

ASX Release 07 November 2025

## Quarterly Activities Report and Appendix 4C for the Quarter Ended 30 September 2025

### Epsilon Healthcare Delivers Record September Quarter Receipts – Marking a Pivotal Turnaround and Return to Growth

#### Highlights:

- **Record quarterly customer receipts:** \$2.919 million for the September 2025 quarter – the highest in Company’s history
- **Year-on-year quarterly growth:** +126% compared to the September 2024 quarter
- **Year-to-date customer receipts:** \$6.284 million to 30 September 2025, up 61% on the prior year (\$3.896 million YTD 2024)
- Significant growth across all operating divisions – Epsilon Pharma (CDMO), Epsilon Clinics
- Growing revenues generated from the **new** Epsilon Pharmacy operating unit
- Strong operational performance reflects the success of the Company’s turnaround since emerging from voluntary administration on 24 June 2024

#### Epsilon Healthcare Limited (ASX: EPN)

Epsilon Healthcare Limited (“Epsilon” or “the Company”) is pleased to report a **record quarterly performance** for the period ending **30 September 2025**, reflecting the substantial progress made under the guidance of the new Board of Directors and leadership team.

This quarter’s results represent the **highest reported customer receipts in the Company’s history**, underscoring the strength of Epsilon’s operational recovery and its successful transition to a sustainable growth trajectory.

#### Financial Performance

Epsilon achieved **\$2.919 million in reported receipts** for the September 2025 quarter, representing a **226% increase** compared to the same period in 2024, when the business was in the early stages of recovery from the damage caused by the Voluntary Administration which ended on 24 June 2024.

On a **year-to-date basis**, customer receipts reached **\$6.284 million** as at 30 September 2025, up **61%** from **\$3.896 million** in the prior corresponding 2024 period.

These results demonstrate the Company’s strengthening market position, growing client base, and improved operational efficiency across all divisions.

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## **Managing Director Commentary**

**Epsilon Healthcare Managing Director and CEO, Peter Giannopoulos**, said:

“This record result is a milestone achievement for Epsilon and a clear reflection of the Company’s remarkable turnaround since emerging from Voluntary Administration in mid 2024.

Our teams across all business units have shown unwavering dedication and professionalism throughout this period of renewal. To now deliver the strongest quarter in our history is a testament to their efforts, the trust of our customers, and the disciplined strategic direction set by the new Board.

The sale and leaseback of the Southport land and building announced in late July 2025, represented a strategic step forward for our Company, enabling us to unlock the value of the Company’s property asset while maintaining uninterrupted access to our critical manufacturing infrastructure. By reducing our debt burden and improving financial flexibility, we have been subsequently better positioned to pursue our commercial and strategic expansion priorities.

With growing manufacturing volumes, an expanding client portfolio, and our pharmacy operations scaling successfully, Epsilon is positioned for continued growth, profitability, and long-term value creation.”

## **Operational and Commercial Update – Building an Integrated Growth Platform**

### **Epsilon Pharma (CDMO)**

Epsilon’s onshore contract development and manufacturing division delivered substantial growth driven by new client acquisitions, a robust pipeline of new contracts and increased manufacturing volumes. Epsilon’s renewed focus on quality, reliability, and responsiveness as a highly compliant GMP manufacturer, has positioned it as a trusted partner in the natural and active pharmaceutical ingredient (API) product sectors both domestically and internationally.

### **Epsilon Clinics**

The Clinics division continued to perform strongly, maintaining consistent patient engagement and delivering stable earnings. Its integrated telehealth model and commitment to clinical excellence continue to underpin Epsilon’s leadership in natural therapies and patient-centric care.

Epsilon Clinics remains a cornerstone of the Company’s healthcare ecosystem, combining clinical expertise with patient-focused care and education.

### **Epsilon Pharmacy**

Launched in late February 2025, Epsilon Pharmacy has rapidly scaled operations, enhancing medicine accessibility and driving positive patient outcomes through a strong focus on the Quality Use of Medicines (QUM). The pharmacy division now forms a critical component of Epsilon’s integrated healthcare ecosystem, connecting sovereign client contract manufacturing services, pharmacy dispensing, and patient care.

## **Retirement of Debt via Southport Sale and Leaseback**

As announced on 29 July 2025, the Company advised that it had successfully completed a strategic sale and leaseback transaction of its manufacturing property located at Southport, Queensland, representing a key milestone in the Company's ongoing financial and operational optimisation strategy.

The net proceeds from the sale have been used to retire a substantial portion of the Company's debt resulting in a material reduction in interest expenses and improved cash flow. The transaction significantly strengthened the Company's balance sheet, enhanced liquidity, and helped to position the Company for sustainable growth and improved financial resilience. A substantial part of the debt was caused by the Company being placed into Voluntary Administration.

## **Loan Facility Update**

During the September quarter, the company made strong progress in strengthening its financial position. Leveraging positive operating revenues, the company repaid \$500,000 toward its existing \$2.6M loan facility. This repayment demonstrates the company's ongoing commitment to judicious financial management and disciplined use of cash flow generated from operations. Following this repayment, the outstanding balance of the loan facility was reduced to \$2.1 million, providing increased financial flexibility and reflecting the company's continued focus on sustainable growth.

