

Managing Director's Remuneration – Updated Terms

Peak Processing Limited (ASX: PKP) (Company) advises that its Canadian operating subsidiary, 2682130 Ontario Limited (trading as Peak Processing Solutions) (**Peak Canada**), has entered into a new consulting services agreement (**Agreement**) for the services of the Company's Managing Director and Chief Executive Officer, Mr Barry Katzman. The Agreement takes effect from 1 July 2026 and replaces Mr Katzman's previous services agreement with Peak Canada.

As announced on 24 July 2025 and 14 November 2025, Mr Katzman's base remuneration on his appointment as Interim Chief Executive Officer, and subsequently as Managing Director, was CAD360,000 per annum (CAD30,000 per month). The Board also intended to agree a suitable incentive package with him. As disclosed in the Company's 2026 Annual Report, Mr Katzman's monthly fee was increased to CAD35,000 for the period from 1 February 2026 to 30 June 2026.

Key terms of the Agreement

In accordance with ASX Listing Rule 3.16.4, the material terms of the Agreement are:

- **Parties:** Peak Canada and 2756278 Ontario Inc. (trading as Bakcon Holdings), an entity associated with Mr Katzman, which provides Mr Katzman's services as Managing Director and Chief Executive Officer.
- **Term:** 1 July 2026 to 30 June 2029 (three years), unless terminated earlier in accordance with the Agreement. The parties will commence discussions on any extension or renewal six months before expiry.
- **Fixed fee:** CAD40,000 per month (CAD480,000 per annum), plus applicable sales tax. As the Agreement takes effect from 1 July 2026, a retrospective adjustment of CAD5,000 per month (plus applicable sales tax) is payable for each full month from 1 July 2026 for which fees were paid or invoiced at the previous rate of CAD35,000 per month. The adjustment will be invoiced with the first invoice following execution of the Agreement.
- **Incentives:** Eligible for an annual incentive comprising a performance payment and, subject to Board approval, options in the Company, with the total opportunity capped at 100% of the fixed fees paid for that financial year. The Board sets the metrics, weightings and payment timing in writing within 30 days of approving the annual budget. The incentive period is 1 July to 30 June. An incentive earned for a completed period remains payable; none is payable for a period in which the engagement ends, except at the Board's discretion. Any option grant requires prior shareholder approval, and none have been granted.
- **Allowances and benefits:** Car allowance of up to CAD1,200 per month; reimbursement of approved travel costs, accommodation in Windsor, Ontario of up to CAD4,000 per month and meal per diems of up to CAD75 per overnight stay; and participation in Peak Canada's group life, health and dental benefits.
- **Termination:** Peak Canada may terminate the Agreement for convenience on 12 months' written notice or payment in lieu of notice (or a combination), calculated on fixed fees and benefits only and excluding any incentive not already earned. Peak Canada may terminate immediately in certain circumstances, including unremedied breach, incapacity, insolvency or serious misconduct. Bakcon Holdings may terminate on three months' written notice.
- **Restraints:** Non-solicitation of Peak Canada's employees, customers and suppliers during the term and for 12 months after termination. During the term, Bakcon Holdings must give 30 days' written notice before providing similar services to any other entity involved in cannabis-infused beverages.
- **Other terms:** The Agreement contains confidentiality, intellectual property, insurance and indemnity provisions customary for an agreement of this nature and is governed by the laws of Ontario, Canada. Mr Katzman's appointment as a director of the Company is governed separately by the Company's constitution and his deed of access, indemnity and insurance.

The termination entitlements under the Agreement are subject to shareholder approval under ASX Listing Rule 10.19 and, to the extent required, Part 2D.2 of the Corporations Act 2001 (Cth), which the Company will seek at its 2026 Annual General Meeting to be held on 18 November 2026.

This announcement was authorised for lodgement with the ASX by the board.

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About Peak Processing

Peak Processing Limited (ASX:PKP) is a leading FMCG organisation specialising in the manufacturing, sales, and distribution of THC beverages. Peak Processing develops premium, compliant products that resonate with adult consumers in regulated global markets, including USA and Canada.

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