ASX ANNOUNCEMENT

Q4 – 30 JUNE 2026

QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

CANN GROUP LIMITED

Q4 HIGHLIGHTS:

Operating cash inflow of $0.24M for the June quarter; FY2026 operating cash outflow of $1.08M (YTD, 12 months)

B2B momentum maintained, with deliveries against the record Q3 order book; trim commercialisation growing

Industry consolidation continues with Cann considering strategic partnering and M&A opportunities

Balance sheet strengthened with all remaining Obsidian convertible notes redeemed in full (announced 30 June 2026)

Additional $2 million private credit facility secured after quarter end to fund the note redemption and agreed working capital requirements (announced 3 July 2026)

Leadership transition: Mr Mike Ryan appointed interim Executive Chairman, with Ms Jenni Pilcher stepped down as CEO & Managing Director (announced 5 May 2026)

30 July 2026 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) is pleased to provide its Quarterly Activities Report and Appendix 4C for the quarter ended 30 June 2026 (**Current Quarter** or **CQ**). The prior quarter is 31 March 2026 (**Prior Quarter** or **PQ**) and the previous corresponding period is the quarter ended 30 June 2025 (**PCP**).

EUROPEAN EXPORT EXPANSION

Strong demand for bulk product continued domestically and into the United Kingdom, with repeat UK orders following the Company's first export in the March quarter. Cann's mutual GMP recognition with the UK and Europe is valued by customers, and work continues to position the Company to supply further international markets.

The German export pathway progressed via the Company's AMRadV-licensed partner, with first shipments targeted for the second half of calendar 2026. Exported flower is expected to contribute meaningful revenue in FY2027.

B2B MOMENTUM MAINTAINED, MILDURA RESET FOR SPRING

The strong B2B order momentum reported at the end of Q3 continued into the June quarter, with deliveries against those orders contributing to the improved receipts result. Prices remain suppressed, with imports from Canada and Thailand a constant source of supply, and balancing stock levels, demand and supply against this price pressure is an ongoing challenge.

During the quarter the Mildura facility underwent a thorough clean and reset to ensure optimal conditions for the post-winter growing season. Subsequent to quarter end, the TGA GMP surveillance inspection of the facility was finalised with an "A1 – good compliance" rating, with no critical or major deficiencies.

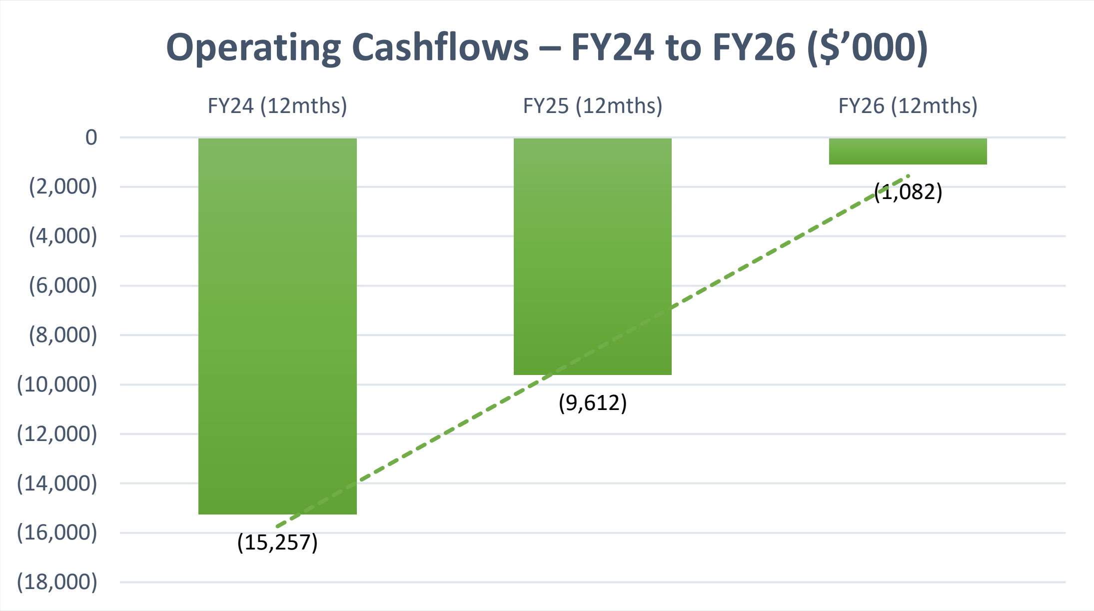
MALLEE BLOOM LAUNCHED, BOTANITECH RESILIENT

Mallee Bloom launched during the quarter with two new SKUs, building the brand's initial footprint with prescribers and patients. Botanitech's distributor channel remained resilient, while its consignee channel softened on increased prescriber and clinic-level oversight of higher-THC flower, concentrated in a small number of accounts.

Botanitech maintained its margins, supported by a continued focus on vendor and inventory management. The Company remains active with healthcare professionals nationally, including a prescriber portal under development to support confident, informed prescribing.

QUARTERLY CASHFLOW RESULT

Cash flows from operations (YTD, being the 12 months to 30 June 2026) continued to improve year on year, to ~$1.08 million as the business nears cash flow break-even:



Cash inflows from operations for the Quarter were $0.24 million, which is the second operating cash inflow in the Group's history, surpassing the first in Q2 FY26. The Company held cash and cash equivalents of $0.49 million at 30 June 2026. The result also saw improvement against the Prior Quarter as follows:

- Receipts from customers of $2.55 million, up ~11% on the PQ, as trading conditions continued to improve
- Payments to suppliers & staff of $2.57 million were down ~22% on the PQ as the Company continues to be vigilant with its expense management, and include $0.18 million paid to Directors (including the Executive Chairman and the former CEO & Managing Director) as related parties
- An R&D tax incentive refund of $0.39 million was received during the quarter, contributing to the positive operating result

INVENTORY MANAGEMENT A KEY FOCUS

Inventory management remains a key focus. With demand, supply and pricing dynamics continuing to shift, the Company is actively managing production and stock levels to keep inventory aligned with its sales pipeline

CORPORATE

On 5 May 2026, the Company announced a leadership transition. Ms Jenni Pilcher stepped down as CEO and Managing Director, effective from that date, and will continue to assist the Company as a consultant on financial and strategic matters. Mr Mike Ryan, the Company's Chairman, was appointed interim Executive Chairman with effect from 6 May 2026 while the Board completes its search for a new Chief Executive Officer.

