



Transaction & Company Overview

October 2026

Forward Looking Statements

This presentation includes statements that are, or may be deemed, “forward-looking statements” within the meaning of the U.S. federal securities laws. Such statements are based upon various facts and derived utilizing numerous important assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “might,” “estimates,” “approximately,” “expects,” “anticipates,” “intends,” “estimates,” “plans,” “seeks,” “may,” “should,” “could,” “would,” “will”, “future,” “likely,” “goal,” “continue,” “appears,” “suggests,” “ongoing,” or, in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. Forward looking statements appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, the proposed merger transaction between Adial and Azora and concurrent PIPE offering, our ongoing and planned discovery and development of drugs targeting inflammatory bowel diseases, our planned clinical trials, targeting an IND filing for AT177 in 2027, the concurrent PIPE offering positioning the combined company to advance its colon-targeted AhR program through key clinical milestones in ulcerative colitis, the potential of AT177 in treating ulcerative, combining AT177's AhR mechanism with other mechanisms; the opportunity for expansion to Crohn's disease; the strength and breadth of our intellectual property the length of time that we will be able to continue to fund our operating expenses and capital expenditures, obtaining stockholder approval, possible cash settlement of the preferred stock, and Nasdaq's approval of the listing application and our expected financing needs and sources of financing.

Any forward-looking statements included herein reflect our current views, and they involve certain risks and uncertainties, including, among others, our ability to conclude the merger transaction and concurrent PIPE offering, our ability to pursue our regulatory strategy, our ability to commence our planned clinical trials, our ability to obtain regulatory approvals for commercialization of product candidates or to comply with ongoing regulatory requirements, our ability to obtain or maintain the capital necessary to fund our research and development activities, our ability to complete clinical trials on time and achieve desired results and benefits as expected, our ability to partner our product development, regulatory limitations relating to our ability to promote or commercialize our product candidates for specific indications, acceptance of our product candidates in the marketplace and the successful development, marketing or sale of our products, the continued maintenance and growth of our patent estate and our ability to retain our key employees. These risks should not be construed as exhaustive and should be read together with the other cautionary statements included in Adial's Annual Report on Form 10-K for the year ended December 31, 2025, subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it was initially made. Adial undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

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Adial / Azora – Transaction highlights

Transaction Structure



- Acquisition of Azora structured as a stock-for-stock transaction where all of Azora's outstanding equity interests were exchanged for Adial common stock and a newly created non-voting convertible preferred stock.
- \$32 million in upfront financing with the potential to receive an additional \$32 million upon second tranche milestone of IND or first dosing at investor's option.

Use of Proceeds



- Proceeds and existing cash and cash equivalents position the combined company to advance its colon-targeted AhR program through key clinical milestones in ulcerative colitis including opening of IND, Phase 1a SAD/MAD study and Phase 1b proof-of concept studies in UC patients.
- IND and Phase 1a SAD/MAD initiation are expected first half of 2027, subject to regulatory agencies allowing studies to proceed

Management



Continuing Azora Leadership:

Matt Davidson PhD, Co-founder/CEO
CEO at Verrica, developed Ycanth®

Julie Saiki PhD, Co-founder/COO
Ran UC trial at Stanford, McKinsey & Co

New Independent Director:

Wendy Young PhD
Ex-SVP small molecules at Genentech

Continuing Adial Leadership:

Cary Claiborne MBA, CEO and Director
Vinay Shah MBA, CFO

Company expects PoC data in ulcerative colitis early 2028

Capitalization

As of 06/10/2026

Pre-acquisition Adial common stock outstanding	2,188,469
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Adial options and warrants (as converted to common) ¹	2,113
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Acquisition Consideration

Shares of common	437,474
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Shares of preferred stock	12,930
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Options ²	1,177,782
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Preferred stock conversion ratio	1,000
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Total pre-financing common equivalents outstanding ³	16,736,455
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Concurrent financing⁴

Pre-funded warrants	11,780,948
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Purchase price	\$2.7489
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<u>Total capitalization (Common, as converted)⁵</u>	<u>28.5 million</u>
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Market capitalization at deal price	~\$80 million
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- Shares of common stock, preferred stock and options were issued to Azora security holders in exchange for all of Azora's outstanding equity interests.
- Pre-funded warrants issued to investors upon closing of the \$32 million private placement and note exchange.
- Following approval by Adial's shareholders and subject to beneficial ownership restrictions and contractual lockup terms, each share of Adial preferred stock will convert into 1,000 shares of Adial common stock.
- Private placement and note investors may purchase an additional \$32 million of pre-funded warrants in connection with Phase 1 clinical study initiation or IND acceptance
- Please refer to the company's SEC filings for additional information.

1. Calculated using treasury stock method

2. Represents shares of common stock underlying Azora options assumed by Adial

3. Includes common stock, options and preferred stock calculated on an as converted to common stock basis assuming stockholder approval

4. Represents shares underlying pre-funded warrants issuable upon closing of the financing and includes conversion of bridge note

5. Represents Adial's pre-acquisition shares of common stock outstanding and share of common stock underlying the preferred stock issued to Azora stockholders at the closing of the acquisition and pre-funded warrants to be issued upon the closing of the concurrent financing and note exchange. Does not include any securities that may be issued in a future milestone closing.

Inspired by nature, refined by science, optimized for patients

Azora Therapeutics is a Stanford spin-out focused on developing treatments for serious inflammatory diseases.

AT177 is a fully-synthetic, patented, oral, colon-targeted aryl hydrocarbon receptor (AhR) agonist designed to restore mucosal immune homeostasis at the site of disease with minimal systemic exposure

Current Status:

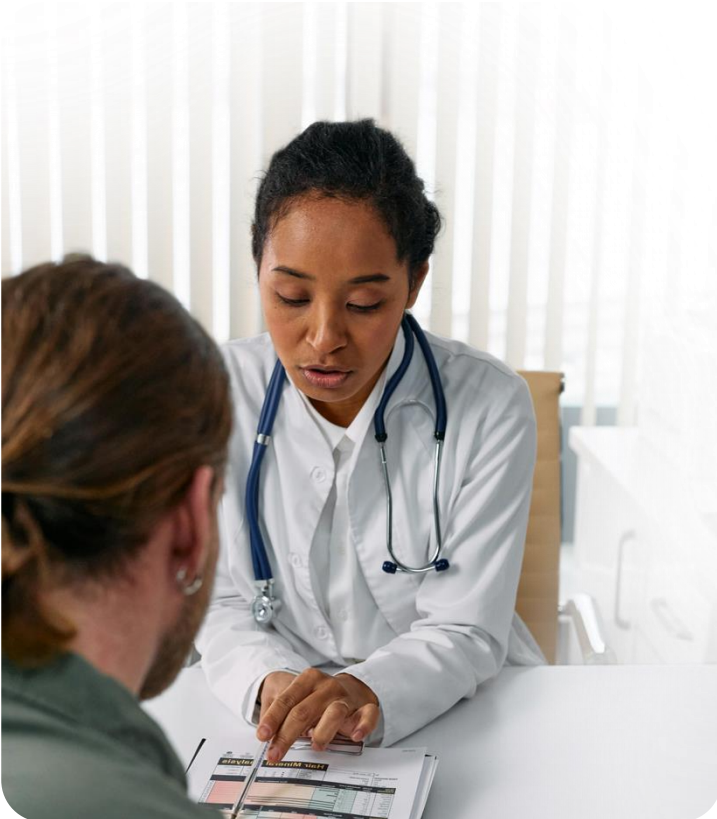
- Drug scaled, in vivo animal activity, target PK/PD in large animals, GLP rat tox completed
- FDA Pre-IND feedback received, IND-enabling studies ongoing, IND planned Q2 2027
- **Up to \$64M potential** financing positions Azora into P1b clinical inflection in early 2028

The logo for Azora Therapeutics, featuring the word "AZORA" in a large, thin, black, sans-serif font, with "THERAPEUTICS" in a smaller, blue, sans-serif font below it.

