

29 April 2026

March 2026 Quarter Activities Update

Highlights

- Secured A\$1.3 million strategic collaboration with Fortune 500 global mass-capacity data storage leader
- Received A\$560K order as part of new A\$1.25 million development program with Tier 1 defence prime
- A\$1.05 million CLAWS Hub contract extension with U.S. Department of War
- First A\$190K order received from the U.S. division of global industry leader TOPTICA Photonics Inc.
- Raised ~A\$8 million in April via a strongly supported Placement to institutional and sophisticated investors
- Hosted fireside conversation with U.S. Major General John F. Wharton (ret.) on defence resilience and industrial sovereign capability
- Partnered with White House-linked Government relations firm to enhance U.S. engagement

BluGlass Limited (ASX: BLG), a global semiconductor developer pioneering visible lasers, provides the following update and Appendix 4C Quarterly Report for the three months ended 31 March 2026 (Q3 FY26).

CEO and Executive Director Jim Haden said, “*BluGlass has had one of its strongest quarters on record, securing four development contract wins from industry leaders. The calibre of these customers, comprising the U.S. Department of War, a Tier 1 defence prime, Fortune 500 company, and TOPTICA Photonics, is a testament to BluGlass’ industry-leading visible gallium nitride (GaN) technology and our reputation for solving innovation challenges.*”

“Our strong momentum is being driven by demand for semi-custom visible laser solutions to support strategic defence, quantum and consumer electronic applications with many of these leveraging our world-class GaN laser platform and IP developed over several years. While visible lasers are an emerging technology, the segment is outpacing the broader laser market given GaN’s ability to uniquely interact with atmospheric, quantum and organic materials, enabling novel products and breakthroughs in everything from drone counter measures, cancer detection, blood sensing and water sterilisation to ultra-precise navigation in GPS denied environments. GaN lasers have some of the highest barriers to entry of any emerging technology with BluGlass strongly positioned as one of only a small number of full-suite GaN manufacturers globally.”

Executive Chair Omer Granit said, “*BluGlass is continuing to benefit from global tailwinds with the volatile geopolitical environment reinforcing the importance of onshore manufacturing for strategic defence and dual-use capabilities. To capitalise on macro shifts, we’re focused on expanding our presence in the U.S., recently partnering with a leading Government relations firm with strong ties to the White House. This engagement builds on our work with two of the eight Microelectronics Commons Hubs, increasing awareness of our critical laser technology with key decision makers in both the U.S. Department of War and the Department of Energy.*”

"BluGlass is at an important turning point in the company's history. We have the right critical technology, the right strategy and the right management team to execute on our growth strategy, winning new development projects, delivering existing contracts and converting smaller opportunities into large, long-term sticky revenues. Our successful Placement in a challenging market ensures we are funded to deliver new and existing development projects while preparing the business for scale-up. My personal investment in the Placement reflects my confidence in BluGlass' trajectory and the sizeable opportunities ahead of us. Thank you to new and existing investors who continue to support the company."

\$1.3 million collaboration with Fortune 500 company

In April, BluGlass secured a strategic A\$1.3 million collaboration with a global leader in mass-capacity data storage. BluGlass' market leadership in visible gallium nitride (GaN) lasers will support the Fortune 500 company's future photonics development.

The \$1.3 million will be paid in four instalments tied to activity-based milestones, expected to be completed over the next 12-18 months.

\$1.25 million program with Tier 1 defence prime

During the quarter, BluGlass received a A\$560,000 order as part of a new A\$1.25 million multi-phased development program with a U.S. Tier 1 defence prime. Under the program, BluGlass' world-leading GaN Distributed Feedback (DFB) lasers and gain chips will be custom developed and packaged for eventual deployment within novel dual-use aerospace applications.

The premier U.S. aerospace and defence technology company supplies advanced systems and services across commercial, military and business aviation sectors, including avionics, navigation systems and information management solutions. The \$1.25 million multi-phased program follows an initial order and successful prototype testing of BluGlass' gain chips by the customer.

\$1.05 million CLAWS Hub contract extension

BluGlass extended its development agreement with CLAWS Hub-lead North Carolina State University for a third year in January, bringing total contract value to A\$6.5 million since 2023. Established by the U.S. Department of War and funded by the CHIPS and Science Act, BluGlass' A\$1.05 million Year 3 contract is for the ongoing development of advanced visible GaN lasers to support defence, quantum and dual-use technology.

\$190K order from TOPTICA Photonics Inc.

During the quarter, BluGlass received a \$190,000 order of custom GaN visible lasers for advanced Photonic Integrated Circuits (PICs) from TOPTICA Photonics Inc. - a commercial member of the U.S. Department of War's NORDTECH Hub. BluGlass' high-precision single frequency PICs will enable quantum capabilities, supporting the Hub's Quantum Ultra-broadband Photonic Integrated Circuits and Systems (QUPICS) program. QUPICS aims to address key defence challenges by developing chip-scale photonic capabilities for quantum applications.

Upsized ~\$8 million raise to accelerate growth

In April, BluGlass raised ~\$8 million before costs via a strongly supported two-tranche Placement to new and existing institutional and sophisticated investors. BluGlass' Board and management were significant participants in the raise, contributing A\$2.3 million. Funds raised will be used to scale BluGlass' GaN laser operations, additional fab equipment, and support new and existing contracts.

Under the Placement, BluGlass will issue 33.5 million shares at A\$0.24 per share and inclusive of one free attaching option exercisable at A\$0.38 and expiring on 31 May 2028.

Industry event with U.S Major General

During the quarter, BluGlass and Deloitte hosted a sold-out fireside conversation with U.S. Major General John F. Wharton (ret.) and Executive Chair Omer Granit. Moderated by Deloitte Partner Abhineet Lekhi, the event

covered the growing global risk of supply chain concentration, importance of dual-use technologies, manufacturing as a core competency, and investing in enduring sectors.

