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## **SRx Health Solutions Inc. Announces Fiscal First Quarter 2026 Results for Quarter Ended December 31, 2025**

*Executed Definitive Agreement to Acquire EMJ Crypto Technologies ("EMJX"), a "Gen 2" Digital-Asset Treasury Platform, Anticipated to Close in first half of Calendar 2026*

*Strengthened Balance Sheet, with \$13.1 Million in Cash at Quarter End*

*During and Subsequent to Quarter, Deployed \$18 Million Into Bitcoin and Ethereum as part of Digital Treasury Strategy*

NORTH PALM BEACH, Fla., Feb. 13, 2026 (GLOBE NEWSWIRE) -- SRx Health Solutions, Inc. (NYSE American: SRXH) (the "Company" or "SRXH"), a pet health and wellness company, today announced its financial results for the fiscal first quarter 2026 for the three-month period ended December 31, 2025.

"Q1 FY26 marked a pivotal reset for the Company," stated Kent Cunningham, CEO of SRXH. "We exited prior balance sheet restructuring with materially improved liquidity and a stronger capital foundation. Funding constraints leading into the quarter temporarily reduced inventory levels and resulted in below-normal fill rates, which constrained sales of our U.S. pet wellness brand, Halo<sup>®</sup>. Underlying consumer demand remained resilient, and at normalized inventory levels we would have delivered year-over-year growth. Despite limited marketing investment, we maintained our presence across core digital channels and expanded gross margin to 38% through disciplined SKU rationalization and a stronger product mix, including the proactive exit of tariff-impacted products ahead of calendar 2026. With additional capital raised subsequent to quarter-end and deployed strategically to support operational priorities and our digital treasury strategy, we are restoring momentum and positioning the business for a stronger and more profitable 2026."

"During the quarter, we improved our balance sheet and announced a definitive agreement to acquire EMJ Crypto Technologies, which will advance a broader strategic shift toward multi-asset digital treasury management. To date, we have deployed \$18 million into cryptocurrency, including Bitcoin and Ethereum. We look forward to closing on EMJX during the current calendar first quarter and unlocking long-term value for shareholders," stated Michael Young, Board Member of SRx Health.

### **FIRST QUARTER 2026 HIGHLIGHTS**

- **EMJX Definitive Agreement:** Entered into a definitive agreement to acquire EMJX, a digital-asset treasury platform integrating quantitative models, artificial intelligence, and systematic risk controls for multi-asset digital treasury management, led by Eric M. Jackson.
- **Digital Treasury Deployment:** Deployed an initial \$8.5 million of capital into several digital assets during the quarter; subsequent purchases increased total allocation to \$18.0 million across Bitcoin and Ethereum.
- **Operating Results:** Net sales of \$2.8 million, driven primarily by digital sales of premium pet food and wellness products under the Halo<sup>®</sup> brand; Gross margin improved to 38%, with gross profit of \$1.1 million; Net loss of \$8.6 million includes \$3.1 million non-cash loss on debt extinguishment; Adjusted EBITDA loss of \$1.06 million<sup>1</sup>; Diluted loss per share of \$(0.26).

## LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2025, the Company held cash and cash equivalents of \$13.1 million, compared to \$1.3 million at September 30, 2025.

The major sources of cash in the three months ended December 31, 2025 were primarily proceeds from the issuance of common stock of \$16.1 million and preferred stock of \$8.9 million, partially offset by \$8.5 million deployed into digital assets and \$1.6 million used to repay and settle convertible debt.

### SRx Health Solutions Inc.

#### Unaudited Condensed Consolidated Statements of Operations

(Dollars in thousands)

	Three Months Ended	
	December 31,	
	2025	2024 <sup>1</sup>
Net sales	\$ 2,807	\$ -
Cost of goods sold	1,753	-
Gross profit	1,054	-
<b>Operating expenses:</b>		
Selling, general and administrative	4,844	-
Total operating expenses	4,844	-
Loss from continuing operations	(3,790 )	-
<b>Other expense:</b>		
Interest expense, net	1,288	-
Loss on extinguishment of debt	3,064	-
Change in fair value of digital assets	464	-
Other expense	4	-
Total other expense, net	4,820	-
Net loss before income taxes	(8,610 )	-
Income tax expense	4	-
Net loss from continuing operations	(8,614 )	-
Loss from discontinued operations	-	(3,983 )
Net loss	\$ (8,614 )	\$ (3,983 )
Weighted average number of shares outstanding, basic	33,737,015	23,582,701
Weighted average number of shares outstanding, diluted	33,737,015	23,582,701
Loss per share, basic	\$ (0.26 )	\$ (0.17 )
Loss per share, diluted	\$ (0.26 )	\$ (0.17 )

**SRx Health Solutions Inc.****Unaudited Condensed Consolidated Balance Sheets***(Dollars in thousands, except share amounts)*

