23 October 2026

September 2026 BluGlass Quarter Activities Update

Highlights

- Received an A$1.4 million (US$1.0 million) Phase II contract from U.S. photonics company Uviquity
- Entered an approximately A$286,000 (US$200,000) early-stage collaboration with a global photonics leader to assess a novel GaN-based device for scientific and medical applications.
- Secured an A$8.0 million R&D financing facility with Rockford, replacing the existing A$2.27 million Radium facility and providing approximately A$5.4 million of additional funding liquidity after refinancing
- Subsequent to quarter-end, received the A$6.1 million FY26 R&D Tax Incentive refund in October, with A$2.75 million applied to the scheduled Rockford loan repayment
- Appointed major shareholder and global capital markets investor Yam Rubenstein as a Non-Executive Director
- Presented the Company's GaN laser strategy to U.S. investors at the iAccess Alpha Virtual Best Ideas Fall Investment Conference
- Continued advancing BluGlass's project-to-product strategy through customer-funded development programs targeting future product supply opportunities.
- Appointed CEO and Executive Director Jim Haden as Managing Director in July, aligning his title with his existing responsibilities

BluGlass Limited (ASX: BLG), a vertically integrated developer and manufacturer of visible gallium nitride (GaN) lasers, provides the following activities update and Appendix 4C Quarterly Report for the three months ended 30 September 2026 (Q1 FY27).

BluGlass CEO and Managing Director Jim Haden said: "During the quarter, BluGlass continued converting strategic customer engagement into funded development activity. We successfully completed Year Three of our work under the U.S. Microelectronics Commons program and continued our multi-phase development with a Tier 1 U.S. defence prime and strategic collaboration with a Fortune 500 mass-capacity data-storage leader. Expanded work with Uviquity and a new collaboration with a global photonics leader further demonstrate growing interest in our visible GaN laser and epitaxy capabilities across emerging high-value applications. Together with the expanded R&D financing facility, these engagements position BluGlass to progress customer-funded development toward future product supply and strengthen its presence in strategic U.S. markets."

Commercial and operational progress

During the quarter, BluGlass advanced its portfolio of customer-funded development programs and visible GaN laser opportunities. Through its project-to-product model, the Company uses paid development engagements to address customer-specific technical requirements, demonstrate device and manufacturing capability, and establish pathways to future product supply.

Activities during the quarter included epitaxial design and growth, device architecture evaluation, process integration, laser fabrication, packaging and technical engagement with strategic customers and partners. BluGlass remained focused on achieving customer milestones, improving manufacturing repeatability and progressing visible laser products for defence, quantum, scientific, medical and advanced photonics applications.

A$1.4m Phase II contract from Uviquity

In July, BluGlass received an A$1.4 million (US$1.0 million) Phase II contract from U.S. photonics company Uviquity under the companies' joint development agreement. Phase II broadens the work beyond the first stage of research and development of Uviquity's integrated photonics platform to additional engineering, packaging, laser integration and purchases of BluGlass visible GaN lasers.

A$8.0 million R&D financing facility

In September, BluGlass announced it had agreed terms for a new A$8.0 million research and development financing facility with Rockford RDF Pty Ltd as trustee for the Rockford RDF Unit Trust. It replaces the A$2.27 million Radium facility and provides approximately A$5.4 million of additional funding liquidity after refinancing.

The larger facility provides additional funding flexibility to support working capital, customer-funded development programs and growth initiatives while the Company progresses its commercialisation strategy.

The facility bears interest at 16.5% per annum and has a 2.5% establishment fee: A$100,000 capitalised into the loan balance and A$100,000 payable in BluGlass shares.

Subsequent to quarter-end, BluGlass received its A$6.1 million FY26 R&D Tax Incentive refund in October, with A$2.75 million applied to the scheduled Rockford loan repayment. The remaining loan balance is to be repaid from the FY27 refund and no later than 1 March 2028. Security comprises first-ranking security over the FY26 and FY27 R&D Tax Incentive refunds and limited featherweight security over other Company assets.

A$286,000 early-stage collaboration with global photonics leader

On 21 September, BluGlass announced an approximately A$286,000 (US$200,000) early-stage collaboration with a global photonics leader to co-develop a novel GaN-based device targeting scientific and medical markets. The initial feasibility study is expected to run for three to five months and will assess the compatibility of the companies' proprietary processes.

The program will evaluate device architectures, epitaxial structures, process integration and manufacturing techniques for high-performance visible-wavelength lasers. It combines BluGlass's GaN epitaxy and semiconductor laser development capabilities with the customer's photonics engineering, advanced manufacturing and commercialisation expertise.

Leadership and Board appointments

As previously announced, the Board appointed CEO and Executive Director Jim Haden as Managing Director on 13 July, aligning his title with his existing executive responsibilities.

On 21 August, BluGlass appointed Yam Rubenstein as a Non-Executive Director. Mr Rubenstein is the founder and CEO of investment firm 102 Percent Ltd and a co-founder of June 76 Investments, one of BluGlass's largest shareholders. He brings more than 20 years of global capital markets experience, including senior roles at Israeli investment houses and banks. The appointment broadens the Board's capital markets and industry networks.

U.S. investor engagement and strategy

CEO and Managing Director Jim Haden, Executive Chair Omer Granit and SVP Brad Siskavich participated in the iAccess Alpha Virtual Best Ideas Fall Investment Conference on 15–16 September. Mr Haden delivered a company presentation and management held one-on-one meetings with pre-qualified investors.

