



Delivra Health and its Brands LivRelief™ and Dream Water™ Report Results for Second Quarter of Fiscal 2026

Year to date sales growth of Dream Water® E-commerce of 26% offset by a decline of Dream Water® Retail of 4% compared to same period last year

Year to date sales growth of LivRelief™ E-commerce of 28 % offset by a decline in LivRelief™ Retail of 29% compared to same period last year

February 27, 2026 – 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 six months ended December 31, 2025 ("**Q2 2026**"). 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.

During the first half of fiscal 2026, the Company has seen encouraging momentum in its targeted e-commerce strategy and continued growth within the Dream Water® brand. Year-to-date e-commerce sales increased 26% for Dream Water® and 28% for LivRelief™, reflecting strong consumer engagement and repeat purchasing behavior. At the same time, overall revenue has been impacted by temporary shifts in customer ordering patterns across certain retail markets, along with the transition of our licensed LivRelief™ Infused distribution channel. While these factors have created near-term variability in reported results, underlying consumer demand for the Company's core brands remains solid, and management is actively addressing fluctuations in distribution timing and engaging in channel optimization to stabilize and accelerate growth in the second half of fiscal 2026.

Management Commentary

“While our results this quarter reflect temporary timing variability in certain retail markets, we are encouraged by the strength of our core business fundamentals. Our targeted e-commerce strategy continues to deliver measurable growth, our U.S. expansion remains a key driver, and consumer demand for both Dream Water® and LivRelief™ continues to develop,” said Gord Davey, President and Chief Executive Officer of Delivra Health Brands Inc. “We are focused on disciplined execution — strengthening distribution, optimizing customer mix, advancing innovation, and investing in scalable revenue channels. As we move through the second half of fiscal 2026, our priority remains clear: stabilize retail ordering patterns, reignite growth in licensed markets, and continue expanding high-margin direct-to-consumer and U.S. retail opportunities.



We believe these initiatives position us well to return to consistent revenue growth while maintaining financial responsibility.”

Financial Highlights for the Three Months Ended December 31, 2025

(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the three months ended December 31, 2025, the Company reported total net revenue of \$2,433 as compared to \$2,754 in same period last year, representing approximately a \$321 or 12% decrease. This net decrease was primarily due to lower sales of Dream Water® in the U.S. and Canada by \$183, lower sales of LivRelief™ OTC by \$93 impacted by the timing of customer ordering patterns and partially, offset by growing ecommerce LivRelief™ OTC sales, and finally lower sales of LivRelief™ Infused topical creams by \$45 due to the transition to a new licensed distribution partner.

Gross profit and gross profit margin: In the three months ended December 31, 2025, the Company reported gross profit of \$972 and a gross profit margin of 40% as compared to \$1,294 and 47% in the same period last year. The decrease in gross profit is driven by lower revenue and higher product cost due to price increases by certain vendors and the reduction in gross profit margin was the result of a different product and customer mix in this quarter compared to same quarter last year.

Expenses including selling, general and administrative (“SG&A”) expenses and excluding non-cash items: In the three months ended December 31, 2025, the Company reported expenses of \$1,391 as compared to \$1,544 in the same period last year, representing a \$153 or 10% decrease. The decrease was mainly driven by lower investments in marketing campaigns and digital marketing programs of \$182 or 32%, offset by a slight increase in general and administrative costs of \$29 or 3% mainly driven by increased investments in investor relation programs.

Adjusted EBITDA⁽¹⁾: In the three months ended December 31, 2025, the Company reported Adjusted EBITDA of \$(369) as compared to \$(194) in the same period last year. This reduction in Adjusted EBITDA is the result of lower sales volume and gross profit as explained above.

