Adheris Health Limited
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ASX RELEASE (ASX: AHE)

Adheris Health Q1 FY27 Report: Quarterly Activities Report and Appendix 4C[1]

Key Highlights – Q1 FY27

- Revenue, gross profit, and gross margin increased on pcp and substantially on prior quarter, reflecting stronger out of cycle booking activity and improved program execution.
- CY27 momentum builds, underpinning program diversification strategy and anticipated revenue recovery.
- First of three potential earn-out payments for sale of ANZ business close to being finalised with Jonas.
- EBOS Group Limited's 8.5% shareholding acquired by the Adheris Board and management and long-standing shareholder, Jencay Capital Pty Limited ("Jencay").
- Significant growth in pipeline for upcoming CY27 pharma budget cycle.
- Net cash at period end of $3.5 million, in line with expectations.

Melbourne, Australia, 28 October 2026 – Adheris Health Limited (ASX: AHE) ("Adheris" or "the Company") provides its quarterly activities report and Appendix 4C for the three months ended 30 September 2026 (Q1 FY27).

Financial Results

USD	Q1 FY27	Q1 FY26	Change
Revenue	$6.4m	$6.3m	+$0.1m
Gross Profit	$2.9m	$2.7m	+$0.2m
Gross Margin	45.2%	42.4%	+2.8 ppts

- Q1 FY27 operating revenue of $6.4 million was up 1.6% on pcp (Q1 FY26: $6.3 million) and up 60.5% on prior quarter (Q4 FY26: $4.0 million), reflecting continued out of cycle bookings, customer win-backs, and existing program buy-ups / add-ons.
- Gross profit of $2.9 million was up 8.4% on pcp (Q1 FY26: $2.7 million) and up 104.6% on prior quarter (Q4 FY26: $1.4 million). Gross margin of 45.2% was up 2.8 ppts on pcp (Q1 FY26: 42.4%) and up 9.7 ppts on prior quarter (Q4 FY26: 35.5%), benefiting from higher revenue, lower platform costs, and improved program execution. Underlying product margin for Q1 FY27 of 52.2% was up 2.5 ppts on pcp and 4.6 ppts on prior quarter, reflecting lower product costs.
- Net operating cash outflow of $3.1 million in line with management expectations (Q1 FY26: $1.4 million[2] outflow), influenced by the following movements:

[1] All figures are reported in US dollars, unless otherwise stated. Refer to **Financial Reporting and Functional Currency Changes** section below.

[2] Prior-period comparative figures have been translated from AUD to USD and reclassified, where necessary, to ensure consistency with the current period's presentation

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- Operating cash receipts were $3.2 million (Q1 FY26: $7.6 million[2]), reflecting lower opening receivables and extended collection cycles associated with increased agency channel activity, together with the absence of Australian receipts.
- Staff costs of $2.2 million, excluding contractors and consultants, underpinned by ongoing cost management initiatives (Q1 FY26: $3.1 million[2]).
- Administration and corporate costs of $0.4 million, benefiting from a lower operating cost base (Q1 FY26: $1.5 million[2]).
- Other operating net cash payments of $3.7 million (Q1 FY26: $4.5 million[2]), driven by the substantial completion of key system updates, reduced associated costs and the timing of payments across quarters.

- The FX loss on group expense was immaterial.
- Net cash position declined by $3.0 million during the September quarter to close at $3.5 million as at 30 September 2026. This decline was in line with management expectations for the quarter.
- Payments to related parties of the entity and their associates were $141k (Q1 FY26: $311k[2]). This includes fees and remuneration paid to the CEO, the CFO and Directors.

Operating Business Performance

We make the following comments below regarding progress against our strategic initiatives:

Initiative	Metric
Build a scalable operation	Completed during Q1 FY27
Diversify our revenue	Focus continues to shift toward high-growth therapeutic categories: • GLP-1 (19% vs. 6% in pcp) and specialty med (22% vs. 17% in pcp) programs contributed higher shares of Q1 FY27 revenue compared to Q1 FY26 • Gen med continued to be the largest revenue category in Q1 FY27, representing 39% of the total revenue
Sell higher margin solutions	More than half of CY27 pipeline value relates to higher-margin THRiV and digital engagement programs versus 32% of FY26 revenue
Expand our network	A top five pharmacy partner completed technology integration and launched first set of digital programs on new system – this integration is expected to lead to expanded reach over the coming quarters
Enhance digital engagement	Contract executed for first program featuring our AI Patient Concierge

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CY27 Sales Cycle Momentum Returns

Since our last update on 31 August 2026 (with data as at 21 August 2026), the Company has experienced significant growth in its CY27 pipeline. As at 23 October 2026, that pipeline now comprises close to 110 opportunities across more than 40 clients, representing almost 90 brands. We also expect further pipeline growth between now and our next update at the Annual General Meeting on 18 November 2026.

