ASX ANNOUNCEMENT | 31 July 2026

ACTIVITIES REPORT AND CASH FLOW STATEMENT FOR THE QUARTER ENDING 30 JUNE 2026

Nutritional Growth Solutions Limited (ASX: **NGS**) (the "**Company**"), a leading US-based health, nutrition, and wellness company, is pleased to provide its Quarterly Activities Report and Appendix 4C Cash Flow Statement for the Quarter ended 30 June 2026 ("**Q2 FY26**", the "**Quarter**", or the "**Reporting Period**").

HIGHLIGHTS

- **Transformational acquisition announced:** On 25 May 2026, the Company entered into a binding Share Sale Agreement to acquire 100% of Sprout Organic Pty Ltd for upfront consideration of approximately A$8 million, to be satisfied by the issue of NGS shares at a deemed issue price of A$0.02, subject to shareholder approval at the forthcoming Annual General Meeting.
- **A$2.5 million placement secured:** Firm commitments received for a placement of 125,000,000 shares at A$0.02 per share, subject to shareholder approval, to fund working capital, inventory expansion, sales and marketing, and integration costs.
- **Operating cash outflows more than halved:** Net operating cash outflows of US$195k, down 54% from US$426k in the prior Quarter, reflecting the full-period effect of the structural cost reductions implemented from February CY26. The residual outflow was driven primarily by investment in inventory to ensure full product availability ahead of anticipated sales growth.
- **Customer receipts of US$338k:** Reflecting stable demand across the existing customer base with inventory fully available.
- **Debt-free balance sheet maintained:** No loan facilities, credit standby arrangements or other financing facilities at Quarter end, with the directors' and officers' insurance premium funding arrangement fully repaid and closed during the Quarter.
- **Cash position of US$290k:** After advancing US$225k in working capital support to Sprout Organic ahead of completion of the proposed acquisition.

SPROUT ORGANIC ACQUISITION

As announced on 25 May 2026, the Company has entered into a binding Share Sale Agreement to acquire 100% of Sprout Organic Pty Ltd ("Sprout"). During the Quarter, the Company advanced US$225k (approximately A$322k) to Sprout by way of an unsecured, interest-free loan with a 12-month term, repayable on demand including upon any termination of the Share Sale Agreement, to support Sprout's working capital ahead of completion. This amount is reflected at item 2.3 of the accompanying Appendix 4C. On completion, the loan will become an intercompany balance and will be eliminated on consolidation.

Completion of the acquisition, and the associated A$2.5 million placement, remain subject to shareholder approval at the Company's forthcoming Annual General Meeting and other customary conditions. On completion, the Company expects approximately A$870k in annualised cost savings from operational integration and corporate rationalisation.

OPERATING PERFORMANCE

Net cash used in operating activities was US$195k for the Quarter, a 54% reduction on the prior Quarter and the lowest quarterly operating outflow in the Company's recent history. The outflow primarily reflects a deliberate investment in inventory during the period, ensuring full availability across all key SKUs to support the marketing reactivation commenced in April and anticipated revenue growth. The underlying cost base continues to operate in line with the restructured model implemented from February CY26.

Customer receipts of US$338k were supported by full product availability and continued engagement across the existing customer base.

OPTIMISED BALANCE SHEET AND FINANCING ACTIVITIES

Cash and cash equivalents at Quarter-end were US$290k, after the advance of US$225k in working capital support to Sprout Organic ahead of completion of the proposed acquisition.

During the Quarter, the Company made final repayments totalling US$7k under a directors' and officers' insurance premium funding arrangement, which was fully repaid and closed in June 2026. As at 30 June

2026, the Company had no outstanding loan facilities, credit standby arrangements, or other financing facilities. NGS continues to operate with a completely debt-free balance sheet.

The amount shown in item 6.1 of the Appendix 4C comprises director fees and management fees paid to director-related entities, including fees paid to Israel-based non-executive directors, primarily relating to prior period services.

OUTLOOK

The Company enters the second half of FY26 with a permanently lower cost base, a debt-free balance sheet, fully replenished inventory, and a transformational acquisition and associated funding on foot. Subject to shareholder approval, the acquisition of Sprout Organic and the A$2.5 million placement are expected to materially strengthen the Company's revenue base, product portfolio and financial position.

The focus for the coming Quarters remains disciplined execution: completing the Sprout Organic transaction, converting the enlarged customer base into revenue growth, and continuing the progression toward sustainable operating cash flow positivity.

MANAGEMENT COMMENTARY

Interim Chief Executive Officer, Mr Manik Pujara, said:

"This Quarter builds directly on the reset we executed in Q1. Operating cash outflows more than halved, the balance sheet remains debt-free, and the cost base is performing exactly as the restructure intended. The residual outflow reflects a deliberate investment in inventory so we are fully stocked ahead of the growth initiatives now underway.

"The proposed acquisition of Sprout Organic is a transformational step. Together with the A$2.5 million placement, it positions NGS with a stronger revenue base, a broader product portfolio, and the operating leverage to convert growth into cash generation. We look forward to presenting the transaction to shareholders at the forthcoming Annual General Meeting."

