



ASX Announcement

Quarterly Activities Report and Appendix 4C For the quarter ending September 2026

Sydney, Australia – 30 October 2026 – [BrainChip Holdings Ltd](#) (ASX: **BRN**, OTCQX: **BRCHF**, **BCHPY**) (“BrainChip” or “the Company”), the world’s first commercial producer of neuromorphic artificial intelligence technology, today provides the Quarterly Activities Report in conjunction with its Appendix 4C lodged for the quarter ending 30 September 2026.

Key Highlights

- Commercial release of Sequora™ IP, significantly expanding BrainChip's addressable market and extending the Company's technology leadership into edge-based generative AI and large language model inference
- Received ~20,000 AKD1500 silicon chips (Chips), enabling fulfillment of outstanding customer orders and increase in M.2 and PCIe board production used for customer evaluations
- Two IP licensees are working toward Q4 2026 tape-outs, a key milestone ahead of chip production
- BrainChip is in advanced negotiations with several qualified customers
- BrainChip ranked #3 company globally in the neuromorphic AI market by Spherical Insight behind Intel and IBM, neither of which have production grade neuromorphic chips
- AkidaTag awarded the Global AI Award for Edge AI & IoT Intelligence
- Appointed two additional sales executives to support growing global customer pipeline
- Ending cash balance of US\$16.4M representing approximately 4 quarters of cash runway
- Customer cash inflows of US\$0.3M versus the prior quarter (US\$0.1M) driven primarily by chip and board sales
- Payments to suppliers and employees of US\$5.0M, lower than the prior quarter (US\$5.1M)

BrainChip CEO Sean Hehir said: “This quarter brought validation across several commercial pillars. Commercial chip shipments grew, board sales continued to climb, and we deepened our customer partnerships and engagement. Two IP licensees also remain on track to tape out in Q4 2026, giving us growing visibility into high-margin royalty revenue¹ potentially beginning in late 2027”.

¹ The timing and quantity of revenue will depend on customer production schedule and sales.

The commercial release of Sequora™ was announced in October, building on the strengths of the Company's Akida™ platform and expanding BrainChip's addressable market. Akida processes streaming sensor data from vibration, audio, radar, raw radiofrequency (RF) in-phase and quadrature (IQ) signals, and biosensors, while Sequora powers generative and sequential AI, including on-device LLMs, voice-to-voice interaction and AI agents.

Following receipt of ~20,000 Chips in September 2026, BrainChip fulfilled outstanding commercial orders and accelerated development of M.2 and PCIe boards and other plug-and-play solutions. As a result, in just the past six weeks, the Company has seen a meaningful increase in customer access to our technology, enabling faster evaluation, validation and deployment activities. Reducing the time and complexity associated with customer evaluation remains one of the most important drivers of commercial conversion.

Demand for more intelligent devices at the edge continues to strengthen, further compounded by the challenges witnessed in the data centre industry. Supply constraints, privacy and responsible cloud-operated AI models, and significant token costs are widely noted as major data centre concerns.

Sean Hehir said: "BrainChip is uniquely positioned to benefit from the structural shift of a growing proportion of AI intelligence moving out of the data centre and to the edge. We have the industry's broadest portfolio of neuromorphic AI technologies, products and development tools available today."

Commercialisation

BrainChip's strategic focus remains centred on growing customer bookings, accelerating customer validation of its technologies, and expanding commercial opportunities across its hardware, software and intellectual property (IP) portfolios.

Licensee update

EdgeAI and Frontgrade Gaisler licensed Akida IP in March 2026 and December 2024 respectively and the Company expects both will tape out their chips in the coming months, a key step towards chip production.

EdgeAI is a Korean semiconductor company specialising in edge AI devices with an initial focus on smart metering, and ambitious growth plans to become a full-stack AI company supporting customers across the entire AI value chain. EdgeAI has licensed Akida 2 IP and is focused on taping out a multi project wafer (MPW) in December 2026.

Edge AI expects engineering samples to be available in Q1 2027, which will be followed by a Proof-of-Concept project for smart metering in collaboration with MDS Intelligence, and move to full-scale commercialisation after appropriate testing and optimisation.

