Suite 506, Level 5 50 Clarence Street, Sydney NSW 2000, Australia

hello@breathelifesciences.com

+61 2 9078 8180

15 October 2026

# Quarterly Activities Report

## Period Ending 30 September 2026

### Record $26.7 million Q1 revenue provides strong start to FY27

- Highest quarterly revenue achieved of $26.7 million in Q1 FY27. An annualised increase of 123% on the year ended 30 September 2025.
- Increase of 23% on Q4 FY26 revenue of $21.7 million
- Positive operating cash flow of $2.0 million for the quarter, with customer cash receipts of $22.4 million
- Cash balance of $12.7 million at 30 September 2026
- FY27 guidance reaffirmed: revenue of $105 million to $115 million and adjusted EBITDA margin of 23% to 26%[1]
- Australian manufacturing and international supply activities, continued to grow (including Germany)
- Scotland GMP manufacturing facility on track as BLS expands its international manufacturing capability
- Expanded commercial opportunities across regulated pharmaceutical and mental health medicines through new relationships with Cayman Chemical and Trexapharm

**BLS Pharmaceuticals Limited (ASX: BLS) ("BLS" or "the Company")** is pleased to report a strong start to FY27, with record quarterly revenue of $27.5 million up 27% on the June quarter, together with positive operating cash flow.

The result reflects continued growth across the Company's Australian manufacturing operations and international supply platform, including ongoing supply into Germany, while BLS continues to invest in additional manufacturing capability in the United Kingdom.

**BLS Managing Director and CEO Sam Watson said:**

*"FY27 is off to a solid start - another record result. BLS continues to grow quarter over quarter, profitably and generating positive operating cash. We continue to extend our position and presence in each of our key markets: Australia, Germany and the UK. In the*

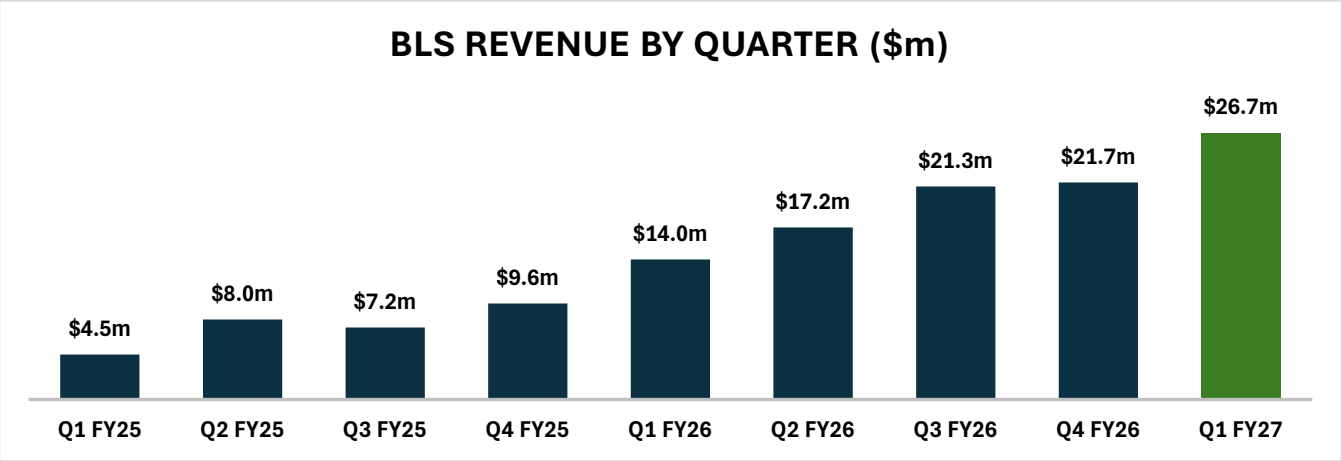
*UK our GMP facility is complete and now ready for inspection and licensing."*

## FINANCIAL PERFORMANCE

### Revenue

Revenue growth was driven by higher manufacturing volumes across BLS's Australian operations, continued growth in white-label and contract manufacturing, and ongoing supply to ADREXpharma in Germany under the Company's existing two-year supply agreement.

The result also reflects increasing utilisation of BLS's GMP manufacturing platform, continued execution of contracted international supply and growing demand across the Company's domestic and international customer base.