	December 31, 2025	September 30, 2025
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 13,060	\$ 1,309
Accounts receivable, net	3,056	3,945
Inventories, net	1,318	2,078
Prepaid expenses and other current assets	1,403	794
Total Current Assets	<u>18,837</u>	<u>8,126</u>
<b>Non-current Assets</b>		
Fixed assets, net	73	88
Right-of-use assets, operating leases	-	20
Digital assets	7,996	-
Other assets	147	168
Total Assets	<u>\$ 27,053</u>	<u>\$ 8,402</u>
<b>Liabilities &amp; Stockholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,247	\$ 2,147
Accrued liabilities	1,254	1,375
Operating lease liability, short-term	-	21
Convertible debt, short-term	21,028	-
Total Current Liabilities	<u>23,529</u>	<u>3,543</u>
<b>Non-current Liabilities</b>		
Convertible debt, long-term	-	4,452
Total Non-current Liabilities	<u>-</u>	<u>4,452</u>
Total Liabilities	<u>23,529</u>	<u>7,995</u>
<b>Stockholders' Deficit</b>		
Common Stock, \$0.001 par value, 5,000,000,000 shares authorized, 98,759,805 & 24,915,740 shares issued and outstanding as of December 31, 2025, and September 30, 2025, respectively	102	31
Preferred Stock, \$0.001 par value, 4,000,000 shares authorized, 19,035 & zero shares issued and outstanding as of December 31, 2025 and September 30, 2025, respectively	-	-
Additional paid-in capital, common	21,001	23,304
Additional paid-in capital, preferred	13,963	-
Accumulated deficit	(31,542 )	(22,928 )
Total Stockholders' Equity	<u>3,524</u>	<u>407</u>
Total Liabilities and Stockholders' Equity	<u>\$ 27,053</u>	<u>\$ 8,402</u>

**SRx Health Solutions Inc.****Non-GAAP Measures****Adjusted EBITDA**

We define Adjusted EBITDA as EBITDA further adjusted to eliminate the impact of certain items that we do not consider indicative of our core operations. Adjusted EBITDA is determined by adding the following items to net loss: interest expense, tax expense, depreciation and amortization, share-based compensation, change in fair value of digital assets, loss on extinguishment of debt, financing expenses, transaction-related costs, and other non-recurring expenses.

We present Adjusted EBITDA as it is a key measure used by our management and board of directors to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. We believe that the disclosure of Adjusted EBITDA is useful to investors as this non-GAAP measure forms the basis of how our management team reviews and considers our operating results. By disclosing this non-GAAP measure, we

believe that we create for investors a greater understanding of and an enhanced level of transparency into the means by which our management team operates our company. We also believe this measure can assist investors in comparing our performance to that of other companies on a consistent basis without regard to certain items that do not directly affect our ongoing operating performance or cash flows.

Adjusted EBITDA does not represent cash flows from operations as defined by GAAP. Adjusted EBITDA has limitations as a financial measure and you should not consider it in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including various cash flow metrics, net (loss) income, gross margin, and our other GAAP results.

The following table presents a reconciliation of net loss, the closest GAAP financial measure, to EBITDA and Adjusted EBITDA for each of the periods indicated (in thousands):

	<b>Three Months Ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024*</b>
Net loss	\$ (8,614 )	\$ -
Interest expense, net	1,288	-
Depreciation and amortization	15	-
Income tax expense	4	-
<b>EBITDA</b>	<b>(7,307 )</b>	<b>-</b>
Non-cash share-based compensation (a)	961	-
Loss on extinguishment of debt	3,064	-
Change in fair value of digital assets	464	-
Transaction related (b)	1,603	-
Non-recurring and other expenses (c)	158	-
<b>Adjusted EBITDA</b>	<b>\$ (1,057 )</b>	<b>\$ -</b>

- (a) Non-cash expenses related to equity compensation awards for certain directors, officers and employees for services in their capacity as such.
- (b) Transaction-related legal fees, professional fees, and SEC filing fees related to single occurrence business matters, i.e. registration statements, financing, and due diligence related.
- (c) Other single-occurrence expenses, which consist of infrequent and non-recurring costs that are not indicative of the Company's ongoing operating performance.

\*Prior-year comparative figures are not presented because its wholly owned subsidiary, Halo, Purely for Pets, Inc., constituting the Company's continuing operations, only became the reporting entity following a reverse merger on April 24, 2025. The prior-year results of its former Canadian operations were discontinued in fiscal year September 30, 2025 subsequent to the merger as a result of a formal insolvency restructuring and thus are classified as discontinued operations in fiscal year 2025. Accordingly, prior-year amounts for continuing operations are not meaningful and are presented as zero on the consolidated statement of operations.

## Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believe," "expect," "intend," "aim," "plan," "may," "could," "target," and similar expressions are intended to identify forward-looking statements. These statements are based on current expectations and assumptions that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. These risks include, but are not limited to, the ability to complete the proposed transaction, shareholder approvals, market conditions, regulatory considerations, and other risks described in the Company's filings

with the Securities and Exchange Commission. Forward-looking statements speak only as of the date made, and the Company undertakes no obligation to update them, except as required by law.

**Company Contact:**

SRx Health Solutions Inc.

Kent Cunningham, Chief Executive Officer

**Investor Contact:**

KCSA Strategic Communications

Valter Pinto, Managing Director

T: 212-896-1254

[Valter@KCSA.com](mailto:Valter@KCSA.com)

**Media Contact**

KCSA Strategic Communications

Kristin Cwalinski, Senior Vice President

[EMJX@KCSA.com](mailto:EMJX@KCSA.com)

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<sup>1</sup> *Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures. Reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP financial measure, is set forth in the reconciliation table accompanying this release.*



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