

ASX Release 28 January 2026

Quarterly Activities Report and Appendix 4C for the Quarter Ended 31 December 2025

Epsilon Healthcare Delivers 96% Increase YOY December Quarter Receipts

Highlights:

- **Reinstatement to ASX** quotation on 19 December 2025
- **Record quarterly receipts:** \$2.891 million for the December 2025 quarter, highest in Company's history for this period
- **Year-on-year quarterly growth:** +96% growth compared to the December 2024 quarter
- **Full year receipts:** \$9.175 million to 31 December 2025, up 71% on the prior year (\$5.373 million in 2024)
- Company turnaround continuing with group revenue now over \$1 million per month and growing
- Receipt of R&D tax incentive: \$299K during the quarter
- Epsilon Pharma subsidiary continuing to secure new international and Australian domiciled clients demonstrating an increasing demand for compliant GMP contract development and manufacturing activities
- Epsilon Pharmacy showing substantial growth in its first year of operations

Epsilon Healthcare Limited (ASX: EPN)

Epsilon Healthcare Limited ("Epsilon" or "the Company") is pleased to report a record quarterly performance for the period ending 31 December 2025, reflecting the Company's continued recovery and strategic and operational progress being made by the Board of Directors and leadership team.

The Company recorded its highest-ever customer receipts for the October–December period this quarter, underscoring sustained performance and further strengthening its growth trajectory

Reinstatement to Quotation

The Company was reinstated to quotation on the ASX with effect from the commencement of trading on 19 December 2025, following completion of the lodgement and compliance steps required by ASX. The reinstatement marked an important milestone in Epsilon's turnaround, after an avoidable and unfortunate period in the Company's history which was inflicted by decisions made by the majority of the then Board, being Xiao (Josh) Cui and Stuart Hamilton Cameron, who voted to put the Company into administration. The turnaround and Company reset supports a renewed engagement with shareholders and stakeholders as the Company commences the execution of its growth and diversification and strategies.

Financial Performance

Epsilon achieved \$2.891 million in reported receipts for the quarter ended 31 December 2025. This represents a 96% increase compared to the December 2024 quarter and reflects sustained demand across all operating subsidiaries, including the Company's Contract Development and Manufacturing operations in Southport, Clinic operations, and the new Epsilon Pharmacy business.

For the 12 months to 31 December 2025, consolidated receipts were \$9.175 million, up 71% on the prior year (\$5.373 million for the 12 months to 31 December 2024). The Company's revenue run-rate is now above \$1 million per month and continues to build.

The December quarter also included the receipt of the FY24 R&D tax incentive of \$299K, supporting ongoing investment in novel product development, diversification and process improvements.

Managing Director Commentary

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

"The December quarter marked a clear inflection point for Epsilon Healthcare, delivering record group receipts of \$2.891 million, representing a 96% growth on the prior corresponding period and confirming the strength of the Company's operating recovery. This performance underpinned our reinstatement to quotation on 19 December 2025 and reflects the successful execution of our strategic and operational priorities.

With revenue now consistently exceeding \$1 million per month and growing, a streamlined cost base, and an expanding pipeline of domestic and international opportunities, Epsilon enters 2026 with increasing operating leverage and a clear pathway to sustainable profitability. Our focus is firmly on scaling the business, disciplined capital allocation, and translating this momentum into long-term shareholder value."

Operational and Commercial Update

Epsilon Pharma (CDMO)

Epsilon's onshore contract development and manufacturing subsidiary delivered substantial growth during the period, underpinned by successful new client acquisitions, the rollout of expanded product and service offerings, and a strong and growing pipeline of new contract opportunities. This momentum was further supported by increased manufacturing volumes, reflecting rising demand across key customer segments.

Epsilon's unwavering commitment to quality, reliability, and operational responsiveness, underpinned by its highly compliant GMP manufacturing capabilities has firmly positioned the business as a trusted partner to leading participants in the natural medicines and active pharmaceutical ingredient (API) sectors. This reputation continues to drive engagement across domestic clients and markets and is increasingly supporting the expansion of international customer relationships, providing a strong foundation for scalable, long-term international growth.