AZORA
THERAPEUTICS

AT177: an AhR agonist rationally designed to transform UC

Current approved therapies for ulcerative colitis (UC) are inadequate due to limited efficacy, secondary loss of response, and systemic safety liabilities



Target validated in patients: AT177's active moiety indirubin is the same as in indigo naturalis which has demonstrated clinical remission in UC patients; AhR mechanism further supported by Phase 3 trials of obefazimod and FDA approval of tapinarof in atopic dermatitis



Optimized profile for ulcerative colitis: oral, colon-targeted AT177 is engineered to maximize local AhR activation at the site of disease to improve efficacy while minimizing systemic exposure to limit toxicities



Durable IP: composition-of-matter protection to 2042 with potential blocking IP on colon-targeted AhR agonists



Market expansion opportunities: AT177 may be combinable with other UC mechanisms. UC proof-of-concept could support expansion into Crohn's disease.



Financing to clinical PoC: Up to \$64M private placement from fundamental biotech specialist investors supports Azora through Phase 1 PoC in UC

IBD is a \$30B market: even modest improvements in efficacy unlock significant value

Market opportunity

\$30B per year¹

\$11B in UC, 5M patients and growing, shift to orals^{2, 3}

\$2-\$6B

Individual annual revenue for IBD sales and growing



Limitations of existing UC drugs

Therapeutic ceiling that does not exceed 30% clinical remission at induction or 40% at maintenance⁴

50% of patients with initial benefit lose response⁵

10% fail all therapies and require colectomy⁶

Systemic drugs: immunosuppression and cancer risk

Value creation precedents

\$10B market cap

ABIVAX

after positive UC Phase 3 data with 16.4% placebo-adjusted remission at induction⁷

\$3-\$11B

Acquisitions after positive Phase 1b or Phase 2

Prometheus
Biosciences

MORPHIC

Helavant

nimbus
THERAPEUTICS

The future of IBD treatment is oral

AT177's mechanism of action is oral, orthogonal to other mechanisms and potentially combinable with approved drugs

AT177: From botanical proof-of-concept to rationally-engineered drug

The discovery:

Azora cofounder Julie Saiki treated her refractory UC with a botanical mixture called indigo naturalis

Validated biology: Julie conducted a Phase 1b trial at Stanford demonstrating that indigo naturalis showed clinically meaningful activity in refractory UC patients and drove robust colonic AhR signaling

The problem: : Indigo naturalis is an uncontrolled botanical mixture with potential systemic safety risks and is not FDA approved

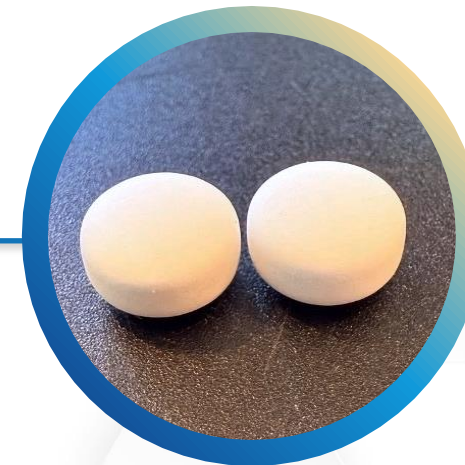


The solution:

AT177, a fully-synthetic, colon-targeted small molecule AhR agonist, designed to recapitulate the benefit of indigo naturalis, while minimizing systemic exposure

Prodrug approach: Converts to indirubin, reported to be one of the most potent AhR agonist in indigo naturalis, in colon lumen

The design: Once-daily oral small molecule, scalable CMC, colon-targeted delivery, strong granted IP (to 2042)



Inspired by nature Rationally designed

Azora is inspired by patient experience and robust clinical data

We rationally designed AT177 based on validated science to be a potentially best-in-class treatment for serious inflammatory diseases

AZORA

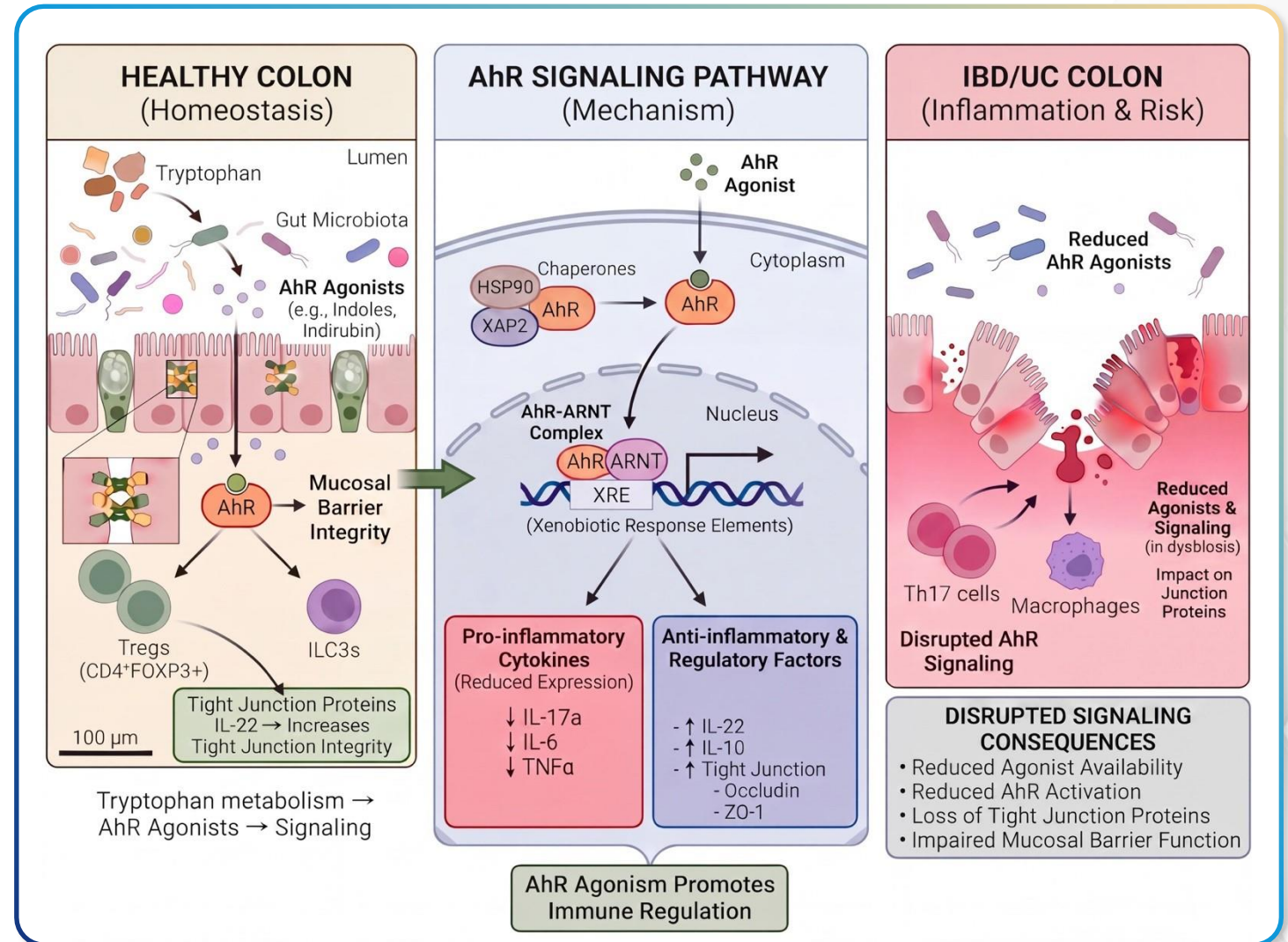
Aryl hydrocarbon receptor (AhR) is a master regulator of gut health

