH") Meeting and Exposition in San Diego, California, and presented a poster entitled "Phase 1 Safety and Efficacy of Tuspetinib Plus Venetoclax Combination Therapy in Study Participants with Relapsed or Refractory Acute Myeloid Leukemia (AML) Support Exploration of Triplet Combination Therapy of Tuspetinib Plus Venetoclax and Azacitidine for Newly Diagnosed AML".

Key Finding and Messages included:

- The TUS+VEN+AZA triplet trial is proceeding in newly diagnosed AML patients.
- TUS+VEN retains activity in the difficult-to-treat prior-VEN AML population.
- TUS+VEN is active in FLT3 wildtype, representing ~70% of AML patients.
- TUS+VEN is well tolerated and can be safely co-administered.
- TUS+VEN is active across broad populations of R/R AML.
- Combination of TUS with VEN may avoid VEN resistance.
- TUS+VEN+AZA triplet may establish a more effective, mutation agnostic standard of care for chemotherapy ineligible AML patients.

Highlights of the ASH poster presentation included:

TUS as Single Agent (n = 93 Patients)

- 60% and 42% CR/CRh with 80 mg TUS in FLT3 mutated and all-comer VEN-naïve AML
- 33% CRc & 42% ORR (CR, CRp, CRh, CRi or PR) in FLT3 mutated and VEN-naïve patients
- Includes 40, 80, 120, and 160 mg TUS dose as a single agent
- Includes those who failed prior therapy with venetoclax
- Includes those with mutated or unmutated FLT3, those who failed prior-HSCT, priorFLT3i, prior-chemotherapy, prior-HMA
- TUS once daily orally as a single agent achieved CR/CRh responses at four different dose levels (40, 80, 120, and 160 mg) with no dose limiting toxicities (no DLTs)
- TUS showed a favorable safety profile with no DLTs through 160 mg per day, and no drug related discontinuations, no QTc, no differentiation syndrome, and no deaths

TUS/VEN Combination Therapy (n = 79 Patients)

- 40% ORR with 80 mg TUS + 400 mg VEN in FLT3 mutated patients
- 83% (5/6) had failed prior-VEN treatment and 50% (3/6) had failed both prior-VEN and FLT3i treatment
- TUS+VEN achieved responses among diverse R/R AML with adverse mutations in VEN-naïve, prior-VEN, FLT3WT, FLT3MUT, prior-FLT3
- TUS+VEN showed favorable safety and tolerability with no new or unexpected safety

On June 14, 2024, Aptose presented tuspetinib clinical findings as a clinical poster presentation and preclinical findings as a e-poster at the European Hematology Association (EHA) 2024 Hybrid Congress in Madrid, Spain. Highlights of the findings include:

- Tuspetinib Monotherapy (TUS) and Tuspetinib + Venetoclax (TUS+VEN) Doublet Therapy Show Broad Clinical Activity and Strong Safety Data in relapsed or refractory (R/R) AML and Differentiate TUS from other Investigational Drugs in AML
- TUS Monotherapy and TUS+VEN Doublet Therapy Active in Difficult-to-treat Genetic Subgroups, FLT3 Wildtype AML
- TUS Shown to Target VEN Resistance Mechanisms and Retain Activity on VEN-Resistant AML Cells in Preclinical Study
- Tuspetinib + Venetoclax + Azacitidine (TUS+VEN+AZA) Triplet Trial to Treat Newly Diagnosed AML Patients; Clinical Sites Being Activated

Our APTIVATE clinical trial of Tuspetinib as a monotherapy (TUS) and in combination treatment with Venetoclax (TUS+VEN) in a very ill AML patient population, yielded excellent and consistent safety findings and demonstrated clinical activity across a broad range of AML – including many with highly adverse genetic mutations. These findings supported the advancement of Tuspetinib as an ideal third agent to add to a venetoclax and hypomethylating agent regimen for the frontline treatment of Newly Diagnosed AML patients. Conclusions from the clinical poster, entitled "Safety and Efficacy of Tuspetinib as Monotherapy and Combined with Venetoclax in a Phase 1/2 Trial of Patients with Relapsed or Refractory (R/R) Acute Myeloid Leukemia" include:

- Extensive dose exploration was performed with TUS (93 patients) and TUS+VEN (79 patients) in highly treatment experienced R/R AML patients (prior VEN, FLT3i, HMA, chemotherapy, HSCT)
- TUS monotherapy achieved complete remissions at 40, 80, 120, and 160 mg with no DLT, achieved a 42% CRc and 50% ORR in VEN naïve and FLT3-mutation harboring patients, and achieved responses in patients harboring highly adverse genetics ($TP53^{MUT}$, RAS^{MUT}, other)
- TUS+VEN Doublet remained safe and well tolerated (40mg TUS + 400mg VEN | 80mg TUS + 400mg VEN), and achieved bone marrow blast reductions and responses among diverse R/R AML patients with adverse mutations and prior failure of VEN
- TUS targets known VEN resistance mechanisms *in vitro* and is clinically active in both $FLT3^{MUT}$ & $FLT3^{WT}$ R/R AML populations even after prior VEN exposure.

The greatest unmet medical need in AML is for an improved frontline therapy in Newly Diagnosed AML patients. Tuspetinib is now being developed as the TUS+VEN+HMA to establish a new standard of care for the treatment of these Newly Diagnosed AML

patients that may increase response rates, extend survival, safely improve quality of life, treat a broad spectrum of genetically unique AML patient populations, and blunt the development of resistance to Venetoclax.

- Progress has been made with VEN+HMA in 1L therapy, but 1/3 do not respond, and median OS is <15 months with <25% alive at 3 years.
    - Response rates and OS need improvement, especially in adverse genetic subgroups
    - Emergence of VEN resistance via RAS/MAPK, TP53, and FLT3 clonal expansion, among other mechanisms, leads to relapse or refractory (R/R) AML that does not respond well to subsequent salvage therapies in R/R setting. Indeed, a recent publication (Matthews et. Al., *Blood* 2022; 140, Supplement 1: 1022–1024) showed survival of R/R AML patients receiving chemotherapy after failing prior therapy with HMA-VEN was limited; median OS was a mere 7.2 months, and for older patients (65 and older) the median OS was only 4.3 months
    - These findings illustrate that adding a 3rd agent is needed to boost responses with VEN+HMA standard of care therapy in frontline therapy of newly diagnosed AML patients, to increase the durability of responses in these patients, and act across genetic subgroups of patients broadly.
- We believe Tuspetinib is an ideal 3rd Agent for Addition to VEN+AZA to Treat Newly Diagnosed AML
    - TUS has excellent safety alone and in combination with VEN when co-administered
    - TUS has broad activity across genetic subgroups including TP53, RAS/MAPK, & FLT3 mutants
    - TUS mechanism may minimize drug resistance to VEN via inhibition of key AML kinases
    - TUS can be administered with or without food allowing co-administration with VEN
    - Preliminary PK data suggest no clinically meaningful interaction between TUS and VEN requiring dose modification for co-administration.