Frontgrade Gaisler is a leading provider of radiation-hardened microprocessors and IP cores for critical applications, particularly in the space industry. The Swedish National Space Agency awarded a contract to Frontgrade in April 2025 to commercialise the first neuromorphic SoC device for space applications. Tape-out of the GR801 SoC is expected in the coming months, which will enable commercial silicon production in 2027.

AKD1500 silicon chips

BrainChip received a further ~20,000 Chips in September, enabling all outstanding customer orders to be filled. The Company quickly moved into production of M.2 and PCIe boards where the demand is strongest for our chips. The remaining units are expected to be received by the end of November.

As part of our multi-year partnership, defense contractor **Parsons**, has now received the full complement of its initial 10,000 Chip order and commenced manufacture of its custom M.2 board, with 4-chip, 8-chip and 12-chip configurations. Following initial quality assurance and system validation activities, Parsons are expecting to have initial boards available to customers within the next few months.

Omani health-tech company **Onsor Technologies** has received a 2,000 Chip order for its epileptic seizure detection Nexa EEG glasses. The glasses are now awaiting approval from the Omani Ministry of Health after highly successful trials. The Nexa glasses are ground-breaking, and Onsor has indicated ambitious market expansion plans following their initial release.

Following receipt of 1,200 AKD1500 chips, Neuromorphyx is well underway with production of BrainBoard1500 boards, which are seeing strong interest from customers seeking to evaluate the technology. Separately, the Company has supplied Neuromorphyx with additional chips to manufacture M.2 and PCIe boards, which BrainChip will sell.

The Neuromorphyx partnership has provided four clear strategic benefits:

- Rapid expansion in customer access to BrainChip products
- Accelerated validation and proof-of-concept programs
- Increased market awareness through customer demonstrations and deployments being shared on social platforms, and
- New commercial opportunities with certain Neuromorphyx customers entering the BrainChip pipeline for both Chips and IP

Symphony Community Akida bundle (the Community Bundle)

BrainChip launched the Symphony Community Akida bundle (the Bundle) which pairs BrainChip's leading Akida technology with the workload management tool IBM Spectrum Symphony Community Edition, providing significant customer access to heterogeneous computing.

The Bundle puts Akida technology alongside the CPU and GPU using a widely used workload management tool enabling smaller inference jobs to run on Akida, significantly improving overall system efficiency.

Heterogenous computing demonstrates the power of Akida by extending its addressable market outside of pure edge use cases. The free Community Bundle puts it in the hands of developers to enable rapid testing and validation.

Technology and Product Development

Sequora commercial release

The technological advancement of BrainChip surpassed a major milestone in October, with the commercial release of the Company's Sequora IP. Sequora builds on the strength of the Akida platform for a new set of use cases.

With compute up to 3 billion parameters and beyond, Sequora is a technical development designed to circumvent the severe memory bandwidth limitations that have historically kept conversational or generative AI out of edge devices like wearables, industrial sensors, and autonomous defense systems.

Chief Product Officer, Steve Brightfield commented, "We already have strong customer interest in Sequora and believe it will be well received by the market. We are in active discussions with customers in our pipeline on how Sequora is ideal for their use-cases."

Sequora is now available on an FPGA platform, allowing customers to evaluate its performance on real hardware ahead of silicon integration.

AKD2500

Development of AKD2500 progressed throughout the quarter and remains on track for tape-out by December 2026. The AKD2500 is expected to further strengthen BrainChip's competitive position in next-generation edge AI applications. First engineering samples are expected in early Q3 of 2027 subject to foundry capacity, which has been constrained across the industry throughout 2026.

Summary of Activities

July 2026

In July 2026, BrainChip announced two partnerships to enable developers to quickly introduce Akida technology into their designs. BrainChip's M.2 module was added to the CELUS design-automation platform, and AKD1500 technology was made available to hardware engineers using the Supplyframe Design Modeler Software.

Following receipt of the first 2,000 AKD1500 chips in June, BrainChip began fulfilling customer orders in July and commercially released the AKD1500 M.2 board later that month.

August 2026

BrainChip partnered with Orama.AOI to power their automated optical inspection solutions with Akida technology, enabling customers to build, deploy and scale high-accuracy edge AI solutions. Orama.AOI is currently focused on quality control measures in the manufacturing of semiconductors and tyres.

