Delivra Health and its Brands Dream Water™ and LivRelief™ Report Positive Adjusted EBITDA(1) for Third Quarter of Fiscal 2024

May 15, 2024 – Vancouver, British Columbia – Delivra Health Brands Inc. ("**Delivra Health**" or the "**Company**") (TSX-V: DHB; OTCQB: DHBUF), a consumer packaged goods company uniquely positioned in the health and wellness sector, is pleased to announce its financial and operating results for the three and nine months ended March 31, 2024. The Delivra Health portfolio features innovative brands Dream Water® and LivRelief™, which deliver relief from common health issues such as sleeplessness, chronic pain and anxiety.

Management Commentary

"The Company has once again achieved remarkable results, driving growth in revenue of 36% year over year and realizing $845 in adjusted EBITDA ("**Adjusted EBITDA**")(1), for the nine months ended March 31, 2024. At the same time, we are focused on reinvestment in our business, through increasing market awareness, driving innovation, and expanding marketing campaigns, in order to support the increased visibility of our brands in the market," said Gord Davey, President and Chief Executive Officer of Delivra Health. "We express gratitude to our shareholders and stakeholders for their ongoing commitment to Delivra Health. The financial results for the third quarter of fiscal 2024 has set the stage for an ambitious and prosperous fiscal 2025."

Financial Highlights for the Nine Months Ending March 31, 2024
(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the nine months ended March 31, 2024, the Company reported total net revenue from continued operations of $8,792 compared to $6,474 in same period last year. The $2,318 or 36% increase in net revenue was mainly due to: (i) the increase in sales of Dream Water® in the US of $2,000; and (ii) the increase in sales of LivRelief™ and Dream Water® in Canada of $318.

Gross profit and gross profit margin: In the nine months ended March 31, 2024, the Company reported year-to-date gross profit of $4,566 and a gross profit margin of 52% as compared to $2,826 and 44% in same period last year. The increase in gross profit and gross profit margin was the result of increased sales volume and improved customer mix, bolstered by disciplined management of operational cost.

Expenses including SG&A and excluding non-cash items In the nine months ended March 31, 2024, the Company reported expenses of $3,973 compared to $3,258 in the same period last year, representing a 22% increase. As noted previously, the increase was mainly driven by the implementation of new marketing campaigns and digital marketing programs.

Adjusted EBITDA[1]: For the nine months ended March 31, 2024, the Company reported Adjusted EBITDA of $845 compared to $9 in the same period last year, representing a $836 year over year improvement. This increase in Adjusted EBITDA was driven by management's efforts in focusing on the right customer mix, and margin improvement supported by efficient administrative and selling support functions.

Financial Highlights for the Three Months Ended March 31, 2024
(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the three months ended March 31, 2024, the Company reported total net revenue of $3,071 as compared to $2,353 in same period last year. The $718 or 31% increase is attributed to: (i) the $421 increase in Dream Water® sales in the US; and (ii) the $297 increase in LivRelief™ sales in Canada; both of which were driven by the favorable timing of increased purchase orders activity from our customers during the period.

Gross profit and gross profit margin: In the three months ended March 31, 2024, the Company reported gross profit of $1,540 and a gross profit margin of 50% compared to $961 and 41% in same period last year. The increase in gross profit and gross profit margin was the result of a greater proportion of high-profit customers as compared to the customer mix in the prior year.

Expenses including SG&A and excluding non-cash items: In the three months ended March 31, 2024, the Company reported expenses of $1,393 as compared to $1,247 in the same period last year, representing a 12% increase. The increase was mainly driven by the implementation of new marketing campaigns and digital marketing strategies.

Adjusted EBITDA[1]: In the three months ended March 31, 2024, the Company reported Adjusted EBITDA of $246 as compared to $23 in the same period last year, representing a $223 year over year improvement. This increase in Adjusted EBITDA resulted from management's focus on customer mix, gross profit margin improvement and efficient administrative and selling support functions.

Summary of Key Financial Results

	For the three months ended March 31		**For the nine months ended March 31**	
($000's, except share and per share amounts)	**2024**	**2023**	**2024**	**2023**
Continued operations:	**$**	**$**	**$**	**$**
Net revenue	**3,071**	2,353	**8,792**	6,474
Cost of sales	**1,432**	1,083	**3,974**	3,207
Inventory write-down	**99**	309	**252**	441

Gross profit	**1,540**	961	**4,566**	2,826
Expenses excluding non-cash expenses	**1,393**	1,247	**3,973**	3,258
Depreciation and amortization and share based compensation	**326**	342	**987**	1,123
Total Expenses	**1,719**	1,589	**4,960**	4,381
Loss from Operations	**(179)**	(628)	**(394)**	(1,555)
Other (expense) income	**(103)**	(57)	**(308)**	1,377
Net gain (loss) from continued operations	**(282)**	(685)	**(702)**	(178)
Net gain (loss) per share – basic	**(0.001)**	(0.003)	**(0.003)**	(0.001)
Net gain (loss) per share –diluted	**(0.001)**	(0.002)	**(0.002)**	(0.001)