In addition to the Tuspetinib clinical poster, a separate preclinical abstract was published as an e-poster publication at EHA, entitled "*Tuspetinib Retains Nanomolar Potency Against AML Cells Engineered to Express the NRAS G12D Mutation or Selected for Resistance to Venetoclax"*. The study demonstrated that TUS targets known venetoclax (VEN) resistance mechanisms, retaining nanomolar potency against AML cells engineered to express the NRAS-G12D mutation or selected for resistance to VEN, and in combination with VEN, could prevent the emergence of resistance to both agents. TUS resistant cells showed hypersensitivity to VEN such that treatment with both drugs could also interfere with the emergence of TUS resistance. These results, and additional preclinical studies supporting the use of tuspetinib to treat AML, were published in the January 13, 2025, issue of *Cancer Research Communications* from the American Association of Cancer Research (https://pubmed.ncbi.nlm.nih.gov/39665627/).

On March 26, 2024, Aptose announced that more than 170 patients received TUS alone or in combination with the BCL-2 inhibitor venetoclax (VEN) during the Phase 1/2 clinical program in the very ill relapsed or refractory (R/R) AML patient population. At the single agent 80 mg dose, TUS achieved a favorable safety profile and an impressive response rate among patients who were naive to VEN. The safety profile of TUS remained favorable when TUS was combined with VEN in R/R AML patients, and responses were achieved in both patients naive to VEN and those who failed prior therapy with VEN. TUS avoids many typical toxicities observed with other agents and achieves broad activity across AML patients with a diversity of adverse genetic abnormalities.

On December 9, 2023, Aptose featured tuspetinib in an oral presentation at the 65th American Society of Hematology (ASH) Annual Meeting and Exposition. The Company announced that a growing body of clinical data for its lead compound, tuspetinib, demonstrates significant benefit both as a single agent and in combination with venetoclax for patients with relapsed/refractory AML ("R/R AML") in the ongoing APTIVATE Phase 1/2 study. The data were presented by lead investigator Naval G. Daver, M.D., Professor and Director of the Leukemia Research Alliance Program in the Department of Leukemia at The University of Texas MD Anderson Cancer Center, Houston, TX.

Dr. Daver reported data from more than 100 relapsed/refractory patients from multiple international clinical sites, who had failed prior therapy and then were treated with TUS as a single agent or TUS+VEN. Both TUS and TUS+VEN delivered multiple composite complete remissions (CRc) in this very ill AML population, while maintaining a favorable safety profile across all treated patients. The data demonstrated that tuspetinib is active and well tolerated in one of the most challenging and heterogeneous disease settings in oncology – relapsed and refractory AML. Tuspetinib demonstrated broad activity, including activity in patients with FLT3 wild-type AML (accounting for more than 70% of the AML population), FLT3 mutated AML, NPM1 mutated AML, as well as in patients with mutations historically associated with resistance to targeted therapy. Most notably, TUS targets VEN resistance mechanisms, enabling TUS+VEN uniquely to treat the very ill prior-VEN AML population, including both FLT3 mutant and FLT3

wildtype disease. From a broader perspective, the growing body of antileukemic activity, and continued favorable safety profile, support the advancement of tuspetinib in a TUS+VEN+HMA triplet for the treatment of frontline newly diagnosed AML patients.

Dr. Daver also pointed out that while patients on the TUS+VEN therapy are early in their treatment cycles, most achieving a response remained on treatment and that responses have begun to mature as dosing continues. Highlights of Dr. Daver's ASH oral presentation include:

- As a single agent at therapeutic doses of 80-160 mg in 68 evaluable patients, TUS was more active in VEN-naive patients, with an overall CRc rate of 29% (8/28). This included a 42% CRc rate (5/12) in FLT3-mutated patients and a 19% CRc rate (3/16) in FLT3-unmutated, or wildtype, AML patients. Responses and blood counts improved with continuous dosing, many patients bridged to an allogeneic stem cell transplant ("HSCT"), durability was observed when HSCT was not performed, and 80 mg was selected as the RP2D. Overall, tuspetinib showed a favorable safety profile with only mild adverse events ("AEs") and no dose-limiting toxicities ("DLTs") up to 160 mg per day, and no drug discontinuations from drug-related toxicity.
- In the TUS+VEN doublet study, 49 patients were dosed with 80 mg of tuspetinib and 200 mg of venetoclax, with 36 evaluable (and 13 patients too early to assess). Patients were heavily exposed to Prior-VEN and Prior-FLT3 inhibitor treatment. TUS+VEN was active in both VEN-naive and prior Prior-VEN R/R AML patients. TUS demonstrated compelling composite complete remission (CRc) rates. Among all evaluable patients, TUS+VEN demonstrated a CRc rate of 25% (9/36); 43% (3/7) in VEN-naive patients, and 21% (6/29) in Prior-VEN patients. Among FLT3 wildtype patients, TUS+VEN demonstrated an overall CRc rate of 20% (5/25); 33% (2/6) in VEN-naive patients, and 16% (3/19) in Prior-VEN patients. Among FLT3 mutant patients, TUS+VEN demonstrated an overall CRc rate of 36% (4/11); a complete response in a VEN-naive patient (1/1); a 30% (3/10) in Prior-VEN patients; and 44% (4/9) in patients treated prior with a FLT3 inhibitor.

On October 29, 2023, Aptose presented two posters related to the clinical and preclinical activity of tuspetinib at the European School of Haematology 6th International Conference: Acute Myeloid Leukemia "Molecular and Translational": Advances in Biology and Treatment, held October 29-31, 2023, in Estoril, Portugal. Clinical findings included 1) data from the APTO-TUS-HV01 clinical trial (the "Food Effect Study") evaluating the pharmacokinetic (PK) properties of tuspetinib in healthy human volunteers in which tuspetinib was administered with our without food, and 2) from an international Phase 1/2 study of tuspetinib as a single agent (TUS) and in combination with venetoclax in patients with R/R AML from across clinical centers in the United States, South Korea, Spain, Australia and other sites. Data from the Food Effect Study in healthy human volunteers demonstrated that tuspetinib can be administered with or without food and foresees no clinically meaningful difference in exposure. This is an important finding for patient convenience, as venetoclax is dosed with food and tuspetinib can now be co-administered with venetoclax rather than in staggered dosing. Findings from the Phase 1/2 clinical trial demonstrated that tuspetinib as a single agent was well-tolerated and highly active among R/R AML patients with a diversity of adverse genotypes and delivered a 42% CR/CRh cross-evaluable venetoclax (VEN) naive patients at the 80mg daily RP2D. The TUS+VEN doublet has been well tolerated in the APTIVATE international Phase 1/2 expansion trial in R/R AML patients and achieved multiple responses in patients who previously failed venetoclax ("Prior-VEN failure AML"), including prior-VEN failure patients who also previously failed FLT3 inhibitors, all of whom represent emerging populations of high unmet medical need. Notably, tuspetinib targets venetoclax resistance mechanisms that may re-sensitize Prior-VEN failure patients to venetoclax.

