



ASX ANNOUNCEMENT

Q3 FY26 QUARTERLY ACTIVITIES REPORT, APPENDIX 4C CASHFLOW STATEMENT

Strong Underlying Momentum

Q3 FY26 HIGHLIGHTS

- Q3 FY26 net revenue¹ increased by 10.0% to \$25.5m, compared to Q3 FY25 (\$23.2m)
- Substantial growth in United States store distribution, up 98% (8,646 stores in Q3 FY26 from 4,368 stores at beginning FY26)
- Strong liquidity position maintained at \$21.9m, comprising \$5.9m in cash and \$16.0m of undrawn debt facilities

30 April 2026, Melbourne: Bubs Australia Limited (ASX: BUB) (“**Bubs**” or “**the Company**”), a leading infant nutrition company, provides its unaudited financial results for the quarter ending 31 March 2026 (**Q3 FY26**).

Bubs’ Chief Executive Officer and Managing Director, Joe Coote, commented: “This quarter reflected a period of heightened variability across our operating environment. Pleasingly the underlying consumer demand remains strong, particularly in the United States, where ranging and shelf-space expansion across key retail partners remains on track as planned. In this quarter, results were influenced by broader external conditions, including geopolitical-related supply disruption, changes to global freight conditions and higher logistics costs incurred to support continuity of supply.”

Operational Update

The Company continued to experience strong underlying demand for Bubs products across key markets during Q3 FY26, delivering a group net revenue of \$25.5 million for the quarter, up 10% on the prior corresponding period.

Consistent with our strategic pillar of building a winning portfolio, the Company expanded ranging in the United States within existing customers as well as new customer wins, with total store distribution increasing by approximately 98% since 2025 and is projected to grow a further 23% by Q1FY27. Inventory build remains a key priority for Bubs, with a further \$25 million invested in product and manufacturing in advance of future sales.

During the quarter, the global operating environment presented a number of challenges. Heightened geopolitical tensions disrupted international supply chains, driving up logistics costs and reducing operational efficiency. Costs were further impacted by greater reliance on imported goods, combined with ongoing tariff uncertainty.

Regulatory conditions across the industry continued to evolve, extending product release and quality assurance timelines. In addition, stricter global border clearance and inspection requirements increased processing times, contributing to further delays and operational complexity.

¹ Net revenue represents the revenue recognised after trading terms, trade spend and promotional support



Bubs continues to invest in our strategic pillar of connecting farm to formula by increasing supply chain capabilities to ensure it meets growing demand in key markets in response to an evolving global regulatory environment.

Regional overview

USA - Increased ranging, expanded store distribution and continued demand across infant formula and toddler nutrition products resulted in 43% increase in revenue of \$15.4m on pcp. During the quarter, the Company continued to use higher-cost logistics and air freight solutions to support supply continuity. The USA remained the Group's largest revenue contributor in Q3 FY26.

China – Out-of-stock impacts across certain channels during the quarter constrained sell-in, despite continued underlying demand and strong sell-through, resulting in revenue of \$4.9m, down 15% on pcp. The Company maintained a disciplined approach to channel and inventory management.

Australia - Trading conditions remained competitive, with continued sensitivity to consumer spending pressures driving increased price sensitivity and shifts in purchasing behaviour, which weighed on volumes during the quarter. This resulted in \$4.3m revenue, down 7% on pcp.

ROW - Performance during the quarter was impacted by supply and inventory constraints in certain markets. During the period, the Company prioritised inventory allocation to higher-growth markets. This resulted in \$1m revenue, down 52% on pcp.

FDA Update

Bubs continues to progress through the final stages of the FDA's review and maintains positive engagement with the FDA.

Financial update

Bubs held \$5.9m in cash as at 31 March 2026, with a further \$16.0m of headroom on its bank facilities, totalling \$21.9m of available liquidity.

During the quarter, Bubs continued to build its inventory levels which resulted in negative operating cash flow for Q3 of \$6.3 (Q2: \$3.5m).

Outlook

Bubs' Chief Executive Officer and Managing Director, Joe Coote, said: "Demand for our product remains robust despite the challenging external environment. Our focus remains on disciplined execution, strengthening operational resilience and maintaining balance sheet flexibility as we work through this period and plan to give further guidance on operating conditions in the coming month."

This release is approved by the Board of Directors.

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ABOUT BUBS AUSTRALIA LIMITED (ASX: BUB)

Bubs Australia (ASX: BUB) is a leading infant nutrition company committed to providing premium-quality products that support the health and wellbeing of babies worldwide. Founded in 2006, Bubs has built a reputation for innovation and excellence, offering a range of organic and specialty infant formulas, including goat milk and grass-fed options. With a strong presence in Australia, the United States and growing international markets, including China, Bubs is dedicated to delivering trusted nutrition backed by rigorous quality standards. For more information, visit www.bubsaustralia.com or our social media channels.

Consumer Website:

bubsaustralia.com

Investor Centre:

investor.bubsaustralia.com

Appendix 4C

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

Name of entity

BUBS AUSTRALIA LIMITED (ASX: BUB)

ABN

63 060 094 742

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	29,394	84,640
1.2 Payments for		
(a) research and development	(15)	(284)
(b) product manufacturing and operating costs	(25,892)	(63,594)
(c) advertising and marketing	(3,489)	(11,686)
(d) leased assets	(301)	(974)
(e) staff costs	(3,971)	(11,262)
(f) administration and corporate costs	(1,912)	(11,073)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	26	147
1.5 Interest and other costs of finance paid	(28)	(59)
1.6 Income taxes paid	(152)	(152)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(6,340)	(14,297)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(94)	(433)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(6)	(706)
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	(100)	(1,139)

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	2,527	4,000
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,527	4,000

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,903	17,426
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,340)	(14,297)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(100)	(1,139)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,527	4,000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,990	5,990

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	4,642	8,559
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposits)	1,348	1,344
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,990	9,903

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	65
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

Pursuant to ASX LR4.7C.3, the Company advises that payments of \$ 367k were made to Key Management Personnel and \$65k was paid for Directors' remuneration. These payments are included in item 1.2.

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	-	-
7.2 Credit standby arrangements	20,000	4,000
7.3 Other (please specify)	-	-
7.4 Total financing facilities	20,000	4,000

7.5 Unused financing facilities available at quarter end	16,000
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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.

NAB Trade Refinance facility 8.62% per annum secured with the maturity date 31 August 2026.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(6,340)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	5,990
8.3 Unused finance facilities available at quarter end (Item 7.5)	16,000
8.4 Total available funding (Item 8.2 + Item 8.3)	21,990
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	3.5

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

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

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

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

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.

30 April 2026

Date:

The Board of Directors

Authorised by:
(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.