

ASX ANNOUNCEMENT

Second consecutive quarter of positive underlying operating cash flow

21 April 2026, Melbourne: Elixinol Wellness Ltd (ASX: EXL) ("**EXL**," "**Elixinol**," or "**the Company**"), a leading sustainable nutrition and wellness company, is pleased to report its March 2026 quarterly activity report and Appendix 4C ("Q1 FY26").

Key Highlights

- **Q1 FY26 revenue of \$3.5m, stable YoY**
- **Higher-margin revenue**, with gross margin at 45%, improving by 8 percentage points YoY
- **Strong e-commerce sales of Healthy Chef**, up 25% YoY
- **Gross profit up 36% on pcp**, for Australian operations
- **Lower cost base**, with operating expenses down 29% YoY
- **Second consecutive quarter of underlying cash flow positive¹**
- **Strong revenue outlook for Q2**, with new B2B and retail channel opportunities
- **Solid foundation for organic growth and M&A opportunities to scale the business**

Natalie Butler, CEO and Executive Director, commented,

"This was a strong quarter for the business, reflecting the significant work undertaken to simplify the portfolio, reduce costs and refocus on higher-margin opportunities. We delivered improved gross margins on a lower cost base and positive underlying operating cash flow, demonstrating that our strategy is translating into a more efficient and profitable operating model."

We were pleased to see the resilience in demand from our customer base during the quarter, particularly in the context of ongoing geopolitical uncertainty. Demand for our premium Healthy Chef range remains strong, supported by a predominantly Australian supply chain, which provides greater stability as we anticipate some moderate increases in freight costs."

Looking ahead, we expect to build on this momentum in Q2, supported by a strong pipeline of demand across retail channels, innovative new product launches rolling out into Coles, and our current hemp harvest, with a substantial pipeline of orders already in place. This positions us well to drive revenue growth while maintaining a focus on margin quality."

¹ Underlying operating cash flow excludes finance costs, payments for income taxes and other items (out of cycle payments and non-recurring items). Results are unaudited and subject to review.

Q1 FY26 Overview

Elixinol generated revenue of \$3.5m in Q1 FY26, stable year-on-year. This is a pleasing result in our seasonally weakest quarter.

Performance in the quarter reflects a continued shift towards higher-margin revenue streams and a more disciplined portfolio and channel mix.

Strong e-commerce sales of The Healthy Chef

The Healthy Chef revenue was up 25% YoY, reflecting continued strength in e-commerce and consumer demand for premium functional nutrition. The Healthy Chef now accounts for 26% of total revenue, up from 21% in Q1 FY25.

This growth highlights the increasing contribution of owned channels and premium brands to overall revenue quality.

The launch of Metabolic Burn in the first quarter exceeded initial brand expectations with strong early consumer demand validating the brand's entry into the pre-GLP segment. This performance highlights the growing consumer demand for lighter, functional formats that support protein intake and metabolic health. Protein Water continued to gain traction during the quarter, contributing to positive brand growth.

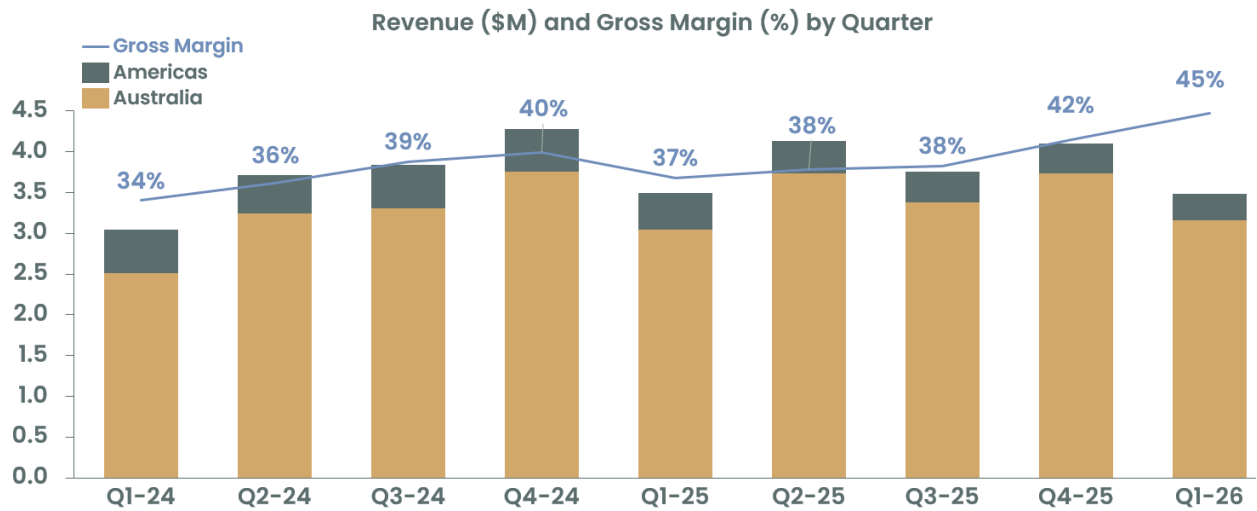
The strong performance across both Metabolic Burn and Protein Water reinforces the opportunity to expand into this segment, with consumers seeking convenient, lower-calorie ways to incorporate high-quality protein into their daily routines.