Separate from the clinical studies, the preclinical study (entitled: "Tuspetinib Oral Myeloid Kinase Inhibitor Creates Synthetic Lethal Vulnerability to Venetoclax") presented by Aptose during the ESH Conference investigated the effects of tuspetinib on key elements of the phosphokinome and apoptotic proteome in both parental and TUS-resistant AML cells. In parental cells, tuspetinib inhibits key oncogenic signaling pathways and shifts the balance of pro- and anti-apoptotic proteins in favor of apoptosis, suggesting that it may generate vulnerability to venetoclax. In addition, acquired resistance in the AML cells to tuspetinib generated a synthetic lethal vulnerability to venetoclax of unusually high magnitude. Concurrent administration of TUS+VEN therefore may discourage the emergence of resistance to tuspetinib during treatment.

In conjunction with poster presentations at the ESH Conference, on October 30, 2023, Aptose held a "Clinical Update and KOL Data Review of AML Drug Tuspetinib" that was webcast and featured Dr. Naval Daver, MD, Professor, Director Leukemia Research Alliance Program, Department of Leukemia, The University of Texas MD Anderson Cancer Center, Houston, Texas. Dr. Daver is the lead investigator on Aptose's APTIVATE trial and is recognized for significant achievements in the development of novel AML treatments, including several combination therapies. Aptose presented data in 49 patients who received the TUS+VEN doublet, showing an overall response rate ("ORR") of 48% among all patients that had achieved an evaluable stage, as well as a 44% ORR among Prior-VEN failure AML patients, including FLT3-unmutated ("wildtype") patients (43% ORR) and FLT3-mutated patients (60% ORR), some of whom also had failed prior therapy with FLT3 inhibitors. The TUS+VEN doublet was well tolerated with no unexpected safety signals. The TUS+VEN doublet may serve the prior-VEN failure R/R AML patients who represent a rapidly

growing population that is highly refractory to any salvage therapy. The compelling data with the TUS+VEN doublet in R/R AML patients suggest that TUS+VEN+HMA triplet may also serve the needs of frontline (1L) newly diagnosed AML patients.

Concurrent with the European Hematology Association (EHA) Annual Congress held June 8-11, 2023, Aptose held an interim clinical update webcast on June 10, 2023, to present highlights from the ongoing clinical development of tuspetinib. Aptose reported completion of the tuspetinib dose escalation and dose exploration Phase 1/2 trial in 77 R/R AML patients, tuspetinib demonstrated a favorable safety profile, and tuspetinib delivered monotherapy responses across four dose levels with no dose-limiting toxicity in mutationally diverse and difficult to treat R/R AML populations, including patients with highly adverse mutations that typically do not respond to monotherapy or combination therapy: TP53-mutated patients with a CR/CRh = 20% and RAS-mutated patients with a CR/CRh = 22%. Aptose also reported completion of a successful End of Phase 1 Meeting with the US FDA for tuspetinib, that a monotherapy RP2D was selected as 80mg daily, and that all development paths remain open, including the single arm accelerated path. Following completion of the dose escalation and dose exploration phases of the Phase 1/2 clinical program, Aptose focused attention on the tuspetinib APTIVATE expansion trial. The APTIVATE trial is designed to identify patient populations sensitive to tuspetinib monotherapy that may serve as development paths for single arm accelerated approval and to use the TUS+VEN doublet in R/R AML patients and identify patient populations of unmet need that are sensitive to the TUS+VEN doublet and can serve as development paths for accelerated and full approvals. We reported that patient enrollment in the APTIVATE expansion trial has been brisk and preliminary CR activity had already been reported in patients receiving the TUS+VEN doublet who previously failed therapy with venetoclax. During the interim clinical update webcast Aptose also reviewed clinical findings with the new G3 formulation of luxeptinib. Aptose disclosed that continuous dosing with 50mg of the G3 formulation achieves roughly an equivalent pharmacokinetic profile as 900mg original G1 formulation, and that dose escalation with the G3 formulation was anticipated.

On March 23, 2023, Aptose announced the APTIVATE Phase 1/2 expansion trial with tuspetinib had been initiated and had already treated several R/R AML patients in the monotherapy arm, and that patient enrollment had been initiated in the doublet combination treatment arm of the APTIVATE trial with the TUS+VEN doublet. Since then, patients have continued to enroll and receive tuspetinib on the monotherapy arm. Plus, enrollment and dosing of patients on the TUS+VEN doublet arm have been brisk. Clinical investigator interest for tuspetinib is evident, and early signs of antileukemic activity during the APTIVATE trial have fueled the level of excitement for the trial.

Clinical responses to monotherapy with tuspetinib have been observed in a broad range of mutationally defined populations, including those with mutated forms of NPM1, MLL, TP53, DNMT3A, RUNX1, wild-type FLT3, ITD or TKD mutated FLT3, various splicing factors, and other genes. In the March 23, 2023, announcement, Aptose also highlighted an unexpected observation of a 29% CR/CRh response rate with tuspetinib monotherapy in R/R AML patients having mutations in the RAS gene or other genes in the RAS pathway. Responses in RAS-mutated patients are important because the RAS pathway is often mutated in response to therapy by other agents as the AML cells mutate toward resistance to those other agents. Collectively, these observations of broad clinical activity of tuspetinib, along with its favorable safety profile, position tuspetinib for potential accelerated development paths, as well as, for doublet, triplet and maintenance therapy indications.

On January 30, 2023, Aptose announced dosing of patients in the APTIVATE Phase 1/2 clinical trial of tuspetinib, and that another clinical response has been achieved by a R/R AML patient receiving 40 mg tuspetinib once daily orally in the original dose exploration trial, the second response at the recently launched low-dose 40 mg cohort. In addition, Aptose elucidated a rationale for the superior safety profile of tuspetinib. While several kinase inhibitors require high exposures that exert near complete suppression of a single target to elicit responses, those agents often cause additional toxicity because they also cause extensive inhibition of that target in normal cells. In contrast, tuspetinib simultaneously suppresses a small suite of kinase-driven pathways critical for leukemogenesis. Consequently, tuspetinib achieves clinical responses at lower exposures with less overall suppression of each pathway, thereby avoiding many of the toxicities observed with competing agents.

