



PEAK ▶

2026 ANNUAL REPORT

PEAK PROCESSING LIMITED

(FORMERLY ALTHEA GROUP HOLDINGS LIMITED)

ASX: PKP

ABN 78 626 966 943

Consolidated financial statements for the year ended 30 June 2026

Contents

Corporate directory	3
Chairman's letter	4
Chief Executive Officer's report	6
Directors' report, including the review of operations and the remuneration report	7
Auditor's independence declaration	23
Consolidated statement of profit or loss and other comprehensive income	24
Consolidated statement of financial position	26
Consolidated statement of changes in equity	27
Consolidated statement of cash flows	29
Notes to the consolidated financial statements	30
Consolidated entity disclosure statement	59
Directors' declaration	60
Independent auditor's report	61
Shareholder information	67

Corporate Directory

Peak Processing Limited manufactures regulated THC-infused beverages and extracts for licensed brand owners in Canada and the United States.

Directors:

Manik Pujara (Non-Executive Chairman); Barry Katzman (Managing Director and Chief Executive Officer); Matt Adams (Non-Executive Director)

Company secretary:

Adam Gallagher

Registered office:

Level 19, 180 Lonsdale Street,
Melbourne VIC 3000.
Telephone +61 3 7044 2936

Principal place of business:

2065 Solar Crescent,
Oldcastle, Ontario N0R 1L0, Canada

Share registry:

Computershare Investor Services Pty Limited,
Yarra Falls, 452 Johnston Street,
Abbotsford VIC 3067.
Telephone 1300 850 505 (within Australia) or +61
3 9415 4000

Auditor:

William Buck Audit (Vic) Pty Ltd, Level 20, 181
William Street, Melbourne VIC 3000

Solicitors:

Thomsons, Brisbane

Bankers:

Australia and New Zealand Banking Group
Limited; Windsor Family Credit Union

Stock exchange listing:

Peak Processing Limited shares are listed on the
Australian Securities Exchange (ASX code: PKP)

Website:

peakprocessing.com

Corporate governance statement:

peakprocessing.com/corporate-governance

Investor enquiries:

investors@peakprocessing.com

About this annual report

This annual report reviews the operations, activities and financial performance of Peak Processing Limited and its controlled entities for the year ended 30 June 2026. It contains the Chairman's letter, the Chief Executive Officer's report and the review of operations, which together form part of the directors' report, the directors' report including the remuneration report, the audited financial report and the additional information required by ASX Listing Rule 4.10. Where relevant, information about events after 30 June 2026 is included. The corporate governance statement and the Appendix 4G are lodged with ASX at the same time as this report and are available on the Company's website.



CHAIRMAN'S LETTER

Dear fellow shareholder,

On behalf of the Board, I present the annual report of Peak Processing Limited for the year ended 30 June 2026. It is my first as Chairman. I joined the Board as an observer in September 2025, became a director in October and took the chair in November, so I write about a year I saw the first part of without a vote and the rest with one.

The decision

The Company began the year as Althea Group Holdings: a holding company with closed pharmaceutical businesses in Australia and the United Kingdom, one operating asset in Canada, and a board, an executive and a finance function that all changed within six months. It ended the year as Peak Processing Limited, a licensed manufacturer of THC beverages and extracts in Ontario with a presence in the United States, under a new name and a new ASX code. The decision was to stop being a holding company and become an operating one. Everything else in this letter follows from it.

The market the Company operates in

Canada is the largest regulated market in the world for THC beverages and it is consolidating. Provincial boards are applying stricter criteria to what they will list, brand owners are reducing the number of manufacturers they use, and the manufacturers that come through that are the ones that can deliver on time at scale and can formulate rather than simply fill. That is the market your Company is in, and it is why the Board spent this year on reliability and on emulsion technology rather than on volume for its own sake. The United States is a different proposition: the hemp-derived market is large and its regulation is unsettled state by state. The Board treats it as the largest opportunity in front of the Company and the least certain, and funds it accordingly.

The result

Revenue from continuing operations was \$13.4 million, or \$12.4 million after excise duties and regulatory fees, and the loss after tax was \$7.8

million. Two items inside that loss should be read separately. The first is a non-cash impairment of \$4.4 million against the plant and the leased facility, recognised at 31 December 2025 on the evidence available then. The second is a gain of \$2.5 million on the compromise of creditors of the former Australian subsidiary under a deed of company arrangement. Neither will recur.

Cash at 30 June was \$1.4 million against \$528,000 a year earlier, and the balance sheet shows net liabilities of \$525,000. The financial statements are prepared on a going concern basis and note 1 sets out the directors' assessment, including the material uncertainty to which the Company's continued dependence on funding gives rise. I would rather put that here than leave it to be found in a note. The business completed a reset during the year and has one profitable quarter behind it. One quarter is one quarter.

Capital

The Company raised \$7.6 million before costs in three transactions: a placement at 1.8 cents in September 2025, a placement at 1.7 cents in February 2026, and \$2.4 million of unsecured loan notes in May 2026 which converted to shares at 1.5 cents with your approval in June 2026. Shares on issue rose from 823 million to

1,329 million. That dilution is real and it was expensive. The alternative, in a year in which the business could not yet fund itself, was worse, and the Board said so at the time. The secured Causeway facility was repaid in full in November 2025. The asset-based facility with Stoke Canada Finance was fully drawn at 30 June 2026 and was renewed after the year end for a further year, to 26 May 2027, on unchanged terms. Until the Company generates sustained positive operating cash flow, further funding may be required. The Board's central task is to reduce the Company's dependence on equity, and that is a matter of converting earnings into cash rather than of raising more of it.

I put my own money in. I subscribed for shares in the February 2026 placement on the same terms as other investors and paid for them, and I took \$68,000 of my Chairman's fee in shares rather than cash, with your approval. I mention it not as a virtue but as a fact you are entitled to weigh.

The management and the Board

Barry Katzman took the interim chief executive role in July 2025 and became Managing Director in December 2025. He inherited a plant that was missing almost half of its delivery commitments and a customer base with reason to look elsewhere. He rebuilt the operation, held the customers and took about \$2.25 million a year out of the cost base, and he did it while the Company was also working through the administration of its former Australian subsidiary. The Board records its confidence in him and its thanks. His report follows this letter and gives the operating record in his own words.

Vaughan Webber retired as Chairman and Alan Boyd as a director during the year, and Joshua Fegan resigned as Chief Executive Officer; I thank each of them for carrying the Company through the hardest part of the transition. The Board has three members and, as the corporate

governance statement explains, discharges the audit, risk, nomination and remuneration functions itself rather than through committees, which is appropriate for a company of this size. William Buck was appointed auditor in June 2026 following the resignation of RSM with the consent of ASIC.

What to hold the Board to

In Canada the Board's priorities for the coming year are to sustain production volumes and delivery performance, to bring the expanded customer programs and product listings into production, and to turn higher utilisation into cash; in the United States, to advance the platform step by step and with capital discipline. What the Board measures is what you should hold us to: delivery performance, plant utilisation, gross margin, the conversion of earnings into cash, and the terms on which the Company is funded. Mr Katzman's report sets out the business behind those measures and the review of operations sets out what the year produced.

To the people at Oldcastle, who did the work this year under conditions that were not easy; to our customers and brand partners, who stayed with the Company through the reset; and to you, our shareholders, who backed it when it needed backing: thank you. I look forward to seeing you at the annual general meeting in November.



Manik Pujara

Non-Executive Chairman

30 September 2026

CHIEF EXECUTIVE OFFICER'S REPORT

Dear fellow shareholder,

Fiscal 2026 was a transformational year, and in many respects two distinct years. The first half was defined by change across our operations, leadership, cost structure and strategic direction. The second half was defined by execution.

We entered the year as Althea Group Holdings, carrying a broader international strategy and a manufacturing platform that needed significant improvement. We ended it as Peak Processing: a leaner North American business with one objective, to become the most trusted and efficient third party solutions provider to the North American cannabis industry, anchored by a best in class competency in THC beverages.

The operating record of the year is set out in the review of operations. The parts I would point to are these. Service came back first: on-time-in-full delivery went from 53 per cent in June 2025 to 98 per cent in the September quarter and held at 97 per cent through the busiest quarter we have had. Production reached a record 4,184,749 units, with more produced in the June quarter than in the whole of the first half. About \$2,250,000 came out of the annualised cost base

by March, without losing capacity, service or our growth work.

Those three things together produced the June quarter: about \$4,400,000 of revenue and about \$710,000 of Group EBITDA. It is the clearest evidence yet of what this model does when volume, service and a lower cost base come together, and the task in FY2027 is to build on it rather than to repeat it.

To the team at Oldcastle, who ran the plant through all of it: thank you. The year was yours.



Barry Katzman

Managing Director and Chief Executive Officer

30 September 2026



Directors' report

The Directors present their report, together with the financial statements, on the consolidated entity consisting of Peak Processing Limited (formerly Althea Group Holdings Limited) and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were directors of Peak Processing Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Manik Pujara, Non-Executive Chairman (Board observer from 1 September 2025, appointed a director on 6 October 2025 and Chairman on 14 November 2025)

Barry Katzman, Managing Director (appointed 3 December 2025)

Matt Adams, Non-Executive Director

Vaughan Webber, Non-Executive Chairman to 14 November 2025 and Non-Executive Director to his retirement on 3 December 2025

Alan Boyd, Non-Executive Director (retired 6 October 2025)

Joshua Fegan, Managing Director and Chief Executive Officer (resigned 24 July 2025)

The Chairman's letter, the Chief Executive Officer's report and the review of operations set out earlier in this annual report form part of this directors' report and contain the review of the operations of the consolidated entity during the year and the results of those operations required by section 299 of the Corporations Act 2001.

Principal activities

During the year the principal activity of the consolidated entity was the contract manufacturing of THC and other cannabinoid infused beverages and extracts for licensed brand owners in Canada through 2682130 Ontario Limited at Oldcastle, Ontario, together with the development of contract manufacturing for the United States market through Peak USA Inc. The consolidated entity also manufactures and sells its own proprietary beverage brands in Canada.

The consolidated entity ceased its Australian medicinal cannabis distribution business on the sale of its business assets on 31 May 2025, and that business is presented as a discontinued operation (note 7). Shareholders approved the change of the Company's name from Althea Group Holdings Limited to Peak Processing Limited at the annual general meeting on 27 November 2025 and the Company's shares have traded under the code PKP since 8 December 2025.

Dividends

No dividends were paid or declared during the year (2025: nil).

Review of operations

The review of operations, comprising the overview, highlights and the sections that follow, forms part of this directors' report and is prepared under section 299A of the Corporations Act 2001.

The loss for the consolidated entity after providing for income tax amounted to \$7,786,000 (2025: \$8,347,000). The loss from continuing operations was \$10,334,000 (2025: \$4,843,000) and includes a non-cash impairment of \$4,352,000 recognised at 31 December 2025 against the plant and equipment and the right-of-use asset of the Canadian manufacturing business. The profit from discontinued operations of \$2,548,000 (2025: loss \$3,504,000) arises principally from the compromise of external creditor claims of Peak Processing (Australia) Pty Ltd under the deed of company arrangement described at note 7.

Revenue from continuing operations was \$13,388,000 (2025: \$16,465,000) and net revenue after excise duties and regulatory fees was \$12,437,000 (2025: \$15,305,000). Gross profit was \$550,000 (2025: \$1,530,000), a gross margin of 4.9 per cent. Net cash used in operating activities was \$5,735,000 (2025: \$8,407,000). Cash at 30 June 2026 was \$1,417,000 (2025: \$528,000) and the consolidated entity had net liabilities of \$525,000 (2025: \$574,000).

Overview

Peak Processing Limited (ASX: PKP) is a North American manufacturer of regulated THC-infused beverages and related cannabis and hemp products. The Company operates its principal manufacturing platform at Oldcastle, Ontario, supporting third party brand partners alongside a portfolio of proprietary products and its Envision Emulsions technology platform. Through Peak USA Inc., the Company is developing contract manufacturing and emulsion capabilities in the United States.

This review refers to Group EBITDA, being earnings before interest, tax, depreciation and amortisation on a consolidated basis after corporate and head office costs and before non-operating and non-cash items. Group EBITDA is a non-IFRS measure, is unaudited, has not been reviewed by the auditor and is not a substitute for the statutory results presented in the financial statements. It is presented because it is the measure by which the Board monitors operating performance.

The 2026 financial year was a period of restructuring and operating reset that materially changed the profile of the business. The Company entered the year as Althea Group Holdings Limited, with legacy Australian and United Kingdom operations being exited and service performance at the North American manufacturing platform requiring improvement. It ended the year as Peak Processing Limited, focused on its North American manufacturing operations.

During the first half management focused on stabilising the customer base and operating platform, simplifying the Group structure, reducing overheads and rebuilding delivery reliability, while launching a proprietary brand and revenue diversification strategy. These initiatives translated into materially higher production and improved financial performance in the second half.

Highlights

Record annual production: 4,184,749 beverage units, with quarterly output of 869,147 units in the September quarter, 702,289 in the December quarter, 1,002,405 in the March quarter and a record 1,610,908 in the June quarter.

First quarter of positive Group EBITDA: the June quarter delivered revenue of about \$4.4 million and Group EBITDA of \$710,000, a margin of about 16 per cent and an improvement of about \$1.0 million on the March quarter.

Service performance rebuilt: on-time-in-full delivery improved from 53 per cent in June 2025 to 98 per cent in the September quarter, was held above 99 per cent through the December quarter, reached 99.95 per cent in the March quarter and was 97 per cent through the record volume June quarter.

Cost base reduced: a company wide restructuring and efficiency program delivered about \$2.25 million of annualised savings flowing through the profit and loss by March 2026.

Customer base expanded: major relationships were broadened or extended with St. Peter's Beverages, Electric Brands, Organigram and New Leaf Canada.

Envision adoption increased: Envision Emulsions was used across 62 per cent of active SKUs at 30 June 2026, up from 50 per cent at 31 March 2026, and powered 34 per cent of beverage units produced in the June quarter.

Product portfolio broadened: 21 new listings in the December quarter, 30 new Ontario Cannabis Store beverage listings in the March quarter and 19 new listings across five provinces and four product categories in the June quarter extended the Company's commercial footprint beyond beverages into concentrates, infused pre-rolls and edibles.

United States platform advanced: on 30 June 2026 Peak USA entered its first brand partner manufacturing agreement, a binding three year exclusive agreement with BTAB Solutions Inc. for Fryday Kush THC beverages across 13 designated states.

Funding: about \$7.6 million was raised before costs through the September 2025 and February 2026 placements and the May 2026 loan notes, which converted to equity following shareholder approval on 25 June 2026.

Manufacturing and operations

Production reflected the shape of the operational reset: a softer first half followed by a material increase through the March and June quarters as customer orders increased and plant utilisation improved. December quarter volumes were affected by seasonal softness, customer inventory transitions and the carry over of a province wide distribution strike in British Columbia, which halted provincial order processing for more than four weeks in the September quarter, delayed delivery of more than 135,000 units and was estimated to have reduced quarterly revenue by about \$300,000.

March quarter production of 1,002,405 units was about 42 per cent above the December quarter. June quarter production of 1,610,908 units was 61 per cent above the March quarter, reflecting increased customer volumes, improved utilisation, streamlined processes and automation work at the facility, including vision inspection, automated fill level verification and case sealing.

Rebuilding on-time-in-full delivery was a central priority. It is the key measure used by provincially controlled distributors in assessing forward orders, new listings and product extensions, and an important consideration for brand partners selecting a manufacturer. The improvement from 53 per cent to 97 per cent or better was sustained through the 61 per cent increase in volume in the June quarter.

The cost optimisation program implemented in the first half initially targeted about \$1.09 million of annualised overhead savings and was extended through further organisational and operational efficiency initiatives to \$2.25 million of annualised savings by March 2026. The lower cost base, together with increased production and utilisation, produced an earnings inflection in the second half: positive Group EBITDA of about \$159,000 in the month of March 2026 and \$710,000 for the June quarter on revenue of about \$4.4 million.

Customers, technology and products

In its September 2025 quarterly activity report the Company reported a 33 per cent share of the Canadian THC-infused beverage market, about 28 per cent of the beverage brands on sale nationally, and products listed in all 10 Canadian provinces. In January 2026 the Company expanded its manufacturing relationship with St. Peter's Beverages, which holds the Canadian licensing rights for the Green Monké and Cookies beverage brands, from four to 14 SKUs. In March 2026 the manufacturing contract with Electric Brands for the Sweet Justice portfolio was renewed and expanded, covering the Sweet Justice portfolio with exclusivity across its SKUs on improved commercial terms. In the March 2026 quarterly activity report the Company said that the expanded St. Peter's program was expected to add between 500,000 and 700,000 beverage units a year and that the renewed Electric Brands agreement supported about 1,400,000 annualised beverage units. Volumes under both agreements depend on the brand owners' orders.

In December 2025 the Company entered a two year beverage fulfilment agreement with Organigram Inc. covering the Collective Project portfolio, which Peak has produced since 2022, and a new long term manufacturing agreement with New Leaf Canada. The Company also re-entered the topicals category through a licence with Delivra Health Brands for LivRelief Infused products in Canada.

Envision Emulsions, the Company's proprietary, patent pending emulsion platform, was used across 62 per cent of active SKUs at 30 June 2026, up from 50 per cent at 31 March 2026 and from 15 brand partners at 31 December 2025, and powered 34 per cent of beverage units produced in the June quarter. Cumulative emulsion production to 31 March 2026 was about 3,000 kilograms.

