ACTIVITIES REPORT AND CASHFLOW STATEMENT FOR THE QUARTER ENDING 30 SEPTEMBER 2026

Nutritional Growth Solutions Limited (ASX: **NGS**) (the "**Company**"), a children's nutrition group, is pleased to provide its Quarterly Activities Report and Appendix 4C Cash Flow Statement for the Quarter ended 30 September 2026 ("**Q3 FY26**", the "**Quarter**", or the "**Reporting Period**").

All amounts are in US dollars unless stated otherwise. A$ equivalents are converted at A$1.00 = US$0.6977, the Reserve Bank of Australia rate for 30 September 2026.



The Sprout Organic range, now part of the NGS group alongside Healthy Heights.

US$1.6M	**54%**	**2 brands**	**A$870k**
cash at 30 September, no borrowings	reduction in net operating cash outflow on Q2	spanning infancy through adolescence	identified annualised cost savings

HIGHLIGHTS

- **Sprout Organic acquisition completed:** Following shareholder approval at the Annual General Meeting on 10 August 2026, the Company completed the acquisition of 100% of Sprout Organic Pty Ltd, including its wholly owned subsidiary Better Brands 3PL Pty Ltd, on 1 October 2026, shortly after Quarter end.
- **A$2.5 million placement completed:** Proceeds of US$1,741k received during the Quarter, with 125,000,000 placement shares issued at A$0.02 per share on 3 and 4 September 2026.
- **Operating cash outflows down a further 54%:** Net operating cash outflows of US$90k, down from US$195k in the prior Quarter and US$426k in Q1 FY26. The group outflow was driven by AGM, compliance and transaction-related corporate costs, while Nutritional Growth Solutions Inc, which operates the Healthy Heights business in the United States, recorded a net operating cash inflow of US$122k before group corporate and executive costs (unaudited management accounts).
- **Customer receipts of US$286k:** Compared with US$338k in the prior Quarter. The decrease in cash receipts reflects timing differences in customer invoicing, payments and prior-period adjustments. Trade receivables and balances held by sales platforms were US$33k higher at Quarter end.
- **Cash position of US$1,613k (approximately A$2.3 million):** Up from US$290k at the prior Quarter end, after the Company advanced a further US$217k to Sprout Organic Pty Ltd under an unsecured, interest-free loan, repayable on demand and on any termination of the acquisition agreement, to fund Sprout's working capital ahead of completion.
- **No borrowings:** No loan facilities, credit standby arrangements or other financing facilities at Quarter end.
- **Board and leadership renewed:** On completion on 1 October 2026, Sprout founder Selasi Berdie was appointed Chief Executive Officer and Executive Director, Manik Pujara moved from Executive Director and Interim Chief Executive Officer and Chief Financial Officer to Non-Executive Director, and Joel

Dening, who joined Better Brands Global Pty Ltd on 15 September 2026, became Chief Operating Officer of the combined group. Guy Khavia resigned as a Non-Executive Director effective 30 September 2026.

SPROUT ORGANIC ACQUISITION

Following shareholder approval at the Company's Annual General Meeting held on 10 August 2026, the Company completed the acquisition of 100% of the issued capital of Sprout Organic Pty Ltd ("Sprout"), including its wholly owned subsidiary Better Brands 3PL Pty Ltd, on 1 October 2026 through its wholly owned subsidiary, Better Brands Global Pty Ltd.

On completion, the Company issued 401,228,887 consideration shares to Sprout shareholders at a deemed issue price of A$0.02 per share, 45,771,114 shares to settle Sprout creditor loans and 13,888,889 shares on conversion of the first tranche of Sprout convertible notes, each as approved by shareholders on 10 August 2026. It also issued 15,839,238 shares on conversion of the second tranche of Sprout convertible notes, including accrued interest, within its placement capacity under Listing Rule 7.1. A total of 331,770,756 consideration shares are subject to voluntary escrow until 30 September 2027. These issues took the Company's fully paid ordinary shares on issue from 487,313,207 at 30 September 2026 to 964,041,335.

During the Quarter, the Company advanced US$217k (approximately A$311k) to Sprout Organic Pty Ltd under an unsecured, interest-free loan, repayable on demand and on any termination of the acquisition agreement, to fund Sprout's working capital ahead of completion. Total advances under the loan, including the US$225k disclosed in the June 2026 Quarterly Activities Report, were US$442k (approximately A$634k). The advances are reflected at item 2.3 of the accompanying Appendix 4C. The loan was not offset against the acquisition consideration and, from completion on 1 October 2026, is an intra-group balance eliminated on consolidation.

As completion occurred after Quarter end, Sprout's cash flows are not included in this Appendix 4C, which reflects Nutritional Growth Solutions Ltd, Nutritional Growth Solutions Inc and Better Brands Global Pty Ltd. The Appendix 4C for the quarter ending 31 December 2026 will be the first to include Sprout and Better Brands 3PL, from 1 October 2026.

