ASX Announcement

30 July 2026

June Quarter Trading and Operational Update

Hydrix Limited (‘**Hydrix**’ or ‘the **Company**’) (**ASX:HYD**) reports a highly active June quarter, with Hydrix Services securing multiple new contract wins across both MedTech and DefenceTech sectors underpinning the first half FY27 revenue outlook. Further, the Company raised capital and secured debt conversion commitments strengthening operating flexibility to accelerate growth.

Contracted growth outlook | Balance sheet strengthened | DefenceTech expansion

Key Milestones:

- Secured $6.5 million **of new MedTech and DefenceTech contract sales** that underpin first half FY27 revenue outlook
- $5.2 million capital raised plus debt conversion commitments **materially strengthening the balance sheet**
- Hydrix Defence established as a wholly owned subsidiary to accelerate growth including through **100% ownership** in proprietary technologies aligned with Australia's Defence Strategy.

Executive Chairman Gavin Coote said:

"The June quarter delivered significant execution milestones for Hydrix.

“We secured $6.5 million of new Services contracts across MedTech and DefenceTech, strengthened the balance sheet through the capital raise and debt conversion process, and established Hydrix Defence to pursue growth opportunities.

“Hydrix’s core capability is safety-critical and mission-critical embedded systems engineering. That capability continues to be applied across highly regulated MedTech programs and increasingly across Defence programs involving technology platforms critical to advancing the defence capabilities of Australia and its allied partners, including autonomous systems, sensing and navigation technologies, and counter-UAS.”

“Increased growth pursuit in DefenceTech is a natural extension of Hydrix's existing engineering capability. Our objective is to scale Services revenue within the existing cost base while building greater long-term shareholder value through selected Defence programs and proprietary technology ownership."

JUNE QUARTER OPERATING HIGHLIGHTS

HYDRIX SERVICES

Secured $6.5 million of new contracts underpinning the FY2027 revenue outlook. These take active client programs to more than 15 with estimated aggregate program value in excess of $37 million as clients progress funding and product development scope decisions. Recent contract wins include:

- A $3.4 million contract stage supporting development of safety-critical software and embedded electronics for Remedy Robotics' AI-enabled robotic N1 System platform for cardiovascular intervention
- A contract supporting the preliminary stages of development of Quantanosis AI's next generation robotic stroke treatment platform
- A $1.2 million contract stage supporting the design, development and integration of NIOA Group's telemetry capable payload subsystem for Counter-Uncrewed Aerial System (C-UAS) applications
- The initial phase of a multi-stage program supporting Phasor Innovation's quantum sensing technologies for navigation and positioning in GPS-denied environments (including undersea, maritime, airborne and land-based applications)

HYDRIX DEFENCE

During the quarter Hydrix established Hydrix Defence as a wholly owned subsidiary.

A central element of the strategy is the internal development and ownership of proprietary technologies addressing identified Defence capability gaps. Hydrix Services is also supporting the subsidiary's evaluation of high-value, diversified and longer-duration opportunities through licensing arrangements and targeted acquisitions, and leveraging existing Defence industry relationships, procurement certifications and security clearances.

The Hydrix Defence Strategy Investor Presentation released in the quarter aligns to the National Defence Strategy (NDS) and the **A$425B** Integrated Investment Program (IIP) which includes committed expenditure of up to **A$7B** specifically for counter-drone and counter-UAS capability, an explicit Australian Defence Force priority.

Hydrix executives participated in several international Defence industry events and discussions which reinforced key learnings from conflict zone environments in the Middle East and Ukraine, and the growing demand for sovereign, interoperable and rapidly deployable technology capabilities across allied Defence partners and military domains. These discussions affirmed Hydrix's strategic focus on embedded systems, sensing, autonomy-enabling technologies and counter-UAS related capability.

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CORPORATE

Group revenue for the quarter was **$2.2m** and a cash operating loss of **$0.9m**.

The result reflects an unexpected temporary pause in delivery of the SynCardia Emperor program following a change in the client's funding. Hydrix continues to manage working capital carefully while supporting the client's efforts to secure funding and progress the Emperor total artificial heart program.

The Company announced an **$8.18m** [1] Accelerated Renounceable Entitlement Offer ("AREO") to Eligible Shareholders on 18 May 2026. Hydrix has to date raised **$5.2m** with a **$2.9m** Retail Shortfall Bookbuild open until **4 September 2026**.

Further, the Company secured **$5.1m** [1] in debt conversion commitments, which combined with capital raised, materially strengthens the balance sheet and operating flexibility.

Cash on hand was **$3.0m** at 30 June 2026.

Notes:

1. Amounts based on 100% of the $8.183m in funds being raised under the Entitlement Offer. All final amounts are subject to actual funds raised and no shareholder crossing the 20.00% ownership control threshold under the anticipated debt conversion.

Ends ----

This announcement is authorised for release by the Board of Directors of Hydrix Limited.

