Operational Update: Production Expected to Reach ~1.4M Units in Q4 FY26

~28% QoQ	1,400,000	99.75%	+19 listings
Production growth Q2→Q3 FY26	Q4 FY26 booked units	OTIF delivery (Feb CY26)	New OCS beverage listings

- **Peak Canada Q4 FY26 production** is scheduled to reach ~1.4 million beverage units, supported by confirmed customer purchase orders and scheduled manufacturing directions
- **~28% quarter-on-quarter growth** in beverage production expected from 702,289 units in Q2 FY26 to an estimated 900,000 units in Q3 FY26, based on confirmed orders and scheduled manufacturing directions to date
- **OTIF performance improved from 53% in June CY25 to ~99.8% in February CY26** — a key metric used by provincially controlled distributors when assessing forward orders, new listings and SKU licensing
- **19 new beverage listings secured with the Ontario Cannabis Store (OCS)** across the two most recent product calls, including 10 from the March 2026 call
- **New beverage brands Reggae Royalty and Juana Sip** launched on the Peak manufacturing platform
- **Contract manufacturing platform expanded** across beverages, concentrates, vape, topicals and extraction services
- **US operations continue to progress,** with further updates expected in due course

Peak Processing Limited (ASX: PKP) ('PKP', or **'the Company')** is pleased to provide the following operations update, highlighting strong momentum in beverage production volumes, supported by confirmed customer demand and materially improved operational performance across its Canadian manufacturing platform. The Company also provides an update on the continued expansion of revenue channels to complement manufacturing growth.

Production growth and operational performance:

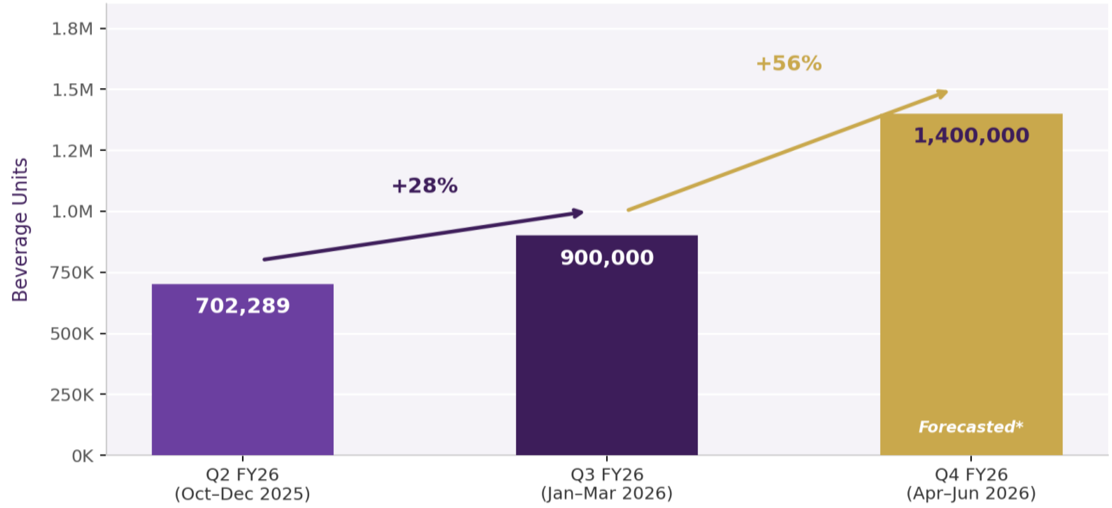
Following the operational reset during H1 FY26 (refer ASX announcement: 27 February 2026), which encompassed a comprehensive internal operational review and optimisation of production processes, Peak has delivered a significant step-change in manufacturing performance.

Peak Canada beverage production has grown from **702,289 units in Q2 FY26 (Oct–Dec)** to **900,000 units to date in Q3 FY26 (Jan–Mar)**, a **28% quarter-on-quarter increase.** Based on confirmed customer purchase orders together with scheduled manufacturing directions from existing customers, the Company **expects to produce ~1,400,000 units during Q4 FY26**.

The increase in production volumes is expected to translate into materially higher revenue for the Canadian operations during Q4 FY26 compared to earlier quarters.

This growth is underpinned by recently executed agreements, including a 250% expansion of the manufacturing agreement with St. Peter's Beverages (makers of Green Monke and Cookies brands in Canada; refer ASX announcement: 23 January 2026) and an expanded agreement with Electric Brands for the Sweet Justice beverage portfolio (refer ASX announcement: 3 March 2026).