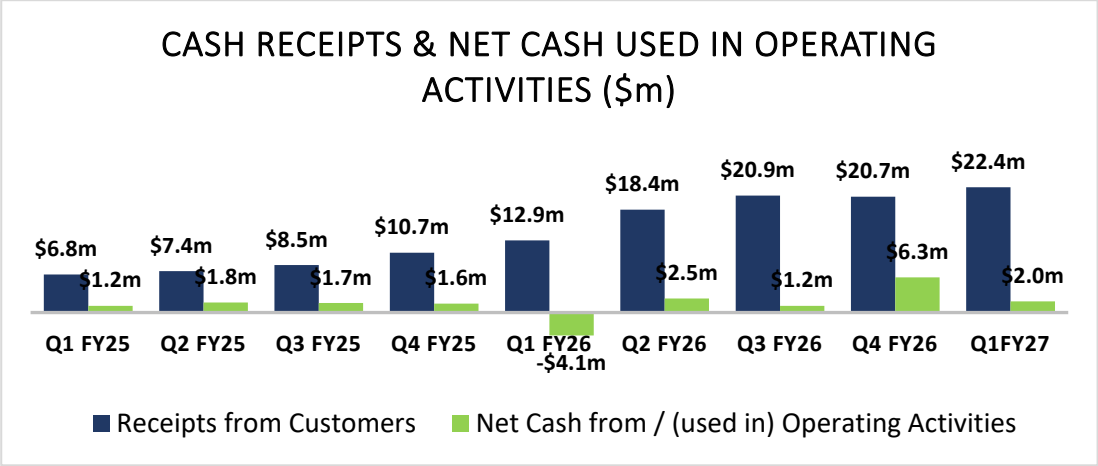

### Cash Receipts

Customer cash receipts rose to $22.4 million for the quarter, compared with $20.7 million (+8%) in the previous quarter.

BLS generated $2.0 million in net cash from operating activities, remaining operating cash flow positive while continuing to invest in the expansion of its manufacturing operations. Net operating cash flow was $6.3 million in Q4 FY26.

Cash and cash equivalents were $12.7 million at 30 September 2026, compared with $13.3 million at 30 June 2026.

The Company continued to invest in manufacturing infrastructure and international expansion, including development of its Scotland facility $2.4 million and further expansion of facilities in Australia of $0.3 million.




## FY27 GUIDANCE

BLS reaffirms its FY27 guidance of $105 million to $115 million in revenue and an adjusted EBITDA margin of 23% to 26%.

The revenue guidance represents expected growth of approximately 42% to 55% on FY26 revenue of $74.2 million.

FY27 performance would be supported by increased utilisation of BLS's existing Australian manufacturing capacity, continued execution of international supply agreements, onboarding of additional pharmaceutical manufacturing customers, increased international manufacturing and supply activity, and progression of the Scotland facility toward operational status.

## OPERATIONS

### Australian Manufacturing

BLS's Brisbane GMP facility is the Group's principal manufacturing hub during the quarter, supporting pharmaceutical manufacturing across medicinal cannabis, MDMA and psilocybin products.

The facility has estimated annual revenue capacity of more than $250 million, providing significant scope for further growth through increased utilisation and additional production shifts.

Manufacturing activity continued to support BLS's growing domestic customer base and international supply requirements.

## INTERNATIONAL EXPANSION

### Germany

Germany is a key international market for BLS during the quarter, with product supply continuing to ADREXpharma under the Company's existing two-year pharmaceutical supply agreement. The two-year $50 million contract, includes a minimum purchase commitment of $25 million in the first 12 months.

### United Kingdom – Scotland

Development of BLS's GMP pharmaceutical manufacturing facility in the Scottish Borders continued during the quarter.

Work progressed on the remaining infrastructure and equipment installation to prepare the facility for regulatory approval and operations.

Subject to the required regulatory approvals, the Scotland facility is intended to expand BLS's manufacturing capability in the United Kingdom and support supply into the UK and international markets.

## COMMERCIAL AND PHARMACEUTICAL PLATFORM DEVELOPMENT

### Expanding Pharmaceutical Opportunities

BLS continued to broaden the commercial opportunities from its pharmaceutical manufacturing and distribution platform, including across regulated mental health medicines.