For more information, please contact:

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About Hydrix Limited

Hydrix Limited (ASX: HYD) is an Australian technology company operating across medical technology, defence, industrial and mining. The Group combines multidisciplinary engineering, technology investment, intellectual property development and commercialisation to create long-term value for customers and shareholders.

Latest **Hydrix Limited** investor updates: www.hydrixltd.com.

Explore **Hydrix Services:** www.hydrix.com and on LinkedIn.

Learn about **Hydrix Defence:** Investor Presentation.

Discover **Hydrix Medical** remote cardiac monitoring: www.hydrixmedical.com

Appendix 4C

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

Name of entity

Hydrix Limited

ABN	**Quarter ended ("current quarter")**
84 060 369 048	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	1,902	11,017
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(144)	(792)
	(c) advertising and marketing	(105)	(270)
	(d) leased assets	(159)	(777)
	(e) staff costs	(2,385)	(9,468)
	(f) administration and corporate costs	(606)	(1,979)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	27
1.5	Interest and other costs of finance paid	(143)	(313)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	2	41
1.8	Other (provide details if material)	-	199
1.9	**Net cash from / (used in) operating activities**	**(1,633)**	**(2,315)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(10)	(34)
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	1
	(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**	**(10)**	**(33)**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,207	5,207
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	(353)	(353)
3.5	Proceeds from borrowings	845	1,875
3.6	Repayment of borrowings	(1,299)	(1,721)
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**	**4,400**	**5,008**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	201	298
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,633)	(2,315)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	(33)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,400	5,008
4.5	Effect of movement in exchange rates on cash held	-	
4.6	**Cash and cash equivalents at end of period**	**2,958**	**2,958**

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	2,958	201
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)**	**2,958**	**201**

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	104
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

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.

The amount at 6.1 includes full-time salary payments to the Executive Chairman

		Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
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.*		
7.1	Loan facilities	6,000	6,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**6,000**	**6,000**

7.5 **Unused financing facilities available at quarter end ($A'000)**

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.

Lender	Loan Amount	Interest rate (p.a)	Maturity date	Security
John W King Nominees[1,7]	$ 1,500,000	10.0%	11/10/2026	Unsecured
John W King Nominees[1]	$ 500,000	11.0%	1/10/2026	Unsecured
John W King Nominees[1]	$ 2,050,000	12.0%	1/10/2026	Unsecured
Invia Custodian Pty Limited[2,7]	$ 500,000	10.0%	11/10/2026	Unsecured
Invia Custodian Pty Limited[3]	$ 500,000	12.0%	1/10/2026	Unsecured
PAJ Lewis Pty Ltd[3]	$ 100,000	12.0%	1/10/2026	Unsecured
PAJ Lewis Superannuation Fund Pty Ltd[4]	$ 500,000	12.0%	1/10/2026	Unsecured
P K W Superannuation Pty Ltd[5,7]	$ 100,000	10.0%	11/10/2026	Unsecured
Paul Wright	$ 25,000	12.0%	1/10/2026	Unsecured
Beachridge Advisory[6]	$ 25,000	12.0%	1/10/2026	Unsecured
Non-Related Parties Convertible Note[7]	$ 200,000	10.0%	11/10/2026	Unsecured

[1] John W King Nominees is a company associated with Julie King, a Non-Executive Director of the Company.

[2] Invia Custodian Pty Limited is a company associated with Paul Lewis, a Non-Executive Director of the Company.

[3] PAJ Lewis Pty Ltd is a company associated with Paul Lewis, a Non-Executive Director of the Company.

[4] PAJ Lewis Superannuation Fund Pty Ltd is a company associated with Paul Lewis, a Non-Executive Director of the Company

[5] P K W Superannuation Pty Ltd is a company associated with Paul Wright, a Non-Executive Director of the Company.

[6] Beachridge Advisory is a company associated with Gavin Coote, an Executive Director of the Company.

[7] These loans represent Convertible Notes held in Hydrix Limited.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,633)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,958
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,958
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**1.81**

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: No. Net Operating Cash inflows in the quarter were lower due to a couple of client funding delays leading to negotiated payment terms on invoices and delays in paying amounts due. Some of these amounts due are expected to be settled by clients in the coming quarter. There were also various payments to bring trade creditors up to date using proceeds from the capital raise. Further, as reported, strong recent sales contracts improves the near-term revenue outlook, increasing cash proceeds from invoicing, improving net operating cashflows.

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: Yes. The Company announced an $8.18m Accelerated Renounceable Entitlement Offer ("AREO") to Eligible Shareholders on 18 May 2026. Hydrix has to date raised $5.2m with a $2.9m Retail Shortfall Bookbuild open until 4 September 2026 and also secured debt conversion commitments removing future cash impacts of maturing debt and interest payment obligations.

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: Yes. Based on current trading assumptions and the completion of the AREO Hydrix anticipates being able to continue operations and meet business objectives. The Board considers these assumptions to be reasonable based on current information available and continues to monitor these assumptions and the Group's operating performance.

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: Board of Directors
(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.