The presentation outlined the Company's project-to-product model and strategic priorities, including expanding its share of the GaN laser market, growing U.S. government engagement, strengthening technology and industry partnerships, and pursuing disciplined organic and inorganic growth.

Financial Update

Quarterly customer receipts were $1.66 million. Net cash used in operating activities was $3.12 million, reflecting expenditure on research and development, staff and other operating costs.

R&D expenditure excluding staff costs was $1.62 million during the quarter, covering materials, fabrication and other costs for laser product development. R&D investment remained aligned with the Company's commercialisation roadmap and customer-driven development programs. Payments to related parties were $114k, comprising Executive Chair and Non-Executive Director fees.

At quarter-end, BluGlass had cash and cash equivalents of A$8.66 million. The A$8.0 million Rockford facility was fully drawn. The facility provided approximately A$5.4 million in cash to BluGlass after refinancing Radium, which is reflected in the quarter-end cash balance. This supports the continued execution of customer-funded development programs and the Company's commercialisation activities, while management remains focused on cost and working-capital discipline.

Investor briefing details

The BluGlass Board, including Executive Chair Omer Granit, CEO and Managing Director Jim Haden, and fellow directors, will participate in the Company's 2026 Annual General Meeting (AGM) on Friday, 23 October 2026 at 1:30 pm (AEDT). The meeting will be held in person at the offices of Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000. In addition to the formal AGM business, management will provide shareholders with an update on the Company's Q1 FY27 activities, including recent commercial, operational, technology and strategic developments. Shareholders attending the AGM will have the opportunity to ask questions of the Board and management. Shareholders who are unable to attend in person are encouraged to submit questions in advance and lodge proxies in accordance with the Notice of Meeting.

This announcement has been approved for release by the BluGlass Board.

For more information, please contact:

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About BluGlass

BluGlass Limited (ASX:BLG) is a leading supplier of GaN laser diode products to the global photonics industry, focused on the industrial, defence, biomedical and scientific markets.

Listed on the ASX, BluGlass is one of just a handful of end-to-end GaN laser manufacturers globally. Its operations in Australia and the US offer cutting-edge, custom laser diode development and manufacturing, from small-batch custom lasers to medium and high-volume off-the-shelf products.

Its proprietary low temperature, low hydrogen, remote plasma chemical vapour deposition (RPCVD) manufacturing technology and novel device architectures are internationally recognised, and provide the potential to create brighter, better performing lasers to power the devices of tomorrow.

Appendix 4C

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

Name of entity

BluGlass Limited

ABN	**Quarter ended ("current quarter")**
20 116 825 793	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	1,662	1,662
1.2	Payments for		
	(a) research and development (excluding staff costs)	(1,622)	(1,622)
	(b) product manufacturing and operating costs		
	(c) advertising and marketing	(28)	(28)
	(d) leased assets	(346)	(346)
	(e) staff costs (including R&D staff costs)	(2,233)	(2,233)
	(f) administration and corporate costs	(601)	(601)
1.3	Dividends received (see note 3)		
1.4	Interest received	45	45
1.5	Interest and other costs of finance paid		
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**	**(3,123)**	**(3,123)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses	(2,150)	(2,150)
	(c) property, plant and equipment	(271)	(271)
	(d) investments		
	(e) intellectual property		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(f) other non-current assets (security deposits)		
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)		
2.6	**Net cash from / (used in) investing activities**	**(2,421)**	**(2,421)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(93)	(93)
3.5	Proceeds from borrowings	8,000	8,000
3.6	Repayment of borrowings	(4,540)	(4,540)
3.7	Transaction costs related to loans and borrowings	(445)	(445)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**2,922**	**2,922**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	11,343	11,343
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,123)	(3,123)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,421)	(2,421)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,922	2,922
4.5	Effect of movement in exchange rates on cash held	(66)	(66)
4.6	**Cash and cash equivalents at end of period**	**8,655**	**8,655**

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	8,613	7,081
5.2	Call deposits	42	4,262
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)**	**8,655**	**11,343**

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	114
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.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	8,000	8,000
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	**8,000**	**8,000**
7.5	**Unused financing facilities available at quarter end**		**-**

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 or are proposed to be entered into after quarter end, include a note providing details of those facilities.

BluGlass' A$8.0 million Rockford RDF Pty Ltd facility was fully drawn on 25 September 2026, refinancing and extinguishing the Radium facility. Interest is 16.5% p.a., capitalised daily. The establishment fee comprises A$100,000 capitalised and A$100,000 payable in shares. The quarter-end balance, including capitalised fees and interest, was A$8.1 million, with no undrawn funding available.

The facility is secured over the FY26 and FY27 R&D Tax Incentive refunds, with limited featherweight security over other assets. A$2.75 million is repayable from the FY26 refund, with the balance repayable from the FY27 refund and no later than 1 March 2028.

Subsequent to quarter-end, the A$6.1 million FY26 R&D Tax Incentive refund was received in October 2026, with A$2.75 million applied to the scheduled Rockford loan repayment.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,123)
8.2	Cash and cash equivalents at quarter end (item 4.6)	8,655
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	8,655
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	*2.8*

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.

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

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

Answer:

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

Answer:

8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	
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: 23 October 2026

Authorised by: 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.