Peak Canada – Beverage Production Volumes



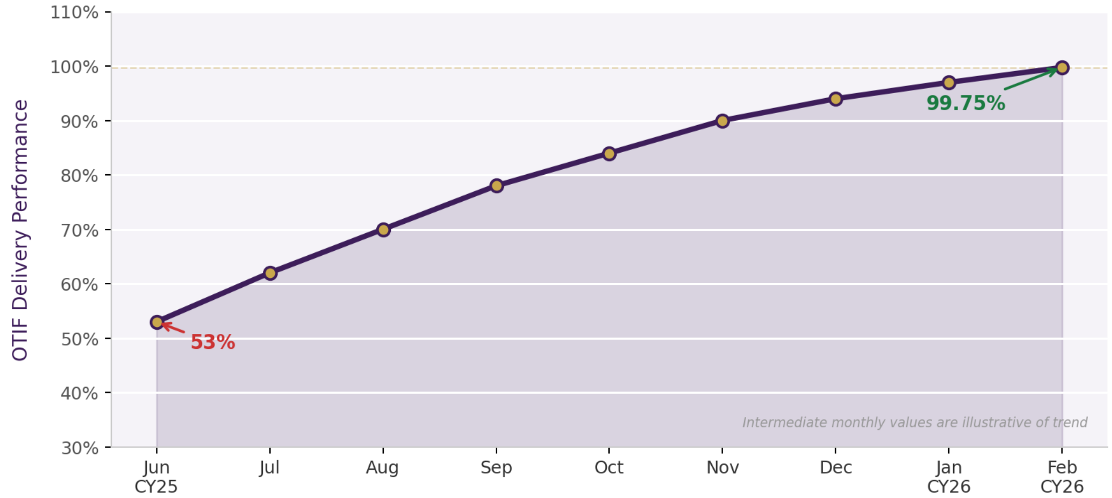
** Forecasted figure based on confirmed customer purchase orders and manufacturing directions.*

OTIF performance

Operational execution has improved to best-in-class levels, with significant milestones achieved over the past nine months. OTIF (On-Time-In-Full) delivery performance — the key metric used by provincially controlled distributors for the momentum of forward orders, new listings and SKU licensing — **improved from 53% in June CY25 to 99.75% in February CY26**. This improvement reflects enhanced production planning, refined operational processes and stronger supply chain execution across the facility.

Improved operational reliability has translated directly into stronger brand partner and retailer engagement, underpinning both the listing wins and new brand launches described below.

On-Time-In-Full (OTIF) Delivery Performance

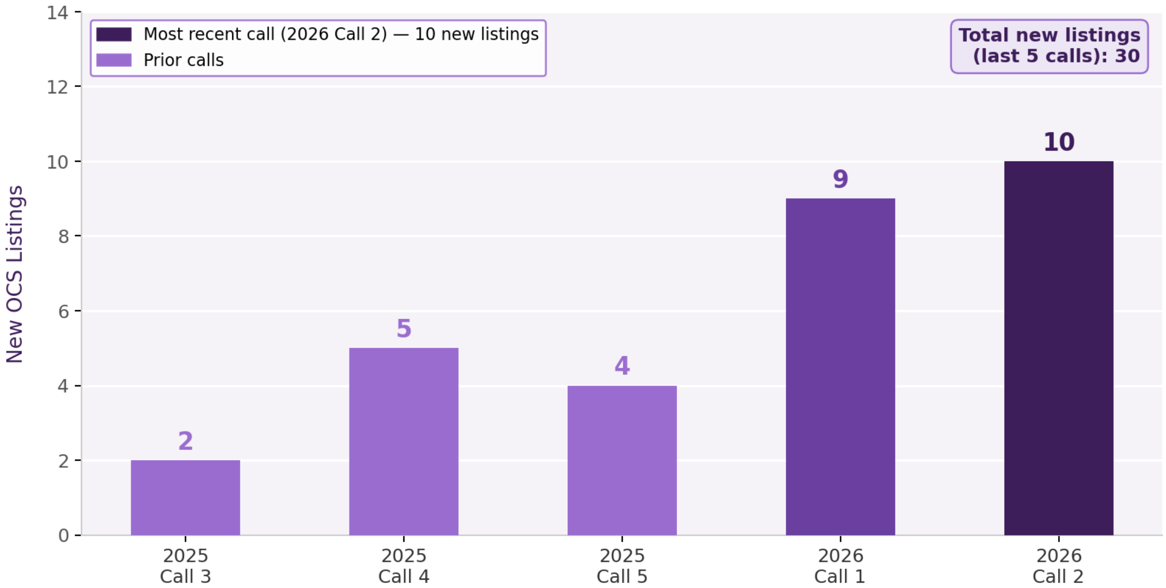


Consistent growth in Ontario Product Listings:

Across the two most recent Ontario Cannabis Store (OCS) product calls, Peak has secured **19 new beverage listings, including 10 listings following the March 2026 call**. The OCS conducts approximately five product calls per year, with successful submissions selected through a competitive review process and a limited number of listings available per call. Each newly listed beverage utilises Peak's proprietary Envision Emulsions™ technology, designed to support consistent dosing, product stability and quality.

