



Purebread Brands Inc. Reports Q2 2025 Results

- **Quarterly revenue:** \$4.7 million, up 188% YoY
- **Quarterly gross profit:** \$3.0 million, up 121% YoY
- **Positive adjusted EBITDA⁽¹⁾:** \$0.4 million
- **Operating expenses:** Reduced 7% from Q1 2025 and 13% from Q4 2024

Vancouver, British Columbia – November 29, 2024 – Purebread Brands Inc. (TSXV: BRED) ("Purebread" or the "Company") is pleased to announce its Q2 2025 financial results. Highlights are outlined below, with the complete **Condensed Consolidated Interim Financial Statements** and **Management Discussion and Analysis** available on the Company's website at www.purebreadbrands.com or its SEDAR+ profile at www.sedarplus.ca.

Q2 2025 Financial Highlights

- **Revenue increased** 188% YoY to \$4.7 million in Q2 2025 from \$1.6 million in Q2 2024. The increase in revenue was driven by strong retail revenue generated from Purebread Bakery and increased rental revenue from the Company's existing shared kitchen facilities.
- **Gross profit increased** 121% YoY to \$3.0 million in Q2 2025 from \$1.3 million in Q2 2024. The increase in gross profit was driven by the significant increase in revenue due to Purebread Bakery.
- **Total operating expenses reduced** by 7% compared to Q1 2025, and reduced by 13% compared to Q4 2024, in line with management's cost reduction efforts and continued focus on streamlining administrative functions. Further cost reduction exercises will continue throughout the organization over the coming quarters.
- The Company reported **positive adjusted EBITDA⁽¹⁾** of \$401,869 in Q2 2025, compared to \$(699,790) in the same period last year, representing a \$1,101,659 YoY improvement. The increase in adjusted EBITDA was attributed to: (i) the contribution of consistently strong profits from Purebread's operations, (ii) revenue growth from the Company's shared kitchen facilities, and (iii) the Company's continuing focus to streamline administrative functions and reduce operating expenses.

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
	\$	\$
Net loss	(1,066,950)	(1,574,790)
Amortization	594,432	445,770
Accretion	101,053	16,761
Interest	723,049	314,590
Share based compensation	59,409	97,879
Adjusted EBITDA	401,869	(699,790)

⁽¹⁾ *Adjusted EBITDA is a non-IFRS measure defined as earnings (or loss) before interest, taxes, depreciation, amortization, share-based compensation, and accretion.*

- **CEO Andrew Barnes commented on the results:**

“These numbers reflect the significant progress we’ve made in aligning our business model with our core strengths. Revenue growth from our bakery operations and shared kitchen facilities has been exceptional, but what truly stands out is our ability to reduce costs and deliver positive adjusted EBITDA for the first time. This is a major milestone that positions us well for sustainable growth and profitability moving forward.”

Q2 2025 Operational Highlights

Purebread Bakery Expansion

- **New locations:** Opened two new bakeries in Q1, located on West 4th in Vancouver and Parksville on Vancouver Island. Both launches demonstrated the capability of the new management team to uphold Purebread’s brand standards.
- **Geographic expansion:** The Parksville location proved the Company’s ability to manage operations outside the Lower Mainland, paving the way for future growth.

Streamlined Shared Kitchen Operations

- **Cost reductions:** Continued to lower operating expenses while growing revenue, with further profit maximization efforts planned for future quarters.
- **Closures:** Transitioned two Coho Commissary locations (Pandora Street and Hastings Street) back to landlords and closed the Victoria Public Market site. These strategic changes will help streamline operations and allocate resources toward expanding Purebread Bakery.

Update on Shared Kitchen Operations

Purebread Brands Inc. today announced the transitions of two Coho Commissary locations back to landlords, on Pandora Street & Hastings Street in Vancouver, and closure in the Victoria Public Market. This decision is part of Purebread's continued focus on growth, streamlined operations, and cost efficiency as the company accelerates the expansion of its Purebread Bakery locations across British Columbia.

The strategic closure of these commissary sites will allow Purebread Brands to consolidate its operations, enabling the brand to dedicate greater resources toward its core mission: delivering high-quality, delicious baked goods to a growing community of loyal customers. This shift is a key element of Purebread Brands' comprehensive growth plan.

"As we continue to grow, it's critical to focus on what we do best—crafting exceptional baked goods and providing a memorable experience," said Andrew Barnes, CEO of Purebread Brands Inc. "This decision strengthens our ability to adapt to new opportunities and ensures we remain agile and customer-focused as we expand."

The closures are expected to generate significant cost savings, which will be reinvested in the bakery's operational infrastructure and customer experience. Purebread will also enhance its central baking operations, optimizing supply chain management and simplifying logistics to support new and existing bakery locations.

Purebread Brands are very proud of the work that Coho Commissary, our fantastic teams, and these locations, have contributed to the communities they are in. The Victoria space was home to Cafe Malabar, who recently were named 5th Best New Restaurant in Canada by Enroute Air Canada. There are many more great stories of hardworking entrepreneurs and companies that have grown in these locations. The hardworking team at Coho is grateful for all the companies that have worked with us through the years in these spaces and will continue to be supporters of their businesses & teams.

About Purebread Brands Inc.:

Purebread Brands Inc. is a leader in fast-casual cafe / bakeries in British Columbia, driving retail expansion in vibrant communities across Canada and beyond. Purebread is committed to crafting exceptional food experiences and making a positive impact on the communities it serves.

For more information and updated investor presentation, please visit www.purebreadbrands.com

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Cautionary Note Regarding Forward-Looking Information

This press release may contain “forward-looking statements” and “forward-looking information” (collectively, “forward-looking statements”) within the meaning of applicable securities legislation, which reflect management’s current expectations regarding future events. Such forward-looking statements include, but are not limited to, forward-looking statements with respect to plans, intentions, beliefs, and current expectations of the Company with respect to future business activities, expansion and operating performance; the continued success of the Company’s Shared Kitchen Business; the impact of transitioning the Pandora Street and Hastings Street locations back to the landlords, and the closure in the Victoria Public Market on the Company’s future success, as well as any corresponding impact on the performance or share price of the Company.

Forward-looking statements are frequently characterized by words such as “plan”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “expect” and other similar words, or statements that certain events or conditions “may” or “will” occur. Although the Company’s management believes that the assumptions made (and the expectations represented by such forward-looking statements) are reasonable, there can be no assurance that any forward-looking statements referenced herein will prove to be accurate.

The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates should change, except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. More detailed information about potential factors that could affect results is included in the documents that may be filed from time to time with Canadian securities regulatory authorities by the Company.

For a more detailed discussion of certain of these risk factors, see the heading “Risk Factors” in the Company’s most recent MD&A, available under the Company’s SEDAR+ profile at www.sedarplus.ca.