All eight beverage products launched in the June quarter were formulated on the platform. In the United States the Envision emulsion laboratory at the Company's co-location facility in Florida was commissioned in the March quarter and completed its first scaled commercial batches of hemp THC and hemp CBD emulsion.

New provincial listings continued through the year with momentum in the second half: 21 new listings in the December quarter, 30 new beverage listings across the five most recent Ontario Cannabis Store product calls in the March quarter, and 19 new listings across five provinces and four product categories in the June quarter, extending activity beyond beverages into concentrates, infused pre-rolls and edibles. The proprietary brand portfolio, including JUST Seltzers and Snap Back, expanded distribution across Saskatchewan, Manitoba, Alberta, British Columbia and Quebec, with entry into Quebec supported by a distribution partnership with EXKA and the Company retaining full brand ownership. The third party sales agency arrangement was concluded on 30 June 2026, with expected annualised savings of about \$60,000 and resources redirected to direct sales and retail partnerships.

Peak USA

Peak USA Inc. continued to develop its manufacturing platform during the year, with production of Cloud Cola, a long term manufacturing arrangement with Funky Buddha in Florida entered in the December quarter, and the commissioning of the Florida emulsion laboratory in the March quarter. On 30 June 2026 Peak USA entered a binding three year exclusive agreement with BTAB Solutions Inc. to manufacture THC beverages under the Fryday Kush brand across 13 designated states, extending an existing relationship under which Peak has commercialised 14 BTAB products in Canada.

Products are to be manufactured through the Company's Florida production arrangement using Envision emulsion technology. The timing and value of revenue under the agreement will depend on customer orders, market demand and the formalisation of distribution arrangements in the relevant states.

Financial performance and capital management

The statutory results are set out in the financial statements and summarised above. Cash receipts from customers reached a record \$3,327,000 in the June quarter and net cash used in operating activities reduced by 42 per cent quarter on quarter to \$1,523,000. The Company had targeted positive operating cash flow in the June quarter; that was not achieved, principally because of the timing of government receivable and customer collections and scheduled legacy arrears repayments in May and June.

Cash at 30 June 2026 was \$1,417,000, compared with \$538,000 at 31 March 2026. The Company completed three capital raisings during the year: a placement of \$2,532,420 in September 2025, a placement of \$2,658,460 in February 2026 and \$2.4 million of convertible loan notes in May 2026, converted to equity following shareholder approval on 25 June 2026. In aggregate about \$7.6 million was raised before costs, supporting working capital, inventory, production efficiency initiatives, customer programs and the North American platform.

Corporate transition

Following the sale of the Australian and United Kingdom medicinal cannabis operations in the 2025 financial year, Althea Company Pty Ltd entered voluntary administration in July 2025 and subsequently a deed of company arrangement; the Group's obligations under the deed have been met and the process completed without affecting Peak Processing Solutions or Peak USA. Barry Katzman was appointed Interim Chief Executive Officer on 24 July 2025 following the resignation of Joshua Fegan and Managing Director and Chief Executive Officer on 3 December 2025.

Manik Pujara joined the Board on 6 October 2025 and became Non-Executive Chairman on 14 November 2025, succeeding Vaughan Webber, who retired from the Board on 3 December 2025. Following shareholder approval at the 2025 annual general meeting the Company changed its name from Althea Group Holdings Limited to Peak Processing Limited and its ASX code from AGH to PKP in December 2025.

Areas of focus

The Board's areas of focus for the coming year are to keep increasing utilisation of the Oldcastle facility while holding the delivery performance achieved in the June quarter; to convert improved earnings into

operating cash flow and working capital; to bring the customer programs and provincial listings won during the year into production; to deepen the adoption of Envision across brand partners; to expand revenue streams that use the facility, licences, technology and people already in place; to strengthen relationships with existing and new brand partners; and to progress the Fryday Kush agreement through its development, regulatory and commercial milestones at a pace the balance sheet can carry.

Material business risks

The material business risks that could affect the consolidated entity's results and prospects, and how they are managed, are:

Licensing and regulation. The Canadian business manufactures under licences issued by Health Canada under the Cannabis Act, and its products are sold through provincial distribution bodies under provincial rules. The suspension, loss or restriction of a licence, or a change in the rules governing products, excise duty or distribution, could stop or restrict production or sales. A quality and regulatory function is responsible for licence compliance and for dealings with Health Canada and the provincial bodies.

Contracts with brand owners and distributors. Most revenue is earned from manufacturing for brand owners under contract, with product sold to provincial distribution bodies, some of it under the consolidated entity's own sales licence. Results depend on retaining and renewing those contracts, on brand owners' demand and financial position, and on collecting amounts due from them. Credit exposure is managed through deposits, custody of product and running accounts, as set out at note 9.

Product quality. As a manufacturer of products for human consumption, the consolidated entity is exposed to product defects, recalls and claims, and to the loss of customers that could follow. It manages this through its quality management system, batch testing and release procedures, and insurance.

Funding. The consolidated entity has incurred losses, has net current liabilities and depends on a fully drawn asset-based lending facility whose terms restrict other borrowing and payments. Its ability to meet its obligations depends on the matters set out under going concern in note 1, including trading results, the continued support of its lender and access to equity funding.

United States regulation. Amendments to the United States federal definition of hemp enacted in November 2025, due to take effect in late 2026, would remove federal legality from most finished hemp-derived products containing THC, including beverages. The Peak USA joint venture's products and the Fryday Kush agreement depend on the outcome of proposals before Congress to delay, replace or regulate that change, and on state law. The agreements with the joint venture, BTAB Solutions and Fryday Kush allow the beverages to be made with THC derived from either hemp or cannabis source material. The consolidated entity intends to proceed with those agreements and with THC beverages whatever the regulatory outcome, and will adapt the manufacturing model to the legislation expected in December 2026.

Foreign currency. The operations are in Canada and the United States and results are reported in Australian dollars, so reported results and net assets move with exchange rates (note 23).

Significant changes in the state of affairs

The following significant changes occurred during the year:

- ▶ The appointment of a voluntary administrator to Peak Processing (Australia) Pty Ltd on 9 July 2025, the execution of a deed of company arrangement on 13 August 2025 and its termination on 16 December 2025, after which the entity was returned to the control of its directors and renamed from Althea Company Pty Ltd to Peak Processing (Australia) Pty Ltd.
- ▶ The change of the Company's name from Althea Group Holdings Limited to Peak Processing Limited, approved by shareholders on 27 November 2025.
- ▶ The raising of \$7.3 million in cash, net of transaction costs, by a placement of 140,690,000 shares at \$0.018 in September 2025, a placement of 156,379,999 shares at \$0.017 in February 2026 and unsecured loan notes of \$2,402,000 issued in May 2026 and converted into 160,133,316 shares at \$0.015 on 30 June 2026.
- ▶ The repayment in full of the Causeway secured facility.
- ▶ The recognition of an impairment of \$4,352,000 at 31 December 2025.
- ▶ The reorganisation of the Canadian business in September 2025.

- ▶ The change of auditor on 4 June 2026.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Refer to note 35.

- ▶ On 24 July 2026 the Company issued 5,650,000 shares to Mr B Katzman in settlement of \$158,200 of accrued remuneration approved by shareholders on 25 June 2026.
- ▶ On 23 July 2026 2682130 Ontario Limited and Stoke Canada Finance Corp. executed the renewal of the CAD 1,000,000 asset-based lending facility to 26 May 2027 on unchanged terms.
- ▶ On 7 September 2026 the Company issued 4,803,963 shares at a deemed \$0.015 per share under its placement capacity in satisfaction of the \$72,060 loan note establishment fee.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the operations, results or state of affairs of the consolidated entity in future financial years.

Likely developments and expected results of operations

The Board's areas of focus for the coming year are set out in the review of operations. The consolidated entity does not provide earnings guidance. Further information on likely developments in the operations of the consolidated entity and the expected results of those operations has not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity's Canadian operations are subject to the Cannabis Act (Canada) and the licences issued by Health Canada, and to provincial environmental and wastewater regulation applying to the Oldcastle facility. The Directors are not aware of any material breach of environmental regulation during the year. The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State legislation.

Information on directors

Manik Pujara

Title: Non-Executive Chairman (Board observer from 1 September 2025, appointed a director on 6 October 2025 and Chairman on 14 November 2025)

Qualifications: Chartered Accountant, Chartered Accountants Australia and New Zealand. Member, Australian Institute of Company Directors.

Manik Pujara is a business leader, director and investor with more than 15 years' experience in corporate strategy, financial management and governance, including board renewal. He has built and scaled businesses and led teams across mining, shipbuilding, oil and gas and electricity generation. He helped manage the financial and commercial performance of three energy projects with a combined value of more than \$500 million.

Manik is an Executive Director of Patison Accountants & Advisors, where he leads teams advising listed and private companies on strategy, transactions, governance and business performance. His work includes acquisitions and divestments, recapitalisations and business restructuring.

As Chair of Peak Processing Limited, Manik has led the Board through a significant period of transformation, including the recapitalisation of the Company's balance sheet and the restructuring of the Group around its North American manufacturing operations.

Other current directorships of listed companies: Nutritional Growth Solutions Limited (ASX: NGS), Non-Executive Director.

Former directorships of listed companies in the last three years: None.

Special responsibilities: Chairman of the Board

Interests in shares: 19,000,000 ordinary shares, held indirectly through Trinetra Holdings Pty Ltd (Trinetra Investments A/C)

Interests in options: 6,000,000 options exercisable at \$0.025 expiring 15 December 2027

Interests in rights: None

Barry Katzman

Title: Managing Director and Chief Executive Officer (Interim Chief Executive Officer from 24 July 2025; appointed a director and Managing Director on 3 December 2025)

Qualifications: MBA

Barry is a senior executive and entrepreneur with a background in the beverage alcohol industry and, in recent years, the cannabis sector. He has led Peak Processing Solutions since 2023.

He began his career at Molson Breweries, where he oversaw sales for four districts in eastern Ontario, and spent more than 15 years in the Canadian wine industry as president and part owner of six wineries, including Creekside Estates, Stoney Ridge Estates, Mike Weir Winery and Wayne Gretzky Estate Winery, together with the development of other Canadian brands.

Barry was a founder of Tidal Health, a medically focused cannabis producer in the Maritimes, and before joining Peak was Executive Chairman of Terrafarma Inc. and Thrive Cannabis, both private companies, leading their sale and amalgamation with Aurora Cannabis for \$68 million.

Other current directorships: None

Former directorships (last 3 years): None

Special responsibilities: Managing Director and Chief Executive Officer

Interests in shares: 10,145,502 ordinary shares at the date of this report, held indirectly through 2756278 Ontario Inc. (4,495,502 at 30 June 2026; 5,650,000 issued on 24 July 2026 in lieu of \$158,200 of accrued remuneration)

Interests in options: None

Interests in rights: None (1,128,316 performance rights lapsed on 30 June 2026)

Matt Adams

Title: Non-Executive Director (appointed 17 February 2025)

Matt is a senior finance professional with more than 25 years' experience in executive and non-executive roles, with particular expertise in corporate finance, restructuring and turnaround management, financial structuring and governance.

He has held executive positions including Chief Executive Officer, Chief Financial Officer and Chief Restructuring Officer for listed and unlisted companies. He began his career at a mid-tier restructuring firm, where he became a partner before the firm was acquired by a NYSE listed consulting firm and he became Senior Managing Director.

In 2015 Matt founded Dynamic Corporate Investments, a boutique corporate finance and advisory firm, where he is Managing Director. His experience spans C-suite, advisory, chairmanship and directorship roles.

Other current directorships: None

Former directorships (last 3 years): ARC Funds Limited (ASX: ARC), Non-Executive Director from 5 January 2026 to 13 March 2026; Chairman and Director of Schrole Group Limited (ASX: SCL) to September 2024; Chairman and Director of Good Spirits Hospitality Limited (NZX: GSH) to January 2025.

Special responsibilities: None

Interests in shares: 1,300,000 ordinary shares

Interests in options: 7,000,000 options exercisable at \$0.025 expiring 15 December 2027

Interests in rights: None

Directors who ceased during the year

Vaughan Webber was Non-Executive Chairman to 14 November 2025 and a Non-Executive Director to his retirement on 3 December 2025; at that date he held 2,000,000 ordinary shares and 697,674 performance rights indirectly through Eastern Podiatry Clinic Pty Ltd (EPC Superannuation Fund A/C). Alan Boyd was a Non-Executive Director to his retirement on 6 October 2025, at which date he held 170,000 ordinary shares. Joshua Fegan was Chief Executive Officer and Managing Director to his resignation on 24 July 2025, at which date he held 61,588,651 ordinary shares and 5,400,983 performance rights. Their qualifications and experience were set out in the FY25 annual report.

'Other current directorships' are current directorships of listed entities only. 'Former directorships (last 3 years)' are directorships of listed entities held in the last three years. Interests in shares, options and rights are as at the date of this report for current directors, and as at the date of cessation for former directors, as notified to ASX.

Company secretary

Adam Gallagher held the role of company secretary throughout the year, having been appointed on 12 December 2024. Adam is an experienced company secretary with over 21 years' experience in debt and equity capital markets and a broad corporate skill set. He has held executive and company secretarial roles with numerous ASX-listed technology companies, where his contributions to mergers and acquisitions, corporate communications and strategic initiatives have been publicly recognised as pivotal to corporate growth and the creation of shareholder value.

Through his firm, ACG Partners, Adam provides company secretarial, corporate governance and advisory services to a range of listed and unlisted public companies. He holds Graduate Diplomas in Applied Corporate Governance and Information Systems, a Master of Commerce and a Bachelor of Economics, and is a Fellow of the Governance Institute of Australia.

Meetings of directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2026, and the number of meetings attended by each director, were:

	Held	Attended
Manik Pujara (from 6 October 2025)	9	9
Barry Katzman (from 3 December 2025)	7	7
Matt Adams	14	14
Vaughan Webber (to 3 December 2025)	7	6
Alan Boyd (to 6 October 2025)	5	4
Joshua Fegan (to 24 July 2025)	1	1

Held represents the number of meetings held during the time the director held office. Fourteen meetings were held during the year. There were no Board committees during the year; the full Board performed the audit, risk and remuneration functions.

Shares under option

At the date of this report there were 160,266,620 unissued ordinary shares under option, all unquoted and over ordinary shares in the Company:

Options by tranche and issue date	Number	Exercise price	Expiry date
Lead manager options, November 2024	10,133,310	\$0.039	31 January 2028
Lead manager options, November 2024	10,133,310	\$0.046	31 January 2028

Options by tranche and issue date	Number	Exercise price	Expiry date
Lead manager options, February 2025	25,000,000	\$0.040	28 February 2027
Lead manager options, April 2025	25,000,000	\$0.030	28 April 2027
Financier options, 1 August 2025	5,000,000	\$0.030	1 August 2027
Lead manager options, 29 September 2025	22,000,000	\$0.025	30 September 2028
Director options, 15 December 2025	13,000,000	\$0.025	15 December 2027
Lead manager options, 30 June 2026 (February 2026 placement)	25,000,000	\$0.025	13 February 2029
Lead manager options, 30 June 2026 (May 2026 loan notes)	25,000,000	\$0.025	30 September 2028
Total options	160,266,620		

No shares were issued on the exercise of options during the year or up to the date of this report. Holders of options do not have any right to participate in any issue of shares or other interests of the Company. Further detail is set out at note 21 and note 34.

Shares under performance rights

There were no performance rights on issue at the date of this report. During the year 13,761,902 shares were issued on the exercise of performance rights: 13,064,228 rights approved by shareholders on 7 April 2025 and issued to employees on 1 August 2025, exercised on 29 September 2025, and 697,674 rights exercised in February 2026. Of the remainder, 6,065,597 rights lapsed in February 2026 on cessation of employment, and the 2,124,972 FY24 long-term incentive rights granted on 1 July 2023 lapsed on 30 June 2026 because the share price hurdle of 8.882 cents was not met when it was tested at the end of the performance period on that date. Holders of performance rights have no right to participate in any share issue of the Company or of any other entity.

Indemnity and insurance of officers and auditor

The Company has entered into a deed of access, indemnity and insurance with each of its officers, indemnifying them, with effect from the date each became an officer, to the extent permitted by the Corporations Act 2001 against liabilities incurred as an officer. During the year the Company paid a premium for a directors' and officers' liability insurance policy. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not indemnified or agreed to indemnify, or paid a premium in respect of a contract insuring, its current or former auditors. The policy in force at 30 June 2026 was the existing policy as extended by the insurer to the renewal date; the renewal, for a period of twelve months with no gap in cover, was approved by the Board on 30 July 2026 and bound after the reporting date.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services and auditor

RSM Australia Partners resigned as auditor with the consent of ASIC under section 329(5) of the Corporations Act 2001 and William Buck Audit (Vic) Pty Ltd was appointed with effect from 4 June 2026 to fill the vacancy under section 327C. A resolution to ratify the appointment will be put to shareholders

at the 2026 annual general meeting. No officer of the Company is or was a partner or director of either firm. No non-audit services were provided by either firm during the year.

Corporate governance statement

The Company's corporate governance statement for the year ended 30 June 2026, prepared against the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, and the Appendix 4G key to disclosures, are lodged with ASX at the same time as this report and are available at peakprocessing.com/corporate-governance. The Board did not maintain separate committees during the year, the functions of audit, risk, nomination and remuneration committees being carried out by the full Board, as resolved on 27 February 2026.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this report.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, and in accordance with that instrument amounts in the directors' report and the financial statements are rounded to the nearest thousand dollars, unless otherwise indicated.

