



Delivra Health Brands Reports FY2026 Financial Results

October 28, 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 12 months ended June 30, 2026 ("**fiscal 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.

Management Commentary

"Fiscal 2026 was a challenging year for Delivra Health Brands", said Gord Davey, President and Chief Executive Officer of the Company. "The Iran war and related geopolitical uncertainty in the Middle East combined with the impact of tariffs affecting our North American vendors put significant pressure on our sales volumes, input costs and transportation logistics. In addition, we implemented structural changes in our US e-commerce business and LivRelief™ Infused business over the past year to improve Delivra Health's market position and profitability. Finally, the Company launched a number of new products in fiscal 2026 which impacted short-term financial results but are expected to benefit the business in the near to long term. Fortunately, Delivra Health entered fiscal 2026 in a strong financial position, which provided resilience as we navigated these challenges. Our diversified partner network and sales channels also helped the Company to respond as the operating environment evolved. Despite these significant challenges, we are encouraged by the underlying strength of our core business and the continued growth and development of our e-commerce channels in Canada and the United States. We intend to work closely with our local partners to advance our sales initiatives and innovation pipeline. In fiscal 2027, we are taking steps to normalize retail ordering patterns, continue the growth of our e-commerce channels, improve the performance of the LivRelief™ Infused business, and advance our product innovation projects, all with the objective of rebuilding sales volumes and profitability across all Dream Water® and LivRelief™ product lines."

Financial Highlights

- **Net revenue:** The Company reported total net revenue of \$8,629 in fiscal 2026 as compared to \$13,370 in the twelve months ended June 30, 2025 ("**fiscal 2025**") from continued operations. This 35.5% decline in net revenue is primarily driven by (1) a \$3,912 decline in Dream Water® sales in the United States due to a reduction in outgoing shipments to the Middle East as a result of the geopolitical conflict; (2) a \$309 reduction in licensed LivRelief™ Infused sales activity as a result of the transition to a new licensed partner; (3) a \$543 reduction in LivRelief™ sales as a result of higher sales fees, offset by (4) an increase in Dream Water® sales in Canada by \$23, driven by the e-commerce channel. The Company started



implementing its market distribution strategy for licensed LivRelief™ Infused products in fiscal 2026 and expects to resume the growth of these products in fiscal 2027.

- **Gross profit and gross profit margin:** The Company reported gross profit of \$3,335 and a 39% gross profit margin in fiscal 2026 compared to \$6,778 and a 51% gross profit margin in fiscal 2025. The year-over-year decline primarily reflects changes in customer, product, and sales channel mix, including a higher proportion of sales through lower-margin distribution channels, as well as higher third-party warehousing costs and costs associated with the Company’s e-commerce operations and advertising initiatives.
- **Expenses including sales, marketing, general, and administrative costs and excluding non-cash items:** The Company reported expenses of \$5,237 in fiscal 2026, compared with \$6,071 in fiscal 2025, a decrease of \$834, or 14%. General and administration expenses decreased by \$174, or 4%, while sales and marketing expenses decreased by \$660, or 34%. The reductions primarily resulted from cost-reduction initiatives, as well as the timing and selection of sales and marketing programs and campaigns.
- **Adjusted EBITDA⁽¹⁾:** The Company reported an adjusted earnings before interest, taxes, depreciation and amortization (“**Adjusted EBITDA**”) loss of \$(1,845) in fiscal 2026 compared to \$643 in fiscal 2025. This decline in Adjusted EBITDA was primarily due to lower revenue, offset by lower sales and marketing expenses, lower general and administrative expenses, and changes in customer and product mix, as explained above.

Summary of Key Financial Results

	For the year ended June 30	
(\$000’s, except share and per share amounts)	2026	2025
Continued operations:		
Net revenue	\$8,629	\$13,370
Cost of sales	5,237	6,656
Inventory (recovery) write-down	57	(64)
Gross profit	3,335	6,778
Gross profit margin	39%	51%
Expenses excluding non-cash expenses	5,237	6,071
Depreciation and amortization and share-based compensation	156	1,548
Loss from operations before other (expense) income	(2,058)	(841)
Other (expense) income	(196)	(349)



Net profit (loss) from continuing operations	(2,254)	(1,190)
Net cash provided (used) in operating activities	(637)	(754)

Expenses excluding non-cash items

	For the year ended June 30	
(\$000's, except share and per share amounts)	2026	2025
General and administration	\$3,941	\$4,115
Sales and marketing	1,296	1,956
Total	5,237	6,071

Adjusted EBITDA (non-IFRS measure)⁽¹⁾

	For the year ended June 30	
(\$000's, except share and per share amounts)	2026	2025
Loss from operations	\$(2,058)	\$(841)
Inventory (recovery) write-down	57	(64)
Depreciation and amortization	27	1,268
Share-based compensation	129	280
Adjusted EBITDA⁽¹⁾	(1,845)	643

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 or 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 inventories, asset impairment, write-downs and reversals of 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 fiscal 2026 dated October 28, 2026 (the "**Fiscal 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 Fiscal 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 Fiscal 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, the strength of the Company's core business, the ongoing growth and development of the Company's e-commerce channels, the expected future benefits of new products launched in fiscal 2026, the Company's expectations and plans to advance product innovation projects and sales initiatives, improve the performance of the LivRelief™ Infused business, and normalize retail ordering patterns, continue growing its e-commerce channel, rebuild sales volumes and profitability across the Dream Water® and LivRelief™ product lines, and resume growth of licensed LivRelief™ Infused products during fiscal 2027.

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; consumer demand; the Company's ability to capitalize on consumer demand; 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 Fiscal 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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