743 Prospect Street
La Jolla, CA 92037

Company Announcement
ASX: HPC
DATE: 29/9/2026

July and August 2026 Trading Update

HIGHLIGHTS

- **Consolidated EBITDA loss reduced 75% year-on-year to A$175,090 across July and August 2026, from A$688,743 in the prior corresponding period.**

- **Monthly consolidated EBITDA loss narrowed to A$55,594 in August 2026, an 83% improvement on August 2025.**

- **Hydralyte LLC achieved its maiden monthly EBITDA profit of A$6,055 in August 2026, compared with an EBITDA loss of A$217,210 in August 2025.**

- **August gross margin increased to 73.3%, from 66.2% in August 2025, reflecting the benefits of the Company's 2026 restructuring and operating initiatives.**

- **The Hydralyte LLC operating business achieved record contribution margin performance across July and August 2026, reflecting improved unit economics and operating discipline.**

Hydration solutions company The Hydration Pharmaceuticals Company Limited (ASX: HPC) ("Hydralyte USA" or "the Company") is pleased to provide an update on its operating and financial performance for July and August 2026.

Operational overview:
The Company has continued to deliver a substantial improvement in monthly operating performance compared with the corresponding months in 2025. The improvement reflects the lower operating cost base, increased operating discipline and stronger gross margin performance following the restructuring initiatives implemented during 2026. Hydralyte LLC also achieved record contribution margin performance across July and August 2026.

July 2026:
For July 2026, the consolidated EBITDA loss was A$119,496, compared with A$370,679 in July 2025. This represents a year-on-year improvement of A$251,183, or approximately 68%.

At the underlying Hydralyte operating business, EBITDA improved from a loss of A$251,478 in July 2025 to a loss of A$16,271 in July 2026, an improvement of approximately A$235,207 or 94%.

August 2026:
The improvement accelerated in August. The consolidated EBITDA loss narrowed to A$55,594 in August 2026, compared with A$318,064 in August 2025. This represents an improvement of A$262,470, or approximately 83%.
Importantly, the underlying (i.e. excluding corporate expenses) Hydralyte LLC operating business achieved its maiden monthly positive EBITDA of A$6,055 in August 2026, compared with an EBITDA loss of A$217,210 in August 2025 - an improvement of approximately A$223,265.

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Two-month operating improvement:
Across July and August combined, the consolidated EBITDA loss reduced from approximately A$688,743 in the corresponding two months of 2025 to approximately A$175,090 in 2026. This represents an improvement of approximately A$513,653, or 75%. Over the same two-month period, the underlying Hydralyte LLC EBITDA loss reduced from approximately A$468,688 in 2025 to approximately A$10,216 in 2026, an improvement of approximately A$458,472, or 98%.

Monthly comparison:

A$	Jul 2025	Jul 2026	Aug 2025	Aug 2026	Total 2025	Total 2026	%
Hydralyte LLC EBITDA	(251,478)	(16,271)	(217,210)	6,055	**(468,688)**	**(10,216)**	**+98%**
Consolidated EBITDA	(370,679)	(119,496)	(318,064)	(55,594)	**(688,743)**	**(175,090)**	**+75%**

Management commentary:

Chairman Mr Nick Berry said: "The July and August results demonstrate the significant progress made in restructuring the cost base and improving the underlying economics of the Hydralyte business. In July, the consolidated monthly EBITDA loss reduced by approximately 68% compared with the prior corresponding period, and in August the reduction increased to approximately 83%. Importantly, Hydralyte LLC delivered its maiden monthly positive EBITDA in August, compared with a loss of more than A$217,000 in August last year. The business also achieved record contribution margin performance across July and August, demonstrating the improvement in underlying unit economics. Across July and August combined, the consolidated EBITDA loss reduced by approximately 75% year-on-year. The Board remains focused on maintaining this operating discipline and building on the improved margin and cost structure of the business."

ENDS

This announcement was authorized for release by the Board.

Forward Looking Statements:
This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Forward-looking statements are based on:

- **assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and**
- **current views, expectations, and beliefs as at the date they are expressed, and which are subject to various risks and uncertainties.**

Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Hydralyte North America.

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The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The projections or forecasts included in this announcement have not been audited, examined, or otherwise reviewed by the independent auditors of the Company.
You must not place undue reliance on these forward-looking statements.