Remuneration report (audited)

The remuneration report sets out the remuneration arrangements for the key management personnel of the consolidated entity for the year ended 30 June 2026, in accordance with section 300A of the Corporations Act 2001 and the Corporations Regulations 2001. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including all directors. The report is set out under the following headings: principles used to determine the nature and amount of remuneration; details of remuneration; service agreements; share-based compensation; additional information; and additional disclosures relating to key management personnel.

Principles used to determine the nature and amount of remuneration

The Board determines the remuneration of directors and executives. There were no Board committees during the year; the functions of the former Remuneration and Nomination Committee were performed by the full Board. The objective is to attract and retain directors and executives of the calibre required for a small listed company undergoing an operational reset, to reward them at a level that is reasonable having regard to the financial position of the consolidated entity, and to align executive reward with the creation of value for shareholders. No remuneration consultant was engaged during the year.

Non-executive director remuneration

Fees payable to non-executive directors are set by the Board within the aggregate limit of \$400,000 per annum fixed by shareholders before the Company's listing and disclosed in the prospectus dated 4 September 2018, which has not been varied. The Chairman's fee is \$136,000 per annum plus superannuation and a non-executive director's fee is \$72,000 per annum inclusive of superannuation.

Executive remuneration

Executive remuneration is structured to attract and retain executives capable of restoring the consolidated entity to sustained profitability and to align their reward with shareholder outcomes. It comprises fixed remuneration, set by reference to the role and the market in which the executive works, a short-term incentive at the discretion of the Board tied to operational and financial milestones for the year, and long-term equity under the Employee Incentive Plan. In the year under review the Board applied its discretion to the short-term incentive only; no long-term incentive was granted to executives. The terms of each executive's engagement are set out under service agreements below.

The Managing Director and Chief Executive Officer, Mr Katzman, provides his services through 2756278 Ontario Inc. trading as Bakcon Holdings under a services agreement with 2682130 Ontario Limited

effective 1 October 2023. The agreement provides a fee of CAD 30,000 per month, a car allowance, per diems and group benefits, and an incentive opportunity of up to 100 per cent of fees at the discretion of the Board. By an amendment effective 1 February 2026 to 30 June 2026 the fee was increased by CAD 5,000 per month and Mr Katzman held the title Chief Executive Officer and Managing Director for that period.

Incentives of \$158,200 in respect of the years ended 30 June 2025 and 30 June 2026 were agreed by the Board and settled by the issue of 5,650,000 ordinary shares at a deemed price of \$0.028 following shareholder approval on 25 June 2026 (Resolution 10); the shares were issued on 24 July 2026. The Chief Financial Officer, Mr Mbeshha, was employed on a fixed salary until 19 January 2026. There were no other executive key management personnel during the year and no short-term or long-term incentive plan operated for executives other than as described above.

Consolidated entity performance and link to remuneration

The incentives paid to the Managing Director were determined by the Board having regard to the completion of the operational reset announced in mid-2025, the growth in production volumes through the second half of the year and the June 2026 quarter being the first quarter of positive group EBITDA. No formula-based performance condition applied. The five-year summary of earnings and shareholder returns is set out under Additional information below.

Voting and comments made at the 2025 annual general meeting

At the annual general meeting on 27 November 2025 the remuneration report for the year ended 30 June 2025 was approved by 99.46 per cent of the votes cast on a poll (2024 annual general meeting: 79.85 per cent). The Company did not receive any specific feedback at the meeting on its remuneration practices.

Details of remuneration

The key management personnel of the consolidated entity during the year were the following directors of Peak Processing Limited: Mr M Pujara (Non-Executive Director from 6 October 2025 and Chairman from 14 November 2025); Mr B Katzman (Interim Chief Executive Officer from 24 July 2025 and Managing Director from 3 December 2025); Mr M Adams (Non-Executive Director); Mr V Webber (Chairman to 14 November 2025 and Non-Executive Director to 3 December 2025); Mr A Boyd (Non-Executive Director to 6 October 2025); and Mr J Fegan (Chief Executive Officer and Managing Director to 24 July 2025); and the following person: Mr B Mbeshha (Chief Financial Officer to 19 January 2026).

Amounts of remuneration, year ended 30 June 2026

	Short-term benefits			Post-employment	Termination	Share-based payments		
	Cash salary and fees \$	Allowances and leave \$	Incentives \$	Super \$	Termination \$	Shares \$	Options and rights \$	Total \$
Non-executive directors								
Mr M Pujara (1)	93,367	-	-	11,204	-	-	46,555	151,126
Mr M Adams (2)	72,000	-	-	-	-	-	54,314	126,314
Mr V Webber (3)	22,500	-	-	-	-	-	8,647	31,147
Mr A Boyd (4)	16,438	-	-	1,973	-	-	-	18,411
Executive directors								
Mr B Katzman (5)	384,362	15,841	158,200	-	-	-	29,663	588,066
Mr J Fegan (6)	29,688	18,338	-	5,763	-	-	-	53,789
Other key management personnel								
Mr B Mbeshha (7)	133,495	-	-	-	27,982	-	-	161,477
Total	751,850	34,179	158,200	18,940	27,982	-	139,179	1,130,330

(1) Fees from 6 October 2025, when Mr Pujara became a director, of which \$68,000 was settled by the issue of 4,000,000 ordinary shares on 30 June 2026 in lieu of cash; his fees as a board observer from 1 September to 5 October 2025 are not included. Superannuation is 12 per cent of the fees. Options are the grant date fair value of 6,000,000 options granted on 8 December 2025 and vested on grant.

(2) Fees under the letter of appointment. Options are the grant date fair value of 7,000,000 options granted on 8 December 2025 and vested on grant.

(3) Fees to 3 December 2025.

(4) Fees and superannuation to 6 October 2025.

(5) Fees, and car and telephone allowances, from 24 July 2025, translated at monthly average rates. Incentives of \$158,200 for the years ended 30 June 2025 and 30 June 2026 were accrued at 30 June 2026 and settled in 5,650,000 ordinary shares on 24 July 2026. Options and rights comprise \$9,691 for the FY24 long-term incentive rights and \$19,972 for 4,495,502 short-term incentive rights granted on 7 April 2025 and exercised on 29 September 2025, each for the period from 24 July 2025.

(6) Salary, leave paid on cessation and superannuation to 24 July 2025.

(7) Salary and annual leave to 19 January 2026, translated at monthly average rates; termination benefits comprise pay in lieu of notice and severance on cessation.

Amounts of remuneration, year ended 30 June 2025

	Short-term benefits			Post-employment	Termination	Share-based payments		
	Cash salary and fees \$	Allowances and leave \$	Incentives \$	Super \$	Termination \$	Shares \$	Options and rights \$	Total \$
Non-executive directors								
Mr V Webber	100,000	-	-	-	-	-	-	100,000
Mr A Boyd	65,753	-	-	7,562	-	-	-	73,315
Mr M Adams	26,236	-	-	-	-	-	-	26,236
Ms P Dobson	38,356	-	-	4,411	-	-	-	42,767
Mr A Newbold	20,700	-	-	2,381	-	-	-	23,081
Executive directors								
Mr J Fegan	535,000	213,622	-	30,000	-	-	(9,331)	769,291
Other key management personnel								
Mr B Mbeshha	8,588	-	-	-	-	-	-	8,588
Mr R Meissner	177,500	16,945	-	15,000	-	-	-	209,445
Total	972,133	230,567	-	59,354	-	-	(9,331)	1,252,723

The 2025 amounts are as reported in the remuneration report for that year, presented in the categories used for 2026. Allowances and leave comprise Mr Fegan's United Kingdom living-away-from-home allowance of \$175,056 and leave of \$38,566, and Mr Meissner's leave of \$16,945; \$6,687 of the leave was long service leave, a long-term benefit. Options and rights comprise Mr Fegan's short-term incentive rights of \$7,044 and a reversal of \$16,375 for long-term incentive rights not expected to vest. The cash salary of Mr Webber (\$20,000) and Mr Fegan (\$89,167) included performance rights issued in consideration of a 25 per cent reduction in cash-based salary for one year from 1 November 2024.

Fixed remuneration and remuneration at risk

	Fixed 2026	At risk STI 2026	At risk LTI 2026	Fixed 2025
Mr M Pujara	69%	-	31%	-
Mr M Adams	57%	-	43%	100%
Mr V Webber	100%	-	-	100%
Mr A Boyd	100%	-	-	100%
Mr B Katzman	68%	30%	2%	-

	Fixed 2026	At risk STI 2026	At risk LTI 2026	Fixed 2025
Mr J Fegan	100%	-	-	78%
Mr B Mbesha	100%	-	-	100%

The at-risk long-term component is the grant date fair value of the director options, which vested on grant and carry no performance condition. The at-risk components for Mr Katzman are the discretionary incentive described above and his short-term incentive rights (short-term incentive), and the final year expense of his FY24 long-term incentive rights, which lapsed on 30 June 2026 (long-term incentive). Mr Fegan's 2025 remuneration was 78 per cent fixed, 1 per cent short-term incentive and 21 per cent long-term incentive.

Service agreements

On appointment to the Board each non-executive director enters into a letter of appointment which summarises the Board's policies and terms, including remuneration, relevant to the office of director. The remuneration and other terms of employment of the directors and executives are summarised below.

Manik Pujara

Manik Pujara as Non-Executive Chairman is remunerated on the following terms:

- ▶ Board observer from 1 September 2025 at \$75,000 per annum plus superannuation, under a letter of appointment signed on 16 September 2025, until his appointment as a director on 6 October 2025.
- ▶ Fees of \$136,000 per annum plus superannuation from appointment as Chairman on 14 November 2025.
- ▶ Shareholders approved on 25 June 2026 the issue of 4,000,000 fully paid ordinary shares in lieu of \$68,000 of fees, half of his annual fee, for the period 1 December 2025 to 31 May 2026; fees from 1 June 2026 are payable in cash.
- ▶ Fees are reviewed by the Board; any change must be approved by the Board.
- ▶ The appointment may be terminated without notice for serious misconduct or in the circumstances set out in the Company's constitution.

Matt Adams

Matt Adams as Non-Executive Director is remunerated on the following terms:

- ▶ Fees of \$72,000 per annum inclusive of superannuation.
- ▶ The appointment may be terminated without notice for serious misconduct or in the circumstances set out in the Company's constitution.

Barry Katzman

Barry Katzman as Managing Director and Chief Executive Officer is remunerated on the following terms:

- ▶ Fees of CAD 30,000 per month to 31 January 2026 and CAD 35,000 per month from 1 February 2026, together with a monthly allowance of CAD 1,325 comprising a car allowance of CAD 1,200 and a telephone allowance of CAD 125.
- ▶ Remuneration is reviewed by the Board; any change must be approved by the Board with Mr Katzman abstaining.
- ▶ Mr Katzman is engaged under an executive services agreement with a service period of 12 months.
- ▶ The agreement may be terminated without notice for serious misconduct.

Share-based compensation

Shares. 4,000,000 ordinary shares were issued to Mr Pujara on 30 June 2026 at a notional price of \$0.017 in lieu of \$68,000 of Chairman's fees for the period 1 December 2025 to 31 May 2026, being half of his annual fee of \$136,000, following shareholder approval on 25 June 2026 (Resolution 6). The notional price

is the price of the February 2026 placement, in which other investors subscribed at \$0.017. That amount is included in short-term benefits in the remuneration table.

After the reporting date, 5,650,000 ordinary shares were issued to Mr Katzman on 24 July 2026 at a deemed price of \$0.028 in lieu of \$158,200 of accrued incentives, following shareholder approval on 25 June 2026 (Resolution 10). The incentives comprise \$133,200 for the year ended 30 June 2025 and a one-off bonus of \$25,000 for assuming the roles of Managing Director and Chief Executive Officer without additional remuneration. The deemed price is the share price at 30 June 2025, the end of the year to which the larger amount relates, and applies to both. That amount is included in short-term benefits in the remuneration table.

Options. The terms and conditions of the options granted to directors during the year, which affect remuneration in this or future reporting years, are as follows.

Name	Number	Grant date	Vesting and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Mr M Pujara	6,000,000	8 December 2025	8 December 2025	15 December 2027	\$0.025	\$0.0078
Mr M Adams	7,000,000	8 December 2025	8 December 2025	15 December 2027	\$0.025	\$0.0078

The options were approved by shareholders at the annual general meeting on 27 November 2025, accepted by the directors in writing on 8 December 2025 and issued on 15 December 2025. They vested on grant and carry no performance or service condition. The fair value was measured at grant date using a Black-Scholes model with the inputs set out at note 34; the total fair value of \$100,869 (\$46,555 for Mr Pujara and \$54,314 for Mr Adams) has been recognised in full in the year.

No options were exercised or lapsed during the year. The grant date is 8 December 2025, the date of the directors' signed acceptances, which are the first written agreement between the Company and each director and post-date the shareholder approval.

A resolution to grant options to Mr Webber (Resolution 8 at the 27 November 2025 annual general meeting) was withdrawn before the meeting and no options were granted to him.

Performance rights. No performance rights were granted to key management personnel during the year. Mr Katzman held 1,128,316 performance rights granted before his appointment as a director; they lapsed on 30 June 2026 when the share price hurdle of 8.882 cents was not met. He also held 4,495,502 short-term incentive performance rights granted on 7 April 2025, before he became key management personnel, which vested and were exercised on 29 September 2025. The expense recognised for those rights while he was key management personnel was \$9,691 and \$19,972 respectively, and for Mr Webber's rights \$8,647 to his cessation as a director; all are included in share-based payments. Mr Webber's 697,674 performance rights, granted in February 2025 in consideration of a 25 per cent reduction in cash fees, were exercised on 17 February 2026 after he ceased to be a director. Mr Fegan's 5,400,983 performance rights lapsed on 17 February 2026 in accordance with their terms, the performance conditions not having been satisfied.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2026 are summarised below.

	2026 \$'000	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000
Revenue from continuing operations	13,388	15,494	12,231	25,093	20,521
Loss after income tax	(7,786)	(8,347)	(32,057)	(13,725)	(12,124)
Share price at financial year end (\$)	0.017	0.025	0.023	0.043	0.059
Basic loss per share from continuing operations (cents)	(0.85)	(0.87)	(8.53)	(3.91)	(3.99)

Revenue for the years ended 30 June 2022 to 30 June 2025 is as reported for each year and excludes the operations classified as discontinued in that year; the 2025 revenue is as reported in that year, with excise duty recovered from customers presented net of the duty; on the current year's basis it is \$16,465,000 before the deduction of excise duty and licence fees. The Company was named Althea Group Holdings Limited until 27 November 2025. Share prices are the ASX closing prices on the last trading day of each financial year. No dividends have been paid in any of the five years.

Additional disclosures relating to key management personnel

Shareholding

The number of ordinary shares in the Company held during the year by each director and other member of key management personnel, including their personally related parties, is set out below.

	Balance at start of year	Received as remuneration	Additions	Disposals or other	Balance at end of year
Mr M Pujara	5,600,000	4,000,000	9,400,000	-	19,000,000
Mr B Katzman	-	4,495,502	-	-	4,495,502
Mr M Adams	1,000,000	-	300,000	-	1,300,000
Mr V Webber	2,000,000	-	-	(2,000,000)	-
Mr A Boyd	170,000	-	-	(170,000)	-
Mr J Fegan	61,588,651	-	-	(61,588,651)	-
Mr B Mbesha	-	-	-	-	-
Total	70,358,651	8,495,502	9,700,000	(63,758,651)	24,795,502

Balances at the start of the year are the holdings at 1 July 2025 or, for Mr Pujara and Mr Katzman, on becoming key management personnel (6 October 2025 and 24 July 2025). Mr Katzman's 4,495,502 shares were issued on 29 September 2025 on the exercise of short-term incentive performance rights. Mr Pujara's additions comprise 5,400,000 shares bought on market between March and May 2026 and 4,000,000 shares subscribed in the February 2026 placement and issued on 30 June 2026 following shareholder approval; his shares are held through Trinetra Holdings Pty Ltd. Mr Katzman's shares are held through 2756278 Ontario Inc.; 5,650,000 shares were issued to him on 24 July 2026 in lieu of remuneration. Mr Webber, Mr Boyd and Mr Fegan are shown to the date each ceased to be a director, at which date they held the balances shown at the start of the year.

Option holding

	Balance at start of year	Granted	Exercised	Lapsed	Balance at end of year
Mr M Pujara	-	6,000,000	-	-	6,000,000
Mr M Adams	-	7,000,000	-	-	7,000,000
Total	-	13,000,000	-	-	13,000,000

All 13,000,000 options were vested and exercisable at 30 June 2026.

Performance rights holding

	Balance at start of year	Granted	Exercised	Lapsed	Balance at end of year
Mr B Katzman	5,623,818	-	(4,495,502)	(1,128,316)	-
Mr V Webber	697,674	-	(697,674)	-	-
Mr J Fegan	5,400,983	-	-	(5,400,983)	-
Total	11,722,475	-	(5,193,176)	(6,529,299)	-

Mr Katzman's rights are shown from his appointment. Mr Webber held 697,674 rights at the date he ceased to be a director; they were exercised on 17 February 2026. Mr Fegan held 5,400,983 rights at the

date he ceased; they lapsed on 17 February 2026 and are included in the 6,065,597 rights recorded as lapsed on that date at note 21.