Improved gross margins

Elixinol continued to deliver higher-margin revenue in Q1, reflecting the strategic shift to focus on higher-margin products and channels.

Gross margin increased to 45% in Q1 FY26 compared to 37% in Q1 FY25, reflecting disciplined portfolio management and reduced exposure to lower-margin contracts and SKUs. The increased contribution from e-commerce and core brands also continued to support margin improvement and reduce reliance on traditional retail channels.

Gross profit increased 21% on pcp to \$1.6m, primarily driven by a significant increase in the Australian business, up 36% on pcp.



Lower cost base

Cash receipts from customers of \$3.6m, was stable year-on-year. This was a pleasing result in the seasonally weakest quarter.

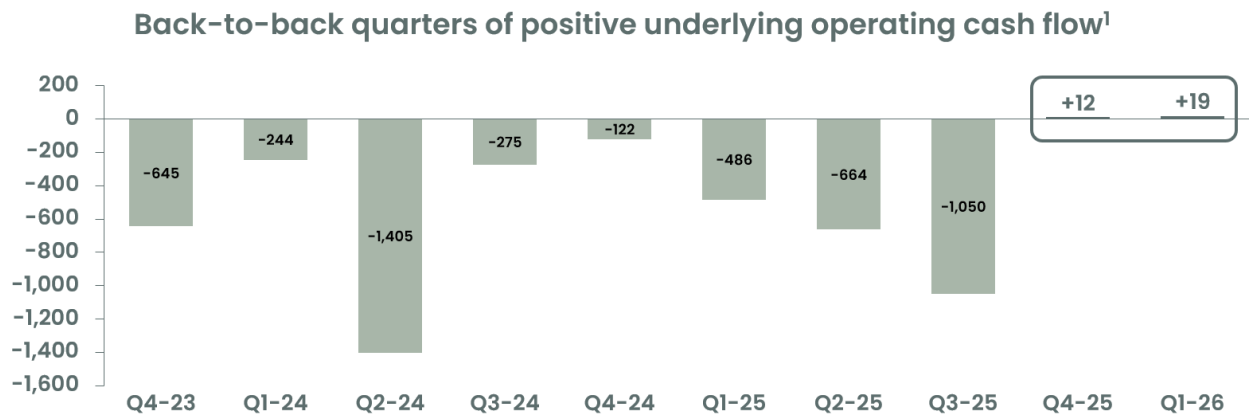
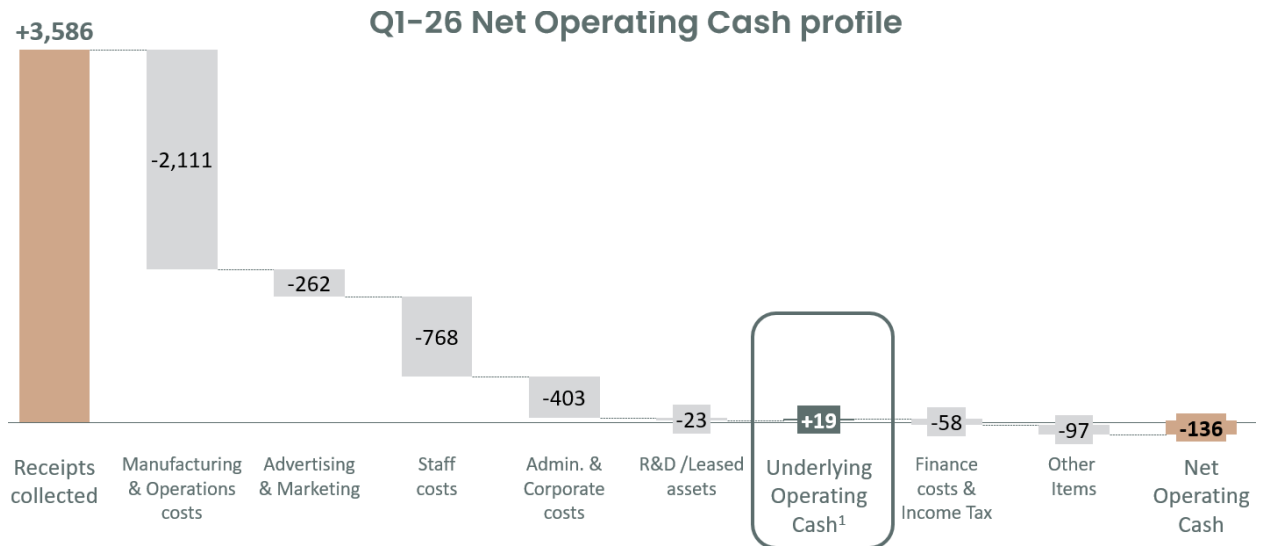
Operating costs were down 29% year-on year, primarily due to a 28% decrease in staff costs, a 24% decrease in distribution costs, a 37% decrease in marketing costs and a 30% reduction in administrative and corporate costs.

