



## Avant Brands Announces Results for Q3 2025

Kelowna, B.C., October 15, 2025. **Avant Brands Inc. (TSX: AVNT) (OTCQX: AVTBF) (FRA: 1BUP)** (“Avant” or the “Company”), a leading producer of innovative and award-winning cannabis products, today released its financial results for the third quarter ended August 31, 2025 (“Q3 2025”). With a growing international footprint and deep penetration into key global medical markets, Avant continues to scale as the go-to Canadian exporter for top-shelf cannabis at commercial volume. The Company delivered its eighth consecutive quarter of positive adjusted EBITDA<sup>1</sup>, supported by growth in domestic wholesale revenue and disciplined operational execution.

(1) Adjusted EBITDA is a non-GAAP performance measure. The information is incorporated by reference from the Q3 2025 MD&A filings under “Cautionary Statement Regarding Certain Non-GAAP Performance Measures”. The Company’s MD&A is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

### Highlights include:

- **Gross and net revenue increases:** Quarterly gross revenue increased 13% to \$10.8 million, while net revenue increased 11% to \$9.4 million as compared to Q3 2024, driven by sustained international and domestic demand for premium cannabis.
- **Gross profit:** Year to date (“YTD”) gross profit increased to \$3.1M, representing a 3851% increase compared to YTD Q3 2024.
- **Adjusted EBITDA<sup>1</sup>:** Achieved adjusted EBITDA<sup>1</sup> of \$0.2 million, marking the eighth consecutive quarter of positive adjusted EBITDA<sup>1</sup>.

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- **Net cash flows generated from operating activities:** YTD net cash flows generated from operating activities increased 111% to \$3.7 million as compared to YTD Q3 2024.

### Avant Brands Founder & CEO Norton Singhavon Comments:

*“Avant’s performance this quarter reflects both the strength of our international partnerships and the resilience of our Canadian platform. By consistently supplying premium cannabis at scale, we continue to earn the confidence of distributors in markets such as Germany, Israel, and Australia, while reinforcing our leadership in Canada’s recreational market. With disciplined cost management and a sharpened focus on high-performing SKUs, Avant is building lasting brand equity in Canada and on the global stage.”*

## Q3 2025 Financial Highlights (vs. Q3 2024):

### Revenue:

- Gross revenue: \$10.8 million (+13%)
- Net revenue: \$9.4 million (+11%)
- Export wholesale revenue: \$4.3 million (-16%)
- Net recreational revenue: \$2.7 million (-3%)
- Domestic wholesale revenue: \$2.3 million (+307%)

Net recreational revenue declined 3%, due to an immaterial increase in the provision for sales returns and allowances. The Company continues to implement a strategic shift toward higher-margin, top-performing SKUs. This realignment is expected to drive long-term profitability, while resources continue to be prioritized toward growth in domestic wholesale revenue and export wholesale revenue.

Export wholesale revenue decreased 16%, driven by a major export customer establishing a Canadian subsidiary to purchase bulk cannabis in the domestic market. Bulk cannabis that would previously have been sold to the customer's international subsidiary was instead sold to the customer's domestic subsidiary, contributing to the increase in domestic wholesale revenue of 307% and driving the decrease in export wholesale revenue of -16%. The combined total of domestic wholesale revenue and export wholesale revenue reached \$6.5M, representing a combined 17% increase over Q3 2024. This combined increase demonstrates growing demand for premium bulk cannabis.

### Gross profit:

- Gross profit increased 68% to \$1.7M, due to increased net revenue, and a decrease in change in fair value of biological assets realized through inventory sold.

### Operating expenses:

- Operating expenses decreased to \$3.0M (-15%) due to improved cost allocations and continued execution of cost-reduction initiatives.

### Gross margin adjusted for fair value adjustments<sup>2</sup>:

- Gross margin adjusted for fair value adjustments<sup>2</sup>: Decreased to \$2.1 million (-50%) due to improved cost of sales allocations.
- Gross margin % adjusted for fair value adjustments<sup>3</sup>: Decreased to 22% (vs. 49%) due to improved cost of sales allocations.
- Despite decreases in gross margin adjusted for fair value adjustments<sup>2</sup> and gross margin % adjusted for fair value adjustments<sup>3</sup>, YTD net cash flows generated from operating activities increased 111% versus the comparative period, inclusive of the improved cost of sales allocations.