AhR: **transcription factor** expressed in immune cells and epithelium that regulates **immune and barrier function** (increases tight junction proteins)¹

AhR agonism **reduces pro-inflammatory** cytokines (IL-17a, IL-6, TNFα) and increases **IL-10, IL-22, and Tregs**²

Disrupted and reduced AhR signaling drives UC risk and severity³; **AhR polymorphisms associated with UC**⁴

Systemic AhR agonists show promise in UC but systemic AhR signaling presents potential safety risks like headaches, cardiovascular AEs and immunosuppression which may increase cancer risk

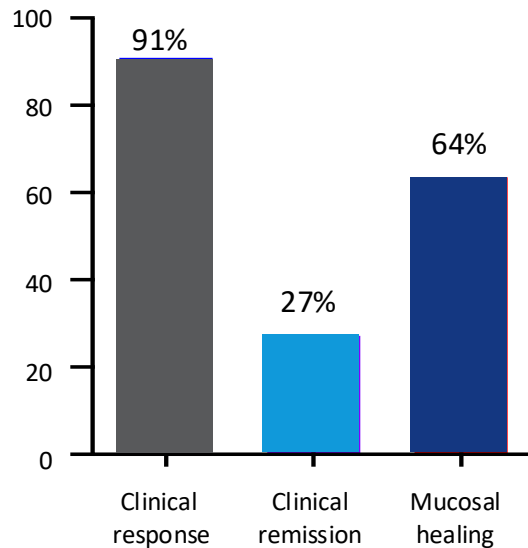


Indigo naturalis induces clinical remission in patients, supporting AhR mechanism in UC

Stanford phase 1b (n=11)

- Refractory patients: 9/11 anti-TNF ; 6/11 anti-TNF and vedolizumab, 5/11 colectomy-recommended
- AhR target engagement: ~12,000X increase in colon AhR activity

Efficacy endpoints at Week 8

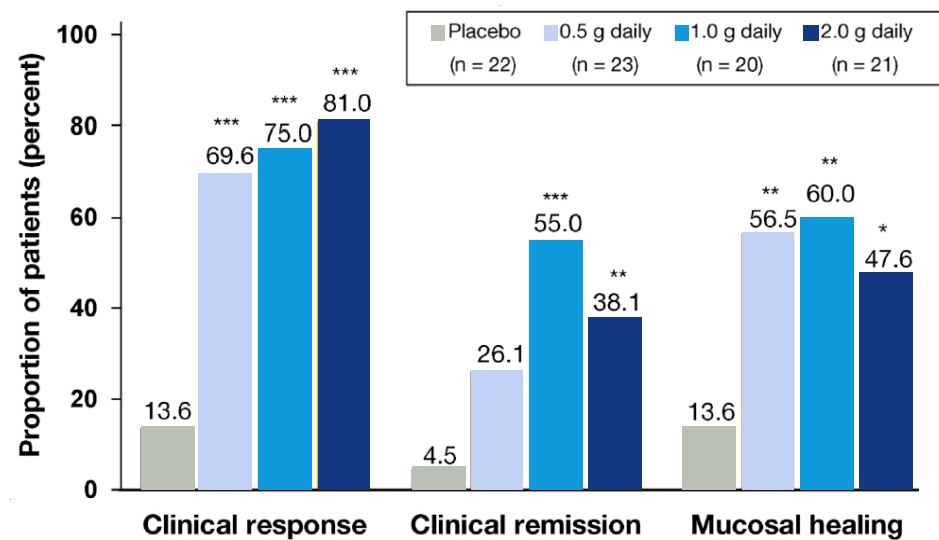


Saiki (2021) *BMJ Open Gastroenterology*

Randomized, double-blind, placebo-controlled (n=86)

- Up to 50% placebo-adjusted clinical remission¹
- Remission observed in both biologic experienced and biologic naïve patients²

Efficacy endpoints at Week 8

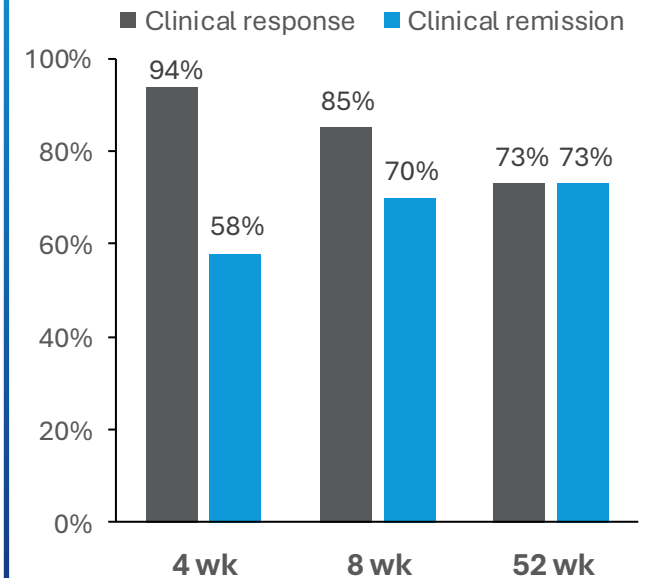


Naganuma (2018) *Gastroenterology* 154(4):935-947.