ONE PLATFORM, FROM FIRST FEED TO ADOLESCENCE



Sprout Infant Formula	Sprout Toddler Drink	Sprout Kids Essential Shake	Healthy Heights Grow Daily 3+	Healthy Heights Grow Daily 10+
0 to 12 months	12 to 36 months	Children	Ages 3 to 9	Ages 10 and over

As announced on 25 May 2026, management has identified approximately A$870k of annualised cost savings from shared corporate functions, lower listing and director costs and back-office consolidation. The investor presentation released on 1 October 2026 stated that the majority of these savings were actioned on completion.

OPERATING PERFORMANCE

Net cash used in operating activities was US$90k for the Quarter, a 54% reduction on the prior Quarter and a further step down from US$426k in Q1 FY26. Payments for product manufacturing and operating costs fell to US$147k (prior Quarter: US$346k) following the inventory investment made in Q2 FY26. Nutritional Growth Solutions Inc, the US Healthy Heights business, recorded a net operating cash inflow of US$122k for the Quarter before group corporate and executive costs, based on unaudited management accounts.

Administration and corporate costs of US$181k (prior Quarter: US$132k) included costs associated with the Annual General Meeting, ASX listing and compliance, audit, and legal and IT costs relating to the Sprout acquisition and integration. Staff costs of US$40k comprise executive remuneration paid by Better Brands Global Pty Ltd to the Interim Chief Executive Officer and Chief Financial Officer and, in September 2026, to the incoming Chief Executive Officer and the Chief Operating Officer.

Customer receipts were US$286k (prior Quarter: US$338k). The decrease in cash receipts reflects timing differences in customer invoicing, payments and prior-period adjustments. Trade receivables and balances held by sales platforms (Amazon, Shopify and Walmart) at Nutritional Growth Solutions Inc rose by US$33k over the Quarter.

BALANCE SHEET AND FINANCING ACTIVITIES

Cash and cash equivalents at Quarter end were US$1,613k (approximately A$2.3 million), up from US$290k at the end of the prior Quarter, reflecting receipt of the placement proceeds.

During the Quarter, the Company received US$1,741k in proceeds from the issue of equity securities, being the A$2.5 million placement of 125,000,000 shares at A$0.02 per share, and paid transaction costs of US$114k, comprising broker fees and ASX quotation fees. The 15,000,000 corporate advisory fee shares and 14,220,000 shares issued to directors in lieu of fees on 4 September 2026, together with the director and lead manager options issued on the same date, were non-cash and are not reflected in the Appendix 4C.

As at 30 September 2026, the Company had no borrowings and no loan facilities, credit standby arrangements or other financing facilities. Following completion, the enlarged group has no loan facilities, credit standby arrangements or other financing facilities.

Subsequent to Quarter end, at completion the Company paid A$0.65 million in cash to settle loans owed by Sprout to its directors, Ben Chester and Selasi Berdie, and a A$0.25 million corporate advisory fee, with the balance of the placement proceeds retained for integration, inventory and working capital.

Item 6.1 of the Appendix 4C (US$17k) comprises: salary of A$7,155 and superannuation of A$8,598 (together US$11k) paid by Better Brands Global Pty Ltd to Mr Manik Pujara, Executive Director and Interim Chief Executive Officer and Chief Financial Officer throughout the Quarter; and A$8,121 (US$6k) paid in September 2026 to A22 Pty Ltd, a related entity of Non-Executive Chairman Mr Andrew Grover, reimbursing operating expenses of Nutritional Growth Solutions Inc that A22 Pty Ltd paid on the Company's behalf between July and September 2026. Item 6.2 is nil: the US$217k advanced to Sprout Organic Pty Ltd under an unsecured, interest-free loan, repayable on demand and on any termination of the acquisition agreement, to fund Sprout's working capital ahead of completion is not included because Sprout was not a related party of the Company when the advances were made.

OUTLOOK

With completion behind it, NGS now operates as a children's nutrition group with two complementary brands, sold through different channels to different buyers. The focus shifts from transaction to growth: integrating the businesses, putting each brand into the other's channels and markets, and turning the enlarged revenue base into operating cash flow.

Growth drivers

- **Healthy Heights into Australia and Asia:** establishing Australian manufacturing of Healthy Heights and launching the range through Sprout's Australian eCommerce and retail network, and through Sprout's China and South-East Asian distribution partners.
- **Sprout into the United States:** launching Sprout's range through NGS's US eCommerce channels, including Amazon, Walmart.com and iHerb. US sales of infant formula remain subject to FDA requirements.
- **New markets:** scaling the newly appointed distributors in Vietnam and Chile, with United Kingdom entry to follow once China and US sales are consolidated.
- **Margin and cost:** delivering the A$870k of identified annualised savings from a single logistics network, one finance function and one listing cost base, and optimising procurement at the group's new scale.



