Shareholder letter December 2023

Dear Shareholders

AI is becoming an accepted and validated approach to drug discovery and development with long term structural trends supporting its growth. With the investment we have made in our Platform over many years, combined with the acceleration in interest in AI in drug discovery and development, I believe we are well placed to benefit from this trend.

At BenevolentAI we serve patients by leveraging our proprietary and validated Benevolent Platform™ that integrates AI and science to uncover new biology, predict novel targets and develop first-in-class or best-in-class drugs for complex diseases. As we mature as a company, we are laser-focused on value creation by ensuring that our Platform remains one of the best, and strengthening our commercial capabilities to deliver our differentiated offerings.

2023: A year of transition

Despite 2023 being a challenging year and a transition period for BenevolentAI, we have made significant progress in executing our strategic plan. In September we clarified the equity story / investment thesis with the three pillars of revenue providing a business model, driven by the Benevolent Platform™, and geared towards value creation.

We strengthened the Leadership Team with the appointments of our new Chief Financial Officer, Catherine Isted, and our Chief Revenue Officer, Christina Busmalis, a newly-created role focused on sustainable growth through revenue generation.

We were pleased with the signing of the new strategic collaboration with Merck KGaA in September. Collaborations and partnerships remain vital to our future success, therefore, improving and investing in our Business Development capabilities has been key in the last quarter of the year and further investment in this will continue in 2024.

The Benevolent Platform™ drives our three revenue streams - it is a versatile, scalable and robust AI-augmented drug discovery platform built with expert scientists, leveraging multi-modal data foundations. Our platform offers:

- A **unique combination** of tech and science, working together in an **integrated** process

- **Insights** and **novelty**, across **multiple therapeutic areas**, that avoid disease siloes and limitations from single data streams

- **Systematic, unbiased, repeatable** process, that translates into **transparent** and **actionable** insights

Progress in the last quarter of 2023

Reflecting on the last few months, I would like to highlight progress across the three revenue pillars and strategic priorities for this period:

Benevolent Platform™

We continue to further enhance the Benevolent Platform™ in key areas such as our target identification offerings by adding new data through the **single-cell analysis pipeline**, updating our disease approach to use **patient data derived mechanisms,** and improving our core benchmarking dataset using the **clinical outcomes dataset**. We also introduced a new state-of-the-art target prediction methodology, which continues to enhance our previous target prediction fleet and target explanations.

We leverage this platform to drive and support our three pillars of Revenue in end-to-end drug discovery, clinical and preclinical pipeline and knowledge exploration tools.

End-to-end drug discovery

Work on our new strategic collaboration with Merck KGaA is underway and targets defined in oncology, neurology and immunology are in early hit identification, utilising BenevolentAI's end-to-end platform capabilities to deliver novel drug candidates for onward development by Merck KGaA.

Additionally, our collaboration with AstraZeneca continues successfully. Progress is being made towards further target selections in heart failure and Systemic Lupus Erythematosus use cases in 2024 and beyond, following the extension in January 2022 for a further three years to include these target indications.

The AstraZeneca target identification collaboration was enhanced by precision medicine workflows, in which new mechanisms were uncovered and explored to enable identification of novel targets for potential entry into the AstraZeneca portfolio.

Clinical and preclinical pipeline

Our lead asset, **BEN-8744**, a phosphodiesterase 10 (PDE10) inhibitor for the treatment of ulcerative colitis (UC) has progressed into a Phase 1a clinical study. The objectives of the study are to assess the **safety and tolerability** of single and multiple **oral** doses, and the **effect of food** on the **pharmacokinetic profile** of BEN-8744 in **healthy volunteer** subjects. The study is in three parts: Part A - single ascending dose (SAD), Part B - food effect and, Part C - multiple ascending dose (MAD). Cohorts 1-4 (SAD) and Cohort 1 (MAD) BEN-8744 dosing are completed, and we are on **track for top line results in Q1 2024.**

All Regulatory Toxicology safety studies have been successfully completed for **BEN-28010,** an oral brain penetrant CHK1 inhibitor for the treatment of Glioblastoma Multiforme (GBM) and metastatic brain tumours. An IND-ready package is on track to be ready in early 2024.