Long term maintenance (n=33)

- Long term use: clinical remission 73% at 1-year³
- With continued use, 90% (9/10) of those achieving remission still in remission 1-year later⁴

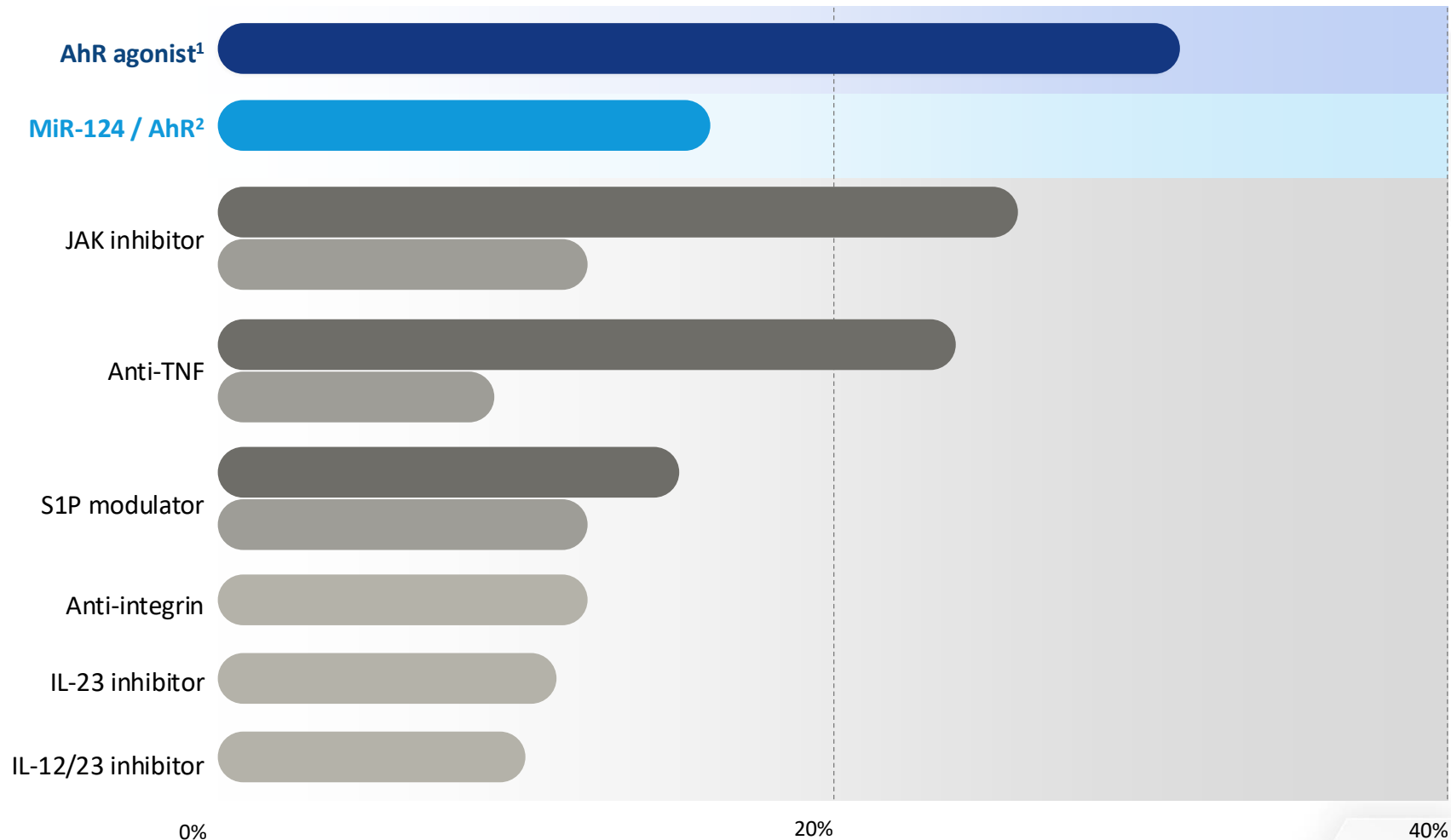
Efficacy endpoints to Week 52



Matsuno (2022) *Intest Res* 20(2):260-268.
Matsuno (2024) *Gastroenterology* 166S12.

AhR has the potential to raise the efficacy bar in UC

UC placebo-adjusted clinical remission rates by mechanism of action at induction



Indigo naturalis

21-51% placebo-adjusted remission demonstrates potential efficacy with AhR mechanism

Obefazimod

Medium-potency systemic AhR agonist³ designed to treat HIV, PK/PD profile may not achieve optimal colon AhR activation levels based on published PK data⁴

Current therapies fall short

- Modest efficacy, particularly in biologic-experienced patients
- Slow onset of benefit
- Lack of durability and development of anti-drug antibodies
- Systemically immunosuppressive
- Safety risks including infection, malignancy, intolerability

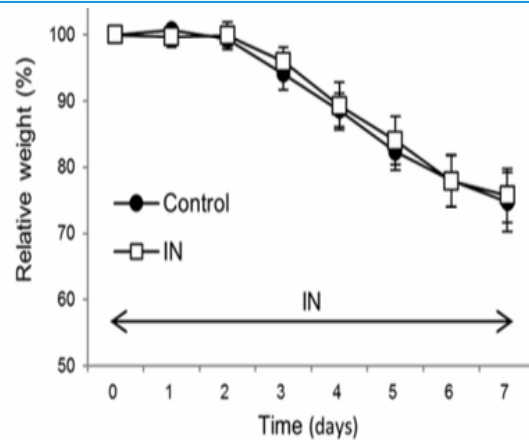
AhR is a validated target in inflammatory disease: efficacy is driven locally, not systemically

Blocking AhR eliminates benefit of indigo naturalis



When AhR is knocked out in a murine colitis model, indigo naturalis loses its therapeutic effect

Indigo Naturalis does not work in AhR KO

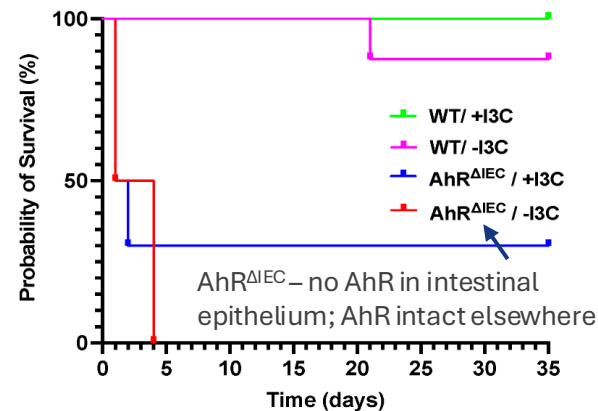


Colon epithelial signaling key to efficacy¹



When epithelial AhR is knocked out in the gut (AhR^{ΔIEC}) in a chronic murine colitis model, AhR agonism loses most of its benefit

Mouse colitis model +/-AhR agonist (I3C)

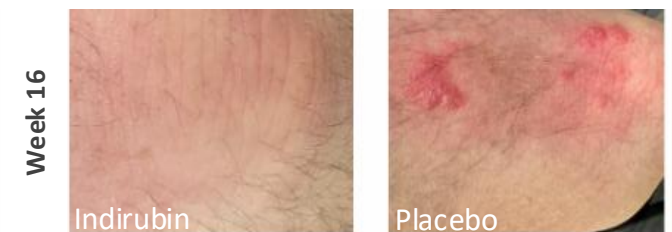


Local AhR activation sufficient to drive clinical benefit



Tapinarof (Vtama[®]), a topically-applied AhR agonist approved for psoriasis and atopic dermatitis, achieves its therapeutic effect with minimal systemic exposure

Azora's AT193 topical indirubin program showed activity in psoriasis with no quantifiable systemic exposure