Luxeptinib

Given current funding and our prioritization of tuspetinib, we have decided to pause funding the development of luxeptinib. For further information about the historical development of Luxeptinib, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Other corporate matters

Nasdaq private placement deficiency requirement

On February 29, 2024, the Company received a deficiency letter (the "February 2024 Deficiency Letter") from the Nasdaq Listing Qualifications Department of the Nasdaq notifying the Company that the Company’s January 2024 private placement (the "Private Placement") of securities to Hanmi violated Nasdaq Listing Rule 5635(d) because the Company did not obtain shareholder approval prior to such issuance. Nasdaq stated that the Private Placement involved the issuance of greater than 20% of the issued and outstanding Common Shares of the Company at a discount to the Nasdaq official closing price on January 25, 2024, the date of the

subscription agreement between the Company and Hanmi. The February 2024 Deficiency Letter had no immediate effect on the listing of the Company's Common Shares. In accordance with the Nasdaq Listing Rules, the Company was given forty-five (45) calendar days, or until April 14, 2024, to submit a plan to regain compliance.

On April 25, 2024, the Company received a letter from the Listing Qualifications Department of Nasdaq (the "Staff") notifying the Company of the Staff's determination that the Company had regained compliance with Nasdaq Listing Rule 5635(d) and the Staff had determined that the matter was now closed. Pursuant to the Company's plan to regain compliance, on April 26, 2024, the Company announced that it had amended the warrant agreement with Hanmi to prohibit the exercise of the Hanmi warrants in excess of the Nasdaq 19.99% limitation (the "Nasdaq 19.99% Cap"), unless shareholder approval is first obtained to exceed the Nasdaq 19.99% Cap.

Nasdaq Minimum Bid Price requirement

On July 16, 2024, the Company received a deficiency letter (the "July 2024 Deficiency Letter") from the Nasdaq, notifying the Company that, for the prior thirty consecutive business days, the closing bid price for the Company's Common Shares was below the minimum $1.00 per share required for continued listing on Nasdaq pursuant to Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Price Requirement"). The July 2024 Deficiency Letter had no immediate effect on the listing of the Company's Common Shares, and its Common Shares continued to trade on Nasdaq and the Toronto Stock Exchange ("TSX") under the symbol "APS." The Company's listing on the TSX is independent and will not be affected by the Company's Nasdaq listing status. The Company was given 180 calendar days, or until January 13, 2025, to regain compliance with the Minimum Bid Price Requirement. If at any time before January 13, 2025, the bid price of the Company's Common Shares closed at $1.00 per share or more for a minimum of 10 consecutive business days, Nasdaq would have provided written confirmation that the Company regained compliance. If the Company did not regain compliance with the Minimum Bid Price Requirement by January 13, 2025, the Company may, at the discretion of Nasdaq, be afforded a second 180 calendar day period to regain compliance. To qualify for the extension, the Company was required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, with the exception of the bid price requirement.

On January 14, 2025, the Company received an additional letter from the Nasdaq Listing Qualifications Department notifying the Company that, for the last thirty (30) consecutive business days, the closing bid price for the Company's Common Shares was below the minimum $1.00 per share required for continued listing on Nasdaq pursuant to the Minimum Bid Price Requirement. The Company presented its plan of compliance to the hearings panel and was given until March 31, 2025, to regain compliance with the Minimum Bid Price Requirement.

On January 27, 2025, the Company held a Special Meeting of the shareholders of the Corporation (the "Meeting"). At the Meeting, shareholders voted in favor of an amendment to the Corporation's Articles to, at the discretion of the Company's board of directors (the "Board"), to effect a Reverse Stock Split, with the ratio within such range to be determined at the discretion of the Board. The Board approved a ratio of 1-for-30 on February 18, 2025. Our Common Shares commenced trading on a post-Reverse Stock Split basis at market open on February 26, 2025. The par value and the authorized shares were not adjusted as a result of the Reverse Stock Split. All the Company's issued and outstanding Common Shares, stock options and warrants have been retroactively adjusted to reflect this Reverse Stock Split for all periods presented.

On March 14, 2025, Nasdaq confirmed that we had regained compliance with the Minimum Bid price Requirement.

Nasdaq Equity Rule requirement

On April 2, 2024, the Company received a letter (the "Notification Letter") from Nasdaq stating that the Company was not in compliance with Nasdaq Listing Rule 5550(b)(1) (the "Rule") because the stockholders' equity of the Company as of December 31, 2023, as reported in the Company's Annual Report on Form 10-K, was below the minimum requirement of $2.5 million (the "Stockholders' Equity Requirement"). The Notification Letter had no immediate effect on the Company's continued listing on Nasdaq, subject to the Company's compliance with the other continued listing requirements. Pursuant to the Notification Letter, the Company had 45 calendar days to submit a plan to evidence compliance with the Rule (a "Compliance Plan"). The Company submitted the Compliance Plan on May 17, 2024, and received an extension to September 30, 2024 to regain compliance. As of September 30, 2024, the Company had not gained compliance with the requirement. Accordingly, on October 1, 2024, the Company received a staff determination letter stating that the Company did not meet the terms of the extension because it did not complete its proposed financing initiatives to regain compliance. On October 8, 2024, the Company requested an appeal and hearing of the determination, which automatically stayed Nasdaq's delisting of the Company's Common Shares pending the appeal panel's decision, such hearing was scheduled for November 21, 2024. The Company submitted a revised plan to regain compliance on November 11, 2024 and on December 19, 2024, the Company announced that the panel granted the Company's request for an extension to evidence compliance with all applicable criteria for continued listing on Nasdaq. On or before March 31, 2025, the Company was required to demonstrate compliance with the Rule requiring the Company to have met the Stockholders' Equity Requirement to continue its listing on Nasdaq.

As of March 31, 2025, the Company had not regained compliance with the Equity Rule. On March 31, 2025, the Company received a letter from the Nasdaq stating that because the Company did not regain compliance with the Equity Rule, Nasdaq

determined to delist the Company's Common Shares from the Nasdaq, effective on April 2, 2025. The Company's Common Shares remain listed on TSX under the symbol "APS" and OTC under the symbol "APTOF". On July 1, 2025, Aptose announced it had been upgraded to list for trading on the OTCQB Market under the ticker “APTOF” and trading on OTCQB began July 1, 2025

LIQUIDITY AND CAPITAL RESOURCES

Aptose is an early-stage development company, and we currently do not generate any revenues from our drug candidates. The continuation of our research and development activities and the commercialization of the targeted therapeutic products depend on our ability to successfully finance and complete our research and development programs through a combination of equity financing and payments from strategic partners. We currently have no significant sources of payments from strategic partners. As of September 30, 2025, the Company fully utilized its advances in the amount of $8.5 million available under the Hanmi Facility Agreement. However, on September 18, 2025, the Company and Hanmi entered into the Amended Facility Agreement, pursuant to which Hanmi provided an additional uncommitted facility of up to $11.9 million, administered through multiple advances, for the continued clinical development of Tuspetinib and to fund the Company's operations. Advances under the Amended Facility Agreement may be provided in one or more (but no more than eight advances) until December 31, 2025. No single advance shall be for an amount in excess of $2.0 million or for an amount that is less than $0.5 million. Any amounts repaid under the Amended Facility Agreement may not be re-borrowed. Amounts outstanding pursuant to the Hanmi Facility Agreement are repayable in full on August 31, 2028. Aptose has received a total of $4.2 million from all advances under the Amended Facility Agreement as of the date of this filing. It should be noted that the facility is uncommitted, and Hanmi may cancel availability under the Amended Facility Agreement at any time without notice, acting solely at its sole discretion. As of the filing date, the Company does not have sufficient cash to fund operations and relies on advances made by Hanmi therefor.