The pipeline is also well diversified, with no single program or brand representing more than 10% of total pipeline value. Importantly, more than half of the pipeline value relates to higher-margin THRiV and digital engagement programs, compared with 32% of FY26 revenue, highlighting our continued focus on shifting the revenue mix towards higher-value offerings.

In addition, the average CY27 pipeline program opportunity is larger than the average FY26 booking. Approximately half of the total pipeline value is represented by seven-figure programs, with more than two-thirds of that value relating to THRiV and digital engagement programs.

The table below shows CY27 pipeline progress since 21 August across several key indicators:

Measure	Change
Number of Opportunities	+17.2%
Number of Customers	+10.8%
Number of Brands	+12.7%
Total Value	+14.1%
Weighted Value	+25.1%
$1M+ Opportunities	+12.5%
Number of New Business Opportunities	+23.2%

Financial Reporting and Functional Currency Changes

During the quarter, the Company changed its financial year end from 30 June to 31 December to better align its reporting cycle with the planning and budgeting processes of its key customers, primarily US-based pharmaceutical manufacturers. As a result, the Company will report a six-month transitional financial period from 1 July 2026 to 31 December 2026, with regular half-year and full-year reporting periods commencing from 1 January 2027.

In addition, reflecting the increasing proportion of revenues and expenses denominated in US dollars following the divestment of the ANZ business in July 2025, the Company changed its functional currency from Australian dollars to US dollars, effective 1 July 2026. Accordingly, commencing with this Appendix 4C, the Company will report its financial information in US dollars, including comparative period information.

Large Network Partner Update

One of our largest pharmacy partners has elected to discontinue participation in our sponsored programs effective 1 January 2027. This partner had previously enabled our programs on its newly launched digital engagement platform as announced in our 31 August FY26 results release. This decision reduces our total addressable patient reach but is not expected to impact our ability to achieve our FY27 budgeted revenue. The CY27 pipeline data presented in this release reflects this update.

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Change in Substantial Shareholding

On 1 October 2026, EBOS Group Limited exited its 8.5% shareholding in Adheris. Half of the shares were acquired by the Company's four directors and several members of the management team. The remaining shares were acquired by Jencay, a long-standing and supportive shareholder of the Company. The transaction resulted in an orderly transition of the shareholding and reflects the confidence of the Board, management, and Jencay in the Company's strategic direction and future prospects.

Change of Chief Financial Officer

During the quarter, Alison Hale was appointed Chief Financial Officer, effective 1 September 2026, succeeding Sean Slattery. Ms Hale brings extensive financial and operational leadership experience, including seven years with Deloitte and almost a decade in senior finance roles within the Linde Group, most recently serving as Head of Finance at Elgas Limited. Her expertise in business transformation, process improvement and team development further strengthens the Company's leadership team.

Jonas Earn-out

The first of three potential earn-out payments under the agreement for the sale of the Company's Australian and New Zealand business ("ANZ"), which completed on 4 July 2025, is close to being finalised. The Company expects to announce the outcome shortly and will lodge a separate announcement with the ASX once the earn-out amount has been agreed. Receipt of the payment is expected following finalisation of the earn-out.

Mindsprint Claim

On 31 July 2026, the Company announced that its wholly owned US subsidiary, Adheris LLC, had been named as defendant in proceedings commenced by Mindsprint Pte. Ltd. in the United States District Court for the Southern District of New York. Mindsprint alleges breach of contract and related claims, seeks a declaratory judgment that the terminations of the relevant statements of work and Master Services Agreement should be treated as terminations for convenience rather than terminations for cause, and claims damages of not less than US$2.3 million plus costs. Adheris LLC disputes Mindsprint's claims in their entirety, considers the terminations to be valid terminations for cause, and intends to vigorously defend the proceedings. The matter is at an early stage, and the Company does not consider it possible to reliably quantify any potential financial impact arising from the proceedings, which are not expected to impact the Company's operations. The Company will keep the market informed of any material developments in accordance with its continuous disclosure obligations.