In August, BrainChip announced the partnership with Neuromorphyx over the BrainBoard1500 and released the Symphony Community Akida bundle.

AkidaTag was named a winner of the 2026 Global AI Award for the Edge AI & IoT Intelligence category. Judges evaluated entrants on impact (35%), design (25%), creativity (25%) and ease of use (15%). AkidaTag was recognised for faster inference at the point of capture, measurable reductions in bandwidth usage and smarter real-time analytics. Beyond the chip itself, BrainChip is positioning AkidaTag as a complete edge-AI reference platform.

September 2026

At the high-profile Embedded World North America 2026 conference, BrainChip ran live demonstrations of radar classification using the AKD1500 M.2 boards, human detection using the BrainBoard1500 and fall detection using the AkidaTag. The conference generated strong interest and significant customer leads.

Further expanding BrainChip's plug-and-play offer, the commercial availability of the AKD1500 PCIe development board was announced.

Outlook

BrainChip's maintains a steadfast focus on strategic delivery.

Near-term priorities include:

- Support EdgeAI and Frontgrade Gaisler tape-outs
- Convert advanced pipeline² opportunities
- Complete AKD2500 tape-out
- Expand board sales and customer evaluations
- Progress Sequora customer engagements

² Customer pipeline released in slide 6 of Q2 2026 Quarterly Investor Update presentation, on 11 September 2026.

Potential revenue catalysts:

- First royalty-producing customer programs progressing toward silicon and production
- Additional AKD1500 chip and board sales
- New IP license agreements
- Sequora commercial engagements

Financial Update

The Company ended the September Quarter with US\$16.4M in cash, compared to US\$20.3M in the prior quarter. This represents approximately 3.95 quarters of funding available (4.4 at June 2026), as reported in the Appendix 4C. The Company is actively managing its cash flow to extend its runway, while continuing to prioritise its commercialisation and development activities. The Company regularly reviews its funding options and will remain flexible on timing to ensure any future capital raising delivers the greatest benefit to shareholders.

BrainChip reported net operating cash outflows of US\$4.3M, down 9% from US\$4.7M in the prior quarter. Net operating cash outflows comprise:

- Cash inflows from customers in the current quarter of US\$0.27M increased from the prior quarter (US\$0.15M).
- Payments to suppliers and employees totaled US\$5.0M, which is comparable with the prior quarter (US\$5.1M). R&D remains the largest outflow of US\$2.1M as BrainChip continues to invest in product development.
- Operating receipts also included the receipt of the French Research Tax Credit (claimed annually) of US\$0.25M in July 2026.

Cash used for operating activities includes payments to BrainChip's Board of Directors totaling US\$223,528 as noted in item 6.1 of the accompanying Appendix 4C, comprising fees for Non-Executive Directors and salaries for Executive Directors.

Cash from financing activities included \$0.5M from the sale of the remaining 6,040,000 collateral shares held by LDA Capital prior to the expiry of the LDA Put Option Agreement. BrainChip received net proceeds of A\$688,582 (US\$486,458) on 12 August 2026 after application of the 8.5% discount in accordance with the agreement.

Authorisation

This announcement has been authorised for release by the Board of Directors of BrainChip Holdings Ltd.

About BrainChip Holdings Ltd (ASX: BRN, OTCQX: BRCHF, ADR: BCHPY)

BrainChip is the worldwide leader in Edge AI on-chip processing and learning. The Company's first-to-market, fully digital, event-based AI processor, Akida™, uses neuromorphic principles to mimic the human brain, analysing only essential sensor inputs at the point of acquisition and processing data with unmatched efficiency, precision, and energy economy. BrainChip's Temporal Event-based Neural Networks (TENNs) build on State-Space Models (SSMs), deliver time-aware, event-driven intelligence optimized for scalable, real-time streaming applications. These innovations make low-power Edge AI deployable across industries such as aerospace, autonomous vehicles, robotics, industrial IoT, consumer devices, and wearables. BrainChip is advancing the future of intelligent computing, bringing AI closer to the sensor and closer to real-time.

Explore more at www.brainchip.com.

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