## **A Strengthened Foundation for Growth**

Since emerging from Voluntary Administration on 24 June 2024, Epsilon has undergone a comprehensive transformation. The new Board and leadership team have rebuilt the Company's operational, financial, and cultural foundations and worked hard on restoring stakeholder confidence and positioning Epsilon for sustainable success. The new Board and leadership team have rebuilt the business on a foundation of transparency, financial discipline, and customer focus.

The September 2025 quarter's record performance underscores the success of these initiatives and highlights the Company's resilience and its capacity to deliver consistent, profitable growth.

## **Outlook**

Epsilon enters 2026 and future years with renewed confidence, supported by a growing client base, expanding manufacturing capabilities with new finished dose forms, a progressive clinic service offering and expanding pharmacy operations including a new bricks and mortar store which will join the group before the end of 2025. The Company remains firmly focused on executing its strategic plan to deliver further revenue growth, improving margins, and enhanced shareholder value and returns.

Epsilon Healthcare will continue to deploy its assets and expertise as it continues to expand its integrated business model. The QLD based sovereign contract development and manufacturing services, clinical services via its Clinics business, and pharmacy operations combine to deliver high quality, accessible healthcare solutions.

With strong momentum across all divisions, an expanding pipeline of local and international client opportunities, and a proven new Board and leadership team, the Company is firmly positioned to deliver further growth and enhanced shareholder value in the year ahead.

## Summary of recent announcements up to this date

- Strategic \$6.7m Sale and Leaseback of Southport Property
- TGA EU and UK certification
- Epsilon Healthcare Deed of Company Arrangement Effectuated
- Appointment of CFO & Company Secretary
- Change of Company Address and Contact Details

## Other components of cash flow

- Cash on hand at the end of the quarter to 30 September 2025 was \$644,000 compared to \$923,000 in the preceding quarter, reflecting paydown of debt
- Receipts from customers were \$2,919,000 compared to \$2,131,000 in the preceding quarter
- Product manufacturing cost of goods (COGS) and operating costs were \$1,198,000 compared to \$1,447,000 in the preceding quarter
- Labour payments were \$792,000 in the September 2025 quarter compared to \$578,000 in the preceding quarter
- Administration and corporate costs were \$348,000 in the September 2025 quarter compared to \$1,480,000 in the preceding quarter reflecting the conclusion of the administration period, internalising the finance function and other cost reduction initiatives.
- Related party payments of \$165,000 in the quarter to September 2025 compared to \$350,000 in the preceding quarter and comprised employment related payments to the Managing Director of \$145,000 and \$20,000 in director fees

- ENDS -

This ASX announcement has been authorised for release by the Board of Epsilon Healthcare Limited (ASX: EPN).

For further information contact us via [corporate@epsilonhealthcare.com.au](mailto:corporate@epsilonhealthcare.com.au).



## About Epsilon Healthcare

Epsilon Healthcare Limited (**ASX: EPN**) is an Australian based, globally active healthcare organisation. EPN operates a diversified and vertically integrated portfolio of assets, including healthcare and clinics operation, pharmaceutical contract development and manufacture & pharmacy dispensing and information services. Visit [epsilonhealthcare.com.au](http://epsilonhealthcare.com.au) for more information.



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## Appendix 4C

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

Name of entity

Epsilon Healthcare Limited

ABN

33 614 508 039

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,919	6,284
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,198)	(3,184)
(c) advertising and marketing	(11)	(37)
(d) leased assets	-	-
(e) staff costs	(792)	(2,011)
(f) administration and corporate costs	(348)	(2,664)
1.3 Dividends received	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	58	(893)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(1)	(2)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>627</b>	<b>(2,505)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(117)	(117)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	6,700
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(117)</b>	<b>6,583</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	120	120
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	(410)	275
3.6	Repayment of borrowings	(500)	(5,360)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	(35)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(790)</b>	<b>(5,000)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	923	1,565
4.2	Net cash from / (used in) operating activities (item 1.9 above)	627	(2,505)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(117)	6,583
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(790)	(5,000)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange <b>rates</b> on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>643</b>	<b>643</b>

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	643	923
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – monies held in solicitor trust account	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>643</b>	<b>923</b>

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	165
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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</i>		

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

7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	2,100,000	2,100,000
7.2 Credit standby arrangements	-	-
7.3 Other	555,000	555,000
7.4 <b>Total financing facilities</b>	<b>2,655,000</b>	<b>2,655,000</b>
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		
<p>The \$2,600,000 secured facility that was provided by investors at 18% p.a. with a maturity date of 12 months from 24 June 2024 has been paid down to \$2,100,000 and extended another four months.</p> <p>A convertible note issue raised \$555,000, with an interest rate of 10% per annum (accruing daily and calculated on the Face Value) paid in arrears by EPN on the Redemption Date being 30 June 2025 and all loan notes were converted to shares</p>		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	627
8.2 Cash and cash equivalents at quarter end (item 4.6)	643
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	643
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	n/a
<i>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.</i>	
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?	
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?	
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?	
n/a	
<i>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.</i>	

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**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: 07 November 2025

Authorised by: By the Board

**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.