



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

*Third quarter sales reflect the impact of the continued changes in the global geopolitical landscape that has temporarily impacted outbound shipments from the USA to the Middle East distribution partners*

*Third quarter sales and year-to-date sales growth of Dream Water® Canada E-commerce of 16% and 13% respectively offset by a decline in Dream Water® Canada Retail of 15% and 6% respectively compared to same periods last year*

*Third quarter sales and year-to-date sales growth of LivRelief™ E-commerce of 60% and 32% respectively offset by a decline in LivRelief™ Retail of 30% and 27% respectively compared to same periods last year*

**May 29, 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 nine months ended March 31, 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.

The Company's quarterly and year-to-date revenue has been mainly impacted by a reduction in its sales from the USA to its distribution partners in the Middle East. The global geopolitical conflict in the Middle East, including the closure of the Strait of Hormuz, impacted the flow and sales of the Company's Dream Water® product to its distributors and partners, and accounts approximately for the quarterly and year-to-date differences in sales compared to the prior year.

In addition to the impact on sales, some of the Company's product ingredients simultaneously experienced a price increase. The Company anticipates shipping and delivery to this region to resume in the fourth quarter and fiscal 2027, with new order commitments and growth plans from its international partners to restore sales to prior levels to this geopolitical conflict. As a continuation from the prior quarter, the Company continues to see encouraging momentum in its targeted e-commerce strategy and continued growth within the Dream Water® brand. Year-to-date e-commerce sales increased 13% for Dream Water® Canada and 32% for LivRelief™, reflecting strong consumer engagement and repeat purchasing behavior in the overall North American business.



The Company has also completed the transition of its licensed LivRelief™ Infused product line-up which will also enhance a revised 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 is proven in the increase in demand across e-commerce channels. Management of Delivra Health is actively addressing fluctuations in distribution timing and engaging in channel optimization to stabilize and accelerate growth in fiscal 2027.

### **Management Commentary**

“Management continues to monitor the developments of the global conflicts, particularly in the Middle East and is in constant communication with its local partners, planning for sales activity and its innovation pipeline for fiscal 2027 and beyond. Our results this quarter reflect the adverse impact of geopolitical developments on sales, and increase in costs of logistics and input material due to the impact of tariffs on our vendors. At the same time, we are encouraged by the strength of our core business fundamentals, and our e-commerce strategy continues to evolve and grow, and the Company continues to invest in this growing channel,” said Gord Davey, President and Chief Executive Officer of Delivra Health Brands Inc. “In the next quarter and 2027 fiscal year, the Company will continue to advance its innovation projects, stabilize its LivRelief™ Infused business, stabilize retail ordering patterns and continue to grow its e-commerce business levels to restore prior quarterly sales levels.”

### **Financial Highlights for the Nine Months Ended March 31, 2026**

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

**Net revenue:** In the nine months ended March 31, 2026, the Company reported total net revenue from continued operations of \$6,887 compared to \$9,012 in same period last year. The \$2,125 or 24% decrease in net revenue was mainly due to: (i) the decrease in sales of Dream Water® in the United States of \$1,785 as a result of the conflict in the Middle East and a decrease in Dream Water® sales in Canada by \$5 and (ii) reduced LivRelief™ OTC sales by \$54 and lower activity of LivRelief™ Infused licensed products by \$281 due to the transition to a new licensed distribution partner.

**Gross profit and gross profit margin:** In the nine months ended March 31, 2026, the Company reported year-to-date gross profit of \$2,784 and a gross profit margin of 40% as compared to \$4,444 and 49% in 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 SG&A and excluding non-cash items:** In the nine months ended March 31, 2026, the Company reported expenses of \$4,099 compared to \$4,585 in the same period last year, representing an 11% reduction. General and administrative costs were higher year-to-date fiscal 2026 compared with same period last year by \$42 or 1% mainly as a result of higher investor



relation programs and higher professional and consulting services which were partially offset by lower salaries costs. Prior year fiscal 2025, year-to-date sales and marketing expenses were higher than the same period of fiscal 2026 sales and marketing expenses by \$528 or 32% given that the Company released in November 2024 two major marketing campaigns, 'Shush Your Mind' for Dream Water® and 'Quiets Chronic Pain' for LivRelief™.