Other transactions with key management personnel

Patison Accountants & Advisors, of which Mr Pujara is a director and a shareholder, provided accounting and business advisory services to the Company during the year on normal commercial terms. Fees for the year were \$124,550 excluding GST, of which \$84,550 was unpaid at 30 June 2026. The engagement is priced at the firm's standard hourly rates under a letter of engagement dated 22 January 2026 and was approved by the other directors on 23 January 2026, Mr Pujara having disclosed his interest and taken no part in the decision. Mr Pujara subscribed for 4,000,000 ordinary shares at \$0.017 (\$68,000) in the February 2026 placement on the same terms as other investors, approved by shareholders on 25 June 2026 under Listing Rule 10.11 and issued on 30 June 2026. Mr Fegan and Mr Boyd, directors until 24 July 2025 and 6 October 2025 respectively, lent the Company \$150,000 under the deed of company arrangement funding described at note 19; the loan bears interest at 5 per cent per annum, interest of \$6,596 accrued in the year and the loan was outstanding at 30 June 2026. The same transactions are disclosed at note 28. No loans were made to key management personnel during the year and none were outstanding at 30 June 2026. Mr Katzman's subscription for 3,000,000 shares in the February 2026 placement was approved by shareholders on 25 June 2026 but the subscription monies were not paid and the approval lapsed without any shares being issued.

Events after the reporting date affecting remuneration

On 24 July 2026 the Company issued 5,650,000 fully paid ordinary shares to Mr Katzman in settlement of \$158,200 of remuneration accrued at 30 June 2026, as approved by shareholders on 25 June 2026. On 7 September 2026 the Company issued 4,803,963 fully paid ordinary shares at a deemed issue price of \$0.015 in satisfaction of the loan note establishment fee of \$72,060, which is not remuneration.

This concludes the remuneration report, which has been audited.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Manik Pujara, Chairman



Barry Katzman, Managing Director and Chief Executive Officer

30 September 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Peak Processing Limited

As lead auditor for the audit of Peak Processing Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Peak Processing Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow

N. S. Benbow
Director
Melbourne, 30 September 2026

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Continuing operations			
Revenue	4	13,388	16,465
Excise duties and regulatory fees	4	(951)	(1,160)
Net revenue		12,437	15,305
Cost of sales	5	(11,887)	(13,775)
Gross profit		550	1,530
Other income	4	616	-
Interest income		24	68
Sales and marketing expenses	5	(577)	(608)
Research and development expenses	5	(183)	(491)
Corporate and administrative expenses	5	(5,316)	(4,857)
Impairment of assets	15	(4,352)	-
Other losses / (gains)		(97)	311
Finance costs	5	(966)	(796)
Loss before income tax from continuing operations		(10,301)	(4,843)
Income tax expense	6	(33)	-
Loss after income tax from continuing operations		(10,334)	(4,843)
Discontinued operations			
Profit / (loss) from discontinued operations, after tax	7	2,548	(3,504)
Loss for the year		(7,786)	(8,347)

	Note	2026 \$'000	2025 \$'000
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation, including exchange differences on the net investment in foreign operations	22	(298)	(175)
Other comprehensive loss for the year, net of tax		(298)	(175)
Total comprehensive loss for the year attributable to the owners of Peak Processing Limited		(8,084)	(8,522)

	Note	2026 Cents	2025 Cents
Basic and diluted loss per share from continuing operations	33	(0.85)	(0.87)
Basic and diluted earnings / (loss) per share from discontinued operations	33	0.21	(0.63)
Basic and diluted loss per share attributable to the owners	33	(0.64)	(1.49)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes. The comparative has been re-presented for the discontinued operation and for the change in the presentation of expenses (note 5) and of excise duty (note 4).

Consolidated statement of financial position

As at 30 June 2026

	Note	2026 \$'000	2025 \$'000
Current assets			
Cash and cash equivalents	8	1,417	528
Trade and other receivables	9	3,648	6,630
Inventories	10	1,954	2,135
Prepayments	11	1,028	1,008
Total current assets		8,047	10,301
Non-current assets			
Deposits	12	331	77
Property, plant and equipment	14	979	3,164
Right-of-use assets	16	2,948	6,938
Intangibles		24	8
Total non-current assets		4,282	10,187
Total assets		12,329	20,488
Current liabilities			
Trade and other payables	17	6,282	13,350
Contract liabilities	18	847	1,447
Borrowings	19	1,450	1,437
Lease liabilities	16	140	139
Employee benefits	20	9	26
Current tax liability	6	53	58
Total current liabilities		8,781	16,457
Non-current liabilities			
Lease liabilities	16	4,073	4,605
Total non-current liabilities		4,073	4,605
Total liabilities		12,854	21,062
Net assets / (liabilities)		(525)	(574)
Equity			
Issued capital	21	101,481	93,969
Reserves	22	21	(244)
Accumulated losses		(102,027)	(94,299)
Total equity / (deficiency)		(525)	(574)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2026

	Issued capital	Share-based payments reserve	Foreign currency translation reserve	Accumulated losses	Total equity
Balance at 1 July 2024	86,332	2,908	(182)	(88,744)	314
Loss after income tax expense for the year	-	-	-	(8,347)	(8,347)
Other comprehensive loss for the year, net of tax	-	-	(175)	-	(175)
Total comprehensive loss for the year	-	-	(175)	(8,347)	(8,522)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	3,833	-	-	-	3,833
Share capital issued on exercise of performance rights	213	(213)	-	-	-
Share capital issued on conversion of loan notes	3,500	-	-	-	3,500
Share capital issued in settlement of payables	91	-	-	-	91
Vesting of share-based payments	-	210	-	-	210
Lapsed share-based payments	-	(2,792)	-	2,792	-
Balance at 30 June 2025	93,969	113	(357)	(94,299)	(574)

	Issued capital	Share-based payments reserve	Foreign currency translation reserve	Accumulated losses	Total equity
Balance at 1 July 2025	93,969	113	(357)	(94,299)	(574)
Loss after income tax expense for the year	-	-	-	(7,786)	(7,786)
Other comprehensive loss for the year, net of tax	-	-	(298)	-	(298)
Total comprehensive loss for the year	-	-	(298)	(7,786)	(8,084)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (notes 21 and 34)	4,209	525	-	-	4,734
Share capital issued on exercise of performance rights (note 21)	164	(164)	-	-	-
Share capital issued on conversion of loan notes (note 21)	2,402	-	-	-	2,402

	Issued capital	Share-based payments reserve	Foreign currency translation reserve	Accumulated losses	Total equity
Share capital issued in settlement of payables and services (note 21)	737	-	-	-	737
Vesting of share-based payments (note 34)	-	260	-	-	260
Transfer of lapsed performance rights to accumulated losses (note 34)	-	(58)	-	58	-
Balance at 30 June 2026	101,481	676	(655)	(102,027)	(525)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST and sales taxes)		15,404	22,601
Payments to suppliers and employees (inclusive of GST and sales taxes)		(20,241)	(30,088)
Interest received		24	79
Interest and other finance costs paid		(889)	(999)
Income taxes paid		(33)	-
Net cash used in operating activities	31	(5,735)	(8,407)
Cash flows from investing activities			
Payments for property, plant and equipment		(289)	(941)
Payments for intangibles		(21)	-
Proceeds from disposal of assets of the United Kingdom clinics business		-	991
Proceeds from disposal of assets of the Australian pharmaceutical business		-	966
Net proceeds from disposal of property, plant and equipment		-	34
Net cash from / (used in) investing activities		(310)	1,084
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs		4,895	3,833
Proceeds from issue of loan notes		2,402	3,500
Proceeds from borrowings		337	1,398
Repayment of borrowings		(500)	(1,000)
Repayment of lease liabilities		(133)	(307)
Net cash from financing activities		7,001	7,424
Net increase in cash and cash equivalents		956	101
Cash and cash equivalents at the beginning of the financial year		528	331
Effects of exchange rate changes on cash and cash equivalents		(67)	96
Cash and cash equivalents at the end of the financial year	8	1,417	528

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Note 1. Material accounting policy information

Reporting entity

Peak Processing Limited (formerly Althea Group Holdings Limited) is a for-profit company limited by shares, incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX: PKP). The registered office is Level 19, 180 Lonsdale Street, Melbourne VIC 3000, and the principal place of business is 2065 Solar Crescent, Oldcastle, Ontario, Canada. The consolidated entity manufactures THC-infused beverages and extracts under contract for licensed brand owners in Canada through its wholly-owned subsidiary 2682130 Ontario Limited (Peak Processing) at 2065 Solar Crescent, Oldcastle, Ontario, and has commenced contract manufacturing for the United States market through Peak USA Inc.

The financial statements were authorised for issue by the Directors on 30 September 2026.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001, as appropriate for for-profit oriented entities. The financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis. Amounts are presented in Australian dollars, the presentation currency of the consolidated entity, and are rounded to the nearest thousand dollars unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business.

Result and cash flows. The consolidated entity incurred a loss after income tax from continuing operations of \$10,334,000 for the year, which includes a non-cash impairment of \$4,352,000, and net cash outflows from operating activities of \$5,735,000.

Financial position. At 30 June 2026 the consolidated entity had cash of \$1,417,000, net current liabilities of \$734,000 and net liabilities of \$525,000.

Funding raised during the year. The Company raised \$7,297,000 in cash, net of transaction costs, from placements in September 2025 and February 2026 and from loan notes that converted to ordinary shares on 30 June 2026, and completed the operational reset announced in mid-2025.

Debt facilities. The CAD 1,000,000 asset-based lending facility of 2682130 Ontario Limited with Stoke Canada Finance Corp. was fully drawn at 30 June 2026 and was renewed after the reporting date for one year to 26 May 2027 on unchanged terms, including the interest rate. The consolidated entity also carries a Windsor Family Credit Union term loan of CAD 60,000 at 5 per cent.

Taxation and excise arrears. Legacy arrears owed to the Canada Revenue Agency, which peaked at approximately \$1,800,000, had been reduced to approximately \$200,000 by 31 March 2026 and are being repaid under a structured formal payment plan, with current excise duties paid monthly as they fall due. Excise duty payable at 30 June 2026 was CAD 217,357 (approximately \$222,000), of which CAD 61,631 (approximately \$63,000) is the duty for the month of June 2026 and CAD 155,726 (approximately \$159,000) is arrears under the payment plan.

Directors' assessment. The Directors have prepared cash flow forecasts for the twelve months from the date of this report. Those forecasts assume continued growth in contract manufacturing volumes in Canada and the United States, the collection of trade receivables in the ordinary course of business, the Stoke Canada Finance Corp. facility remaining available on its extended terms, the Canada Revenue

Agency payment plan being met and current excise duties being paid as they fall due, and access to further equity funding if required. In forming that view the Directors have also had regard to the improvement in trading margin in the June 2026 quarter, the annualised overhead savings of approximately \$2,250,000 from the restructuring completed in March 2026, the discretionary nature of a large part of the consolidated entity's research and development expenditure, which can be deferred without affecting current production, and the completion of the deed of company arrangement for Peak Processing (Australia) Pty Ltd without cost to the consolidated entity. The Directors have concluded on that basis that it is appropriate to prepare the financial statements on a going concern basis.

Trading since the reporting date. The Directors have taken the trading of the consolidated entity since the reporting date into account in forming their assessment. The management figures for that period are unaudited and have not been finalised. In the same period \$158,200 of accrued remuneration was settled by the issue of shares (note 35).

Material uncertainty. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the consolidated entity to continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

New and amended Accounting Standards adopted

The consolidated entity has adopted all new and amended Accounting Standards mandatory for the annual reporting period beginning 1 July 2025.

None of these standards materially impacted the financial report.

Accounting Standards issued but not yet effective

AASB 18 Presentation and Disclosure in Financial Statements applies to annual reporting periods beginning on or after 1 January 2027 and will first apply to the consolidated entity for the year ending 30 June 2028. It replaces AASB 101, requires income and expenses to be classified into operating, investing and financing categories with defined subtotals for operating profit and for profit before financing and income taxes, and requires management-defined performance measures to be disclosed and reconciled to the nearest statutory subtotal in a single note. The consolidated entity presents expenses by function from the current year (note 5) and refers to earnings before interest, tax, depreciation and amortisation in its market commentary; both will be affected. Comparative information will be restated on transition.

AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments applies from the year ending 30 June 2027 and deals with the derecognition of financial liabilities settled by electronic transfer and with contractual terms linked to contingent events. The consolidated entity is assessing the effect of the amendments on its borrowings.

AASB 2024-3 Annual Improvements Volume 11 applies from the year ending 30 June 2027 and is not expected to have a material effect. AASB 2025-1 and AASB 2025-3, dealing with contracts referencing nature-dependent electricity, and AASB 2025-2, dealing with Tier 2 disclosures, are not applicable to the consolidated entity.

Sustainability reporting

Mandatory climate-related financial disclosure under AASB S2 applies to entities meeting at least two of three size tests within a phased group structure. The consolidated entity does not meet the revenue or gross asset tests for any group, is not a registered corporation under the National Greenhouse and Energy Reporting Act 2007 and is not an asset owner. Accordingly the consolidated entity is not required to prepare a sustainability report for the year ended 30 June 2026 and no sustainability report has been prepared.

Principles of consolidation

The consolidated financial statements comprise the financial statements of Peak Processing Limited and the entities it controlled at the end of, or during, the year. Control exists where the Company is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date control commences until the date control ceases. Intercompany transactions, balances and unrealised gains are

eliminated in full. Accounting policies of subsidiaries are aligned with those of the Company on consolidation.

Peak Processing (Australia) Pty Ltd was subject to a voluntary administration and a deed of company arrangement during the year. The Directors have concluded that control was retained throughout, for the reasons set out at note 7.

Foreign currency translation

The functional currency of the Canadian subsidiaries is the Canadian dollar and of Peak USA Inc. the United States dollar. On consolidation, assets and liabilities are translated at the closing rate at the reporting date (30 June 2026: CAD 0.9778, USD 0.6869; 30 June 2025: CAD 0.8947, USD 0.6550), income and expenses at the average rate for the year (CAD 0.9375, USD 0.6785), and the resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

Exchange differences arising on monetary items that form part of the net investment in a foreign operation, being intercompany loans for which settlement is neither planned nor likely to occur in the foreseeable future, are recognised in other comprehensive income and accumulated in the same reserve. The impairment recognised at 31 December 2025 was translated at the rate applying at that date.

Revenue

Revenue from contracts with customers is recognised when control of the goods or services transfers to the customer, at the amount of consideration to which the consolidated entity expects to be entitled. The policy applied to each revenue stream is set out at note 4. Excise duty and Health Canada licence fees, which are levied on the consolidated entity and recovered from customers at cost as a government levy, are presented as a deduction from revenue.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is assigned on a weighted average basis and comprises direct materials, direct labour and an appropriate proportion of fixed and variable production overhead based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories include product held on behalf of contract customers only where the consolidated entity controls the goods.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset: buildings 10 to 25 years, plant and equipment 2 to 10 years, computer equipment 2 to 5 years and office equipment 2 to 10 years. Assets under construction are not depreciated until commissioned. Residual values, useful lives and depreciation methods are reviewed at each reporting date. The depreciation of production assets is included in cost of sales; other depreciation is included in the function to which the asset relates.

Leases

At inception the consolidated entity assesses whether a contract is, or contains, a lease. A right-of-use asset and a lease liability are recognised at the commencement date, other than for short-term leases and leases of low value assets, for which payments are expensed as incurred. The lease liability is measured at the present value of the remaining lease payments discounted at the interest rate implicit in the lease or, where that rate cannot be readily determined, the incremental borrowing rate.

The right-of-use asset is measured at cost, comprising the initial lease liability, initial direct costs and restoration obligations, less any lease incentives, and is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

Impairment of non-financial assets

At each reporting date the consolidated entity assesses whether there is an indication that an asset may be impaired or that a previously recognised impairment may no longer exist. Where an indicator exists, the recoverable amount of the asset or of the cash-generating unit to which it belongs is estimated, being the higher of fair value less costs of disposal and value in use.

An impairment is recognised in profit or loss to the extent the carrying amount exceeds the recoverable amount. An impairment of an asset other than goodwill is reversed where there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognised.

Financial instruments

Financial assets are classified at amortised cost where they are held to collect contractual cash flows that are solely payments of principal and interest. Trade receivables are recognised initially at the transaction price and subsequently at amortised cost less a loss allowance measured under the simplified approach at an amount equal to lifetime expected credit losses. Financial liabilities are recognised initially at fair value net of directly attributable transaction costs and subsequently at amortised cost using the effective interest method. A financial liability is derecognised when the obligation is discharged, cancelled or expires; the difference between the carrying amount and the consideration paid is recognised in profit or loss.

Employee benefits and share-based payments

Liabilities for wages, salaries and annual leave expected to be settled wholly within twelve months are measured at the amounts expected to be paid. Equity-settled share-based payments to employees, directors and service providers are measured at the fair value of the equity instruments at grant date, determined using a Black-Scholes model, and are recognised over the vesting period with a corresponding increase in the share-based payments reserve.

Grant date is the date on which the consolidated entity and the counterparty agreed the arrangement and, where shareholder approval was required, the date that approval was obtained. Where equity instruments are issued to a broker or lead manager as consideration for raising equity, the fair value is recognised as a cost of equity and deducted from issued capital.