On 30 June 2026, the Company agreed with Obsidian Global GP, LLC to redeem, in full, all 350,000 convertible notes remaining on issue, at face value with the early-redemption premium waived. The net amount payable after set-offs was US$363,704, settled in cash on 3 July 2026. Cancellation of the notes removes the associated dilution overhang and simplifies the Company's capital structure.

Subsequent to quarter end, on 3 July 2026, the Company agreed with its private credit lender to increase the total commitment available under its existing Private Credit Loan Facility by $2 million (less establishment fees), drawable only for agreed purposes, which include the early redemption of the convertible notes referred to above and agreed working capital requirements.

INDUSTRY CONSOLIDATION AND STRATEGIC PARTNERING

Consolidation across the Australian medicinal cannabis sector continued, most notably the merger of Little Green Pharma and Cannatrek implemented in May 2026, and further consolidation is expected as the industry rationalises capacity.

Cann continues to consider strategic partnering and M&A opportunities and believes it is well placed to participate. No binding agreements have been entered into and there is no certainty any transaction will proceed; the market will be kept informed in accordance with the Company's continuous disclosure obligations.

OUTLOOK

FY2026 closed with the Company's strongest cash performance to date, including two positive operating cash flow quarters, receipts of $10.03 million for the year and a simplified capital structure. In FY2027 the focus is on growing export revenues, disciplined inventory and cost management, and progressing strategic opportunities.

For FY2026 (the year ended 30 June 2026), the Company's full-year revenue and EBITDA result will be reported in its audited full-year results / Appendix 4E.

Authorised for release by the Board of Directors of Cann Group Limited.

FOR ALL INFORMATION PLEASE CONTACT

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is enhancing patients' lives by developing, producing, and supplying innovative cannabis medicines. The Company operates a state-of-the-art large-scale cultivation and GMP manufacturing facility, with integrated research capability, near Mildura, Victoria. Through its Botanitech and Mallee Bloom brands, together with bulk and white label, Cann Group supplies a range of dried flower, oil, vape and edible medicinal cannabis products to customers in Australia and around the world.

Learn more at: www.canngrouplimited.com | www.satipharm.com

Appendix 4C

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

Name of entity

Cann Group Limited

ABN	**Quarter ended ("current quarter")**
25 603 949 739	30 June 2026

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	2,553	10,031
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(899)	(4,341)
	(c) advertising and marketing	-	(4)
	(d) leased assets	-	-
	(e) staff costs	(1,283)	(6,487)
	(f) administration and corporate costs	(392)	(1,799)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	8
1.5	Interest and other costs of finance paid	(120)	(564)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	390	2,167
1.8	Other (provide details if material)	(12)	(93)
1.9	**Net cash from / (used in) operating activities**	**237**	**(1,082)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(69)	(215)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

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	-	-
	(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**	**(69)**	**(215)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,000
3.2	Proceeds from issue of convertible debt securities	-	750
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(727)
3.5	Proceeds from borrowings	100	9,849
3.6	Repayment of borrowings	(100)	(16,852)
3.7	Transaction costs related to loans and borrowings	-	(289)
3.8	Dividends paid	-	-
3.9	Other (provide details if material) [2]	-	(59)
3.10	**Net cash from / (used in) financing activities**	**-**	**1,772**

[2] $1,234k of interest accumulated and capitalised in Q1 has been transferred to proceeds from borrowings as it was written off.

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	330	10
4.2	Net cash from / (used in) operating activities (item 1.9 above)	237	(1,082)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(69)	(215)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,772

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	(11)	2
4.6	**Cash and cash equivalents at end of period**	**487**	**487**

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	152	330
5.2	Call deposits	335	-
5.3	Bank overdrafts[3]	-	-
5.4	Other (bank guarantees)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**487**	**330**

[3] Due to the nature of the settlement terms outlined in the Debt Restructure announced on the ASX on 27 October 2025, and to comply with AASB 107 "Statement of Cash Flows", the closing bank overdraft balance of $917k has been deemed borrowings and included in financing facilities given it largely represents capitalised interest and will be included in the pending debt forbearance and settlement deed.

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[1]	184
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.		

[1] Salary, STI, and fee payments made to Directors (including the CEO & Managing Director & Executive Chairman) in their capacity as directors being related parties for the current quarter.

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 $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	15,356	15,356
7.2	Credit standby arrangements	-	-
7.3	Other (Corporate Credit Cards)	-	-
7.4	**Total financing facilities**	**15,356**	**15,356**
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.

<u>Private Credit Loan Facility</u>

Loan matures 12 December 2027, with bullet repayment at maturity.

Interest rate of 9.5% p/a payable monthly in arrears, and an additional 3% p/a capitalised monthly to the loan balance.

Secured by first-ranking security interest over all present and after-acquired assets and undertakings, including fixed and floating charges and guarantees, pursuant to a General Security Deed.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	237
8.2	Cash and cash equivalents at quarter end (item 4.6)	487
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	487
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

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?

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

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 July 2026......................................

Authorised by: ....The Board of Cann Group Limited........
(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.