Delivra Health and its Brands Dream Water™ and LivRelief™ Report Positive Adjusted EBITDA(1) for Third Quarter of Fiscal 2025

Strong marketing momentum led to growth in units sold and drove revenue growth this quarter leading to positive adjusted EBITDA

May 21, 2025 – 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, 2025. 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 delivered strong revenue results, achieving a 3% year-over-year increase in revenue producing positive adjusted EBITDA ("**Adjusted EBITDA**")(1) for the third quarter ending March 31, 2025 ("**Q3 2025**"). At the same time, we remain committed to strategically investing in the business by increasing market awareness, driving innovation, and expanding our marketing efforts to further elevate the visibility and reach of our brands," said Gord Davey, President and Chief Executive Officer of Delivra Health. "We extend our sincere thanks to our shareholders and stakeholders for their continued support of Delivra Health. The financial results for Q3 2025 have laid a strong foundation for the fourth quarter and an ambitious and successful fiscal 2026.

"The Company has increased its Dream Water brand product offerings to Canadian consumers by launching important line extensions in the marketplace. We have extended our Sleep Shot offerings, bringing the success of Immunity Citrus Shots to the consumer. In addition to the shots, we have also introduced our Sleep Gummies in Canada for both our 6-count convenience pack and 60-count multi-pack which are designed to further capture growth opportunities within the travel, convenience, grocery, drug/pharmacy retail and online. These products are available in numerous accounts and have been welcomed by our key customers such as Shoppers Drug Mart, Loblaws, Circle K and our airport channel.

"Our strategic marketing initiatives are increasing brand awareness and product offerings of our over-the-counter LivRelief™ brand well beyond expectations. The new campaign, "Quiets Chronic Pain," generated strong impressions and engagement across multiple platforms, contributing significantly to a 21% year-over-year increase in units sold—rising to approximately 95,000 units this year from 78,000 last year. Finally, the Company will continue its efforts in evaluating its licensed LivRelief™ Infused channel in the fourth quarter of fiscal 2025 with a new go-to-market strategy to be implemented in fiscal 2026."

Financial Highlights for the Nine Months Ended March 31, 2025
(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the nine months ended March 31, 2025, the Company reported total net revenue from continued operations of $9,012 compared to $8,792 in same period last year. The $220 or 3% increase in net revenue was mainly due to: (i) the increase in sales of Dream Water® in the United States of $1,118 offset by a reduction of sales in Canada by $898 as a result of reduced sales within the licensed LivRelief™ Infused channel, following the Company's ongoing evaluation and refinement of its go-to-market strategy in Canada.

Gross profit and gross profit margin: In the nine months ended March 31, 2025, the Company reported year-to-date gross profit of $4,444 and a gross profit margin of 49% as compared to $4,566 and 52% in same period last year. The reduction in gross profit and gross profit margin was due to higher cost of sales as the result of change in customer and product mix offset by lower write-downs year over year.

Expenses including SG&A and excluding non-cash items: In the nine months ended March 31, 2025, the Company reported expenses of $4,585 compared to $3,973 in the same period last year, representing a 15% increase. As noted previously, the increase was mainly driven by the implementation of new marketing campaigns and digital marketing programs such as 'Shush Your Mind' for Dream Water® and 'Quiets Chronic Pain' for LivRelief™.

Adjusted EBITDA[(1)]: For the nine months ended March 31, 2025, the Company reported Adjusted EBITDA of $(51) compared to $845 in the same period last year. This reduction in Adjusted EBITDA was driven by management's decision to strategically invest in sales and marketing awareness programs in addition to changes in product and customer mix.

Financial Highlights for the Three Months Ended March 31, 2025
(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the three months ended March 31, 2025, the Company reported total net revenue of $3,095 as compared to $3,071 in same period last year. The $24 or approximately 1% increase is attributed to: (i) the $428 increase in Dream Water® sales in the US; and the $404 net decrease in sales in Canada as result of reduced sales within the licensed LivRelief™ Infused channel, following the Company's ongoing evaluation and refinement of its go-to-market strategy in Canada.

Gross profit and gross profit margin: In the three months ended March 31, 2025, the Company reported gross profit of $1,552 and a gross profit margin of 50% compared to $1,540 and 50% in same period last year. The slight increase in gross profit is driven by higher cost of sales as a result of the change in customer and product mix offset by lower write-downs compared to same quarter last year.

Expenses including SG&A and excluding non-cash items: In the three months ended March 31, 2025, the Company reported expenses of $1,437 as compared to $1,393 in the same period last year, representing a 3% increase. The increase was mainly driven by the implementation of strategic new marketing campaigns and digital marketing strategies.

Adjusted EBITDA[(1)]: In the three months ended March 31, 2025, the Company reported Adjusted EBITDA of $124 as compared to $246 in the same period last year, representing a $(122) reduction. This reduction in Adjusted EBITDA resulted from additional strategic investment in new marketing campaigns and digital marketing strategies in addition to changes in product and customer mix as mentioned above.

Summary of Key Financial Results

	For the three months ended March 31		**For the nine months ended March 31**	
($000's, except share and per share amounts)	**2025**	**2024**	**2025**	**2024**
Continued operations:	**$**	**$**	**$**	**$**
Net revenue	**3,095**	3,071	**9,012**	8,792
Cost of sales	**1,534**	1,432	**4,478**	3,974
Inventory write-down	**9**	99	**90**	252
Gross profit	**1,552**	1,540	**4,444**	4,566
Expenses excluding non-cash expenses	**1,437**	1,393	**4,585**	3,973
Depreciation and amortization and share based compensation	**397**	326	**1,192**	987
Total Expenses	**1,834**	1,719	**5,777**	4,960
Loss from Operations	**(282)**	(179)	**(1,333)**	(394)
Other (expense) income	**(140)**	(103)	**(376)**	(308)
Net gain (loss) from continued operations	**(422)**	(282)	**(1,709)**	(702)
Net gain (loss) per share – basic	**(0.01)**	(0.01)	**(0.06)**	(0.03)

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)	**2025**	**2024**	**2025**	**2024**
Loss from operations	**(282)**	(179)	**(1,333)**	(394)
Inventory write-down	**9**	99	**90**	252
Depreciation and amortization	**326**	326	**978**	984
Share-based compensation	**71**	-	**214**	3
Adjusted EBITDA(2)	**124**	246	**(51)**	845
(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)	**2025**	**2024**	**2025**	**2024**
General and administration	**1,027**	992	**2,938**	2,839
Sales and marketing	**410**	401	**1,647**	1,134
Total	**1,437**	1,393	**4,585**	3,973

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, 2025 (the "**Q3 2025 MD&A**"). 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 Q3 2025 MD&A, 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 Q3 2025 MD&A.

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; increased market awareness, innovation, and marketing campaigns; 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 Q3 2025 MD&A 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.

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