Goods and services tax and other value added taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax and equivalent overseas taxes, except where the tax is not recoverable from the taxation authority, in which case it is recognised as part of the cost of acquisition or as part of the expense. Receivables and payables are stated inclusive of the tax. Cash flows are presented on a gross basis.

Note 2. Critical accounting judgements, estimates and assumptions

Going concern

The going concern assessment described at note 1 depends on the achievement of forecast trading volumes and cash flows and on the continued availability of the Stoke facility and of further equity funding. The forecasts extend twelve months from the date of this report and the outcome is uncertain. The consequence of the going concern basis not being appropriate would be a change in the basis of measurement of assets and liabilities, the effect of which has not been quantified.

Impairment of the cash-generating unit

The consolidated entity operates a single cash-generating unit. The impairment of \$4,352,000 recognised at 31 December 2025 was measured on a value in use basis using a discounted cash flow model over a five year forecast period with a terminal value. The recoverable amount is sensitive to the forecast revenue base, the forecast margin and the discount rate, none of which can be determined with certainty for a business that has recently completed an operational reset and has a short history at current volumes.

At 30 June 2026 the Directors reassessed the recoverable amount of the cash-generating unit. The Directors concluded that the estimates used to determine the recoverable amount at 31 December 2025 had not changed sufficiently to require any further impairment or reversal of impairment. See note 15.

Principal versus agent

Where product is sold to provincial distributors under the consolidated entity's own sales licence on behalf of a brand owner, judgement is required as to whether the consolidated entity controls the product before it transfers to the distributor. The consolidated entity has concluded that it acts as agent in that channel and it does not recognise gross revenues or costs arising from its agency activities.

Provision for inventory obsolescence

The provision for obsolescence of \$750,000 (2025: \$950,000) requires judgement as to the saleability and shelf life of finished goods and the usability of raw materials and packaging.

Share-based payment valuation

The fair value of options granted during the year was measured using a Black-Scholes model. The most significant input is expected volatility, which is estimated by the Company from the historical volatility of its shares over a period commensurate with the expected term of each grant. The Company's shares traded between 1.7 and 2.5 cents during the year and a large proportion of observations show no price movement, so the measured volatility is sensitive to the observation frequency selected. The estimate adopted uses daily observations with non-trading days excluded (note 34).

Classification of expenses and the comparative period

Expenses are presented by function from the current year. Payroll costs of the Canadian operating subsidiary for the year ended 30 June 2025 were recorded in a single account without allocation to cost centres, and the comparative allocation is therefore an estimate based on the proportions applying in the current year. The estimates applied are set out at note 5.

Recognition of deferred tax assets

Deferred tax assets not recognised. The consolidated entity has potential deferred tax assets arising from both temporary differences and carried forward tax losses. The directors have not recognised any of these potential deferred tax assets because of uncertainty as to when the consolidated entity will earn assessable income against which they could be applied.

Note 3. Operating segments

AASB 8 requires operating segments to be identified on the basis of the internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in allocating resources and assessing performance. The chief operating decision maker is the Board of Directors.

The consolidated entity operates in one operating segment, being the contract manufacturing of THC-infused beverages and extracts. The chief operating decision maker reviews the results of the consolidated entity as a whole and, accordingly, the segment result, segment assets and segment liabilities are those presented in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position.

Geographical information

Revenue is attributed to the region in which the customer is located. Peak Processing is not permitted to sell across the Canadian border and Peak USA Inc. sells only into the United States, so the region of the customer is the region of the entity making the sale.

Revenue from external customers	2026 \$'000	2025 \$'000
Canada	13,084	16,394
United States of America	304	71
Australia	-	-
Total revenue from continuing operations	13,388	16,465

Non-current assets by location	2026 \$'000	2025 \$'000
Canada	4,172	10,015
United States of America	106	95
Australia	4	77
Total non-current assets	4,282	10,187

Major customers

Revenue from four customers each accounted for 10 per cent or more of the consolidated entity's revenue from continuing operations: \$3,572,000, \$2,943,000, \$2,481,000 and \$2,058,000, together \$11,055,000 or 83 per cent of revenue from continuing operations. All of that revenue is attributed to Canada. The consolidated entity manufactures under contract for a small number of brand owners and the loss of any one of them would have a material effect on revenue.

Note 4. Revenue

Revenue recognition

The consolidated entity manufactures THC-infused beverages and extracts under manufacturing agreements with brand owners. Under most agreements the brand owner issues a manufacturing direction, pays a deposit of 50 per cent (25 per cent for one customer) on acceptance of the order and the balance on positive release of the product, and the consolidated entity recovers testing, shipping and storage at cost plus an administration fee. Revenue is recognised when control of the product passes to the brand owner on positive release, at which point the sale is recorded. Deposits received before that point are contract liabilities (note 18).

Where product is sold to provincial distributors under the consolidated entity's own sales licence on behalf of a brand owner, and the brand owner is entitled to the sale proceeds net of the consolidated entity's fees, the consolidated entity acts as agent for the brand owner and it does not recognise gross revenues or costs arising from its agency activities, with the amount collected on the brand owner's behalf held as a payable until remitted (note 17).

Under one arrangement the consolidated entity is remunerated from the revenues of the product and recognises its share as the product is sold. Tolling and extraction services are recognised as the service is performed. Testing and freight recharges carry a margin and are presented within revenue with the corresponding cost in cost of sales.

Excise duty and Health Canada licence fees are levied on the consolidated entity as the licence holder and are recovered from customers at cost. The consolidated entity is a contract manufacturer rather than the seller of the product for this purpose, and the amounts are presented as a deduction from revenue rather than as an expense.

Disaggregation of revenue from contracts with customers

Continuing operations	2026 \$'000	2025 \$'000
By product and service		
Contract manufacturing of THC beverages and extracts	13,388	16,465
Total revenue from contracts with customers	13,388	16,465

Continuing operations	2026 \$'000	2025 \$'000
By geographical region (location of customer)		
Canada	13,084	16,394
United States of America	304	71
Total	13,388	16,465
By timing of recognition		
Goods transferred at a point in time	11,024	15,185
Services transferred over time	2,364	1,280
Total	13,388	16,465
Excise duty and Health Canada licence fees	(951)	(1,160)
Net revenue	12,437	15,305

In the year ended 30 June 2025 excise duty recovered from customers was presented net of the duty within revenue. The comparative has been re-presented to show the recovery within revenue and the duty of \$971,000 as a deduction, consistent with the current year; net revenue and the result for that year are unchanged. Refer to note 5.

Other income

	2026 \$'000	2025 \$'000
Licence fee and rental income from a customer for the use of space at the Oldcastle facility	616	-
Government grants and tax incentives	-	-
Other	-	-
Total other income	616	-

Other income is the licence fee and rent charged to a brand owner customer for the use of space at the Oldcastle facility.

Note 5. Expenses

Expenses are presented by function in the consolidated statement of profit or loss and other comprehensive income. Cost of sales includes the labour costs of the production, supply chain, maintenance and quality functions, outsourced production labour, factory overhead, freight out and warehousing costs, and the depreciation of production assets. The remaining expenses are presented as sales and marketing, research and development, and corporate and administrative expenses. Corporate and administrative expenses are the residual and carry all costs not specifically identified as selling or research.

Expenses by nature

The following amounts, which are included within the functions above, are disclosed by nature in accordance with AASB 101.104.

	2026 \$'000	2025 \$'000
Depreciation and amortisation	1,297	1,715
Included in cost of sales	1,149	1,519
Included in other functions	148	196

	2026 \$'000	2025 \$'000
Employee benefits expense	5,678	4,386
Included in cost of sales	2,843	1,963
Included in other functions	2,835	2,423
Impairment of assets	4,352	-
Excise duty and Health Canada licence fees	951	1,160
Superannuation contributions (Australia; Canadian employees are covered by the Canada Pension Plan and no other plan)	14	14
Short-term and low value lease payments	44	61
Net loss on disposal of property, plant and equipment	28	6
Net foreign exchange loss / (gain)	69	(381)

Finance costs

	2026 \$'000	2025 \$'000
Interest and fees on the asset-based lending facility	249	-
Interest on lease liabilities	427	728
Interest on other borrowings	37	68
Fair value of options issued to a financier	51	-
Interest and penalties on Canadian tax arrears	91	-
Bank fees, supplier late payment charges and other finance charges	76	-
Interest on the loan from an officer of a subsidiary	35	-
Total finance costs	966	796

Re-presentation of comparative information

Expenses are now presented by function rather than by nature. Both periods are presented on this basis and the comparative has been re-presented accordingly. There is no change to the loss before or after income tax, the loss for the year, total comprehensive loss, the statement of financial position, the statement of changes in equity, the statement of cash flows or any earnings per share amount, and this is not a correction of an error. No third statement of financial position is presented, because there is no effect on the statement of financial position at the beginning of the comparative period.

Year ended 30 June 2025	Previously reported	Reclassification	As re-presented
Revenue	15,494	971	16,465
Excise duties and regulatory fees	-	(1,160)	(1,160)
Cost of sales	(8,025)	(5,750)	(13,775)
Gross profit	7,469	(5,939)	1,530
Sales and marketing expenses	-	(608)	(608)
Research and development expenses	(310)	(181)	(491)
Corporate and administrative expenses	-	(4,857)	(4,857)
Employee benefits expense	(4,386)	4,386	-
General and administrative	(2,696)	2,696	-
Depreciation and amortisation	(1,715)	1,715	-
Professional services	(1,414)	1,414	-
Distribution and marketing	(1,374)	1,374	-
Net effect on the loss before income tax			-

Payroll costs of the Canadian operating subsidiary for the year ended 30 June 2025 were recorded in a single account without allocation to cost centres. Payroll expenses have been allocated based upon estimates made about the allocation of time spent by employees relating to each expense function category, taking into account their job description and timesheet data. Depreciation for the year ended 30 June 2025 has been allocated to cost of sales in the proportion applying in the year ended 30 June 2026, being 88.6 per cent.

Note 6. Income tax

Income tax expense

	2026 \$'000	2025 \$'000
Current tax	33	-
Deferred tax	-	-
Income tax expense	33	-

Reconciliation of income tax expense and tax at the statutory rate

	2026 \$'000	2025 \$'000
Loss before income tax expense from continuing operations	(10,301)	(4,843)
Profit / (loss) before income tax expense from discontinued operations	2,548	(3,504)
	(7,753)	(8,347)
Tax at the statutory tax rate of 25.0 per cent (2025: 25.0 per cent)	(1,938)	(2,087)
Tax effect amounts which are not deductible / (taxable) in calculating taxable income:		
Depreciation and amortisation	324	534
Share-based payments	38	53
Impairment of non-current assets	1,088	-
Gain on creditors under the deed of company arrangement	(626)	-
Sundry items	-	(961)
Loss on deconsolidation of subsidiaries	-	16
	(1,114)	(2,445)
Current year tax losses not recognised	1,114	2,417
Difference in overseas tax rates	-	28
Canadian minimum tax	33	-
Income tax expense	33	-

Tax losses and unused tax credits not recognised

No deferred tax asset has been recognised in respect of tax losses or unused tax credits. Recognition requires it to be probable that future taxable profit will be available against which the losses and credits can be utilised, and the consolidated entity has recorded a loss in each of the last five years.

The most recent year assessed by the Canada Revenue Agency for the Canadian operating entity, 2682130 Ontario Limited, is the year ended 30 June 2025. At that date the entity had non-capital losses carried forward of CAD 18,325,920 (30 June 2024: CAD 15,151,666), Ontario corporate minimum tax losses carried forward of CAD 21,815,060, an investment tax credit for scientific research and experimental development

of CAD 235,939 and an Ontario research and development tax credit of CAD 57,049. No corporation tax computation has been prepared for the year ended 30 June 2026.

Total carried forward tax losses not recognised at 30 June 2026 amount to \$72,279,000 (2025: \$71,165,000), on the same basis as the 2025 financial statements, being the 2025 balance and the current year tax losses not recognised above. The Australian tax losses remain available only if the continuity of ownership test or, failing that, the business continuity test is satisfied.

Note 7. Discontinued operations

Peak Processing (Australia) Pty Ltd (formerly Althea Company Pty Ltd) ceased its operations as a distributor of medicinal cannabis in Australia on the sale of its business assets on 31 May 2025 and has been classified as a discontinued operation since that date.

On 9 July 2025 the directors of that entity appointed a voluntary administrator under section 436A of the Corporations Act 2001. At a meeting of creditors held on 13 August 2025 creditors resolved that the entity enter a deed of company arrangement, which was executed the same day together with a deed of deferral and a director's assistance deed. The deed provided for the compromise of unsecured creditor claims and deferred certain claims of the parent entity for its duration. The deed was implemented and terminated on 16 December 2025, having achieved its purpose, and the entity was returned to the control of its directors. No liquidator has been appointed and the entity remains a wholly-owned subsidiary.

Because the appointment was made by the directors and not by a creditor, the administrator acted under the statutory moratorium for the benefit of creditors, the consolidated entity retained its exposure to the entity through the deed of deferral and the funds it contributed, and the deed was effectuated within the period, the Directors consider that control was retained throughout. The entity has been consolidated for the whole of both periods and its results are presented as a discontinued operation in both periods.

The compromise of creditor claims gave rise to a gain of \$2,504,000, recognised during the administration period within the result of the discontinued operation. The gain arises on external unsecured creditors only and does not represent trading performance. For the full financial year the entity had no active trading activity. No other comprehensive income or loss arose from the discontinued operation in either year; the other comprehensive loss in the statement of profit or loss and other comprehensive income relates wholly to continuing operations.

The parent entity was expressly excluded from the release of creditor claims given under the deed, and its claim against the entity was not compromised or extinguished. Under a deed of deferral executed the same day the parent entity covenanted not to enforce its claim until the deed terminated on 16 December 2025. The recoverability of that claim is dealt with at note 29.

The 2025 comparative is the total of the two operations classified as discontinued in the year ended 30 June 2025, being the MyAccess Clinics business in the United Kingdom, whose assets were sold on 29 October 2024, and Althea Company Pty Ltd. It agrees to the loss after income tax expense from discontinued operations of \$3,504,000 reported for that year.

Financial performance of the discontinued operations

	2026 \$'000	2025 \$'000
Revenue	48	6,307
Cost of goods sold	-	(3,803)
Gain on creditors under the deed of company arrangement	2,504	-
Other income	104	2,060
Interest income	-	1,172
Employee benefits expense	(3)	(4,022)
General and administrative expenses	-	(2,575)
Professional services	(123)	(251)
Depreciation and amortisation expense	-	(344)
Finance costs	-	(1,410)
Foreign exchange gain / (loss)	18	1,054

	2026 \$'000	2025 \$'000
Distribution and marketing expenses	-	(1,692)
Profit / (loss) before income tax expense	2,548	(3,504)
Income tax expense	-	-
Profit / (loss) after income tax from discontinued operations	2,548	(3,504)

Cash flows of the discontinued operations

	2026 \$'000	2025 \$'000
Net cash used in operating activities	(337)	(1,864)
Net cash from investing activities	-	2,094
Net cash used in financing activities	-	(524)
Net cash flows of the discontinued operations	(337)	(294)

In the year ended 30 June 2025 the sale of the MyAccess Clinics assets (proceeds \$991,000) and of the Althea Company Pty Ltd business assets (proceeds \$1,000,000) gave gains of \$970,000 and \$646,000, included in other income above; no loss on disposal arose. The assets and liabilities disposed of were disclosed in the 2025 financial statements.

Note 8. Cash and cash equivalents

	2026 \$'000	2025 \$'000
Cash at bank, Australia	352	39
Cash at bank, Canada	1,045	474
Cash at bank, United States	20	15
Total cash and cash equivalents	1,417	528

Cash at bank earns interest at floating rates.

Note 9. Trade and other receivables

Current assets	2026 \$'000	2025 \$'000
Trade receivables	3,056	6,056
Less: allowance for expected credit losses	-	(181)
Other receivables	592	755
Total trade and other receivables	3,648	6,630

Trade receivables are non-interest bearing and are generally on 30 to 60 day terms. The consolidated entity applies the simplified approach to measuring expected credit losses, using a lifetime expected loss allowance based on the ageing of receivables and historical loss rates.

Ageing of trade receivables

	2026 Gross \$'000	2026 Allowance \$'000	2025 Gross \$'000	2025 Allowance \$'000
Not past due	613	-	1,329	(43)
Past due 0 to 30 days	1,243	-	1,680	(131)
Past due 31 to 60 days	291	-	949	-
Past due 61 to 90 days	345	-	349	(1)
Past due more than 90 days	564	-	1,749	(6)
Total	3,056	-	6,056	(181)

Trade receivables at 30 June 2026 comprise \$581,000 due from provincial cannabis distribution bodies in Canada, principally the Ontario Cannabis Store, for product sold under the consolidated entity's own sales licence, and \$2,475,000 due from brand owners and other customers for contract manufacturing, storage, freight, testing and the recharge of excise duty and Health Canada licence fees.

Of the \$909,000 past due by more than 60 days, \$75,000 is due from provincial distribution bodies, which are government bodies paying on their own settlement cycles, and \$834,000 from brand owners and other customers, four of whom account for \$736,000. Where a brand owner's product remains in the consolidated entity's custody, or the brand owner holds a deposit or a credit balance, the amount past due is recoverable by set-off before the product is released or the deposit refunded. Deposits held at 30 June 2026 from customers with balances more than 60 days past due were \$102,000.