Elixinol has delivered back-to-back quarters of positive underlying operating cash flow. The operating cash outflow was \$0.14m, was a significant improvement on the operating cash outflow of in every quarter of last year, peaking at \$1.27m in Q3 FY25. The improvement in cash performance was driven by both margin expansion and disciplined cost management.

Elixinol remains on the path to profitability, based on revenue momentum heading into Q2, continued focus on higher-margin revenue and a structurally lower fixed cost base in FY26.

Near-term revenue growth is expected to be supported as recent portfolio and channel resets begin to flow through into sales performance. The cash balance as at 31 March 2026 was \$1.2 million.

Related party payments of \$0.13m include Director fees and executive remuneration.



Gavin Evans, Chair, commented,

“Over the past six months, we have worked hard to reposition the business for sustainable growth and our Q1 results demonstrate clear evidence that our strategy is on track. We are delivering higher-margin revenue on a structurally lower cost base and the cash management has improved significantly, with two consecutive quarters of positive underlying operating cash flow.

Our supply chain is predominately comprised of Australian ingredients and our customer base is proving resilient. We have strong momentum heading into Q2, based on new opportunities in both wholesale and retail channels and we continue to explore opportunities to accelerate our growth trajectory in building a portfolio of premium-branded health food assets .”

Quarterly business update overview: To watch an accompanying overview of the quarterly business update, and ask any questions, please visit the [Elixinol Wellness Investor Hub](#).

Authorised for release by the Board of Elixinol Wellness Limited For further information, please contact:

Natalie Butler, CEO & Executive Director
natalie.butler@elixinolwellness.com

About Elixinol Wellness

Elixinol Wellness Limited (ASX: EXL) is a sustainable nutrition and wellness company operating across Australia and the USA. The Company produces, manufactures, and distributes a range of complementary products spanning key verticals including nutrition, wellness, and superfood ingredients.

In Australia, Elixinol Wellness operates a vertically integrated hemp foods business. Its major retail brands include The Healthy Chef, Hemp Foods Australia and Mt Elephant, alongside ingredient brands Australian Primary Hemp and The Australian Superfood Co. Products are sold through grocery, wholesale, and e-commerce channels.