The drug scale up has been successfully completed for **BEN-34712,** an oral, potent and selective brain penetrant RARαβ (retinoic acid receptor alpha beta) selective agonist for treatment of amyotrophic lateral sclerosis (ALS) and is expected to be investigational new drug (IND) ready by mid-2024.

Knowledge Exploration Tools

Our Knowledge Exploration tools leverage cutting-edge technology to surface data, perform analysis, and give scientific recommendations. Acting as a co-pilot for scientists and incorporating generative AI techniques, our tools enable scientists to access a comprehensive and unified view of biomedical knowledge for use across their day-to-day tasks to increase productivity whilst working to reduce time taken for knowledge exploration, analysis and visualisation tasks from hours to minutes and whilst increasing confidence in decision making.

Initial product development is substantially completed, and our BenevolentAI's Drug Discovery scientists are the first user group. Ongoing discussions are underway with potential customers and partners.

People

In a year that has seen significant change for the business and its employees, ensuring retention of key personnel and employee engagement has, and continues to be, a key focus. As announced in our interim results announcement in September, we expect that headcount will be around 260 employees at the end of 2023. 2024 will see a continued focus on culture and values with significant emphasis on operational effectiveness and a greater commercial focus to further engage our teams.

Led by our new Chief Revenue Officer, Christina Busmalis, we are strengthening our capabilities by establishing a thriving customer-centric go-to-market organisation that delivers revenue generation across BenevolentAI's offerings. We have made key hires in business development and marketing to support the increased commercial focus.

As the year closes, we acknowledge the Company's turnaround phase and associated challenges, and we remain committed to strengthening our market position through continuous innovation and excellence in science and technology.

Looking ahead

BenevolentAI mission is to serve patients by leveraging our proprietary and validated Benevolent Platform™ that integrates AI and science to uncover new biology, predict novel targets and develop first-in-class or best-in-class drugs for complex diseases.

With a clear message around strategy, we are now focussing on the annual J.P. Morgan Healthcare Conference in San Francisco in January (8-11). If you are at the conference and would like to meet up, please let me know.

As we look ahead to 2024, we will prioritise:

- Maintaining BenevolentAI's position as one of the leaders in AI driven drug discovery and Target ID.
- Strengthening our team by recruiting a permanent CEO and continuing to build our commercial capabilities.
- Advancing our internal pipeline and generating revenue through an aggressive revenue - generation strategy and execution.

I am grateful to our shareholders for their support during this turnaround period, rest assured that the Board and the Leadership Team are committed to fulfilling our mission and creating value for our stakeholders.

Regards,

Dr. François Nader
Chair and Acting CEO

Forward-looking Statements

This letter may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "plans", "targets", "aims", "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "should" and similar expressions. Forward-looking statements include statements regarding objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; economic outlook and industry trends; developments in BenevolentAI's markets; the impact of regulatory 4 initiatives; and/or the strength of BenevolentAI's competitors. These forward-looking statements reflect, at the time made, BenevolentAI's beliefs, intentions and current targets/aims. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this release are based upon various assumptions based on, without limitation, management's examination of historical operating trends, data contained in BenevolentAI's records, and third-party data. Although BenevolentAI believes these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond BenevolentAI's control. Forward-looking statements are not guarantees of future performance, and such risks, uncertainties, contingencies and other important factors could cause the actual outcomes and the results of operations, financial condition and liquidity of BenevolentAI or the industry to differ materially from those results expressed or implied by such forward-looking statements. The forward-looking statements speak only as of the date of this release. No representation or warranty is made that any of these forward looking statements or forecasts will come to pass or that any forecast result will be achieved.