The largest single balance, being 11 per cent of trade receivables, is owed by a customer in proceedings under the Companies' Creditors Arrangement Act (Canada). While those proceedings continue the customer's own licence and tax stamp arrangements are unavailable, so the consolidated entity sells its product under its own licence, collects the provincial proceeds on the customer's behalf and applies them against the balance under a running account. Proceeds collected since 30 June 2026 have been applied in that way, and payments have been received from other customers with balances past due.

Note 10. Inventories

Current assets	2026 \$'000	2025 \$'000
Raw materials	2,578	1,940
Work in progress	99	122
Finished goods	-	985
Packaging and supplies	27	38
Less: provision for obsolescence	(750)	(950)
Total inventories	1,954	2,135

Finished goods at 30 June 2025 were residual pharmaceutical products of the Australian medicinal cannabis business sold in the 2025 financial year, carried at \$35,000 after an impairment provision of \$950,000; none remained at 30 June 2026. The continuing operations manufacture to the order of brand owners, who hold title to the finished product, and do not hold finished goods.

Note 11. Other current assets

Current assets	2026 \$'000	2025 \$'000
Prepayments	1,028	1,008
Total other current assets	1,028	1,008

Note 12. Deposits

Non-current assets	2026 \$'000	2025 \$'000
Deposits held as security	331	77
Total deposits	331	77

Note 13. Interests in a joint venture

The consolidated entity holds a 50 per cent interest in a United States joint venture formed in June 2025 with Flora Growth Corporation, held through Peak USA Inc. The joint venture manufactures the partner's hemp-derived THC beverages at a third-party facility in Florida. Its result and net assets are not material to the consolidated entity and it has not been equity accounted.

Note 14. Property, plant and equipment

Non-current assets	2026 \$'000	2025 \$'000
Buildings, at cost	290	317
Less: accumulated depreciation	(121)	(132)
Assets under construction, at cost	263	489
Plant and equipment, at cost	5,931	6,369
Less: accumulated depreciation and impairment	(5,602)	(4,196)
Computer equipment, at cost	437	745
Less: accumulated depreciation	(432)	(725)
Office equipment, at cost	757	807
Less: accumulated depreciation	(544)	(510)
Total property, plant and equipment	979	3,164

Reconciliation of carrying amounts

	2026 \$'000	2025 \$'000
Balance at 1 July	3,164	3,515
Additions	198	942
Disposals	-	(2)
Depreciation expense	(802)	(1,231)
Impairment (note 15)	(1,197)	-
Exchange differences	(384)	(60)
Balance at 30 June	979	3,164

Movements in the year ended 30 June 2026 by class:

\$'000	Buildings	Assets under construction	Plant and equipment	Computer equipment	Office equipment	Total
Balance at 1 July 2025	185	489	2,173	20	297	3,164
Additions	12	65	102	-	19	198
Transfers from assets under construction	-	(249)	249	-	-	-
Depreciation expense	(32)	-	(676)	(13)	(81)	(802)
Impairment (note 15)	-	-	(1,197)	-	-	(1,197)
Exchange differences	4	(42)	(322)	(2)	(22)	(384)
Balance at 30 June 2026	169	263	329	5	213	979

On 17 November 2023 Peak Processing completed the sale of its facility at 2065 Solar Crescent for CAD 4,600,000 and leased the land and building back for a term of up to 15 years, recognising a right-of-use asset (note 16).

Note 15. Impairment of non-current assets

The consolidated entity operates a single cash-generating unit, being the THC beverage manufacturing business of 2682130 Ontario Limited at 2065 Solar Crescent, Oldcastle, Ontario, comprising plant and equipment, the right-of-use asset for the leased facility and related working capital.

At 31 December 2025 the consolidated entity identified indicators of impairment, being operating losses, the cash position and a market capitalisation below net assets, and tested the cash-generating unit for impairment. The recoverable amount was determined on a value in use basis using a discounted cash flow model over a five year forecast period with a terminal value. The key assumptions were a pre-tax discount rate of 19 per cent, revenue growth of 5 per cent per annum, a gross margin of 50 per cent and a terminal growth rate of 3 per cent. The recoverable amount of the cash-generating unit at 31 December 2025, being its value in use, was \$3,656,000, below the carrying amount of its plant and equipment and right-of-use asset of \$8,008,000, and an impairment of \$4,352,000 was recognised in the half-year financial report, allocated pro rata to the carrying amounts of the assets within the unit.

	2026 \$'000	2025 \$'000
Plant and equipment	1,197	-
Right-of-use asset	3,155	-
Total impairment recognised in profit or loss	4,352	-

The impairment is presented within continuing operations. The carrying amounts of the unit after impairment at 30 June 2026 are plant and equipment \$979,000 and right-of-use asset \$2,948,000.

At 30 June 2026 the consolidated entity reassessed the recoverable amount of the cash-generating unit. In accordance with AASB 136, an impairment of plant and equipment or of a right-of-use asset is reversed at a subsequent reporting date only where there has been a change in the estimates used to determine the recoverable amount since the impairment was recognised, and then only to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognised.

The Directors concluded that the indicators for further impairment or reversal under AASB 136 were not established at 30 June 2026 and that no further impairment arose. Accordingly no reversal has been

recognised and the carrying amounts of the unit are as stated above. Had the impairment not been recognised, the carrying amount of the unit at 30 June 2026 would have been \$8,008,000, comprising plant and equipment \$2,102,000 and right-of-use asset \$5,906,000.

Sensitivity

The value in use is most sensitive to the forecast revenue base and the discount rate. Holding all other assumptions constant, the value in use at 31 December 2025 would change by approximately \$1,291,000 for each 1 per cent movement in the discount rate and by approximately \$4,600,000 for each 5 per cent movement in the forecast revenue base. The revenue sensitivity is larger than the value in use itself, so a shortfall of 5 per cent against the forecast revenue base would reduce the value in use below nil, and the recoverable amount of the cash-generating unit would then be its fair value less costs of disposal.

Note 16. Right-of-use assets and lease liabilities

Non-current assets	2026 \$'000	2025 \$'000
Land and buildings, right-of-use	7,130	7,780
Less: accumulated depreciation and impairment	(4,182)	(842)
Total right-of-use assets	2,948	6,938

The right-of-use asset relates to the lease of the Oldcastle, Ontario facility for a term of 15 years from 17 November 2023 with two further five year options, at an incremental borrowing rate of 9.6 per cent per annum. Rent is CAD 43,739 per month for the first five years with stepped increases thereafter. The asset is depreciated on a straight-line basis over the lease term. The impairment of \$3,155,000 recognised against the right-of-use asset at 31 December 2025 is set out at note 15.

Lease liabilities	2026 \$'000	2025 \$'000
Current	140	139
Non-current	4,073	4,605
Total lease liabilities	4,213	4,744

Amounts recognised in profit or loss	2026 \$'000	2025 \$'000
Depreciation of right-of-use assets	495	524
Interest on lease liabilities, within finance costs	427	728
Expense relating to short-term and low value leases	44	61

Maturity analysis of undiscounted lease payments	2026 \$'000	2025 \$'000
Within one year	537	587
One to five years	2,284	2,439
More than five years	4,476	5,536
Total undiscounted lease payments	7,297	8,562

Note 17. Trade and other payables

Current liabilities	2026 \$'000	2025 \$'000
Trade payables	4,190	9,276
Other payables and accrued expenses	1,836	4,074
Amounts payable to key management personnel and their related parties	256	-
Total trade and other payables	6,282	13,350

Trade payables are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables at 30 June 2025 included the creditors of Peak Processing (Australia) Pty Ltd that were subsequently compromised under the deed of company arrangement (note 7). Amounts payable to key management personnel and their related parties comprise the Managing Director's accrued incentives (note 35), accrued director fees, fees payable to a firm of which the Chairman is a director and shareholder, and interest accrued on the loan from former directors (notes 19 and 28).

Note 18. Contract liabilities

Current liabilities	2026 \$'000	2025 \$'000
Contract liabilities	847	1,447
Total contract liabilities	847	1,447

Contract liabilities represent customer deposits and consideration received in advance of production. Of the contract liability balance at 30 June 2025, \$1,170,000 was recognised in revenue during the year ended 30 June 2026; \$98,000 was credited back to customers on orders closed without production and \$179,000 remained unapplied at 30 June 2026.

Note 19. Borrowings

Current liabilities	2026 \$'000	2025 \$'000
Secured asset-based lending facility (CAD 1,000,000)	1,023	922
Loans from former directors	150	-
Term loan, Windsor Family Credit Union (CAD 60,000)	61	67
Loan from an officer of a subsidiary	216	-
Secured loan facility repaid during the year	-	448
Total borrowings	1,450	1,437

Asset-based lending facility. 2682130 Ontario Limited has a CAD 1,000,000 revolving facility with Stoke Canada Finance Corp. under an asset-based loan agreement dated 28 May 2024, governed by the law of British Columbia. Advances are limited to 75 to 80 per cent of eligible receivables less government priority claims, and the facility was fully drawn at 30 June 2026. Interest is 22 per cent per annum, compounded monthly and paid monthly, with an administration fee of CAD 400 a month and a renewal fee of CAD 1,000 a year. The facility is secured by a first ranking charge over the receivables of 2682130 Ontario Limited and their proceeds, a general security agreement and a guarantee from Peak Processing (Australia) Pty Ltd. The term expired on 27 May 2026 and the facility was renewed on 23 July 2026 for one year to 26 May

2027 on unchanged terms. As the renewed term ends within twelve months of the reporting date, the facility is classified as current.

The agreement prohibits the borrower and its Canadian affiliates, without the lender's prior consent, from incurring other indebtedness, paying management or consulting fees, making payments to shareholders or changing the borrower's management. An uncured breach is an event of default, on which interest rises to 34 per cent per annum and the lender may demand repayment. No consent was sought or given during the year in respect of those restrictions. The lender has not asserted any default and renewed the facility after the reporting date on unchanged terms.

Loans from former directors. Loans totalling \$150,000 advanced to the Company in the September 2025 quarter by Mr J Fegan and Mr A Boyd, directors of the Company until 24 July 2025 and 6 October 2025 respectively, on the terms announced on 13 August 2025, and on-lent by the Company to Peak Processing (Australia) Pty Ltd to fund the first payment under its deed of company arrangement. The loan is unsecured, bears interest at 5 per cent per annum payable quarterly and is repayable in full 15 months from drawdown. Interest accrued to 30 June 2026 of \$6,596 is included in other payables.

Term loan. The Windsor Family Credit Union loan of CAD 60,000 bears interest at 5 per cent per annum, payable monthly.

Facility repaid during the year. The secured facility of \$448,000 outstanding at 30 June 2025 was repaid in full in October and November 2025 for \$500,000 including interest and fees to repayment.

Loan from an officer of a subsidiary. Mr I Scott, Chief Operating Officer of 2682130 Ontario Limited, pays supplier invoices and expenses for that company personally and is reimbursed through a running account, which is unsecured, repayable on demand and bears interest at 15 per cent per annum on the average daily balance. During the year CAD 49,173 of the account was settled by the issue to him of 3,000,000 ordinary shares under the February 2026 placement, pursuant to a deed of settlement dated 16 February 2026. The balance at 30 June 2026 of CAD 211,910, approximately \$217,000, is presented as a borrowing, and interest for the year of CAD 32,644, approximately \$35,000, is included in finance costs. The reimbursements paid to him during the year are presented within payments to suppliers and employees in the statement of cash flows.

Note 20. Employee benefits

Current liabilities	2026 \$'000	2025 \$'000
Annual leave and other employee entitlements	9	26
Total employee benefits	9	26

Accrued remuneration of \$158,200 owed to the Managing Director at 30 June 2026, settled in shares after the reporting date, is included in trade and other payables (note 17).

Note 21. Issued capital

	2026 Shares	2025 Shares	2026 \$'000	2025 \$'000
Ordinary shares, fully paid	1,328,738,962	822,575,370	101,481	93,969

Movements in ordinary share capital

Details	Date	Shares	\$'000
Opening balance	1 July 2025	822,575,370	93,969
Shares issued in repayment of monies lent and accrued interest	1 August 2025	2,834,855	85

Details	Date	Shares	\$'000
Shares issued in settlement with a former contractor	1 August 2025	2,346,731	65
Shares issued for consulting services under a 24 month contract	1 August 2025	17,710,000	443
Cleansing issue	6 August 2025	100	-
Placement at \$0.018	29 September 2025	140,690,000	2,532
Performance rights exercised (employee rights, at grant date fair value)	29 September 2025	13,064,228	144
Shares issued for company secretarial services	29 September 2025	2,222,222	40
Shares issued for commercial services	29 September 2025	370,250	7
Cleansing issue	30 September 2025	100	-
Performance rights exercised (Mr Webber, at grant date fair value)	17 February 2026	697,674	20
Placement at \$0.017	17 February 2026	156,379,999	2,658
Performance rights lapsed	17 February 2026	-	-
Shares issued for company secretarial services	20 March 2026	1,714,117	29
Loan note conversion at \$0.015	30 June 2026	160,133,316	2,402
Shares issued in lieu of director fees at \$0.017	30 June 2026	4,000,000	68
Shares issued under placement at \$0.017	30 June 2026	4,000,000	68
Balance before costs of raising capital		1,328,738,962	102,530
Costs of raising capital: lead manager fees			(452)
Other costs of raising capital			(72)
Costs of raising capital: fair value of broker options (note 34)			(525)
Balance at 30 June 2026		1,328,738,962	101,481

Movements in ordinary share capital, 2025 comparative

Details	Date	Shares	\$'000
Balance at 1 July 2024		406,503,376	86,332
Share capital issued via capital raise	16 July 2024	101,333,100	2,026
Costs of raising capital	16 July 2024	-	(286)
Cleansing issue	4 February 2025	100	-
Share capital issued via capital raise	24 February 2025	14,000,000	280
Cleansing issue	26 February 2025	100	-
Performance rights exercised	29 April 2025	10,163,770	213
Share capital issued via capital raise	29 April 2025	99,750,000	1,995
Shares issued in settlement of payables	29 April 2025	4,574,824	91
Loan note conversion at \$0.020	29 April 2025	175,000,000	3,500
Share capital issued via capital raise	29 April 2025	11,250,000	225
Cleansing issue	29 April 2025	100	-
Costs of raising capital	29 April 2025	-	(407)
Balance at 30 June 2025		822,575,370	93,969

The loan notes issued in May 2026 were unsecured notes of \$1.00 face value carrying no coupon, with a conversion price of \$0.015, an establishment fee of 3 per cent of face value payable in shares at the conversion price following shareholder approval, and maturity twelve months from issue.

The conversion of 160,133,316 shares at \$0.015 is principal only and no interest arises. The 22,000,000 lead manager options issued on 29 September 2025 expire on 30 September 2028. The 13,000,000 director options expire on 15 December 2027.

Options and performance rights on issue

	2026 Number	2025 Number
Options, exercise prices \$0.039 and \$0.046, expiring 31 January 2028	20,266,620	20,266,620
Lead manager options, \$0.040, expiring 28 February 2027	25,000,000	25,000,000
Lead manager options, \$0.030, expiring 28 April 2027	25,000,000	25,000,000
Financier options, \$0.030, expiring 1 August 2027	5,000,000	-
Lead manager options (September 2025 placement), \$0.025, expiring 30 September 2028	22,000,000	-
Director options, \$0.025, expiring 15 December 2027	13,000,000	-
Lead manager options (February 2026 placement), \$0.025, expiring 13 February 2029	25,000,000	-
Lead manager options (May 2026 loan notes), \$0.025, expiring 30 September 2028	25,000,000	-
Total options	160,266,620	70,266,620
Performance rights	-	8,888,243

Capital risk management

The consolidated entity manages its capital to ensure it can continue as a going concern while funding the growth of the Canadian and United States manufacturing businesses. Capital is monitored on the basis of net assets and available funding and is adjusted through the issue of new shares, the raising of debt or the sale of assets as required. The consolidated entity is not subject to externally imposed capital requirements other than the covenants in the asset-based loan agreement described at note 19.

Note 22. Reserves

	2026 \$'000	2025 \$'000
Foreign currency translation reserve	(655)	(357)
Share-based payments reserve	676	113
Total reserves	21	(244)

The foreign currency translation reserve records exchange differences arising on the translation of the foreign operations and on monetary items forming part of the net investment in those operations. The share-based payments reserve records the value of options and performance rights granted to directors, employees and service providers, and is transferred to issued capital on exercise or to accumulated losses on lapse.

Note 23. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to market risk, being foreign currency risk and interest rate risk, credit risk and liquidity risk. Risk management is carried out by senior management under policies approved by the Board. The consolidated entity does not use derivative financial instruments and does not enter into or trade financial instruments for speculative purposes.

Categories of financial instruments

	2026 \$'000	2025 \$'000
Financial assets at amortised cost		
Cash and cash equivalents	1,417	528
Trade and other receivables	3,648	6,630
Deposits	331	77
Total financial assets	5,396	7,235
Financial liabilities at amortised cost		
Trade and other payables	6,282	13,350
Borrowings	1,450	1,437
Lease liabilities	4,213	4,744
Total financial liabilities	11,945	19,531

Foreign currency risk

The consolidated entity operates in Canada and the United States and is exposed to movements in the Canadian dollar and the United States dollar against the Australian dollar, both on translation of the net investment in the foreign operations and on monetary balances held in a currency other than the functional currency of the entity holding them. The consolidated entity does not hedge this exposure. The exposure on monetary items is confined to the intercompany loans of the parent entity to the Canadian and United States subsidiaries, which are treated as part of the net investment in those operations with exchange differences taken to the foreign currency translation reserve, and to a small number of balances held by the Canadian entities in United States dollars.