Adjusted EBITDA[1] (non-IFRS measure)

	For the three months ended March 31		**For the nine months ended March 31**	
($000's, except share and per share amounts)	**2024**	**2023**	**2024**	**2023**
Loss from operations	**(179)**	(628)	**(394)**	(1,555)
Inventory write-down	**99**	309	**252**	441
Depreciation and amortization	**326**	332	**984**	996
Share-based compensation	**-**	10	**3**	127
Adjusted EBITDA(2)	**246**	23	**845**	9
(2) Defined as loss from operations before interest, taxes, depreciation and amortization and adjusted for share-based compensation, common shares issued for services, fair value effects of accounting for biological assets and inventories, asset impairment and write-downs, discontinued operations and other non-cash items. See "Non-IFRS Measures, Reconciliation and Discussion".				

Expenses excluding non-cash items

	For the three months ended March 31		**For the nine months ended March 31**	
($000's, except share and per share amounts)	**2024**	**2023**	**2024**	**2023**
General and administration	**992**	964	**2,839**	2,816
Sales and marketing	**401**	283	**1,134**	442
Total	**1,393**	1,247	**3,973**	3,258

About Delivra Health Brands Inc.

Helping people take control of their health with alternative wellness solutions is what energizes the Delivra Health team! The Delivra Health portfolio features innovative brands like Dream Water® and LivRelief™, which deliver relief from common everyday issues like chronic pain, anxiety, and sleeplessness. Delivra Health products have allowed millions of customers to reclaim their mobility, energy, and in turn, quality of life. The websites of the Company's two subsidiaries are Dream Water® and LivRelief™. For more information, please visit www.delivrahealthbrands.com.

Non-IFRS Measures, Reconciliation and Discussion

This press release contains references to "Adjusted EBITDA" which is a non-International Financial Reporting Standards ("**IFRS**") financial measure. Adjusted EBITDA is a measure of the Company's profit from operations before interest, taxes, depreciation, and amortization and adjusted for share-based compensation, common shares issued for services, fair value effects of accounting for biological assets and inventories, asset impairment and write-downs, discontinued operations and other non-cash items, and is a non-IFRS measure.

This measure can be used to analyze and compare profitability among companies and industries, as it eliminates the effects of financing and capital expenditures. It is often used in valuation ratios and can be compared to enterprise value and revenue. This measure does not have any standardized meaning according to IFRS and, therefore, may not be comparable to similar measures presented by other companies.

There are no comparable IFRS financial measures presented in Delivra Health's financial statements. Reconciliations of the supplemental non-IFRS measure are presented in the Company's management discussion and analysis for the three and nine months ended March 31, 2024. This non-IFRS financial measure is presented because management has evaluated the financial results both including and excluding the adjusted items and believes that the non-IFRS financial measure presented provides additional perspective and insights when analyzing the core operating performance of the business. The Company believes that the supplemental measure provides information which is useful to shareholders and investors in understanding the Company's performance and may assist in the evaluation of the Company's business relative to that of its peers.

The non-IFRS financial measure should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with the IFRS financial measures presented in the Company's financial statements. For more information, please see "Adjusted EBITDA (non-IFRS measure)" and "Non-IFRS Measures" in the Company's management discussion and analysis for the three and nine months ended March 31, 2024, which is available under the Company's SEDAR+ profile on www.sedarplus.ca.

Notes:

1. This is a non-IFRS reporting measure. For a reconciliation of this measure to the nearest IFRS measure, see “Adjusted EBITDA (non-IFRS measure)” and “Non-IFRS Measures” in the Company’s management discussion and analysis for the three and nine months ended March 31, 2024.

Cautionary Note Regarding Forward-Looking Statements
This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates, and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements include, among other things, statements with respect to the Company’s products offering relief from chronic pain, anxiety, and sleeplessness; statements about the Company’s reinvestments in its business; statements regarding increased market awareness, innovation, and marketing campaigns; statements regarding increased visibility of the Company’s brands; expectations regarding positive financial results in the future; and statements regarding the Company’s growth objectives.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to materially differ from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the cannabis markets where the Company operates; changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political and social uncertainties; inability to obtain adequate insurance to cover risks and hazards; employee relations and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution, and sale of cannabis and cannabis-related products in the markets where the Company operates. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Additional information regarding this and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Company's annual information form dated March 2, 2021, and under the heading "Risks and Uncertainties" in the Company's management's discussion and analysis dated May 15, 2024 for the three and nine months ended March 31, 2024 filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accept responsibility for the adequacy or accuracy of this release.

Investor Relations:
Jack Tasse
Chief Financial Officer
IR@delivrahealth.com
1-877-915-7934