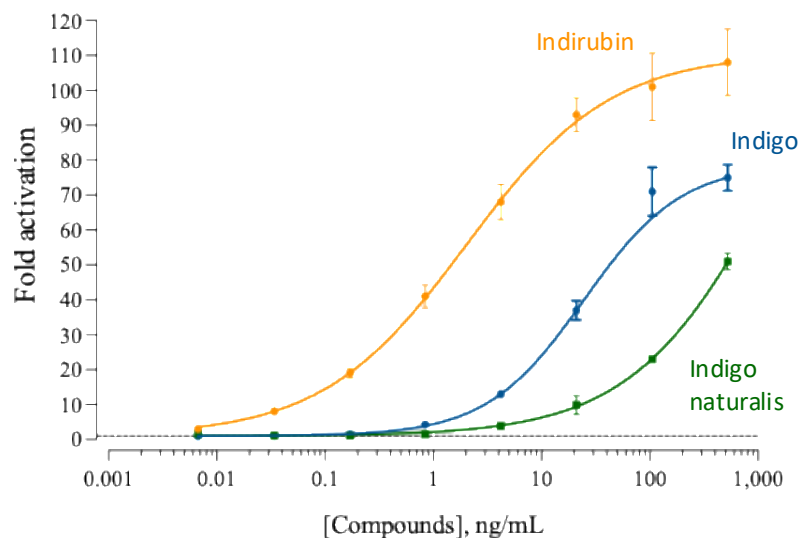
Kawai (2017) J Gastroenterol 52(8):904-919.

Qazi (2023) Nutrients 15(23):4980.

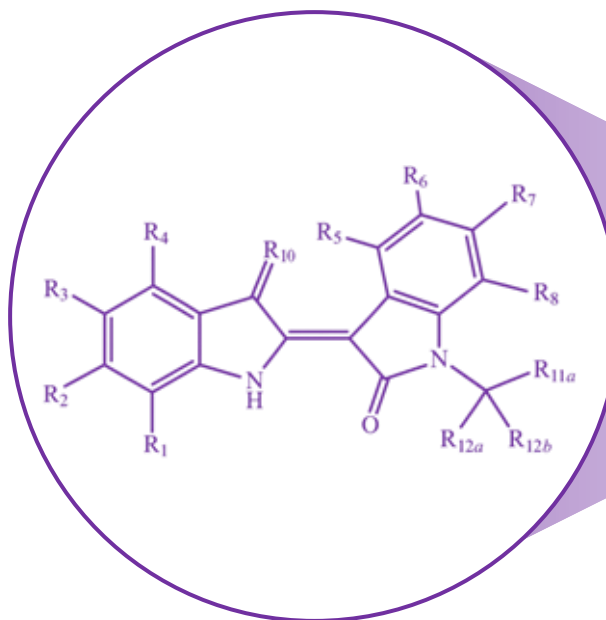
Dermavant Vtama[®] and Azora AT193 clinical data

AT177 converts into indirubin, the active moiety in indigo naturalis

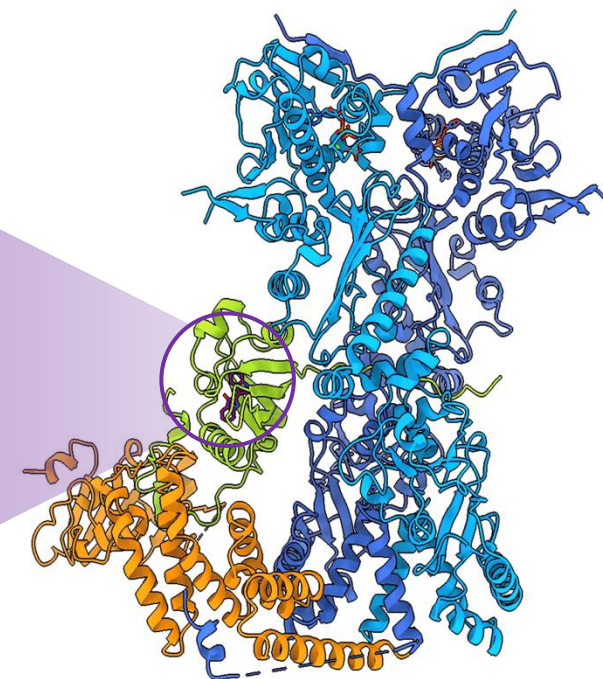
AhR activation *in vitro*



Indirubin is the most potent AhR agonist in indigo naturalis with sub-nanomolar activity¹

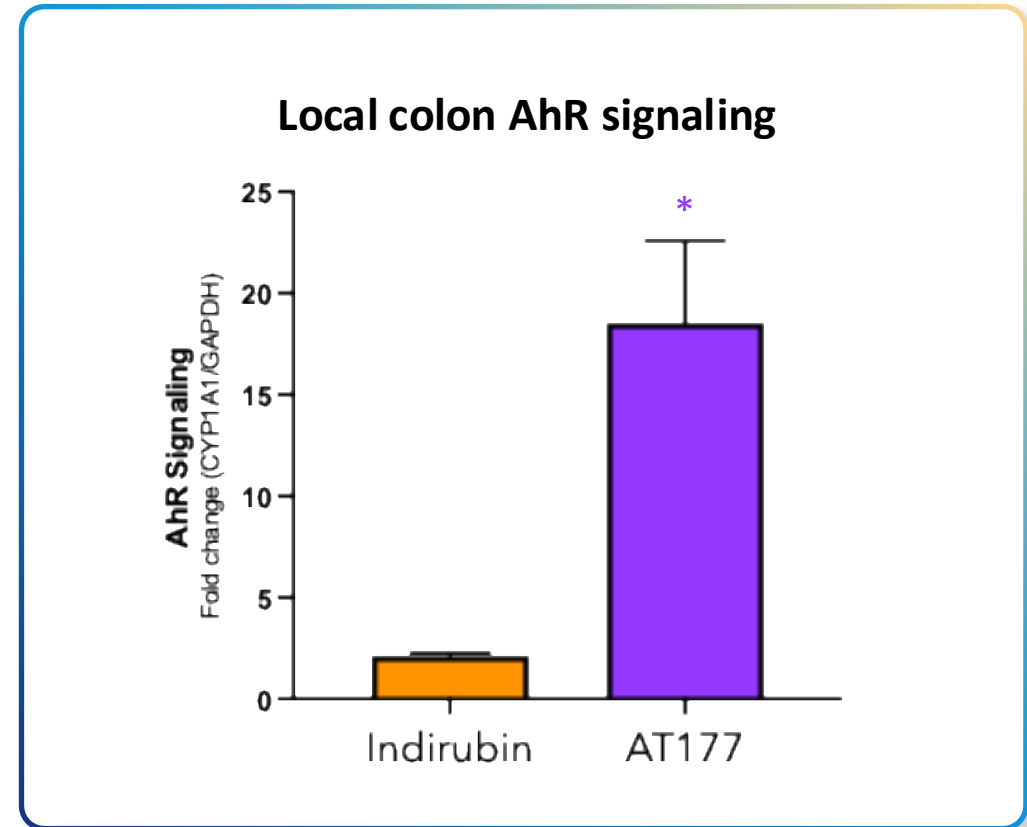
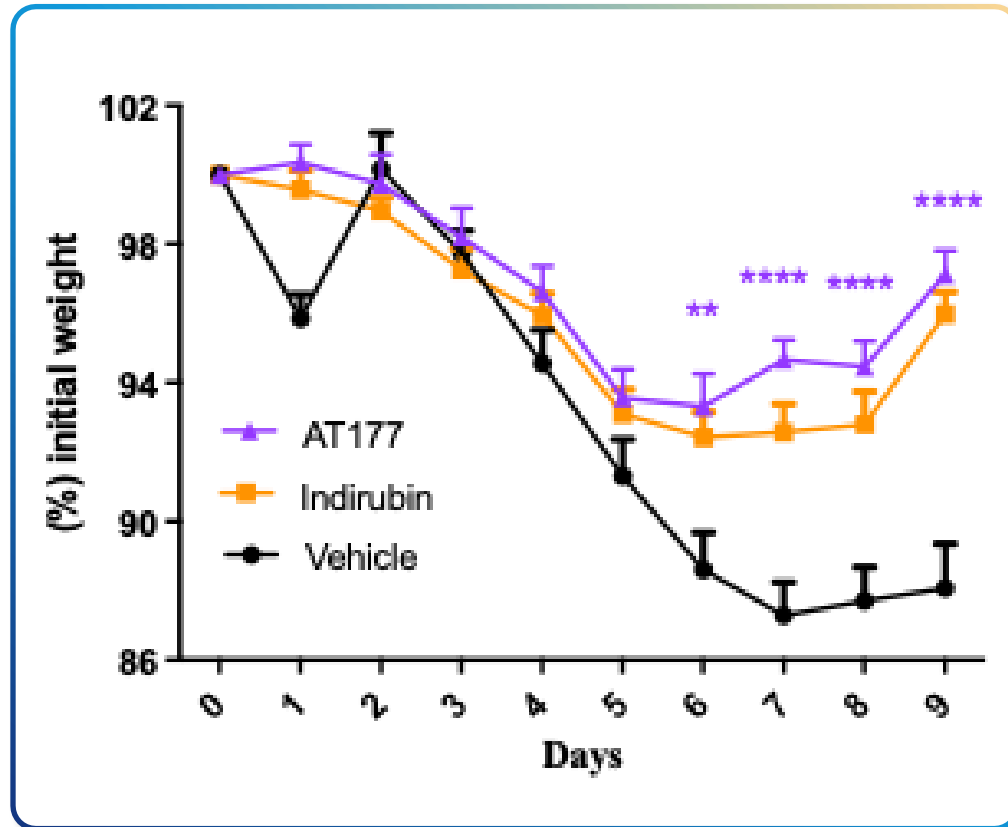