The consistent and accelerating growth in OCS listings reflects Peak's improved operational credibility with the regulatory distributor, directly attributable to the OTIF improvements described above.

Peak Canada – New OCS Beverage Listings per Product Call



New brand launches:

Peak has further expanded its portfolio of beverage partners, launching two new innovative brands on the Peak manufacturing platform:

Reggae Royalty

Reggae Royalty is a culture-led cannabis beverage platform inspired by reggae music and global Caribbean influences. The brand is owned by Ram Force Global (RFG), a consumer brand group with experience across lifestyle and beverage products including cigar, wine and olive oil brands. Its launch in Canada is supported by a unique, structured go-to-market strategy focused on premium positioning and culturally driven consumer engagement, with RFG managing go-to-market execution and Peak providing Ontario manufacturing.

Juana Sip

Juana Sip is a premium cannabis beverage brand developed by the executives responsible for Siempre Tequila, an established tequila brand distributed in more than 70 international markets. The brand targets the 'sober-curious' consumer segment with flavour-forward cannabis beverages designed as an alcohol-free social alternative.

Both brands utilise Peak's beverage manufacturing and commercialisation platform, including formulation support and production capabilities, reinforcing Peak's position as the industry's best-in-class contract manufacturing partner for emerging and established beverage brands. These launches reflect increasing demand for scalable, reliable manufacturing partners in the emerging North American cannabis beverage market.

JC Green Extraction – Contract extension:

Peak continues to provide extraction services for licensed cannabis producers, including JC Green, a craft-focused producer based in Ontario. In 2024, Peak completed an initial contract with JC Green covering **~3,700 kg of fresh frozen cannabis** for live resin extraction. Following the successful completion of this program, the parties have entered into a renewed 2025 agreement covering a further **2,511 kg**, which is currently nearing completion. Revenue from the expanded contract will be recognised upon completion of the agreement.

New Listings – Cross Border Concentrates and Legacy:

The Company has secured new listings with Cross Border Concentrates & Legacy, brands owned by New Leaf — the team behind the well-known national Greybeard cannabis brand. Notably, one of these listings **represents Peak's re-entry into the vape category**, extending the Company's product presence beyond beverages. These listings further demonstrate Peak's ability to support manufacturing across multiple cannabis product formats and provide incremental revenue expansion opportunities.

Revenue diversification – New product categories:

In addition to beverages, Peak continues to support contract manufacturing across several regulated cannabis categories including concentrates, vape products and topicals, supporting a broader and more diversified revenue base.

The Company is undertaking re-entry into the topical category in the near term through LivRelief Infusions by Delivra Health, further expanding its participation across regulated cannabis product formats and underpinning revenue growth.

Improved quality and efficiency controls:

Peak has continued to reduce operating overheads and manufacturing costs through automation and a series of process improvements. In the last four months, the Company has installed and commissioned the following systems:

- **Advanced vision inspection systems** to detect micro-level production defects
- **Automated fill-level verification systems** to standardise and enhance fill accuracy
- **Automated case taping systems** to improve packaging throughput and consistency

Management commentary:

CEO, Barry Katzman, said: *"Operational and managerial improvements implemented over the past eight months are now translating directly into meaningful production growth and stronger platform utilisation. Moving from ~700,000 units in Q2 to an estimated 900,000 units in Q3, and expecting ~1.4 million units in Q4, reflects increasing demand from brand partners for a reliable and scalable manufacturing platform.*

Just as importantly, our operational reset has materially improved delivery performance. Achieving an OTIF rate of ~99.8% demonstrates that Peak has re-established the operational credibility required to secure new listings, support brand launches and build longer-term manufacturing relationships.

We are now seeing the benefits of that reliability with increased product listings, new beverage brands launching on the platform and expanded manufacturing agreements with existing partners. Combined with our continued expansion into concentrates, vape and extraction services, Peak is increasingly positioned as the Canadian cannabis industry's best-in-class third-party solution provider with a diversified customer base across the regulated cannabis sector.

With confirmed customer purchase orders already supporting significant Q4 production growth, we believe the platform is now entering a phase where improved operational execution can translate into sustained revenue expansion."

-ENDS-

This announcement was authorised for release by the Board of Peak Processing Limited.

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About Peak Processing

Peak Processing Limited (ASX:PKP) is a leading FMCG organisation specialising in the manufacturing, sales, and distribution of THC beverages. Peak Processing develops premium, compliant products that resonate with adult consumers in regulated global markets, including USA and Canada.

Visit www.peakprocessing.com

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