On 21 July 2026, BLS's wholly owned subsidiary, BLS Wholesalers Pty Ltd, entered into a Referral Agreement with Cayman Chemical Company Incorporated.

The agreement establishes an additional international customer referral channel for BLS, with Cayman referring prospective customers seeking finished psilocybin and MDMA dosage forms and BLS providing manufacturing and supply services in accordance with applicable regulatory requirements.

On 22 July 2026, BLS entered into a non-binding Heads of Agreement with Trexapharm Pty Ltd relating to the proposed Australian commercialisation of TREXAVIVE®.

The collaboration would appoint BLS as Trexapharm's preferred Australian commercial partner and includes potential Australian manufacturing and supply opportunities.

BLS also continued evaluating opportunities to expand its pharmaceutical manufacturing capabilities and commercial relationships across psychedelic and other regulated medicines.

## CORPORATE

### Transition to BLS Pharmaceuticals

Following the change of Company name from Bioxyne Limited to BLS Pharmaceuticals Limited, the Company's shares commenced trading under the ASX code BLS on 7 July 2026.

The change reflects the evolution of the business into a profitable international pharmaceutical manufacturing and distribution platform.

### S&P/ASX All Ordinaries Index Inclusion

During the quarter, BLS Pharmaceuticals Limited was added to the S&P/ASX All Ordinaries Index, effective 21 September 2026, following the September quarterly review by S&P Dow Jones Indices.

The inclusion increased BLS's representation within the Australian equity market and its visibility to investors tracking one of Australia's broadest equity benchmarks.

## Board update

On 14 September 2026, Non-Executive Director Edward Myer appointed Angus Walker as his alternate director, with the appointment approved by the Board and effective the same day.

Mr Walker is Chief Investment Officer and co-founder of MWP Partners and brings experience across global equities, private markets, healthcare and technology.

## Payments To Related Parties

Payments to related parties and their associates of $192,000 disclosed at Item 6.1 of the accompanying Appendix 4C, comprise directors' salaries and fees.

## OUTLOOK

BLS enters Q2 FY27 following a record quarter to start the financial year, with the Company's priorities for the balance of FY27 continuing to centre on operational execution, including:

- increasing utilisation of Australian manufacturing capacity;
- growing volumes across existing domestic and international customers;
- executing existing international supply agreements;
- onboarding new pharmaceutical manufacturing customers;
- progressing the Scotland facility toward regulatory approval and operations; and
- continuing to expand BLS's international pharmaceutical manufacturing and distribution platform.

BLS reaffirms FY27 guidance of $105 million to $115 million in revenue and an adjusted EBITDA margin of 23% to 26%[1].

Approved by the Board of BLS Pharmaceuticals Limited for release to the ASX.

For further information, please contact:

**BLS Pharmaceuticals Limited**

Sam Watson
Chief Executive Officer
hello@blspharma.com

**NWR Communications**

Melissa Tempra
Media & Investor Relations
melissa@nwrcommunications.com.au

[1] *Adjusted EBITDA is a non-IFRS measure and is defined as earnings before interest, tax, depreciation, amortisation and share-based payments*

The following prior ASX announcements and investor materials are referred to in, or provide background to, this Quarterly Activities Report:

- *BLS FY2027 Guidance, 31 August 2026*
- *BLS FY2026 Full Year Results, 31 August 2026*
- *BLS Q4 FY2026 Results Investor Presentation, 30 July 2026*
- *BLS Strengthens Global Psychedelic Medicines Platform Through Cayman Partnership, 21 July 2026*
- *BLS Signs Non-Binding Heads of Agreement with Trexapharm for Australian Commercialisation of TREXAVIVE®, 22 July 2026*
- *Angus Walker Appointed as Alternate Director to Edward Myer, 14 September 2026*

**About BLS Pharmaceuticals Limited**

BLS Pharmaceuticals Limited (ASX:BLS) is an Australian pharmaceutical company focused on the manufacture, development and commercialisation of regulated therapeutic products and active pharmaceutical ingredients. Through its wholly owned subsidiary, Breathe Life Sciences, the Company operates a GMP-licensed manufacturing, import, export and distribution platform spanning medicinal cannabis, psychedelic medicines and other controlled pharmaceutical products.