AT177 rapidly converts into indirubin in the lumen of the colon and does not require absorption or bacterial enzymes²



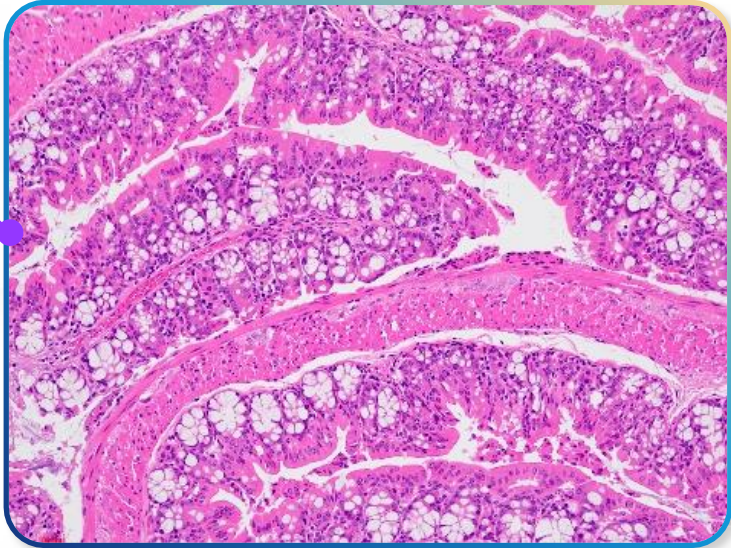
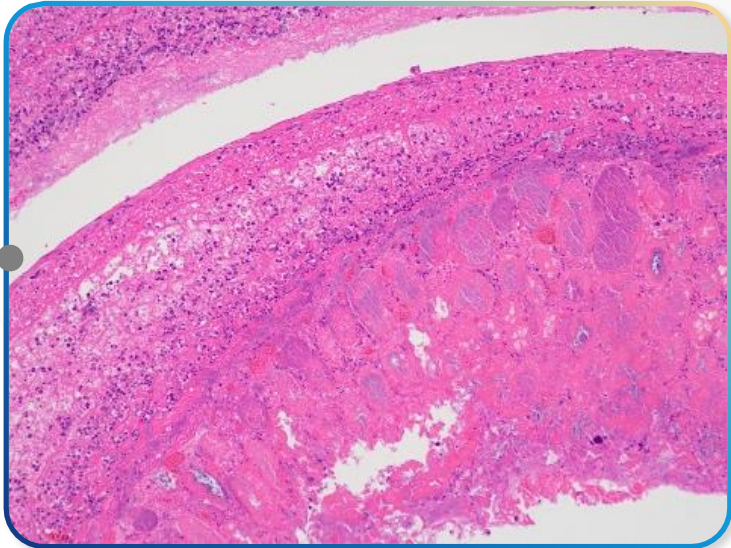
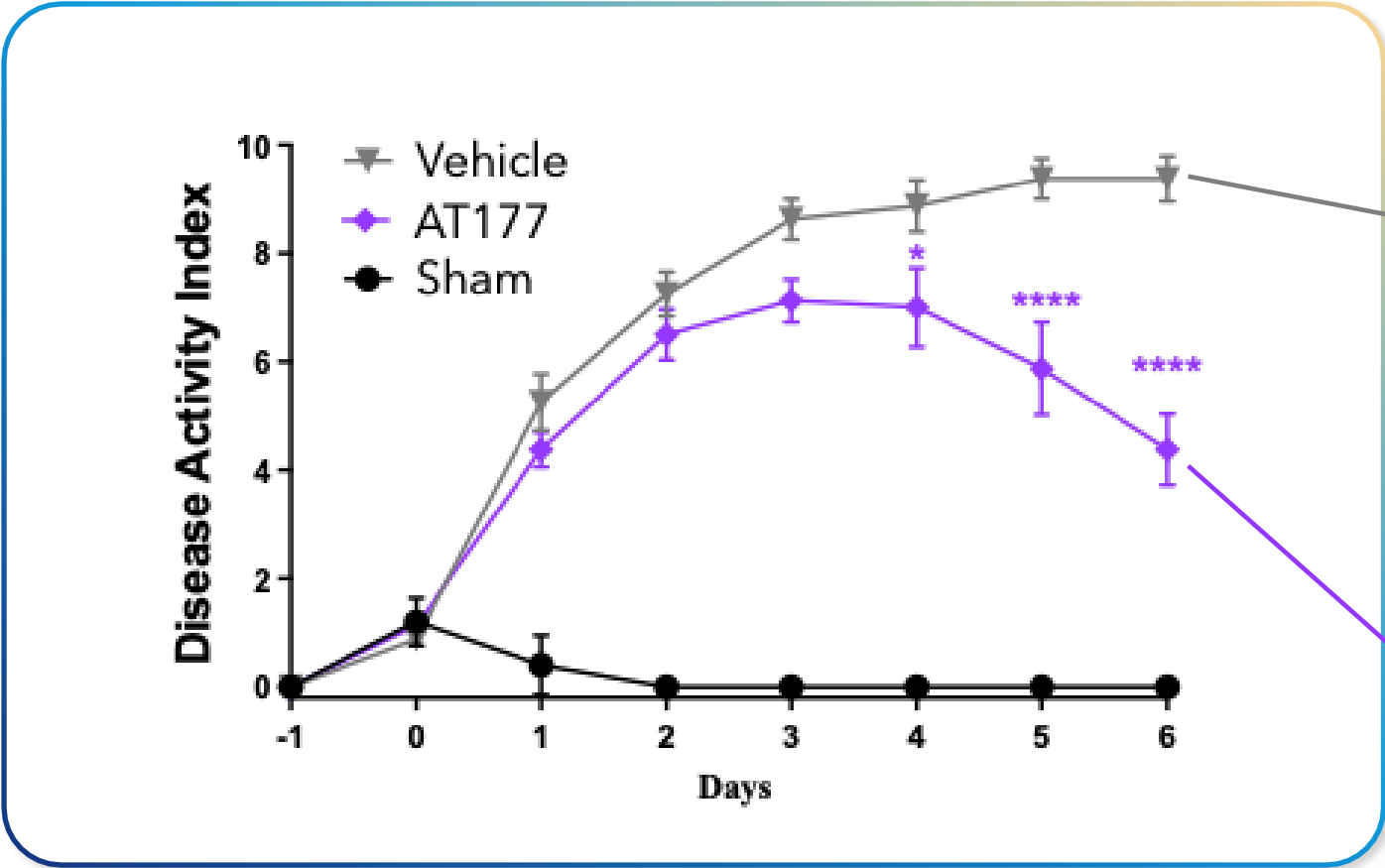
Indirubin directly binds the AhR³ and showed comparable activity as indigo naturalis in animal models of UC⁴