Epsilon Clinics

The Clinics division continued to deliver a strong and consistent performance, maintaining high levels of patient engagement and generating stable, recurring earnings throughout the period. Supported by its integrated telehealth model and an unwavering commitment to clinical excellence, the division continues to reinforce Epsilon's leadership position in natural therapies and wellness and a strong focus on patient-centric healthcare.

Epsilon Clinics remains a cornerstone of the Company's broader healthcare ecosystem, seamlessly combining deep clinical expertise with a strong focus on patient education and outcomes. This integrated approach not only enhances patient experience and retention but also provides a resilient and scalable platform to support Epsilon's long-term growth strategy and value creation

Epsilon Pharmacy

Launched in late February 2025, Epsilon Pharmacy has rapidly scaled its operations, enhancing patient access to medicines and delivering health outcomes through a strong and disciplined focus on the Quality Use of Medicines (QUM). In a relatively short period, the division has established itself as an important growth platform within the Group, underpinned by high standards of clinical governance, service excellence, and operational execution.

The Epsilon Pharmacy brand is expected to further strengthen its presence with the addition of a new high street, bricks-and-mortar retail pharmacy site in Q1 2026. This expansion will further demonstrate Epsilon Pharmacy's commitment to delivering high quality patient and client services, while contributing to shareholder value through strategic diversification and sustainable revenue growth.

The pharmacy division now forms a critical component of Epsilon's integrated healthcare ecosystem, seamlessly connecting sovereign client contract manufacturing services, pharmacy dispensing, and patient care. This vertically integrated model enhances continuity of care, supports scalable growth, and reinforces Epsilon's long-term strategy of building a differentiated, patient-centric healthcare ecosystem.

Capital Structure

During the December quarter, the Company continued to strengthen its funding position and liquidity profile, reflecting a disciplined and proactive approach to balance sheet management. These initiatives were undertaken to ensure the business is appropriately capitalised to support increasing activity levels, maintain operational momentum, and execute its near and medium-term growth objectives.

The Company remained focused on optimising its capital structure and maintaining sufficient liquidity headroom as revenues continue to scale. In parallel, management engaged constructively with existing and potential financiers, as well as key stakeholders, to support evolving working capital requirements associated with increased manufacturing volumes and broader business growth.

This ongoing focus on funding stability and liquidity management provides a strong financial platform to support sustainable growth, enhance resilience through the operating cycle, and enable the Company to pursue strategic opportunities as they arise, while maintaining a clear focus on long-term shareholder value creation.

Company & Financial Outlook

- **Sustained Revenue Momentum:** Consistently exceeding \$1 million in monthly revenue, supported by growing revenues and diversified income streams across subsidiary operations including, manufacturing, clinics, and pharmacy.
- **Pathway to Sustainable Profitability:** Increasing operating leverage driven by higher manufacturing volumes, disciplined cost management, and scalable integrated healthcare operations.
- **Manufacturing Growth & Global Expansion:** Continued expansion of the contract development and manufacturing pipeline, with increasing engagement from domestic clients and growing traction in international markets.
- **Integrated Healthcare Ecosystem:** Strengthened vertical integration across sovereign manufacturing, pharmacy dispensing, telehealth-enabled clinics, and patient care, enhancing continuity of care and commercial resilience.

- **Pharmacy Expansion & Diversification:** Planned opening of a new high street bricks and mortar pharmacy in Q1 2026, reinforcing service accessibility, brand presence, and strategic diversification.
- **Strong Liquidity & Capital Management:** Improved funding position and liquidity headroom to support rising activity levels, working capital needs, and strategic initiatives including strategic M&A opportunities.
- **Long-Term Shareholder Value Creation:** Focused execution against strategic priorities to drive scalable growth, margin expansion, and sustainable returns.

Outlook Statement – Peter Giannopoulos, Managing Director & CEO

“As we enter 2026, Epsilon is well positioned to capitalise on the strong operational momentum we have built over the past year. Record revenues and growing engagement across our integrated healthcare businesses demonstrate the effectiveness of our strategy and the resilience of our diversified model.