Sources of liquidity:

The following table presents our cash, cash equivalents, restricted cash and restricted cash equivalents, working capital and stockholders' deficit as of September 30, 2025 and December 31, 2024.

(in thousands)	Balances at September 30, 2025	Balances at December 31, 2024
Cash and cash equivalents	$ 613	$ 6,152
Restricted cash and restricted cash equivalents	1,024	555
Total	$ 1,637	$ 6,707
Working capital	$ (3,302)	$ 5,053
Stockholders' deficit	$ (19,450)	$ (4,543)

Working capital is a non-GAAP measure and represents primarily cash, cash equivalents, restricted cash and restricted cash equivalents, prepaid expenses and other current assets less current liabilities. This financial measure provides a fuller understanding of the Company’s capital available to fund future operations.

All our cash is maintained at high-credit quality institutions. We minimize the cash levels above the insurance levels required by the Federal Deposit Insurance Corporation and the Canada Deposit Insurance Corporation, with excess cash invested in short-term investments with leading financial institutions. Our short-term investments, maturing within 90 days and classified as cash and cash equivalents, consist of high interest savings accounts.

Since our inception, we have financed our operations and technology acquisitions primarily through equity financing, proceeds from the exercise of warrants and stock options, and interest income on funds held for future investment. Cash used for operating activities has primarily consisted of salaries and wages for management and employees, facility and facility-related costs for our offices, fees paid in connection with preclinical and clinical studies, licensing fees, drug manufacturing costs, laboratory supplies and materials, and professional fees. Due to the early stage of our clinical trials, we do not expect to generate positive cash flow from operations for the foreseeable future. Negative cash flows are expected to continue until we receive regulatory approval to commercialize any of our products under development and/or when royalty or milestone revenue from such products exceeds expenses.

We incurred a net loss of $17.7 million for the nine months ended September 30, 2025 and $23.8 million for the nine months ended September 30, 2024. As of September 30, 2025, we had an accumulated deficit of $558.7 million (December 31, 2024, $541.0 million); cash, cash equivalents and restricted cash and restricted cash equivalents of $1.6 million (December 31, 2024, $6.7 million); current assets less current liabilities of negative $3.3 million (December 31, 2024, $5.1 million); and negative shareholder's equity of $19.5 million (December 31, 2024, negative shareholder's equity of $4.5 million). Our cash needs for the next twelve months include

estimates of the number of patients and rate of enrollment in our clinical trials, the amount of drug product we will require to support our clinical trials and general corporate overhead costs to support our operations. We have based these estimates on assumptions and plans that may change and could impact the magnitude and/or timing of operating expenses and our cash runway.

Management recognizes that in order to meet the capital requirements and continue to operate, additional financing will be necessary. We plan to raise additional funds to fund our business operations through debt or other financing activities. Management continues considering other options for raising capital including debt, through collaborations or reorganization to reduce operational expenses. However, given the decrease in the share price, the Company's delisting from Nasdaq, as well as the difficulty for micro-cap market capitalization companies to raise significant capital, we may be unable to access financing when needed. As such, there can be no assurance that we will be able to obtain additional liquidity when needed or under acceptable terms, if at all.

Our ability to raise additional funds has been affected by adverse market conditions, the status of our product pipeline, possible delays in enrollment in our trial, and various other factors and we may be unable to raise capital when needed, or on terms favorable to us. The raising of additional capital to make bulk payments to repay accounts payable, if successful, would potentially alleviate any substantial doubt on our ability to continue as a going concern. If debt or equity financing is unable to be secured or contemplated, and trade sales fail to materialize, we may need to resolve to other means of protecting our assets in the best interests of our shareholders, including foreclosure or forced liquidation and/or seeking creditors' protection.

The conditions mentioned above raise substantial doubt about our ability to continue as a going concern. See "Going Concern Risk" in Item II, Part IA below. The accompanying condensed consolidated interim financial statements do not reflect any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if we are unable to continue as a going concern; these types of adjustments could be material.

2025 Committed Equity Facility

On February 7, 2025, the Company and Keystone entered into the Purchase Agreement, which provides that subject to the terms and conditions set forth therein, the Company may sell to Keystone up to the lesser of (i) $25 million of the Common Shares and (ii) 19.99% of the Common Shares outstanding as of the date of the Purchase Agreement (subject to certain exceptions provided in the Purchase Agreement) (the "Total Commitment"), from time to time during the two year term of the Purchase Agreement. Additionally, on February 7, 2025, the Company and Keystone entered into a registration rights agreement (the "Registration Rights Agreement"), pursuant to which the Company agreed to file a registration statement with the SEC covering the resale of Common Shares that are issued to Keystone under the Purchase Agreement. Upon entering into the Purchase Agreement, the Company agreed to issue to Keystone an aggregate of 8,020 Common Shares (the "Commitment Shares") as consideration for Keystone's commitment to purchase Common Shares upon the Company's direction under the Purchase Agreement. As the registration statement has not been declared effective by the SEC, the Commitment Shares have not been issued. The Company also agreed to pay Keystone up to $25,000 for its reasonable expenses under the Purchase Agreement.

2025 At-The-Market Facility

On February 3, 2025 the Company and A.G.P./Alliance Global Partners ("AGP") entered into a sales agreement whereby the Company may from time to time, sell Common Shares having an aggregate offering value of up to $1.0 million through AGP on Nasdaq (the "2025 ATM Facility"). Costs associated with the proceeds consist of 3% cash commission. Up to February 12, 2025, the Company issued 137,000 Common Shares under this 2025 ATM Facility at an average price of $7.31 per share for gross proceeds of $1.0 million ($0.8 million net of share issuance costs).