AT177 behaves like indirubin in DSS colitis mouse model with superior in vivo AhR activity



Oral AT177 shows activity in UC models and achieves ~8X more colon AhR signaling than indirubin

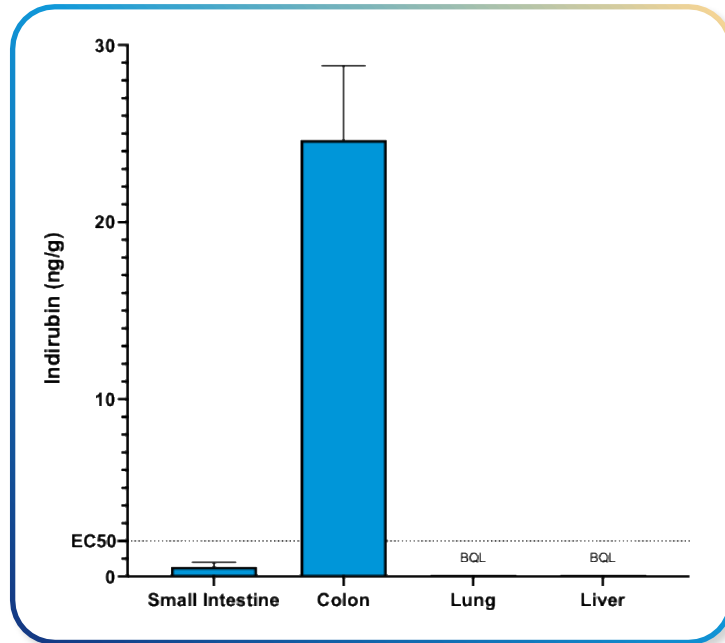
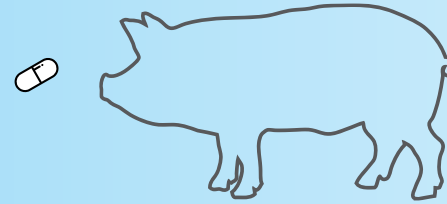
AT177 reduces disease activity in TNBS colitis and supported by histology



Rodents treated with oral AT177 have preserved colonic crypt architecture, restored epithelial integrity and reduced inflammatory infiltrate in lamina propria

AT177 is designed to be colon-targeted with a wide therapeutic index

Oral AT177
Administration



Indirubin levels above the EC₅₀ along the entire colon

1,000X

Greater indirubin colon levels than plasma levels

Robust colon AhR activation with minimal systemic exposure

10X

Lower plasma C_{max} than topical tapinarof

500X

Lower plasma C_{max} than oral obefazimod

Plasma exposure well below expected safe thresholds

AT177 was rationally designed to have the right profile for UC

	Azora	Abivax	Equillium	Dr. Falk ¹
Activity				
Active moiety has shown benefit in patients	✓	✓	X	X
High potency AhR agonist	✓	X	✓	✓
Exposure				
Optimized PK/PD profile for UC	✓	X	X	X
Active moiety is endogenous	✓	X	X	X
Colon-targeted formulation supports gut restriction	✓	X	✓	✓

Azora’s AT177 designed to be highly potent, rapidly metabolized, and highly gut-restricted to mitigate possible systemic safety risks

AT177: same active moiety as indigo naturalis with the potential for improved control and delivery

1. Indigo naturalis has demonstrated clinical remission in refractory UC
2. Indigo naturalis efficacy requires AhR signaling in the intestinal epithelium
3. Indirubin is the most potent AhR agonist in indigo naturalis
4. Indirubin alone has activity in murine UC models and in patients with psoriasis¹
5. AT177 rapidly converts into indirubin and drives more colonic AhR signaling compared with the same amount of indirubin
6. AT177 delivers indirubin above the EC₅₀ in large animals across the entire colon and into the rectum with dramatically lower systemic exposures than other AhR agonists

AT177 is positioned for clinical development in ulcerative colitis





AT177: Phase 1 clinical trial planned for 2027

With rapid progression to Phase 1 and 2 value inflection

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CMC infrastructure is ready to support clinical advancement

Drug Substance

- Commercially available fully-synthetic starting materials
- Proprietary synthetic route
- 18M+ room temperature stability