BLS has developed an international pharmaceutical manufacturing and distribution platform across Australia, Europe, the United Kingdom, Japan and Latin America. The Group specialises in final dose-form manufacturing, pharmaceutical distribution, contract manufacturing and international supply.

BLS sources pharmaceutical raw materials and active pharmaceutical ingredients from a global supplier network and manufactures products for both its own brands and third-party customers. The Company owns the Dr Watson® brand portfolio across multiple international markets and supplies pharmaceutical products, active pharmaceutical ingredients and manufacturing services to customers globally.

Corporate: **blspharma.com**

Australia: **bls.com.au**

International: **breathelifesciences.com**

# Appendix 4C

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

**Name of entity**

BLS Pharmaceuticals Limited

| **ABN** | **Quarter ended ("current quarter")** |
|---|---|
| 97 084 464 193 | 30 September 2026 |

| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (3 months) $A'000** |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | 22,447 | 22,447 |
| 1.2 | Payments for | | |
| | (a) research and development | - | - |
| | (b) inventory, product manufacturing and operating costs | (16,146) | (16,146) |
| | (c) advertising and marketing | (23) | (23) |
| | (d) leased assets | - | - |
| | (e) staff costs (including directors fees) | (3,253) | (3,253) |
| | (f) administration and corporate costs | (1,022) | (1,022) |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | 23 | 23 |
| 1.5 | Interest and other costs of finance paid | (65) | (65) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **1,961** | **1,961** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire: | | |
| | (a) entities | | |
| | (b) businesses | | |
| | (c) property, plant and equipment | (2,722) | (2,722) |
| | (d) investments | | |
| | (e) intellectual property | | |
| | (f) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| 2.2 | Proceeds from disposal of: | | |
| | (a) entities | | |
| | (b) businesses | | |
| | (c) property, plant and equipment | | |
| | (d) investments | | |
| | (e) intellectual property | | |
| | (f) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) cash on acquisition of subsidiary | | |
| **2.6** | **Net cash from / (used in) investing activities** | **(2,722)** | **(2,722)** |

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | | |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | 335 | 335 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | | |
| 3.5 | Proceeds from borrowings (lease)/other | | |
| 3.6 | Loan to third party | | |
| 3.7 | Repayment of borrowings | (98) | (98) |
| 3.8 | Dividends paid | | |
| 3.9 | Other – bank guarantee | | |
| **3.10** | **Net cash from / (used in) financing activities** | **237** | **237** |

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 13,289 | 13,289 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 1,961 | 1,961 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (2,722) | (2,722) |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 237 | 237 |
| 4.5 | Effect of movement in exchange rates on cash held | (55) | (55) |
| **4.6** | **Cash and cash equivalents at end of period** | **12,710** | **12,710** |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 5.1 | Bank balances | 12,710 | 13,289 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| **5.5** | **Cash and cash equivalents at end of quarter (should equal item 4.6 above)** | **12,710** | **13,289** |

| 6. | Payments to related parties of the entity and their associates | Current quarter $A'000 |
|---|---|---|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 192 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

The amount in item 6.1 represents director's fees and salaries.

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | **Total facility amount at quarter end $A'000** | **Amount drawn at quarter end $A'000** |
|---|---|---|---|
| 7.1 | Loan facilities | (1) 626<br>(2) 896<br>(3) 3,000 | 626<br>896<br>Nil |
| 7.2 | Credit standby arrangements | | |
| 7.3 | Other (please specify) | | |
| 7.4 | **Total financing facilities** | 4,522 | 1,522 |

| | | |
|---|---|---|
| 7.5 | **Unused financing facilities available at quarter end** | Nil |

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

(1) NAB, term to 30 June 2028, unsecured, interest 8%
(2) South of Scotland Enterprise, 60 months to December 2030, unsecured, interest 9.5%
(3) Overdraft facility Westpac executed 10 July 2026

| 8. | **Estimated cash available for future operating activities** | **$A'000** |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (Item 1.9) | 1,961 |
| 8.2 | Cash and cash equivalents at quarter end (Item 4.6) | 12,710 |
| 8.3 | Unused finance facilities available at quarter end (Item 7.5) | 3,000 |
| 8.4 | Total available funding (Item 8.2 + Item 8.3) | 15,710 |
| 8.5 | **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)** | N/A |

8.6 *Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.*

If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

***Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.***

## Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 15 October 2026.....

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

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

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