November 2024 Public Offering

On November 25, 2024, the Company completed a reasonable best efforts public offering (the "November 2024 Public Offering") with participation from our CEO and existing and new healthcare focused investors for the purchase and sale of 1,333,333 Common Shares at a price of $6.00 per share and warrants to purchase up to 666,599 Common Shares (the "November 2024 Investor Warrants"). The November 2024 Investor Warrants have an exercise price of $6.00 per share, were exercisable immediately and will expire five years from the issuance date. In connection with the November 2024 Public Offering, the Company received aggregate gross proceeds of $8.0 million, before deducting placement agent fees and other offering expenses of approximately $1.1 million, comprised of placement agent fees of $0.6 million and professional fees of $0.5 million. Additionally, AGP, the lead placement agent engaged by the Company, received 53,333 warrants, each with an exercise price of $8.25 (the "AGP Warrants"). The AGP Warrants were exercisable immediately and will expire five years from November 25, 2024.

September 2024 Common Share Issuance

On September 5, 2024, the Company held a Special Meeting of Shareholders pursuant to which, shareholders voted to authorize, for purposes of complying with Nasdaq Listing Rule 5635(d), the issuance of Common Shares underlying certain warrants in an amount equal to or in excess of 20% of our Common Shares outstanding immediately prior the issuance of such warrants pursuant to the June 2024 Registered Direct Offering. On September 11, 2024, the Company issued 46,500 Common Shares upon the exercise of 46,500 Pre-Funded Warrants for cash proceeds of $1,000 at an exercise price of $0.03 per Common Share.

June 2024 Registered Direct Offering and Concurrent Private Placement

On June 3, 2024, the Company completed the Registered Direct Offering for the purchase and sale of 60,000 Common Shares at a purchase price of $34.50 per Common Share and 68,500 pre-funded warrants (the "Pre-Funded Warrants") with an exercise price of $0.03 per Pre-Funded Warrant. Each Pre-Funded Warrant was exercisable immediately and expires on June 25, 2029.

In a concurrent private placement, Aptose issued unregistered series A warrants to purchase up to 128,500 Common Shares ("Series A Warrants") and series B warrants to purchase up to 128,500 Common Shares ("Series B Warrants"), each at an exercise price of $34.50 per share. The series A and series B unregistered warrants became exercisable beginning on the effective date of shareholder approval of the issuance of the Common Shares issuable upon exercise of the Series A and Series B Warrants which was obtained on September 5, 2024. The Series A Warrants expire five years from September 5, 2024 and the Series B Warrants expire March 5, 2026.

The gross proceeds to the Company from the Registered Direct Offering were approximately $4.4 million, less cash transaction costs of approximately $0.4 million, which include placement agent and other professional fees. In addition, H.C. Wainwright ("HCW"), the lead placement agent engaged by the Company for the Registered Direct Offering, received 6,423 warrants, each with an exercise price of $43.13 (the "HCW Warrants"). The HCW Warrants were exercisable beginning on September 5, 2024 and will expire on June 3, 2029.

January 2024 Public Offering

On January 30, 2024, the Company completed a public offering (the "January 2024 Public Offering") of 188,304 Common Shares (including 24,561 Common Shares issued pursuant to a full exercise by the underwriter, Newbridge Securities Corporation ("Newbridge"), of its over-allotment option at a purchase price of $51.30 per Common Share, for aggregate gross proceeds of $9.7 million, less cash transaction costs of $1.6 million. The Company also issued share purchase warrants underlying a total of 188,174 Common Shares to each investor who participated in the January 2024 Public Offering (the "January 2024 Investor Warrants"). Each January 2024 Investor Warrant has an exercise price of $51.30 per share and was exercisable immediately upon issuance. The January 2024 Investor Warrants will expire January 30, 2029.

Additionally, in connection with the January 2024 Public Offering, the Company issued share purchase warrants underlying a total of 18,084 Common Shares to Newbridge as compensation payable thereto, with each warrant having an exercise price of $64.13 per share and being exercisable beginning on July 30, 2025 and expiring on January 30, 2028. The issue-date fair value of all warrants issued to Newbridge in connection with the January 2024 Public Offering and the January 2024 Private Placements (the "Newbridge Warrants") was recorded as additional transaction costs, with a reduction to Common Shares and a corresponding increase to additional paid-in capital.

Hanmi Private Placement

Concurrently with the January 2024 Public Offering, the Company completed a private placement with Hanmi (the "Hanmi Private Placement") of 70,175 Common Shares at a price of $57.00 per Common Share, representing an 11% premium over the price of the Common Shares issued as part of the January 2024 Public Offering, for gross proceeds of $4.0 million, less cash transaction costs of $0.3 million. Also, as part of the January 2024 Private Placement, the Company issued to Hanmi, Common Share purchase warrants underlying 77,972 of our Common Shares (the "Hanmi Warrants"). Each Hanmi Warrant has an exercise price of $51.30 per Common Share and was exercisable immediately upon issuance. The Hanmi Warrants will expire January 31, 2029.

Hanmi 2023 Equity Investment

On August 10, 2023, the Company entered into a binding term sheet with Hanmi whereby Hanmi agreed at their sole discretion to invest, up to a maximum of $7 million in Aptose, limited to a total ownership of 19.99% of Aptose by Hanmi. On September 6, 2023, the Company entered into a subscription agreement with Hanmi, pursuant to which the Company agreed to sell 22,281 Common Shares to Hanmi for proceeds of $3 million.

2023 Committed Equity Facility

On May 25, 2023, the Company and Keystone Capital Partners, LLC ("Keystone") entered into a committed equity facility, (the "2023 Committed Equity Facility"), which provides that subject to the terms and conditions set forth therein, the Company may sell to Keystone up to the lesser of (i) $25.0 million of the Common Shares and (ii) a number of Common Shares equal to 19.99% of the Common Shares outstanding immediately prior to the execution of the 2023 Committed Equity Facility Agreement. Additionally, on May 25, 2023, the Company entered into a Registration Rights Agreement with Keystone, pursuant to which the Company agreed to file a registration statement with the SEC covering the resale of Common Shares that are issued to Keystone under the 2023

Committed Equity Facility. This registration statement became effective on June 30, 2023 and the 2023 Committed Equity Facility commencement date was July 12, 2023 (the "Commencement Date").

Upon entering into the 2023 Committed Equity Facility, the Company agreed to issue to Keystone an aggregate of 838 Common Shares (the “Commitment Shares”) as consideration for Keystone’s commitment to purchase Common Shares upon the Company’s direction under the 2023 Committed Equity Facility. The Company issued 251 Common Shares, or 30% of the Commitment Shares, on the date of the 2023 Committed Equity Facility Agreement. An additional 251 Common Shares, or 30% of the Commitment Shares, were issued to Keystone in October 2023.

During the six months ended June 30, 2024, the Company issued 17,003 Common Shares to Keystone at an average price of $40.80 per Common Share for cash proceeds of $0.7 million and 329 Commitment Shares valued at $23,000.