Drug Product Formulation

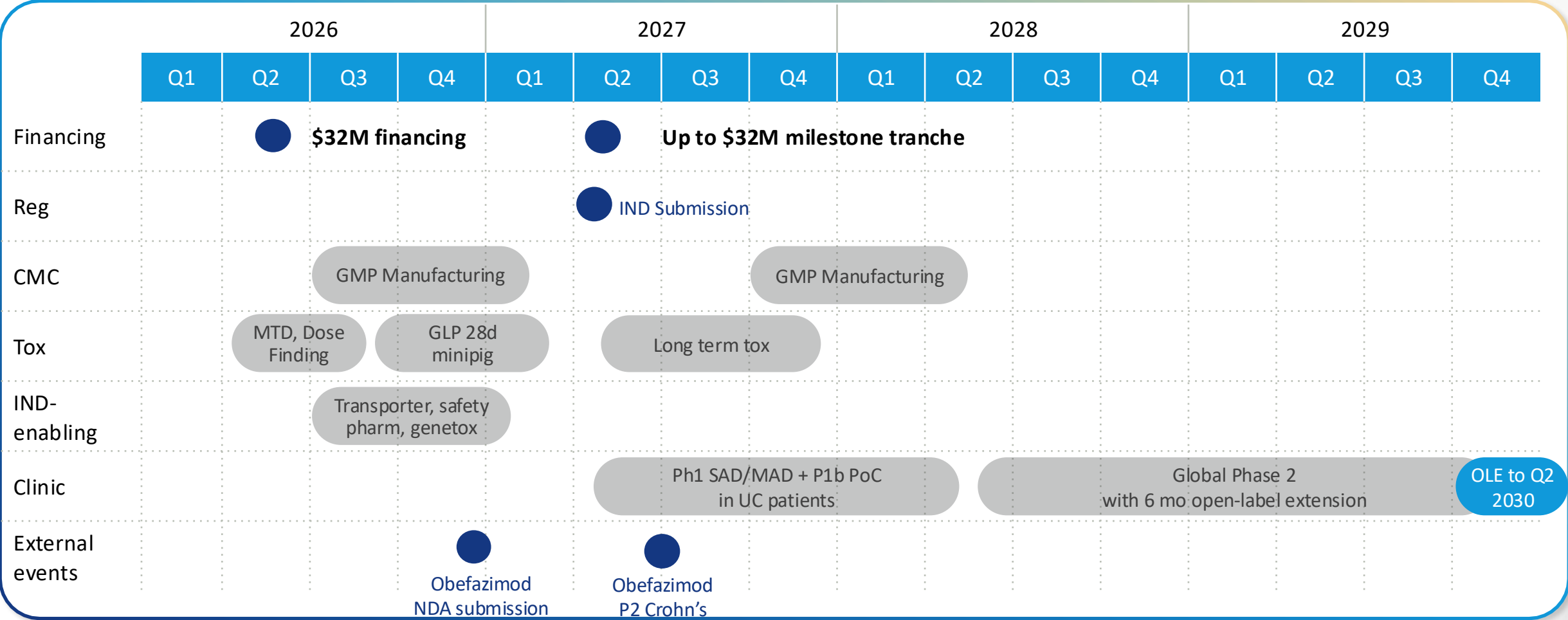
- Uses only FDA-approved excipients
- Highly-targeted release profile
- Precise drug delivery to colon confirmed in large animal studies

Scale-Up

- KG+ feasibility batches completed
- US-based GMP manufacturing initiated
- Processes are highly scalable

AT177's CMC package has scalable synthetic route, colon-targeted formulation using FDA-approved excipients, and US-based GMP manufacturing

Financing positions Azora through IND-enabling studies and into PoC in UC



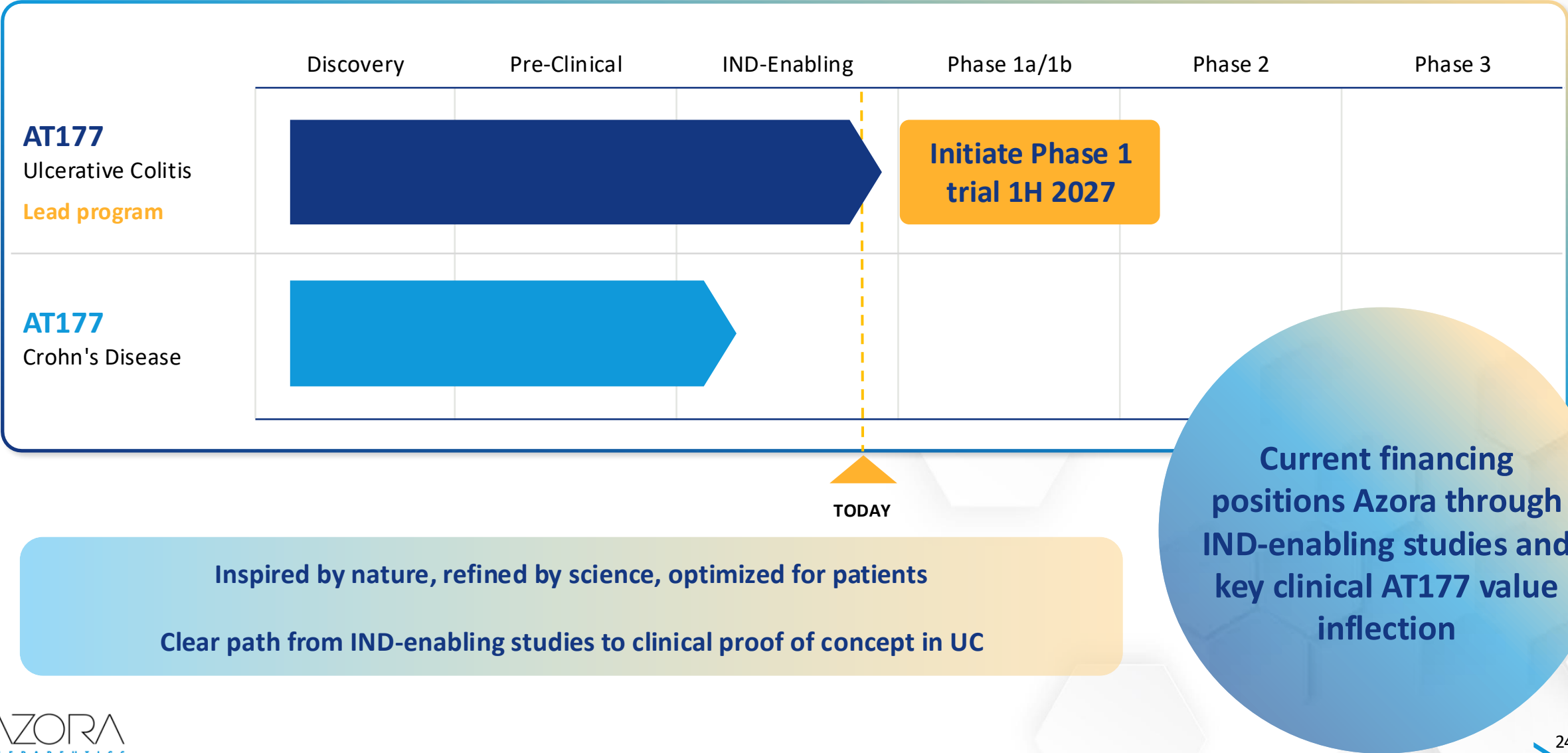
Capital-efficient path to clinical proof-of-concept in ulcerative colitis

Strong, long-dated granted IP position with broad claims on use of AhR agonists pending

Publication No.	Type	Status	Expires	Key Claims
US-2023 0227408-A1	Composition	Granted (US, JP)	2042	• Fully-synthetic indirubin prodrugs
US-2024-0182416-A1	Method	Granted (US)	2042	• Use of APIs in inflammatory diseases
US-2025-0255820-A1	Composition	Pending	2040	• Colon-targeted formulations of AhR agonists
US-2025-0195469	Method	Pending	2042	• Methods to reduce possible side effects of AhR agonists including headaches, GI, PAH. • Methods to enhance the efficacy of AhR agonists

Azora holds 100% ownership of all intellectual property on a worldwide, royalty-free basis

AT177: Ulcerative colitis success may unlock Crohn's disease and possible combinations



Thank You

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