The sensitivity below is therefore an equity sensitivity on the net investment in the foreign operations. The monetary balances held in a currency other than the functional currency of the entity holding them are not material, and a 10 per cent movement in exchange rates would not have a material effect on profit or loss.

The financial assets and financial liabilities of the consolidated entity by currency of denomination at 30 June 2026 were as follows, in Australian dollar equivalents at the closing rates:

\$'000	Australian dollars	Canadian dollars	United States dollars	Total
Cash and cash equivalents	352	1,045	20	1,417
Trade and other receivables	1	3,312	335	3,648
Security deposits	-	331	-	331
Trade and other payables	(509)	(5,568)	(205)	(6,282)
Borrowings	(150)	(1,300)	-	(1,450)
Lease liabilities	-	(4,213)	-	(4,213)
Net financial (liabilities) / assets	(306)	(6,393)	150	(6,549)

\$'000	Australian dollars	Canadian dollars	United States dollars	Total
Sensitivity: effect of a 10 per cent movement in the Australian dollar	2026 Profit or loss	2026 Equity	2025 Profit or loss	2025 Equity
Canadian dollar, 10 per cent strengthening	-	331	-	609
Canadian dollar, 10 per cent weakening	-	(331)	-	(609)
United States dollar, 10 per cent strengthening	-	26	-	(3)
United States dollar, 10 per cent weakening	-	(26)	-	3

The equity sensitivity is 10 per cent of the net investment in the foreign operations at 30 June 2026, being the translated net assets of the Canadian entities of \$3,315,000 and of Peak USA Inc. of \$255,000 after eliminating the intercompany balances that form part of the net investment; a strengthening of the foreign currency against the Australian dollar increases equity through the foreign currency translation reserve. On the same basis the net investment at 30 June 2025 was \$6,086,000 in the Canadian entities and a net liability of \$29,000 in Peak USA Inc.

Interest rate risk

The consolidated entity's exposure to interest rate risk arises on cash at bank, which earns interest at floating rates, and on borrowings. The asset-based lending facility bears interest at a fixed rate of 22 per cent per annum, the loan from former directors at 5 per cent and the term loan at 5 per cent, and the lease liability is discounted at a fixed incremental borrowing rate of 9.6 per cent, so the consolidated entity is not materially exposed to changes in market interest rates on its borrowings.

The only floating rate exposure is cash at bank of \$1,417,000 (2025: \$528,000). A movement of 1 per cent in deposit rates would change the loss before income tax by approximately \$14,000 (2025: \$5,000). All borrowings and lease liabilities bear fixed rates, so a movement in market rates would not affect profit or loss or equity.

The weighted average interest rates at 30 June 2026 were 22 per cent on the asset-based lending facility (\$1,023,000), 5 per cent on the loan from former directors (\$150,000), 5 per cent on the term loan (\$61,000) and 9.6 per cent on lease liabilities (\$4,213,000); at 30 June 2025 they were 13 per cent on the secured facility repaid during the year (\$448,000), 22 per cent on the asset-based lending facility (\$922,000), 5 per cent on the term loan (\$67,000) and 9.6 per cent on lease liabilities (\$4,744,000).

Credit risk

Trade receivables are concentrated in a small number of customers. At 30 June 2026 three customers each owed 10 per cent or more of trade receivables, being 28 per cent, 13 per cent and 11 per cent, together 53 per cent of the balance. The largest of those balances is with a customer that is also a major customer by revenue; the second is a provincial distributor. One of the three, holding 11 per cent, is in proceedings under the Companies' Creditors Arrangement Act, and the recoverability of that balance is dealt with at note 9.

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its obligations as they fall due. The consolidated entity had net current liabilities of \$734,000 at 30 June 2026 and the going concern position is described at note 1. The following table sets out the contractual undiscounted cash flows of financial liabilities.

30 June 2026	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000	Carrying amount \$'000
Trade and other payables	6,282	-	-	6,282	6,282
Borrowings	1,538	-	-	1,538	1,450
Lease liabilities	537	2,284	4,476	7,297	4,213
Total	8,357	2,284	4,476	15,117	11,945

30 June 2025	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000	Carrying amount \$'000
Trade and other payables	13,350	-	-	13,350	13,350
Borrowings	1,437	-	-	1,437	1,437
Lease liabilities	587	2,439	5,536	8,562	4,744
Total	15,374	2,439	5,536	23,349	19,531

The 2025 comparative has been corrected. The table presented in the 2025 annual report showed trade payables and other payables that did not agree to trade and other payables in the statement of financial position and a total for one year or less that did not cast. The comparative above is presented on the amounts in the statement of financial position. The correction is a disclosure correction only and no restatement note is presented.

The borrowings maturity of 1,538 is the carrying amount of 1,450 plus estimated contractual interest to maturity. The fair value of financial assets and financial liabilities approximates their carrying amount.

Note 24. Contingent liabilities

The consolidated entity has provided a bank guarantee of CAD 151,964 in favour of the lessor of the Oldcastle facility, secured by a cash deposit. At 30 June 2025 there were no bank guarantees outstanding.

Peak Processing (Australia) Pty Ltd has given a corporate guarantee to Stoke Canada Finance Corp. in respect of the asset-based lending facility of 2682130 Ontario Limited, which was fully drawn at 30 June 2026 (note 19). The guarantee was given before the appointment of administrators to that company on 9 July 2025 and the deed of company arrangement described at note 7.

Employment claim, Australia. A former Chief Executive Officer has demanded payment of amounts he says are owing under his employment contract and has foreshadowed proceedings. The amounts demanded to date are not material to the consolidated entity and the Company denies the claims. No provision has been recognised.

United Kingdom letter before claim. In February 2026 the Company received a letter before claim in the United Kingdom on behalf of former directors of its former United Kingdom subsidiaries, in administration and liquidation, seeking indemnity in respect of claims by a creditor of those subsidiaries, quantified in the correspondence at approximately GBP 197,000. The Company denies any liability, relying on the terms of the deed of company arrangement and its indemnity and insurance policies, and no proceedings have been commenced. No provision has been recognised.

Other matters. Two employment claims in Canada, of CAD 150,000 and CAD 70,000, have been dormant since 2024 and 2025 respectively and are assessed as remote. The consolidated entity is pursuing recoveries in Canada, including an insurance claim for equipment breakdown and business interruption and amounts owed by former customers, none of which has been recognised as an asset.

Note 25. Commitments

At 30 June 2026 the consolidated entity had no material contracted capital commitments (2025: nil).

Note 26. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Company and its related practices.

	2026 \$	2025 \$
Audit and review of the financial statements		
William Buck Audit (Vic) Pty Ltd	80,000	-
RSM Australia Partners	231,451	192,000
Other services		
William Buck and related practices	-	-
Total remuneration of auditors	311,451	192,000

Note 27. Key management personnel disclosures

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including all directors. Compensation of key management personnel for the year was \$1,130,330 (2025: \$1,252,723).

	2026 \$	2025 \$
Short-term employee benefits	944,229	1,196,013
Post-employment benefits	18,940	59,354
Long-term benefits	-	6,687
Termination benefits	27,982	-
Share-based payments	139,179	(9,331)
Total	1,130,330	1,252,723

Short-term employee benefits comprise salaries, leave and allowances of \$197,362, directors' fees of \$204,305, consulting fees of \$384,362 paid to an entity associated with Mr B Katzman for his services as Managing Director, and incentives of \$158,200 accrued to Mr B Katzman and settled in shares after the reporting date (note 35). No key management personnel held accrued leave entitlements at 30 June 2026; the leave entitlements of Mr Fegan and Mr Mbesha were paid on cessation of their employment and are included in their short-term employee benefits.

Note 28. Related party transactions

The parent entity is Peak Processing Limited. Interests in subsidiaries are set out at note 30. Transactions between the Company and its subsidiaries are eliminated on consolidation. Compensation of key management personnel is set out at note 27 and in the remuneration report.

Patison Accountants & Advisors, of which Mr M Pujara is a director and a shareholder, provided accounting and business advisory services during the year on normal commercial terms. Fees for the year were \$124,550 excluding GST, of which \$84,550 was unpaid at 30 June 2026. The engagement is priced on the firm's standard hourly rates under a letter of engagement dated 22 January 2026 and was approved by the other directors on 23 January 2026, Mr M Pujara having disclosed his interest and taken no part in the decision.

Mr M Pujara subscribed for 4,000,000 ordinary shares at \$0.017 (\$68,000) in the February 2026 placement on the same terms as other investors, approved by shareholders on 25 June 2026 under Listing Rule 10.11 and issued on 30 June 2026. The separate issue of 4,000,000 shares to him in lieu of directors' fees is disclosed in the remuneration report.

Mr J Fegan and Mr A Boyd, directors until 24 July 2025 and 6 October 2025 respectively, lent the Company \$150,000 under the arrangements described at note 19. The loan bears interest at 5 per cent per annum and was outstanding at 30 June 2026.

Transactions with related parties were made on normal commercial terms and conditions no more favourable than those available to other parties. No amounts were receivable from or payable to key management personnel or their related parties at 30 June 2026 other than the loan of \$150,000 from former directors, the Patison fees of \$84,550 excluding GST, Mr B Katzman's accrued incentives of \$158,200 and accrued directors' fees in the ordinary course. Amounts reimbursed to directors for expenses incurred on behalf of the Company are not remuneration and are not included.

Note 29. Parent entity information

The following information relates to the parent entity, Peak Processing Limited, as at and for the year ended 30 June 2026. The information has been prepared on the same basis as the consolidated financial statements, except that investments in subsidiaries are accounted for at cost less any impairment, and dividends received from subsidiaries are recognised as other income by the parent entity, receipt of which may be an indicator of an impairment of the investment.

	2026 \$'000	2025 \$'000
Loss after income tax	(99,884)	(1,361)
Total comprehensive loss	(99,884)	(1,361)

	2026 \$'000	2025 \$'000
Total current assets	598	56
Investments in subsidiaries	-	5,008
Loans receivable from subsidiaries	-	86,839
Intangibles	4	7
Total assets	602	91,910
Total current liabilities	920	478
Total liabilities	920	478
Net assets	(318)	91,432
Equity		
Issued capital	100,990	87,877
Share-based payments reserve	676	113
Other reserves	-	5,600
Accumulated losses	(101,984)	(2,158)
Total equity	(318)	91,432

Guarantees, contingent liabilities and commitments of the parent entity

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025. The corporate guarantee given to Stoke Canada Finance Corp. in respect of the asset-based lending facility of 2682130 Ontario Limited was given by Peak Processing (Australia) Pty Ltd, a subsidiary, and not by the parent entity (note 24). The parent entity had no contingent liabilities and no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025, other than the employment claim and the United Kingdom letter before claim described at note 24, both of which are claims against the parent entity itself.

Recoverability of intragroup assets. The parent entity's loans receivable from subsidiaries of \$41,085,000 have been written down to nil at 30 June 2026 and its investments in subsidiaries are carried at nil. The loans are repayable on demand. Each borrowing subsidiary has net liabilities after its obligations to other group entities, and the consolidated entity has net liabilities of \$525,000, so the subsidiaries do not have the resources to repay the loans on demand; the lifetime expected credit loss under AASB 9 is therefore the full carrying amount. The write-down of \$41,085,000 in the year, together with the expected credit loss of \$50,954,000 on the loan to Peak Processing (Australia) Pty Ltd and the impairment of the investment in subsidiaries of \$5,008,000, is included in the parent entity's loss after income tax of \$99,884,000. These amounts are intragroup and are eliminated on consolidation; they have no effect on

the consolidated results or net liabilities. The parent entity's net liabilities of \$318,000 at 30 June 2026 represent its own cash and other current assets less its own creditors.

The 2025 comparative has been corrected to the parent entity's audited ledger balances at 30 June 2025. The FY25 annual report presented total liabilities of \$14,000, issued capital of \$93,969,000, no financial instrument reserve and accumulated losses of \$2,186,000, which did not agree to the parent entity's audited ledger; the corrected comparative presents total liabilities of \$478,000, issued capital of \$87,877,000, a financial instrument reserve of \$5,600,000 and accumulated losses of \$2,158,000, net assets of \$91,432,000 against \$91,896,000 previously reported.

The differences are presentation differences within equity and between captions and are not material; no restatement note is presented. Issued capital of the parent entity differs from consolidated issued capital by \$6,092,000, being \$5,600,000 held in the financial instrument reserve on the September 2024 loan note conversion and \$492,000 of consolidation adjustments not recorded in the parent entity's own accounts.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries.

Name	Principal place of business	2026 %	2025 %
Peak Processing (Australia) Pty Ltd (formerly Althea Company Pty Ltd)	Australia	100	100
1214029 B.C. Ltd	Canada	100	100
2613035 Ontario Limited	Canada	100	100
2682130 Ontario Limited	Canada	100	100
Peak USA Inc.	United States of America	100	100

2613035 Ontario Limited and 2682130 Ontario Limited are collectively known as Peak Processing Solutions. 1214029 B.C. Ltd is the entity associated with the acquisition of Peak Processing. The administration and deed of company arrangement affecting Peak Processing (Australia) Pty Ltd, and the conclusion that control was retained throughout, are described at note 7.

Note 31. Reconciliation of loss after income tax to net cash used in operating activities

	2026 \$'000	2025 \$'000
Loss after income tax expense for the year	(7,786)	(8,347)
Adjustments for:		
Depreciation and amortisation	1,297	2,059
Impairment of non-current assets	4,352	-
Loss on disposal of assets	28	-
Share-based payments recognised in profit or loss (note 34)	261	210
Shares issued for services	-	-
Gain on creditors under the deed of company arrangement	(2,504)	-
Net foreign exchange differences and other non-cash movements	(293)	(1,491)
Loss on deconsolidation of subsidiaries	-	64

	2026 \$'000	2025 \$'000
Gain on termination of lease	-	(109)
Change in operating assets and liabilities:		
(Increase) / decrease in trade and other receivables	2,982	(1,767)
(Increase) / decrease in inventories	181	1,846
(Increase) / decrease in prepayments	(20)	703
Increase / (decrease) in trade and other payables, contract liabilities and provisions	(4,233)	(1,575)
Net cash used in operating activities	(5,735)	(8,407)

Note 32. Changes in liabilities arising from financing activities, and non-cash transactions

The following table sets out the changes in liabilities arising from financing activities, distinguishing cash from non-cash changes, as required by AASB 107.44A. Cash outflows agree to the financing activities section of the statement of cash flows. Interest paid on lease liabilities of \$427,000 is presented within operating activities, which is why the lease repayment in that statement is the principal of \$133,000. The loan from an officer of a subsidiary (note 19) is not included: the cash flows on that account are payments to suppliers and their reimbursement, presented within operating activities.

2026	1 July 2025	Cash inflows	Cash outflows	Interest accrued	Interest paid	Foreign exchange and other	30 June 2026
Borrowings	1,437	337	(500)	-	-	(40)	1,234
Lease liabilities	4,744	-	(133)	427	(427)	(398)	4,213
Loan notes	-	2,402	-	-	-	(2,402)	-
Total	6,181	2,739	(633)	427	(427)	(2,840)	5,447

Non-cash investing and financing activities

	2026 \$'000	2025 \$'000
Shares issued in settlement of payables and services	737	91
Placement shares issued in settlement of a lead manager fee, a loan from an officer of a subsidiary and company secretarial fees (note 21)	196	-
Shares issued on conversion of loan notes	2,402	3,500
Shares issued on exercise of performance rights	164	213
Fair value of options recognised as a cost of raising equity	525	-
Right-of-use assets recognised on new or modified leases	-	-
Total	4,024	3,804

Note 33. Loss per share

	2026 \$'000	2025 \$'000
Loss after income tax from continuing operations	(10,334)	(4,843)
Profit / (loss) after income tax from discontinued operations	2,548	(3,504)

	2026 \$'000	2025 \$'000
Loss after income tax attributable to the owners	(7,786)	(8,347)

	2026 Number	2025 Number
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	1,217,650,365	559,311,809

	2026 Cents	2025 Cents
Basic and diluted loss per share from continuing operations	(0.85)	(0.87)
Basic and diluted earnings / (loss) per share from discontinued operations	0.21	(0.63)
Basic and diluted loss per share attributable to the owners	(0.64)	(1.49)

Options and performance rights on issue are not included in the diluted calculation because their effect would be anti-dilutive. The weighted average number of shares is computed from the issue dates set out at note 21. The 2025 loss per share attributable to the owners has been corrected to (1.49) cents from the (1.50) cents published in the 2025 annual report; the correction is not material and no restatement note is presented.

Note 34. Share-based payments

During the year the Company granted 5,000,000 options to a financier in connection with the variation of a loan facility, 22,000,000 options to a broker in connection with the September 2025 placement, 7,000,000 options to Mr M Adams and 6,000,000 options to Mr M Pujara following shareholder approval at the annual general meeting on 27 November 2025, and 25,000,000 options each to two brokers in connection with the February 2026 placement and the May 2026 loan note raising respectively, following shareholder approval on 25 June 2026. All are exercisable at between \$0.025 and \$0.030 and expire between August 2027 and February 2029.