Since May 25, 2023 to April 2024, the time the Committed Equity Facility was terminated, the Company's issuance of Common Shares to Keystone comprised of an aggregate of 41,019 Common Shares at an average price of $68.10 per Common Share for aggregate gross cash proceeds of $2.8 million and 838 Commitment Shares.

From May 25, 2023 to the termination of the Committed Equity Facility, the Company recognized $168,000 of financing costs associated with professional fees. In April 2024, the Company's issuances of Common Shares to Keystone reached the Total Commitment of the Committed Equity Facility, i.e. 19.99% of the Common Shares outstanding immediately prior to the execution of the 2023 Committed Equity Facility Agreement.

2022 At-The-Market Facility ("ATM")

On December 9, 2022, the Company entered into an equity distribution agreement pursuant to which the Company may, from time to time, sell Common Shares having an aggregate offering value of up to $50 million through Jones Trading Institutional Services LLC ("Jones Trading") on Nasdaq (the "2022 ATM Facility"). During the prior year up to May 30, 2024, the date on which the Company terminated the 2022 ATM Facility, the Company issued 2,717 Common Shares under this 2022 ATM Facility at an average price of $36.60 per share for gross proceeds of $100,000 ($97,000 net of share issuance costs). Since inception to May 30, 2024, the Company raised a total of $2.1 million of gross proceeds ($2.0 million net of share issuance costs) under the 2022 ATM Facility. Costs associated with the proceeds consisted of a 3% cash commission.

Cash flows:

The following table presents a summary of our cash flows for the nine months ended September 30, 2025 and 2024:

(in thousands)	Nine Months Ended September 30,	
	2025	2024
Net cash provided by (used in):		
Operating activities	$ (16,149)	$ (27,917)
Financing activities	11,079	26,609
Investing activities	—	18
Net decrease in cash, cash equivalents and restricted cash and restricted cash equivalents	$ (5,070)	$ (1,290)

Cash flows from operating activities

Our cash used in operating activities for the nine months ended September 30, 2025 and 2024 was approximately $16.1 million and $27.9 million, respectively.

Net cash used in operating activities decreased during the nine months ended September 30, 2025, compared to the same period in 2024. This was primarily due to reduced operating expenses, as well as increases in accounts payable and accrued liabilities during the current period compared to decreases in accounts payable and accrued liabilities in the prior period. Our uses of cash for operating activities for both periods consisted primarily of salaries and wages for our employees, facility and facility-related costs for our offices, fees paid to contract research organizations and pass-through expenses paid in connection with preclinical and clinical studies, drug manufacturing costs, laboratory supplies and materials, and professional fees.

We do not expect to generate positive cash flow from operations for the foreseeable future as we incur additional research and development costs, including costs related to preclinical testing, clinical trials and manufacturing, as well as operating expenses

associated with supporting these activities, and potential milestone payments to our collaborators. It is expected that negative cash flows will continue until such time, if ever, that we receive regulatory approval to commercialize any of our products under development and/or royalty or milestone revenue from any such products exceeds expenses.

Cash flows from financing activities

Our cash flow provided by financing activities for the nine months ended September 30, 2025 was $11.1 million, consisting primarily of $10.3 million related to advances under the Hanmi Facility Agreement and $0.8 million from the issuance of shares under the 2025 ATM.

Our cash flow provided by financing activities for the nine months ended September 30, 2024 was $26.6 million, consisting primarily of $10.0 million from the proceeds of the loan payable to a related party, $4.1 million from the issuance of Common Shares under the Registered Direct Offering, $8.1 million from the issuance of Common Shares under the January 2024 Public Offering, $3.7 million from the issuance of Common Shares under the Hanmi Private Placement and $0.7 million from the issuance of Common Shares under the 2023 Committed Equity Facility.

Cash flows from investing activities

Our cash used in investing activities for the nine months ended September 30, 2025 and 2024 was nil and $18,000, respectively, and consisted of the net disposal of property and equipment during the nine months ended September 30, 2024.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS DESCRIBED UNDER ITEM 7

There were no material changes to our contractual obligations and commitments described under Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which can be found on EDGAR at www.sec.gov/edgar.shtml and on SEDAR+ at www.sedarplus.ca.

RESULTS OF OPERATIONS

A summary of the results of operations for the three and nine months ended September 30, 2025 and 2024 is presented below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2024	2025	2024
Revenue	$ —	$ —	$ -	$ -
Research and development expenses	2,205	4,702	7,867	15,560
General and administrative expenses	2,708	2,263	9,428	8,510
Other (expense) income, net	(210)	12	(414)	225
Net loss and comprehensive loss	$ (5,123)	$ (6,953)	$ (17,709)	$ (23,845)
Basic and diluted loss per common share	$ (2.01)	$ (11.33)	$ (7.34)	$ (44.41)

Net loss for the three months ended September 30, 2025 decreased by $1.8 million to $5.1 million, as compared to $7.0 million for the comparable period in 2024. Net loss for the nine months ended September 30, 2025 decreased by $6.1 million to $17.7 million, as compared to $23.8 million for the comparable period in 2024. Components of net loss are presented below:

Research and Development

Research and development expenses consist primarily of costs incurred related to the research and development of our product candidates and include:

- External research and development expenses incurred under agreements with third parties, such as contract research organizations, consultants, members of our scientific advisory boards, external labs and contract manufacturing organizations; and
- Employee-related expenses, including salaries, benefits, travel, and stock-based compensation for personnel directly supporting our clinical trials, manufacturing and development activities.

Subject to successful new financing activities, we expect our research and development expenses to be lower during 2025 than in 2024. For the foreseeable future, as we advance tuspetinib into more extensive clinical trials, costs will increase unless the program is partnered.

The research and development expenses for the three and nine months ended September 30, 2025 and 2024 were as follows:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Program costs – Tuspetinib	$ 1,423	$ 4,067	$ 5,135	$ 10,656
Program costs – Luxeptinib	91	(225)	290	287
Program costs – APTO-253	—	—	—	13
Personnel-related expenses	661	941	2,258	4,274
Stock-based compensation	30	(81)	184	317
Depreciation of equipment	—	—	—	13
Total	$ 2,205	$ 4,702	$ 7,867	$ 15,560

Research and development expenses decreased by $2.5 million to $2.2 million for the three months ended September 30, 2025, as compared to $4.7 million for the comparative period in 2024. Changes to the components of our research and development expenses presented in the table above are primarily as a result of the following events:

- Program costs for tuspetinib were $1.4 million for the three months ended September 30, 2025, compared with $4.1 million for the comparative period in 2024. The lower program costs for tuspetinib in the current period are attributable to reduced activity in our APTIVATE clinical trial, reduced manufacturing activity, and related expenses.
- Program costs for luxeptinib increased by approximately $0.3 million during the three months ended September 30, 2025 compared to the comparative period in 2024 due to a refund provided by one of our clinical vendors during the three months ended September 30, 2024.
- The Company discontinued further clinical development of APTO-253.
- Personnel-related expenses decreased by $0.3 million, primarily due to lower headcount for research and development personnel in the current three-month period.
- Stock-based compensation increased by $0.1 million in the three months ended September 30, 2025, compared to the three months ended September 30, 2024, primarily due to forfeitures recognized during the three months ended September 30, 2024 in connection with employee terminations during the period.