Retired Major General John F. Wharton has more than 30 years' service spanning logistics, science and technology and national security innovation. As Commanding General of the U.S. Army Research, Development and Engineering Command (RDECOM), General Wharton oversaw ~75% of the U.S. Army's R&D budget, leading over 13,800 personnel across more than 100 global locations. He currently advises U.S. Government agencies, allied and partner nations, international governments, industry and academia on national security strategy, sovereign supply chain resilience, and critical technology acceleration.

Partnered with U.S. Govt relations firm

In March, BluGlass partnered with leading U.S. Government relations firm Michael Best Strategies to increase engagement with key decision makers within the Department of War (DoW) and Department of Energy (DoE).

Led by former White House Chief of Staff Reince Priebus, Michael Best Strategies is renowned for its extensive White House experience, bipartisan relationships and strategic insights. As one of just two GaN laser suppliers capable of onshore manufacturing, the U.S. Government is a strategic priority for BluGlass and currently represents more than 60 percent of opportunities in its project pipeline.

Financials

Quarterly customer receipts of \$0.83 million included the NCSU development contract and product laser orders.

R&D development expenditure during the quarter was \$2.05 million, inclusive of salaries, materials and fabrication costs for laser product development. R&D investment remains aligned with the Company's commercialisation roadmap and customer-driven development projects.

Payments to related parties during the quarter were \$171k encompassing Executive Chair and Non-Executive Director fees.

Cash and cash equivalents at the end of the quarter were \$2.72 million. BluGlass continues to actively manage costs, progress opportunities in its US\$100 million pipeline, and position the business for recapitalisation and growth.

Outlook

CEO and Executive Director Jim Haden said: *"Over the coming quarters, we'll continue riding the global tailwinds moving opportunities through the funnel, converting our US\$100 million project pipeline into initial and follow-on orders as well as longer-term development agreements. At the same time, our primary focus now turns to achieving key technical milestones under existing contracts as many of these underpin additional orders and longer-term supply agreements."*

"Our project to product strategy continues to gain traction, enabling us to cost-effectively build novel technical capabilities while having our lasers 'designed-in' next-generation applications. At the same time, our recently strengthened balance sheet enables us to scale our manufacturing operations to meet growing GaN laser adoption."

This announcement has been approved for release by the BluGlass Board.

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About BluGlass

BluGlass Limited (ASX:BLG) is a leading supplier of GaN laser diode products to the global photonics industry, focused on the industrial, defense, bio-medical, and scientific markets.

Listed on the ASX, BluGlass is one of just a handful of end-to-end GaN laser manufacturers globally. Its operations in Australia and the US offer cutting-edge, custom laser diode development and manufacturing, from small-batch custom lasers to medium and high-volume off-the-shelf products.

Its proprietary low temperature, low hydrogen, remote plasma chemical vapour deposition (RPCVD) manufacturing technology and novel device architectures are internationally recognised, and provide the potential to create brighter, better performing lasers to power the devices of tomorrow.

Appendix 4C

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

Name of entity

BluGlass Limited

ABN

20 116 625 793

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	828	4,025
1.2 Payments for		
(a) research and development	(1,276)	(4,726)
(b) product manufacturing and operating costs		
(c) advertising and marketing	(65)	(321)
(d) leased assets	(324)	(1,041)
(e) staff costs	(1,981)	(6,540)
(f) administration and corporate costs	(397)	(1,135)
1.3 Dividends received (see note 3)		
1.4 Interest received	9	16
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	-	6,069
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(3,206)	(3,653)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(68)	(897)
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets (security deposits)		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	66	66
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(2)	(831)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	433	445
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(451)
3.5	Proceeds from borrowings	2,270	4,540
3.6	Repayment of borrowings	-	(3,048)
3.7	Transaction costs related to loans and borrowings	-	(259)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	2,703	1,227

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,200	5,953
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,206)	(3,653)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(831)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,703	1,227
4.5	Effect of movement in exchange rates on cash held	29	28
4.6	Cash and cash equivalents at end of period	2,724	2,724

5.	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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,462	2,936
5.2	Call deposits	262	264
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)	2,724	3,200

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	171
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>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.</i>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	4,540	4,540
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	4,540	4,540
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 or are proposed to be entered into after quarter end, include a note providing details of those facilities.	
	<p>A secured loan facility with Radium Capital Limited.</p> <p>The total facility amount is \$4.54 million, of which two drawdowns (each of \$2.27 million) were advanced in December 2025 and March 2026.</p> <p>The facility bears interest at a fixed rate of 16.5% per annum and matures on 31 December 2026. The loan is secured against the Company's expected FY2026 R&D Tax Incentive refund.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,206)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,724
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	2,724
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.8
<i>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.</i>	
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?
	<p>Answer:</p> <p>The company does not expect operating cash outflows to remain at the current level, due to the following:</p> <ol style="list-style-type: none"> The company continues to generate revenue from existing customer contracts and a growing sales pipeline, including product and project-based revenue. The company raised \$8m in Q4 via a placement, \$5.6m (Tranche 1) was received in Apr-26. The company expects to receive R&D tax incentive refunds in FY26, which can provide additional non-dilutive funding if required. Management continues to actively manage costs and prioritise expenditure in line with cash availability.

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, please refer to 8.6.1

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 expects to continue its operations and meet its business objectives, based on a combination of expected product and project sales, active funding initiatives, and access to non-dilutive funding options including the R&D Tax Incentive. Management continues to actively monitor cash flows and prioritise expenditure to ensure sufficient working capital is maintained.

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.

29 April 2026

Date:

By the Board

Authorised by:
(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 – eg 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.