Performance rights of 13,064,228, approved by shareholders on 7 April 2025 and issued to employees on 1 August 2025, were exercised on 29 September 2025; 697,674 rights were exercised in February 2026, 6,065,597 rights lapsed in February 2026 and the remaining 2,124,972 lapsed on 30 June 2026, the share price hurdle of the FY24 long-term incentive not having been met.

Valuation

Vesting conditions. The options granted during the year vested on grant and carry no service or performance conditions. The FY24 long-term incentive performance rights carried a service condition to 30 June 2026 and a market condition, a share price of 8.882 cents tested on 30 June 2026, which was not met. The employee performance rights carried a service condition to 30 June 2027 and vested on their exercise on 29 September 2025. The rights granted to Mr Fegan in 2025 were forfeited when he ceased employment on 24 July 2025 and lapsed on 17 February 2026. Options are measured at grant date fair value using a Black-Scholes model. Grant date is the date on which the Company and the counterparty agreed the arrangement and, where shareholder approval was required, the date that approval was obtained. Expected volatility is estimated from the historical volatility of the Company's shares over a period commensurate with the expected term of each grant, using daily observations with non-trading days excluded, and ranged from 75.3 per cent to 80.7 per cent. The risk-free rate applied was 4.5 per cent, the expected life is the period to expiry and no dividends are expected.

Grant	Grant date	Expiry	Share price at grant \$	Number	Grant date fair value \$	Recognised in
Director options	8 Dec 2025	15 Dec 2027	0.020	13,000,000	100,869	Employee benefits expense
Financier options	1 Aug 2025	1 Aug 2027	0.025	5,000,000	50,680	Finance costs
Lead manager options, September 2025 placement	17 Sep 2025	30 Sep 2028	0.020	22,000,000	205,058	Issued capital, cost of equity
Lead manager options, February 2026 placement	25 Jun 2026	13 Feb 2029	0.017	25,000,000	167,741	Issued capital, cost of equity
Lead manager options, May 2026 loan notes	25 Jun 2026	30 Sep 2028	0.017	25,000,000	152,144	Issued capital, cost of equity
Total				90,000,000	676,492	

The financier options were granted under an agreement entered into in August 2024 under which no options were issued. They were offered and issued under the cleansing prospectus lodged on 31 July 2025 and are measured at the closing price on 1 August 2025; the comparative has not been restated.

Movements in options and performance rights

	Options Number	Options WAEP \$	Rights Number
Outstanding at 1 July 2025	70,266,620	0.037	8,888,243
Granted	90,000,000	0.025	13,064,228
Exercised	-	-	(13,761,902)
Lapsed or forfeited	-	-	(8,190,569)
Outstanding at 30 June 2026	160,266,620	0.030	-

The weighted average exercise price of options outstanding at 1 July 2025 is as reported at 30 June 2025. The 90,000,000 options granted comprise 5,000,000 at \$0.030 and 85,000,000 at \$0.025, a weighted average of \$0.0253. All 160,266,620 options were exercisable at 30 June 2026 and had a weighted average remaining contractual life of approximately 2 years. Performance rights are measured at the share price on the grant date. The 13,064,228 employee rights were measured at \$0.011 on 7 April 2025, a total of \$143,707, of which \$66,037 was recognised in the year ended 30 June 2025 and \$77,670 in this year, when vesting was completed on their exercise. On exercise, the grant date fair value of the rights exercised, \$163,939, was transferred from the share-based payments reserve to issued capital. The FY24 long-term incentive rights were measured at \$0.0275 on 1 July 2023; their final year expense of \$19,479 is recognised although the market condition was not met, and on their lapse the cumulative \$58,437 was transferred to accumulated losses.

Note 35. Events after the reporting period

On 24 July 2026 the Company issued 5,650,000 fully paid ordinary shares to Mr B Katzman in settlement of \$158,200 of accrued remuneration approved by shareholders on 25 June 2026. The liability is included in trade and other payables at 30 June 2026.

Shareholders did not approve the issue of shares in payment of the loan note establishment fee at the general meeting on 25 June 2026. The fee of \$72,060, being 3 per cent of the face value of the loan notes and payable to the noteholders, is included in trade and other payables at 30 June 2026 and has been deducted from issued capital as a cost of the equity raised on conversion of the loan notes.

On 4 September 2026 the Board approved the issue of 4,803,963 fully paid ordinary shares at a deemed issue price of \$0.015 per share under the Company's placement capacity under ASX Listing Rule 7.1 in

satisfaction of the fee, and the shares were issued on 7 September 2026. The liability was extinguished on that date without any cash payment.

The lead manager fees on the loan notes and the balance of the February 2026 placement fee were paid in cash on 15 July 2026.

The shareholder approval given on 25 June 2026 for the issue of 3,000,000 shares at \$0.017 to Mr B Katzman under the February 2026 placement (Resolution 5) lapsed on 25 July 2026 without the shares being issued, the subscription monies not having been paid. No amount is receivable and no shares are to be issued under that approval (note 28). A fresh resolution will be put to shareholders at the 2026 annual general meeting, expected to be held in November 2026.

On 23 July 2026 2682130 Ontario Limited and Stoke Canada Finance Corp. executed an extension of the CAD 1,000,000 asset-based lending facility to 26 May 2027 on unchanged terms.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Consolidated entity disclosure statement

As at 30 June 2026, prepared in accordance with section 295(3A) of the Corporations Act 2001.

Name of entity	Type	Place of incorporation	% of share capital held	Australian or foreign tax resident	Foreign jurisdiction of residence
Peak Processing Limited	Body corporate	Australia	n/a	Australia	-
Peak Processing (Australia) Pty Ltd	Body corporate	Australia	100	Australia	-
1214029 B.C. Ltd	Body corporate	Canada	100	Canada	Canada
2613035 Ontario Limited	Body corporate	Canada	100	Canada	Canada
2682130 Ontario Limited	Body corporate	Canada	100	Canada	Canada
Peak USA Inc.	Body corporate	United States of America	100	United States	United States

Tax residency has been determined for each entity by reference to its place of incorporation and central management and control: Peak Processing Limited and Peak Processing (Australia) Pty Ltd are Australian tax residents; 2613035 Ontario Limited, 2682130 Ontario Limited and 1214029 B.C. Ltd are residents of Canada; Peak USA Inc. is a resident of the United States of America. No entity is a resident of more than one jurisdiction.

Directors' declaration

In the directors' opinion:

the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, having regard to the matters set out in note 1 under the heading going concern; and

the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Manik Pujara, Chairman

30 September 2026



Barry Katzman, Managing Director and Chief Executive Officer

Independent auditor's report to the members of Peak Processing Limited

Report on the audit of the financial report



Opinion

In our opinion, the accompanying financial report of Peak Processing Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2026,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss from continuing operations of \$10,334,000 and operating cash outflows of \$5,735,000 during the year ended 30 June 2026 and, as of that date, the Group’s current liabilities exceeded its current assets by \$734,000. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition	Area of focus (refer also to note 4)	How our audit addressed the key audit matter
	The Group recognised net revenue of \$12,437,000 for the year ended 30 June 2026, primarily from the manufacture and sale of cannabinoid products to brand-owning customers. We identified revenue recognition as a key audit matter due to the nature and complexity of the Group's revenue arrangements and the judgement involved in determining when its performance obligations have been satisfied in accordance with AASB 15 <i>Revenue from Contracts with Customers</i>. The Group manufactures cannabinoid products for its brand-owning customers. Revenue is recognised when manufacture of the product is complete and the product has passed the regulatory and other quality checks specified by the customer, at which point the Group considers its performance obligation to have been satisfied. Following completion of manufacture and the required checks, the Group facilitates the on-sending of the products to the distributor on behalf of its customer and	Our audit procedures included: — Obtaining an understanding of the Group's revenue recognition policies and evaluating their consistency with the requirements of AASB 15; — Performing walkthroughs of the revenue process, including customer order acceptance, manufacture, completion of regulatory and quality checks, and the subsequent on-sending of products to distributors; — Obtaining and assessing a sample of customer contracts to understand the terms governing the Group's manufacturing and fulfilment obligations and the point at which its performance obligation is satisfied; — Testing a sample of revenue transactions by agreeing the transactions to customer orders, manufacturing records and evidence that the required regulatory and quality checks had been completed; — Assessing the timing of revenue recognition against the terms of the relevant customer arrangements

acts as an agent in this process. The Group also facilitates the settlement of amounts due between the customer and the distributor.

The determination of the appropriate timing of revenue recognition therefore requires consideration of the contractual terms with customers, the point at which the manufacturing and required regulatory processes have been completed, and the Group's role as agent in the subsequent fulfilment of the customer's order to the distributor.

Given the volume of transactions during the year and the judgement involved in determining the point at which the Group's performance obligation is satisfied, we considered revenue recognition to be a key audit matter.

and the Group's fulfilment of its performance obligations;

- Considering the Group's role as agent in facilitating the on-sending of completed products to distributors on behalf of its brand-owning customers;
- Performing cut-off testing around year-end, including testing transactions before and after year-end to assess whether revenue was recognised in the appropriate reporting period;
- Testing amounts received and settled through the Group's payment intermediary arrangements to corroborate the occurrence and amount of revenue recognised; and
- Assessing the adequacy of the Group's disclosures relating to revenue recognition.

Impairment of property, plant and equipment and right-of-use assets

Area of focus (refer also to note 15)

During the year, the Group recognised an impairment loss of \$4,352,000 against its property, plant and equipment and right-of-use assets following an impairment assessment performed at 31 December 2025.

We identified the impairment assessment as a key audit matter due to the significance of the impairment recognised and the level of judgement involved in determining the recoverable amount of the relevant cash-generating unit. The Group determined the recoverable amount using a value-in-use (discounted cash flow) model, which incorporated assumptions regarding forecast cash flows and the discount rate applied to those cash flows.

The key assumptions requiring significant judgement included the normalisation of the current year loss, the discount rate and the rate of growth assumed beyond the detailed budget and forecast period. In particular, the normalisation of the current year loss required judgement in

How our audit addressed the key audit matter

Our audit procedures included:

- Obtaining an understanding of the Group's impairment assessment process and evaluating the methodology used by management to determine the recoverable amount;
- Assessing the appropriateness of the discounted cash flow methodology used by management with reference to the requirements of AASB 136 *Impairment of Assets*;
- Assessing the key assumptions used in the discounted cash flow model, including forecast revenue growth, operating margins, capital expenditure and working capital assumptions, by comparing them to approved budgets, historical performance and other supporting evidence;
- Evaluating the assumptions used to normalise the current year loss, including considering the underlying causes of the current year performance, the extent to which these factors were considered to be non-recurring,

determining the level of operating performance expected to be achieved by the Group in future periods, given the Group's current year performance. Given the significance of the impairment recognised and the sensitivity of the recoverable amount to changes in these assumptions, particularly the normalised loss, discount rate and forecast growth rates, we considered the impairment assessment to be a key audit matter.

- historical operating performance and other evidence supporting the Group's expected future operating performance;
- Assessing the growth rate applied beyond the detailed budget and forecast period by considering the Group's historical performance, relevant market and industry information and long-term economic expectations;
 - With the assistance of our in-house Corporate Finance team, assessing the methodology used to determine the discount rate and evaluating the reasonableness of the discount rate by reference to market and industry data and other relevant valuation inputs;
 - Performing sensitivity analyses over key assumptions, including the normalised loss, discount rate and forecast growth rates, to assess the extent to which reasonably possible changes in these assumptions could affect the recoverable amount and the impairment recognised;
 - Testing the mathematical accuracy and integrity of the discounted cash flow model;
 - At 30 June 2026, revisiting the Group's impairment assessment and considering whether there were any indicators of further impairment at that date, including considering the Group's financial performance against the forecasts used in the impairment assessment and other relevant internal and external factors; and
 - Assessing the adequacy of the Group's disclosures regarding the impairment assessment, including the key assumptions and sensitivities.

Other matter – previous year's audit

The financial report of the Group for the year ended 30 June 2025 was audited by another auditor who expressed an unmodified opinion on that financial report on 30 September 2025.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report



Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Peak Processing Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

N. S. Benbow

Director

Melbourne, 30 September 2026

Shareholder information

The shareholder information set out below is additional information required by ASX Listing Rule 4.10 and not disclosed elsewhere in this report. It was applicable as at 14 September 2026.

Securities

Quotation has been granted for 1,339,192,925 fully paid ordinary shares of the Company on the Australian Securities Exchange under the code PKP, being the 1,328,738,962 shares on issue at 30 June 2026 together with the 5,650,000 shares issued on 24 July 2026 and the 4,803,963 shares issued on 7 September 2026, held by 8,287 holders.

Distribution of equitable securities

Ordinary shares by size of holding at 14 September 2026:

Range	Holders	Shares	% of shares
1 to 1,000	1,467	1,055,541	0.08
1,001 to 5,000	3,304	7,973,702	0.60
5,001 to 10,000	950	7,397,149	0.55
10,001 to 100,000	1,877	66,257,121	4.95
100,001 and over	689	1,256,509,413	93.83
Total	8,287	1,339,192,925	100.00

The range table is stated as supplied by the registry, which is adjusting a one-share rounding difference between the ranges and the total.

Twenty largest shareholders

The twenty largest holders of quoted ordinary shares at 14 September 2026 were:

No.	Holder	Shares	% of shares
1	Adman Lanes Pty Ltd	151,407,157	11.31
2	Mr Miten Shah	50,499,999	3.77
3	Gosavi Pty Ltd	43,500,000	3.25
4	Non Correlated Capital Pty Ltd <Investius PB Micro Cap A/C>	37,000,000	2.76
5	Mr Siddhartha Kantichand Dhadha	30,000,000	2.24
6	Berne No 132 Nominees Pty Ltd <791994 A/C>	27,944,026	2.09
7	Rizzo Pty Ltd	26,600,000	1.99
8	Shah Nominees Pty Ltd	25,866,665	1.93
9	Mikado Corporation Pty Ltd <JFC Superannuation A/C>	25,000,000	1.87
10	KLI Pty Ltd <The T Teh's Family A/C>	22,500,000	1.68
11	Rizzo Super Pty Ltd <Rizzo Super Fund A/C>	22,400,000	1.67
12	Xeryus International Pty Ltd	22,004,000	1.64
13	Trinetra Holdings Pty Ltd <Trinetra Investments A/C>	19,000,000	1.42
14	Carago Nominees Pty Ltd <G Pezzano Family A/C>	15,000,000	1.12
14	KVC Property Investments Pty Ltd <KVC Property Investments A/C>	15,000,000	1.12
16	Mr Anthony Parasiliti <The Lilben Family A/C>	14,750,000	1.10

No.	Holder	Shares	% of shares
17	R Pizzato Aus Pty Ltd <Pizzato Perosa Family A/C>	14,551,453	1.09
18	Shah Nominees Pty Ltd <Louis Carsten Super Fund A/C>	14,000,000	1.05
19	Piccolo Terremoto Pty Ltd <Stefan Toniolo Family A/C>	13,000,000	0.97
20	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	12,910,372	0.96
Total		602,933,672	45.02

Two holders are ranked 14 with equal holdings and are listed in the order supplied by the registry.

Unquoted securities

Unquoted securities on issue at 14 September 2026, and holders of 20 per cent or more of a class (Listing Rule 4.10.16):

Class	Number	Holders	Holders of 20 per cent or more
Performance rights (employee incentive scheme)	2,124,972	3	
Options, \$0.030, expiring 1 August 2027	5,000,000	1	Amal Security Services Pty Limited 100%
Options, \$0.040, expiring 28 February 2027	25,000,000	3	Taurus Capital Group Pty Ltd 72%; Adman Lanes Pty Ltd 20%
Options, \$0.030, expiring 28 April 2027	25,000,000	3	Taurus Capital Group Pty Ltd 72%; Adman Lanes Pty Ltd 20%
Options, \$0.025, expiring 30 September 2028	22,000,000	2	Taurus Capital Group Pty Ltd 90.91%
Options, \$0.039, expiring 31 January 2028	10,133,310	1	Alpine Capital Pty Ltd 100%
Options, \$0.046, expiring 31 January 2028	10,133,310	1	Alpine Capital Pty Ltd 100%
Options, \$0.025, expiring 15 December 2027	13,000,000	2	Matt John Adams 53.85%; Trinetra Holdings Pty Ltd 46.15%
Options, \$0.025, expiring 13 February 2029	25,000,000	1	Taurus Capital Group Pty Ltd 100%
Options, \$0.025, expiring 30 September 2028	25,000,000	1	Powerhouse Advisory Australia Pty Ltd 100%
Total options	160,266,620		

The performance rights lapsed on 30 June 2026 and are to be removed from the register.

Substantial holders

Based on the registered holdings at 14 September 2026, one holder had a relevant interest in 5 per cent or more of the voting shares: Adman Lanes Pty Ltd, 151,407,157 shares, 11.31 per cent.

Voting rights

Ordinary shares: on a show of hands every member present in person or by proxy has one vote and on a poll every member has one vote for each share held. Options and performance rights carry no voting rights.

Unmarketable parcels

At 14 September 2026, 6,841 holders held less than a marketable parcel of ordinary shares, being 37,839,125 shares in total. Based on the closing price of \$0.016 on that date, a marketable parcel was 31,250 shares.

Restricted securities and escrow

8,050,000 ordinary shares issued to S3 Consortium Pty Ltd on 1 August 2025 for consulting services are subject to voluntary escrow until 1 February 2027; a further 8,050,000 shares from the same issue were released from escrow on 1 August 2026. There are no other restricted securities.

On-market buy-back

There is no current on-market buy-back.