— ENDS —

This announcement was authorised for release by the Board.

For further information, please contact:

Manik Pujara | Interim CEO & CFO | manik@ngsolutions.co

About Nutritional Growth Solutions

Nutritional Growth Solutions is a U.S.-based health, nutrition, and wellness company. NGS develops, produces and sells clinically tested nutritional formulas for children following 20 years of medical research into paediatric nutrition. The nutritional supplements market has experienced tremendous growth in recent years, but most attention has been focused on adult users and children under the age of three. Children aged three to twelve years represent a significant market opportunity and NGS is highly differentiated from its competitors with clinically tested products and an expanding product portfolio to capture this market opportunity.

healthyheights.com | ngsolutions.co

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Nutritional Growth Solutions Ltd.

ARBN	Quarter ended ("current Quarter")
642 861 774	On 30/06/2026

	Consolidated statement of cash flows	Current Quarter $US'000	Year to date (6 months) $US'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	338	692
1.2	Payments for		
	(a) research and development	(15)	(115)
	(b) product manufacturing and operating costs	(346)	(728)
	(c) advertising and marketing	(2)	(10)
	(d) leased assets	-	-
	(e) staff costs	(38)	(80)
	(f) administration and corporate costs	(132)	(397)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	17
1.9	**Net cash from / (used in) operating activities**	**(195)**	**(621)**

	Consolidated statement of cash flows	Current Quarter $US'000	Year to date (6 months) $US'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		

	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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	(225)	(225)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(225)**	**(225)**

2.3: During the Quarter, the Company advanced an unsecured, interest-free loan of US$225k (approximately A$322k) to Sprout Organic Pty Ltd ("Sprout") to support Sprout's working capital requirements ahead of the Company's proposed acquisition of 100% of Sprout, announced on 25 May 2026. The loan has a term of 12 months and is repayable on demand, including immediately upon any termination of the Share Sale Agreement prior to completion. Completion of the acquisition is subject to shareholder approval at the Company's Annual General Meeting and other customary conditions. On completion, the loan will become an intercompany balance and will be eliminated on consolidation.

	Consolidated statement of cash flows	**Current Quarter $US'000**	**Year to date (6 months) $US'000**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	799
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	-	(16)
3.5	Proceeds from borrowings	-	-

3.6	Repayment of borrowings	(7)	(198)
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**	**(7)**	**585**

	Consolidated statement of cash flows	Current Quarter $US'000	Year to date (6 months) $US'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	710	518
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(195)	(621)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(225)	(225)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	585
4.5	Effect of movement in exchange rates on cash held	7	33
4.6	**Cash and cash equivalents at end of period**	**290**	**290**

	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 $US'000	Previous Quarter $US'000
5.1	Bank balances	290	710
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)**	**290**	**710**

	Payments to related parties of the entity and their associates	Current Quarter $US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	67

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.

The amount at item 6.1 comprises director fees and management fees paid to director related entities, including fees paid to Israel based non executive directors, primarily relating to prior period services.

	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 $US'000**	**Amount drawn at Quarter end $US'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**
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. During the Quarter, the Company made final repayments totalling US$7k under a directors' and officers' insurance premium funding arrangement, which was fully repaid and closed in June 2026. As at the end of the Quarter, the Company has no loan facilities, credit standby arrangements or other financing facilities in place and continues to operate with a debt-free balance sheet.		

	Estimated cash available for future operating activities	**$US'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(195)
8.2	Cash and cash equivalents at Quarter end (item 4.6)	290
8.3	Unused finance facilities available at Quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	290
8.5	**Estimated Quarters of funding available (item 8.4 divided by item 8.1)**	1.49
	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 outflows for the Quarter included a deliberate investment in inventory to support anticipated revenue growth, which is not expected to recur at the same level. With the structural cost reductions of approximately US$600k per annum implemented from February FY26 now fully embedded, and subject to completion of the proposed acquisition	

	of Sprout Organic Pty Ltd delivering approximately A$870k in annualised integration savings, the Company expects net operating cash outflows to continue to reduce in future Quarters.
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. As announced on 25 May 2026, the Company has received firm commitments to raise A$2.5 million (before costs) through a placement of 125,000,000 fully paid ordinary shares at an issue price of A$0.02 per share, subject to shareholder approval at the Company's forthcoming Annual General Meeting. Proceeds will be applied to working capital, inventory expansion, sales and marketing, integration costs and general corporate purposes. The Board considers the placement highly likely to complete, given firm commitments have been received.
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. The Company has US$290k in cash reserves, a debt-free balance sheet, and expects improving operating cash flows from ongoing revenue growth and cost optimisation. The Company has also received firm commitments for a A$2.5 million placement, subject to shareholder approval, and expects the completion of the proposed acquisition of Sprout Organic Pty Ltd to further strengthen its market position and financial profile.
	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: ....31 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 - 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.