Our contract development and manufacturing operations continue to expand, supported by a robust pipeline of domestic and international opportunities. Epsilon Clinics and Epsilon Pharmacy remain central to our patient-focused approach, with the planned opening of a new high street retail pharmacy in Q1 2026 reinforcing accessibility, service quality, and strategic diversification.

Supported by a strengthened balance sheet and disciplined capital management, we are confident in our ability to translate current momentum into scalable growth, and long-term shareholder value. Looking ahead, Epsilon remains committed to delivering excellence, innovation, and patient-centric care across every part of our healthcare ecosystem, while building a resilient platform for the future.”

Summary of recent announcements up to this date

- Lifting of Trading Suspension
- Pre-instatement Disclosure
- Strengthening working capital position
- Results of AGM meeting
- Change of Auditor

Other components of cash flow

- Cash on hand at the end of the quarter to 31 December 2025 was \$242,000 compared to \$644,000 in the preceding quarter, reflecting paydown of debt
- Receipts from customers were \$2,891,000 compared to \$2,919,000 in the preceding quarter
- Cost of goods (COGS) and operating costs were \$1,904,000 compared to \$1,198,000 in the preceding quarter
- Labour payments were \$1,066,000 in the December 2025 quarter compared to \$792,000 in the preceding quarter
- Administration and corporate costs were \$397,000 in the December 2025 quarter compared to \$348,000 in the preceding quarter.
- Related party payments of \$165,000 in the quarter to December 2025 compared to \$165,000 in the preceding quarter and comprised employment related payments to the Managing Director of \$145,000 and director fees of \$20,000 paid to the Chairman.

ENDS

This announcement has been unanimously approved for release by the Board of Directors.

Alan Beasley
Chairman

For further information, please contact:

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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 for more information.



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")

31 December 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		2,891	9,175
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(1,904)	(5,088)
(c) advertising and marketing		(8)	(45)
(d) leased assets		-	-
(e) staff costs		(1,066)	(3,077)
(f) administration and corporate costs		(397)	(3,061)
1.3 Dividends received		-	-
1.4 Interest received		(2)	-
1.5 Interest and other costs of finance paid		(437)	(1,330)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		299	299
1.8 Other (provide details if material)		2	-
1.9 Net cash from / (used in) operating activities		(622)	(3,127)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		(53)	(170)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		(244)	(244)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	-	-
2.6	Net cash from / (used in) investing activities	(297)	6,286

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	555	675
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	181	456
3.6	Repayment of borrowings	(8)	(5,368)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease repayments)	(210)	(245)
3.10	Net cash from / (used in) financing activities	518	(4,482)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	643	1,565
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(622)	(3,127)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(297)	6,286
4.4	Net cash from / (used in) financing activities (item 3.10 above)	518	(4,482)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	242	242

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	242	643
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – monies held in solicitor trust account	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	242	643

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>		

7.	Financing facilities <i>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.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	2,100	2,100
7.2	Credit standby arrangements	-	-
7.3	Other	2,445	445
7.4	Total financing facilities	4,545	2,545
7.5	Unused financing facilities available at quarter end		2,000
7.6	<p>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> <p>The \$2,100,000 secured facility that was provided by investors at 18% p.a. with a maturity date of 24 March 2027. Other financing facilities are; Managing Director loan, maturity date of 24 March 2027, secured loan at 15% for \$269k, Company insurance policies premium funding, maturing June 2026 at 8.8% p.a. for \$125k and building insurance funding, maturing September 2026 at 10.41% p.a. for \$51k. On 17 December 2025, the Company has a \$2m promissory note funding facility available from Lekarna Pty Ltd (related party of the Managing Director). Interest accrues on the amount advanced at 15% p.a. The note expires on 1 June 2027 (any unpaid amount lapses if not demanded/paid). The amount drawn as at 31 December 2025 is nil.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(622)
8.2	Cash and cash equivalents at quarter end (item 4.6)	242
8.3	Unused finance facilities available at quarter end (item 7.5)	2,000
8.4	Total available funding (item 8.2 + item 8.3)	2,242
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.6
<p><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></p>		
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	

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

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

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 January 2026

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.