To find out more, please visit www.elixinolwellness.com or the Elixinol Wellness Investor Hub <https://investorhub.elixinolwellness.com/link/r8ngWy>

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Elixinol Wellness Limited

ABN

34 621 479 794

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,586	3,586
1.2 Payments for		
(a) research and development	(9)	(9)
(b) product manufacturing and operating costs	(2,111)	(2,111)
(c) advertising and marketing	(262)	(262)
(d) leased assets	(14)	(14)
(e) staff costs	(768)	(768)
(f) administration and corporate costs	(403)	(403)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(57)	(57)
1.6 Income taxes paid/(received)	(1)	(1)
1.7 Government grants and tax incentives	20	20
1.8 Other (nonrecurring)	(120)	(120)
1.9 Net cash from / (used in) operating activities	(136)	(136)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	(8)	(8)
(j) investments	-	-
(k) intellectual property	(28)	(28)
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Cash acquired on equity settled business combination	-	-
2.6	Net cash from / (used in) investing activities	(36)	(36)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(11)	(11)
3.5	Proceeds from borrowings	347	347
3.6	Repayment of borrowings (leases)	(341)	(341)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	(5)	(5)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,411	1,411
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(136)	(136)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36)	(36)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5)	(5)
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	1,236	1,236

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,236	1,236
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,236	1,236

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	128
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	3,786	3,786
7.4 Total financing facilities	3,786	3,786
7.5 Unused financing facilities available at quarter end		80
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

A Trade Debtor Finance facility of up to \$1,500,000 and \$300,000 for Trade finance was established with Scottish Pacific Business Finance Pty Ltd ("ScotPac"), -on 20 December 2023. As of 31 March 2026, \$634,000 was drawdown against the Trade Debtor facility and \$296,000 against the Trade finance facility. The total amount available to drawdown was \$981,000. The interest rate on these facilities is approximately 10.56% on drawn-down amounts and is secured against the assets of the Group's subsidiary, Elixinol Wellness (Byron Bay) Pty Ltd. The term of this facility is a minimum of two years from 20 December 2023.

During Q2 2025, the Company received \$1.35M via a 12-month secured debt facility with a maturity date of 31 May 2026 and at an interest rate of 12% payable on maturity. The security interest was granted by the Company's wholly owned US subsidiary (Elixinol LLC) over Elixinol LLC's (present and future) inventory, property, equipment and bank accounts in the United States.

On 25 June 2025, an HFA Shopify Commerce Finance facility was established providing \$60,000 of access to e-commerce revenue in advance. As at 31 March 2026, the balance of this facility was \$14,000 with a term of 18 months with a repayment of 14.5% of daily Shopify sales. The interest rate is a fixed fee of 9.5% of the initial facility balance. This facility is secured against future Shopify receipts.

On 17 July 2025, a TASCOS Shopify Commerce Finance facility was established providing \$22,000 of access to e-commerce revenue in advance. As at 31 March 2026, the balance of this facility was \$9,000 with a term of 18 months with a repayment of 17% of daily Shopify sales. The interest rate is a fixed fee of 15.3% of the initial facility balance. This facility is secured against future Shopify receipts.

On 17 July 2025, a APH Shopify Commerce Finance facility was established providing \$14,000 of access to e-commerce revenue in advance. As at 31 March 2026, the balance of this facility was \$4,000 with a term of 18 months with a repayment of 25% of daily Shopify sales. The interest rate is a fixed fee of 10.1% of the initial facility balance. This facility is secured against future Shopify receipts.

On 30 December 2025, a second HCF Shopify Commerce Finance facility was established providing \$420,000 of access to e-commerce revenue in advance. As at 31 March 2026, the balance of this facility was \$323,000 with a term of 18 months with repayment of 17% of daily Shopify sales. The interest rate is a fixed fee of 9% of the initial facility. The facility is secured against future Shopify receipts.

On 5 March 2026, a PayPal Commerce Finance facility was established providing \$347,000 of access to e-commerce revenue in advance. As at 31 March 2026, the balance of this facility was \$334,000 with repayment of 30% of daily PayPal receipts. The interest rate is a fixed fee of 8.4% of the initial facility balance. The facility is secured against future PayPal receipts.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(136)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,236
8.3 Unused finance facilities available at quarter end (item 7.5)	80
8.4 Total available funding (item 8.2 + item 8.3)	1,316
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	9.7
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 21 April 2026.....

Authorised by:By the Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.