THE NEXT TWELVE MONTHS

0 TO 3 MONTHS	3 TO 6 MONTHS	6 TO 12 MONTHS
• Align brand and marketing • Integrate financial reporting and systems • Scale distributors in Vietnam and Chile • Launch US-specific SKUs	• Launch Healthy Heights through Sprout's Australian eCommerce and retail network • Set up North American warehousing for Sprout	• Launch the combined innovation roadmap • Extend the product range • Optimise procurement at the new scale

Timing is indicative and subject to change.

What to watch

Over the next twelve months the Board will measure progress against six markers: the first combined-group Appendix 4C, for the quarter ending 31 December 2026, followed by the FY26 annual report; Healthy Heights manufactured in Australia and launched into the Australian market; Sprout's range launched in the United States through eCommerce channels; inventory landed and converting to sales across both brands; new market entries as they land; and the identified cost savings flowing through the accounts.

MANAGEMENT COMMENTARY



Chief Executive Officer, Mr Selasi Berdie, said:

"Completion brings Sprout and Healthy Heights together in one children's nutrition group, spanning infancy through childhood. We have the products, the channels and the team to grow both brands.

"We start this phase debt-free and funded, with a cost base reset over the past three quarters. Our focus now is disciplined integration, cross-selling across our Australian and US channels, and delivering the savings we have identified."

ENDS

This announcement was authorised for release by the Board.

For further information, please contact:

Selasi Berdie | Chief Executive Officer & Executive Director | sel@betterbrandsglobal.com

About Nutritional Growth Solutions

Nutritional Growth Solutions Ltd (ASX: NGS) is a children's nutrition group with two brands. Sprout Organic launched Australia's first certified organic, plant-based infant formula in 2021 and also sells toddler, kids and snack ranges through more than 1,000 retail stores in Australia and in export markets. Healthy Heights is a growth nutrition range for children aged three and over, studied in two randomised controlled trials with results published between 2014 and 2023. The group also operates Better Brands 3PL, a third-party logistics business.

ngsolutions.co | sproutorganic.com.au | healthyheights.com

Forward-Looking Statements

Certain statements in this announcement may constitute forward-looking statements or statements about future matters that are based on information known and assumptions made as of the date of this announcement. Forward-looking statements can generally be identified by words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "plan", "will", "believe", "estimate" and "target". These statements are subject to internal and external risks and uncertainties that may have a material effect on future business. Actual results may differ materially from any future results or performance expressed or implied. Undue reliance should not be placed on any forward-looking statement, and past performance is not necessarily a guide to future performance.

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Nutritional Growth Solutions Ltd.

ARBN	**Quarter ended ("current Quarter")**
642 861 774	On 30/09/2026

	Consolidated statement of cash flows	**Current Quarter $US'000**	**Year to date (9 months) $US'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	286	978
1.2	Payments for		
	(a) research and development	-	(115)
	(b) product manufacturing and operating costs	(147)	(875)
	(c) advertising and marketing	(8)	(18)
	(d) leased assets	-	-
	(e) staff costs	(40)	(120)
	(f) administration and corporate costs	(181)	(578)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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)	-	17
1.9	**Net cash from / (used in) operating activities**	**(90)**	**(711)**

	Consolidated statement of cash flows	**Current Quarter $US'000**	**Year to date (9 months) $US'000**
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	-	-
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	(217)	(442)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(217)**	**(442)**

Consolidated statement of cash flows		**Current Quarter $US'000**	**Year to date (9 months) $US'000**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,741	2,540
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	(114)	(130)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(198)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-

3.10	**Net cash from / (used in) financing activities**	**1,627**	**2,212**

Consolidated statement of cash flows		**Current Quarter $US'000**	**Year to date (9 months) $US'000**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	290	518
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(90)	(711)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(217)	(442)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,627	2,212
4.5	Effect of movement in exchange rates on cash held	3	36
4.6	**Cash and cash equivalents at end of period**	**1,613**	**1,613**

	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 $US'000**	**Previous Quarter $US'000**
5.1	Bank balances	1,613	290
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)**	**1,613**	**290**

	Payments to related parties of the entity and their associates	**Current Quarter $US'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	17
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.

	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 $US'000**	**Amount drawn at Quarter end $US'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.		
	N/A		

	Estimated cash available for future operating activities	**$US'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(90)
8.2	Cash and cash equivalents at Quarter end (item 4.6)	1,613
8.3	Unused finance facilities available at Quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,613
8.5	**Estimated Quarters of funding available (item 8.4 divided by item 8.1)**	17.92
	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: N/A	
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: N/A	
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: N/A	
	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: ....30 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 - e.g. 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.