Commenting on the results, CEO & Managing Director, John Ciccio said: *"We made steady progress in the quarter, with revenue, gross profit and gross margin all improving on the corresponding period last year, and significantly on the prior quarter. More of our revenue is now coming from the high-growth therapeutic areas we've been targeting, such as GLP-1 and specialty programs, which represented 41% of revenue, up from 23% a year ago.*

Our attention is now firmly focused on capitalising on the upcoming calendar 2027 pharma budget cycle, the most important selling season since commencing our strategic reset. With the budget planning cycle continuing through to December, there is still much to do. But I'm very encouraged by how broadly we're engaged in brand planning, and with our progress to date, including working on close to 110 opportunities across more than 40 clients and almost 90 brands. I look forward to updating shareholders on how the pipeline continues to evolve at our AGM on 18 November."

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Annual General Meeting

The Company advises that its Annual General Meeting will be held at 9:30am (AEDT) on Wednesday, 18 November 2026. The meeting will be held at Level 9, 5 Martin Place, Sydney NSW 2000.

Shareholders may also attend and participate in the meeting online via Computershare's Meeting Platform at: https://meetnow.global/MTSLRVK.

- ENDS -

This document has been authorised for release by the Board of Adheris Health Limited.

For more information please contact:

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About Adheris Health

Adheris Health (ASX: AHE) combines precision segmentation and predictive analytics to identify and act on the moments that matter most in each patient's treatment journey, individualising support in ways that improve outcomes and drive stronger results for clients.

Adheris Health partners with pharmaceutical manufacturers, pharmacies, and healthcare organisations to design and deliver programs across the full patient journey, from onboarding and education through medication adherence, refill support, and beyond. THRiV, its intelligent engagement platform, continually adapts each patient's experience in real time to determine not just who to reach, but when and how to reach them most effectively.

With more than 30 years of experience and a network of 170 million patients, Adheris Health is expanding its capabilities into new therapeutic areas and engagement channels. Adheris Health is committed to reimagining patient engagement every day, helping more patients live healthier lives. For more information, please visit: adheris.com/investors.

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Appendix 4C

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

Name of entity	
Adheris Health Ltd	
ABN	**Quarter ended ("current quarter")**
17 145 327 617	30 September 2026

Consolidated statement of cash flows		**Current quarter $USD'000**	**Year to date (3 months) $USD'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,201	3,201
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(3,684)	(3,684)
	(c) advertising and marketing	(64)	(64)
	(d) leased assets	-	-
	(e) staff costs	(2,185)	(2,185)
	(f) administration and corporate costs	(374)	(374)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	31	31
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(4)	(4)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(3,079)**	**(3,079)**

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

Consolidated statement of cash flows		Current quarter $USD'000	Year to date (3 months) $USD'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)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(19)	(19)
3.10	**Net cash from / (used in) financing activities**	**(19)**	**(19)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	6,562	6,562
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,079)	(3,079)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter $USD'000	Year to date (3 months) $USD'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(19)	(19)
4.5	Effect of movement in exchange rates on cash held	60	60
4.6	**Cash and cash equivalents at end of period**	**3,524**	**3,524**

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 $USD'000	Previous quarter $USD'000
5.1	Bank balances	3,524	6,562
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)**	**3,524**	**6,562**

6.	Payments to related parties of the entity and their associates	Current quarter $USD'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	141
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 $USD'000**	**Amount drawn at quarter end $USD'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

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

8.	**Estimated cash available for future operating activities**	**$USD'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,079)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,524
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	**3,524**
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.14

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: No. The current quarter included higher-than-normal operating cash outflows due to the timing of certain payments. These were anticipated and are not expected to recur.

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: No. The Company does not currently anticipate requiring additional funding.

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: Yes. Based on current cash resources and expected operating cash flows.

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: .....28 October 2026.....

Authorised by: .....Board of Directors – Adheris Health Ltd.....
(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.