**Adjusted EBITDA<sup>(1)</sup>:** For the nine months ended March 31, 2026, the Company reported Adjusted EBITDA of \$(1,262) compared to \$(51) in the same period last year. This reduction in Adjusted EBITDA was mainly driven by lower sales volume and lower gross profit as discussed above.

### **Financial Highlights for the Three Months Ended March 31, 2026**

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

**Net revenue:** In the three months ended March 31, 2026, the Company reported total net revenue of \$1,247 as compared to \$3,095 in same period last year. The \$1,848 or approximately 60% decrease is attributed to: (i) a \$1,803 decline in Dream Water® sales in USA due to a reduction in outgoing shipments to the Middle East as a result of the geopolitical conflict and a \$17 reduction in Dream Water® sales in Canada (ii) a \$39 reduction in licensed LivRelief™ Infused sales activity, offset by an increase in LivRelief™ sales by \$11 or 5% and this increase was driven by an increase in e-commerce sales by 60%, offset by a decrease in retail sales by 30%.

**Gross profit and gross profit margin:** In the three months ended March 31, 2026, the Company reported gross profit of \$311 and a gross profit margin of 25% compared to \$1,552 and 50% in same period last year. The decrease in gross profit is mainly driven by lower revenue and higher product cost and the reduction in gross profit margin is mainly driven by changes in customer and product mix in this quarter compared to same quarter last year.

**Expenses including SG&A and excluding non-cash items:** In the three months ended March 31, 2026, the Company reported expenses of \$1,261 as compared to \$1,437 in the same period last year, representing a 12% decrease. The decrease was mainly driven by lower investments in marketing campaigns and digital marketing programs of \$103 or 25% and a reduction in general and administrative costs of \$73 or 7% mainly driven by lower costs of insurance, investor relations, and salaries, bonus and benefits expenses partially offset by increased professional and consulting services.

**Adjusted EBITDA<sup>(1)</sup>:** In the three months ended March 31, 2026, the Company reported Adjusted EBITDA of \$(949) as compared to \$124 in the same period last year. 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 March 31		For the nine months ended March 31	
	2026	2025	2026	2025
(\$000's, except share and per share amounts)				
<b>Continued operations:</b>	\$	\$	\$	\$
Net revenue	1,247	3,095	6,887	9,012
Cost of sales	935	1,534	4,050	4,478
Inventory write-down	1	9	53	90
Gross profit	311	1,552	2,784	4,444
Expenses excluding non-cash expenses	1,261	1,437	4,099	4,585
Depreciation and amortization and share based compensation	28	397	135	1,192
Total Expenses	1,289	1,834	4,234	5,777
Loss from Operations	(978)	(282)	(1,450)	(1,333)
Other (expense) income	(50)	(140)	(80)	(376)
Net gain (loss) from continued operations	(1,028)	(422)	(1,530)	(1,709)
Net gain (loss) per share – basic	(0.03)	(0.01)	(0.05)	(0.06)

## Adjusted EBITDA<sup>(1)</sup> (non-IFRS measure)

	For the three months ended March 31		For the nine months ended March 31	
	2026	2025	2026	2025
(\$000's, except share and per share amounts)				
Loss from operations	(978)	(282)	(1,450)	(1,333)
Inventory write-down	1	9	53	90
Depreciation and amortization	-	326	27	978
Share-based compensation	28	71	108	214
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>(949)</b>	124	<b>(1,262)</b>	(51)



## Expenses excluding non-cash items

	For the three months ended March 31		For the nine months ended March 31	
	2026	2025	2026	2025
<b>(\$000's, except share and per share amounts)</b>				
General and administration	954	1,027	2,980	2,938
Sales and marketing	307	410	1,119	1,647
<b>Total</b>	<b>1,261</b>	<b>1,437</b>	<b>4,099</b>	<b>4,585</b>

### Notes:

1. **“Adjusted EBITDA”** is 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. 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 2026 MD&A.

### 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](http://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/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, 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, 2026 (the "Q3 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 Q3 2026 MD&A, which is available under the Company's SEDAR+ profile on [www.sedarplus.ca](http://www.sedarplus.ca).

### **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; new order commitments and growth plans from the Company's international partners; restoration of sales; growth within the Dream Water brand; increased demand and growth across e-commerce channels; purchasing behavior for the Company's products; advances in the Company's innovation projects; stabilization of the LivRelief™ Infused business and retail ordering patterns; 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 2026 MD&A filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://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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