

Peak's THC shots take off: repeat orders in first quarter, production set to more than double

- Peak has entered a new vertical, THC shots: 65ml single-serve shots containing 10mg of THC, which can be consumed straight as a shooter or used as a mixer
- 87,456 shots produced in the September 2026 quarter, Peak's first quarter of production, with repeat orders
- Production projected at approximately 1,000,000 shots over the next 12 months
- Shots currently retail in Canada at C\$3.95 to C\$4.50 each; Peak's gross margins are not disclosed as they are commercially sensitive
- Complementary: shots are filled on a dedicated line that runs in parallel with Peak's canning lines, adding new revenue without using any canned beverage capacity

Peak Processing Limited (ASX: PKP) ('Peak' or 'the Company') is pleased to announce its entry into the THC shot market. THC shots are 65ml single-serve THC-infused beverages containing 10mg of THC, the maximum permitted per container under Canada's cannabis regulations. They can be taken straight as a shooter or used as a mixer in other drinks, giving consumers a convenient single-serve alternative to a full THC beverage. The current shots are labelled with an onset of around 15 minutes, although onset times may vary.

Peak commenced production in July 2026 and produced 87,456 shots in the September 2026 quarter, with repeat orders received since. Peak projects production of approximately 1,000,000 shots over the next 12 months, comprising contract manufacturing for existing and new customers and direct sales. The projection is based on current order volumes, production schedules, advanced customer discussions, product launch timing and customer forecasts, and remains subject to further customer orders and market demand.

Shots currently retail in Canada for between C\$3.95 and C\$4.50 each. This is the price paid by consumers in store and is not Peak's revenue per shot. Peak's production cost, the price at which it sells shots to its contract manufacturing customers and its gross margins are not disclosed, as this information is commercially sensitive.

Shots are filled on an existing dedicated line that runs in parallel with Peak's canning lines, so the additional volume does not reduce canned beverage capacity and requires no additional staff or equipment.

Managing Director and CEO, Barry Katzman, said: "Shots are an exciting new chapter for Peak. Production commenced in July, and within our first quarter we were already receiving repeat orders, which shows that the format is resonating with consumers. Importantly, shots run alongside our canned beverage lines using our existing personnel and infrastructure, rather than competing with them for capacity, so this is incremental revenue at little extra cost. With plans to expand the shots vertical, enquiries from other companies and the popularity of the format, we see shots becoming a meaningful growth driver for Peak, and we expect production to more than double over the next 12 months."

-ENDS-

The Board of Peak Processing Limited authorised this announcement to be lodged with the ASX.

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

Forward-Looking Statements

Certain statements in this announcement may constitute forward-looking statements or statements about future matters based on information known and assumptions made as at the date of this announcement. Forward-looking statements can generally be identified by the use of words such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, financial position or performance are also forward-looking statements. These statements are subject to internal and external risks and uncertainties that may have a material effect on future business. Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this announcement. Accordingly, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance. Nothing contained in this announcement nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

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