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## **SRx Health Solutions Announces Fiscal Second Quarter 2026 Results for Quarter Ended March 31, 2026**

*Q2 FY26 Marks Operational Inflection Point with Sequential 23% Revenue Growth and 44% Adjusted EBITDA Loss<sup>1</sup> Improvement*

*Strengthened Liquidity and Working Capital Position with Cash of \$20.5 million as of Quarter End*

*Active Cryptocurrency Strategy Outperformed Market by 6%, Reducing Losses by 23% Relative to Buy-and-Hold<sup>2</sup>*

NORTH PALM BEACH, Fla., May 14, 2026 (GLOBE NEWSWIRE) -- SRx Health Solutions, Inc. (NYSE American: SRXH) (the "Company" or "SRX"), a pet health and wellness company, today announced its financial results for the fiscal second quarter 2026.

"With a materially strengthened balance sheet, improved liquidity profile, and significantly improved working capital position, we entered the quarter focused on restoring inventory availability, rebuilding momentum across the Halo® platform, and positioning the Company for scalable long-term growth," stated Kent Cunningham, Chief Executive Officer of SRX. "The sequential improvement across key financial metrics, including revenue, gross profit, EPS, and adjusted EBITDA, reflects the meaningful contribution of those initiatives and the operating leverage embedded within the business as normalization continues. As we continue evolving the SRX platform, our strategy remains centered on disciplined capital allocation, operational execution, and long-term value creation. Alongside the continued growth of Halo®, we are advancing strategic initiatives focused on AI-enabled analytics, digital treasury management, and opportunistic investments across digital assets and other securities designed to diversify the Company's capital base and enhance long-term shareholder returns."

"Despite a challenging market environment in which Bitcoin and Ethereum declined 27% over the six-month trading period, our active cryptocurrency strategy limited losses to 21%, reducing loss exposure by 23% relative to a buy-and-hold approach. This performance reflects the strength of our disciplined, data-driven approach to capital allocation. We also look forward to the planned acquisition of EMJX, which we believe will further enhance our AI-driven capabilities and strengthen our digital asset treasury strategy," stated Mike Young, member of the Board of Directors.

On or about May 15, 2026, the Company intends to mail an information statement to shareholders in connection with its previously announced pending acquisition of EMJ Crypto Technologies Inc. ("EMJX"). The information statement is part of the Registration Statement on Form S-4 that was filed by the Company with the Securities and Exchange Commission and can be obtained free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov) or the Company's website at [srxhealth.com](http://srxhealth.com). The acquisition remains subject to certain closing conditions and the Company currently anticipates closing the transaction prior to the end of the fiscal third quarter.

### **FISCAL SECOND QUARTER 2026 HIGHLIGHTS**

- Net revenue growth of 23% quarter over quarter to \$3.4 million
- Gross margin remained stable at approximately 37%
- Gross profit growth of 21% quarter over quarter to \$1.3 million
- Operating loss improved 52% quarter over quarter to \$(1.8) million

- Net loss improved 26% quarter over quarter to \$(6.4) million
- Earnings (loss) per share ("EPS") improved 92% quarter over quarter to \$0.02 per share
- Adjusted EBITDA<sup>1</sup> loss improved 44% quarter over quarter to \$(0.6) million

## LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2026, the Company held cash and cash equivalents of \$20.5 million, compared to \$1.3 million at September 30, 2025. The major sources of cash during the year-to-date period were proceeds from the issuance of common stock of \$55.1 million, proceeds from the issuance of convertible preferred stock of \$13.2 million, partially offset by net purchases of highly liquid short-term investments of \$3.0 million, purchases of cryptocurrency assets, primarily Bitcoin and Ethereum, of \$16.5 million, redemption of Series A convertible preferred stock of \$21.8 million, and other strategic investments reflecting the company's risk-managed treasury strategies of approximately \$3.8 million.

**SRx Health Solutions Inc.**  
**Unaudited Condensed Consolidated Statements of Operations**  
*(Dollars in thousands, except share and per share amounts)*