Research and development expenses decreased by $7.7 million to $7.9 million for the nine months ended September 30, 2025, as compared to $15.6 million for the comparative period in 2024. Changes to the components of our research and development expenses presented in the table above are primarily as a result of the following events:

- Program costs for tuspetinib were $5.1 million for the nine months ending September 30, 2025, compared to $10.7 million for the same period in 2024. The increased costs associated with the TUSCANY study were offset by a decrease in tuspetinib development expenses during the current period. This reduction is due to the conclusion of activities in our APTIVATE clinical trial during the current period, compared to higher APTIVATE activities during the nine months ended September 30, 2024, as well as lower manufacturing and related development costs.
- Program costs for luxeptinib remained consistent during the nine months ended September 30, 2025 compared to the comparative period in 2024.
- The Company discontinued further clinical development of APTO-253.
- Personnel-related expenses decreased by $2.0 million, primarily due to lower headcount for research and development personnel in the current three-month period.
- Stock-based compensation decreased by approximately $0.1 million in the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, primarily due to stock options forfeited and/or vested in prior periods that are no longer being expensed resulting in lower expense in the current period.

General and Administrative

General and administrative expenses consist primarily of salaries, benefits and travel, including stock-based compensation for our executive, finance, business development, human resources, and support functions. Other general and administrative expenses include professional fees for auditing and legal services, investor relations and other consultants, insurance and facility-related expenses.

We expect our general and administrative expenses to increase slightly in the near term, primarily due to ongoing personnel costs, legal fees, and insurance expenses associated with operating as a public company.

The general and administrative expenses for the three and nine months ended September 30, 2025 and 2024 were as follows:

(in thousands)	Three Months Ended September 30, 2025	2024	Nine Months Ended September 30, 2025	2024
General and administrative, excluding items below	$ 2,682	$ 2,191	$ 9,159	$ 7,809
Stock-based compensation	14	68	251	686
Depreciation of equipment	12	4	18	15
Total	$ 2,708	$ 2,263	$ 9,428	$ 8,510

General and administrative expenses for the three months ended September 30, 2025 were $2.7 million, as compared to $2.3 million for the comparative period in 2024, an increase of $0.4 million. The increase was primarily due to the following:

- General and administrative expenses, other than stock-based compensation and depreciation of equipment, increased by approximately $0.5 million in the three months ended September 30, 2025, compared to the three months ended September 30, 2024, primarily due to increased professional fees and bonuses recognized in the current period.
- Stock-based compensation decreased by approximately $0.1 million in the three months ended September 30, 2025, as compared to the three months ended September 30, 2024, due to stock options forfeited and/or vested in prior periods that are no longer being expensed resulting in lower expense in the current period.

General and administrative expenses for the nine months ended September 30, 2025 were $9.4 million, as compared to $8.5 million for the comparative period in 2024, an increase of $0.9 million. The increase was primarily due to the following:

- General and administrative expenses, other than stock-based compensation and depreciation of equipment, increased by approximately $1.4 million in the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, primarily due to increased legal expenses and professional fees and bonuses recognized in the current period.
- Stock-based compensation decreased by approximately $0.4 million in the nine months ended September 30, 2025, as compared to the nine months ended September 30, 2024, due to stock options forfeited and/or vested in prior periods that are no longer being expensed resulting in lower expense in the current period.

CRITICAL ACCOUNTING POLICIES

Critical Accounting Policies and Estimates

We periodically review our financial reporting, disclosure practices, and accounting policies to ensure that they provide accurate and transparent information relative to the current economic and business environment. As part of this process, we have reviewed our selection, application and communication of critical accounting policies and financial disclosures. Management has discussed the development and selection of the critical accounting policies with the Audit Committee of the Board of Directors. The Audit Committee has reviewed the disclosure relating to critical accounting policies in this Management's Discussion and Analysis.

Significant Accounting Judgments and Estimates

A "critical accounting policy" is one which is both important to the portrayal of our financial condition and results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of inherently uncertain matters. For additional information, please see the discussion of our significant accounting policies in Note 2 to the Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 28, 2025. There were no material changes to our critical accounting policies and estimates during the nine months ended September 30, 2025

The Company records expenses for research and development activities based on management's estimates of services received and efforts expended pursuant to contracts with vendors that conduct research and development on the Company's behalf. The financial terms vary from contract to contract and may result in uneven payment flows as compared to services performed or products delivered. As a result, the Company is required to estimate research and development expenses incurred during the period, which impacts the amount of accrued expenses and prepaid balances related to such costs as of each balance sheet date. Management estimates the amount of work completed through discussions with internal personnel and the contract research and contract

manufacturing organizations as to the progress or stage of completion of the services. The Company's estimates are based on a number of factors, including the Company's knowledge of the status of each of the research and development project milestones, and contract terms together with related executed change orders. Management makes significant judgments and estimates in determining the accrued balance at the end of each reporting period.

Although management does not expect our estimates to be materially different from amounts actually incurred, if the estimates of the status and timing of services performed differ from the actual status and timing of services performed, it could result in the Company reporting amounts that are too high or too low in any particular period. As of September 30, 2025, the Company has recorded $1.0 million in prepaid expenses and $1.9 million in accrued liabilities related to its research and development activities. If the estimates are too high or too low by a factor of 10% this would mean that prepaid expenses would be over or understated by approximately $0.1 million, and accrued liabilities would be over or understated by approximately $0.2 million. On a combined basis, this could mean an increase or decrease in research and development expenses by approximately $0.3 million. To date, there have been no material differences between the estimates of such expenses and the amounts actually incurred.

Other important accounting policies and estimates made by management are the valuation of contingent liabilities, the valuation of tax accounts and the assumptions used in determining the valuation of share-based compensation, as described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Management's assessment of our ability to continue as a going concern involves making a judgment, at a particular point in time, about inherently uncertain future outcomes and events or conditions. Please see the "Liquidity and Capital Resources" section in this Quarterly Report on Form 10-Q for a discussion of the factors considered by management in arriving at its assessment.

Updated share information

As of November 7, 2025, we had 2,552,429 Common Shares issued and outstanding. In addition, there were 37,370 Common Shares issuable upon the exercise of outstanding stock options and there were 1,267,585 Common Shares issuable upon the exercise of the outstanding warrants.