Financial Highlights for the Six Months Ended December 31, 2025

(Expressed in thousands of Canadian dollars, except share and per share amounts)

Net revenue: In the six months ended December 31, 2025, the Company reported total net revenue of \$5,640 compared to \$5,917 in same period last year, representing a \$277 or 5% decrease. This decrease was due to higher sales of Dream Water® in the U.S and Canada by \$29 offset by lower sales of LivRelief™ OTC of \$61 impacted by the timing of customer ordering patterns and finally lower sales of \$245 of LivRelief™ Infused topical creams due to the transition to a new distribution channel in Canada. These declines were partially offset by



increased e-commerce sales of LivRelief™ OTC by 28% and Dream Water® products in Canada and USA by 26% driven by strong consumer demand and online marketing. The Company is currently reviewing its market distribution strategy for licensed LivRelief™ Infused products and intends to resume its growth strategy in the second half of fiscal 2026 and fiscal 2027.

Gross profit and gross profit margin: In the six months ended December 31, 2025, the Company reported year-to-date gross profit of \$2,473 and a gross profit margin of 44% as compared to \$2,891 and 49% in same period last year. The reduction in gross profit and gross profit margin was the result of a change in customer mix and product cost and mix.

Expenses including selling, general and administrative (“SG&A”) expenses and excluding non-cash items: In the six months ended December 31, 2025, the Company reported expenses of \$2,838 compared to \$3,149 in the same period last year, representing a 10% decrease. Prior year fiscal 2025 first half sales and marketing expenses were higher than the first half of fiscal 2026 sales and marketing expenses by \$426 or 34% given that the Company released in November 2024 two major marketing campaigns, 'Shush Your Mind' for Dream Water® and 'Quiets Chronic Pain' for LivRelief™. General and administrative costs were higher in the first half of fiscal 2026 compared with same period last year by \$115 or 6% mainly as a result of higher investor relation programs and higher professional and consulting services offset by lower salaries costs.

Adjusted EBITDA⁽¹⁾: In the six months ended December 31, 2025, the Company reported Adjusted EBITDA of \$(313) compared to \$(176) in the same period last year, representing a \$(137) year-over-year reduction. This reduction in Adjusted EBITDA was mainly driven by lower sales volume and lower gross profit as discussed above.

Summary of Key Financial Results

	For the three months ended December 31		For the six months ended December 31	
	2025	2024	2025	2024
(\$000's, except share and per share amounts)				
Continued operations:	\$	\$	\$	\$
Net revenue	2,433	2,754	5,640	5,917
Cost of sales	1,411	1,404	3,115	2,944
Inventory write-down	50	56	52	82
Gross profit	972	1,294	2,473	2,891
Expenses excluding non-cash expenses				

	1,391	1,544	2,838	3,149
Depreciation and amortization and share based compensation	31	397	107	794
Total expenses	1,422	1,941	2,945	3,943
Loss from operations	(450)	(647)	(472)	(1,052)
Other (expense) income	39	(165)	(30)	(236)
Net gain (loss) from continued operations	(411)	(812)	(502)	(1,288)
Net gain (loss) per share – basic	(0.01)	(0.03)	(0.02)	(0.04)

Adjusted EBITDA⁽¹⁾ (non-IFRS measure)

	For the three months ended December 31		For the six months ended December 31	
	2025	2024	2025	2024
(\$000's, except share and per share amounts)				
Loss from operations	(450)	(647)	(472)	(1,052)
Inventory write-down	50	56	52	82
Depreciation and amortization	-	326	27	652
Share-based compensation	31	71	80	142
Adjusted EBITDA(1)	(369)	(194)	(313)	(176)

Expenses excluding non-cash items

	For the three months ended December 31		For the six months ended December 31	
	2025	2024	2025	2024
(\$000's, except share and per share amounts)				
General and administration	998	969	2,026	1,911
Sales and marketing	393	575	812	1,238
Total	1,391	1,544	2,838	3,149



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 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, 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 six months ended December 31, 2025 (the “Q2 2026 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 Q2 2026 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 Q2 2026 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, impacts of the Company's latest marketing campaigns, expectations regarding expansion opportunities including the Company's U.S. expansion, ongoing consumer demand for the Company's products, stabilization of retail ordering patterns, expectations regarding increases in the Company's revenues and profitability, increases in consumer demand, the Company's ability to expand high-margin direct-to-consumer and U.S. retail opportunities, and the Company's growth objectives and strategy, growth in new markets, and new distribution channels.

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 Q2 2026 MD&A filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

Neither 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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