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2026	2025	2026	2025
Net sales	\$ 3,439	\$ -	\$ 6,246	\$ -
Cost of goods sold	2,164	-	3,917	-
Gross profit	1,275	-	2,329	-
Operating expenses:				
Selling, general and administrative	3,093	-	7,937	-
<b>Loss from continuing operations</b>	<b>(1,818)</b>	<b>-</b>	<b>(5,608)</b>	<b>-</b>
Other expense (income):				
Interest expense, net	1,780	-	3,068	-
Loss on extinguishment of debt	-	-	3,064	-
Change in fair value of digital assets	2,895	-	3,359	-
Change in fair value of equity securities	493	-	493	-
Change in fair value of derivative liabilities	(592)	-	(592)	-
Other income, net	(15)	-	(11)	-
Total other expense, net	4,561	-	9,381	-
<b>Net loss before income taxes</b>	<b>(6,379)</b>	<b>-</b>	<b>(14,989)</b>	<b>-</b>
Income tax expense	2	-	6	-
<b>Net loss from continuing operations</b>	<b>(6,381)</b>	<b>-</b>	<b>(14,995)</b>	<b>-</b>
Loss from discontinued operations	-	(10,149)	-	(14,132)
<b>Net loss</b>	<b>\$ (6,381)</b>	<b>\$ (10,149)</b>	<b>\$ (14,995)</b>	<b>\$ (14,132)</b>
Weighted average number of shares outstanding, basic	299,067,382	25,801,254	164,601,605	24,685,849
Weighted average number of shares outstanding, diluted	299,067,382	25,801,254	164,601,605	24,685,849
Loss per share, basic	\$ (0.02)	\$ (0.39)	\$ (0.09)	\$ (0.57)
Loss per share, diluted	\$ (0.02)	\$ (0.39)	\$ (0.09)	\$ (0.57)

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

	<u>March 31, 2026</u>	<u>September 30, 2025</u>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 20,543	\$ 1,309
Short-term investments	2,996	-
Accounts receivable, net	3,806	3,945
Inventories, net	2,086	2,078
Notes receivable	1,407	-
Digital assets	8,333	-
Investment in equity securities	2,531	-
Prepaid expenses and other current assets	1,447	794
Total Current Assets	<u>43,149</u>	<u>8,126</u>
Fixed assets, net	76	88
Right-of-use assets, operating leases	-	20
Other assets	139	168
Total Assets	<u>\$ 43,364</u>	<u>\$ 8,402</u>
<b>Liabilities &amp; Stockholders' Equity</b>		
Current Liabilities		
Accounts payable	\$ 952	\$ 2,147
Accrued liabilities	1,510	1,375
Operating lease liability, short-term	-	21
Convertible debt, short-term	22,616	-
Total Current Liabilities	<u>25,078</u>	<u>3,543</u>
Convertible debt, long-term	-	4,452
Total Liabilities	<u>25,078</u>	<u>7,995</u>
<b>Stockholders' Equity</b>		
Common Stock, \$0.001 par value, 5,000,000,000 shares authorized, 415,964,972 & 24,992,538 shares issued and outstanding as of March 31, 2026, and September 30, 2025, respectively	419	31
Preferred Stock, \$0.001 par value, 4,000,000 shares authorized, 5,660 & zero shares issued and outstanding as of March 31, 2026 and September 30, 2025, respectively	-	-
Additional paid-in capital, common	52,829	23,304
Additional paid-in capital, preferred	2,961	-
Accumulated deficit	(37,923)	(22,928)
Total Stockholders' Equity	<u>18,286</u>	<u>407</u>
Total Liabilities and Stockholders' Equity	<u>\$ 43,364</u>	<u>\$ 8,402</u>

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

**Adjusted EBITDA**

We define Adjusted EBITDA to supplement the financial measures prepared in accordance with GAAP. Adjusted EBITDA adjusts EBITDA 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, depreciation and amortization, tax expense, share-based compensation, loss on extinguishment of debt, change in fair value of digital assets, change in fair value of equity securities, change in fair value of derivative liabilities, transaction-related expenses, 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, 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 years indicated (in thousands):

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2026	2025*	2026	2025*
Net loss	\$ (6,381)	\$ -	\$ (14,995)	\$ -
Interest expense, net	1,780	-	3,068	-
Depreciation and amortization	(76)	-	(61)	-
Income tax expense	2	-	6	-
<b>EBITDA</b>	<b>(4,675)</b>	<b>-</b>	<b>(11,982)</b>	<b>-</b>
Non-cash share-based compensation (a)	-	-	961	-
Loss on extinguishment of debt	-	-	3,064	-
Change in fair value of digital assets	2,895	-	3,359	-
Change in fair value of equity securities	493	-	493	-
Change in fair value of derivative liabilities	(592)	-	(592)	-
Transaction related (b)	1,164	-	2,767	-
Non-recurring and other expenses (c)	121	-	279	-
<b>Adjusted EBITDA</b>	<b>\$ (594)</b>	<b>\$ -</b>	<b>\$ (1,651)</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) Represents transaction, financing, treasury, litigation, and other non-recurring corporate costs, including legal, audit, valuation, professional, SEC filing, due diligence, transfer agent, and capital markets-related fees associated with the Company's financing, treasury, and trading activities, which are not considered part of normal recurring operations.

(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.

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

<sup>2</sup> *Outperformance and loss reduction are approximate metrics calculated relative to the average performance of Bitcoin and Ethereum from December 5, 2025 to March 31, 2026, as a proxy for market returns, based on total capital deployed into the Company's digital asset strategy, during the six months ended March 31, 2026.*



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