(2) Gross margin adjusted for fair value adjustments is a non-GAAP performance measure. The information is incorporated by reference from the Q3 2025 MD&A filings under "Cautionary Statement Regarding Certain Non-GAAP Performance Measures". The Company's MD&A is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

(3) Gross margin % adjusted for fair value adjustments is a non-GAAP performance ratio. The information is incorporated by reference from the Q3 2025 MD&A filings under "Cautionary Statement Regarding Certain Non-GAAP Performance Measures". The Company's MD&A is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

### Adjusted EBITDA<sup>1</sup>:

- Achieved adjusted EBITDA<sup>1</sup> of \$0.2 million, marking the eighth consecutive quarter of positive adjusted EBITDA<sup>1</sup>.

(1) Adjusted EBITDA is a non-GAAP performance measure. The information is incorporated by reference from the Q3 2025 MD&A filings under "Cautionary Statement Regarding Certain Non-GAAP Performance Measures". The Company's MD&A is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

**Cannabis Production and Sales:**

- Cannabis Production: 3,231 KG (-6%).
- Cannabis Sales: 3,387 KG sold (+10%).

**About Avant Brands Inc.**

Avant Brands Inc. (TSX: AVNT) (OTCQX: AVTBF) (FRA: 1BUP) is a leading innovator in premium cannabis products, driven by a commitment to exceptional quality and craftsmanship. As one of Canada's largest indoor producers, the company operates multiple production facilities across the country, cultivating unique and high-quality cannabis strains.

Avant offers a diverse product portfolio catering to recreational, medical, and export markets. Its renowned consumer brands, including blk mkt™, Tenzo™, Cognōscente™, flowr™, and Treehugger™, are available in key recreational markets across Canada. The company's international footprint spans Australia, Israel, and Germany, with its flagship brand blk mkt™ leading the way. Avant also serves qualified medical patients nationwide through its GreenTec™ medical cannabis brand, accessible via the GreenTec Medical portal and trusted partner network.

Avant is a publicly traded company, listed on the Toronto Stock Exchange (TSX) and accessible to international investors through the OTCQX Best Market (OTCQX) and Frankfurt Stock Exchange (FRA). Headquartered in Kelowna, British Columbia, the company operates in strategic locations throughout Canada.

**Learn More:**

For more information about Avant, including investor presentations and details about its consumer brands, please visit the company website: [www.avantbrands.ca](http://www.avantbrands.ca)

**Investor Relations:**

For inquiries, please contact Avant Brands Investor Relations at 1-800-351-6358 or [ir@avantbrands.ca](mailto:ir@avantbrands.ca).

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:**

This news release includes certain “forward-looking information” as defined under applicable Canadian securities legislation, encompassing statements regarding Avant Brands Inc.'s ("Avant" or the "Company") plans, intentions, beliefs, and current expectations concerning future business activities and operating performance.

Forward-looking information is often, but not always, identified by the use of words such as “expects,” “intends,” “anticipates,” “believes,” “estimates,” “plans,” “may,” “could,” “should,” “will,” or variations of such words and phrases. In particular, this news release includes forward-looking information related to, but not limited to, the Company’s expectations for future revenue and sales growth, the continued performance of its international operations, the demand for its premium cannabis products—including the blk mkt™ brand—in key global markets, strategic initiatives to prioritize high-performing SKUs, streamline domestic offerings, focus on operational efficiency, cost discipline, and reducing corporate overhead, the Company’s ability to build long term brand equity and reinforce its market leadership, and expand its presence in Australia, Germany, Israel, and other international jurisdictions.

Forward-looking information also includes statements concerning the Company's ongoing focus on operational efficiencies, profitability, and the anticipated availability of financial statements and management's discussion and analysis ("MD&A") on the Company's SEDAR+ profile and website, providing investors with comprehensive financial information.

Investors should be aware that forward-looking information involves inherent risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied by such information. Management's current expectations may not accurately predict future events or outcomes. Therefore, investors are cautioned not to place undue reliance on forward-looking information.

Investors are cautioned that forward-looking information is not based on historical fact but instead reflects management's expectations, estimates, or projections concerning future results or events based on the opinions, assumptions, and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance, or achievements of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: regulatory and licensing risks; changes in consumer demand and preferences; changes in general economic, business, and political conditions, including changes in the financial markets; the global regulatory landscape and enforcement related to cannabis, including political risks and risks relating to regulatory change; compliance with extensive government regulation; public opinion and perception of the cannabis industry; and the risk factors set out in the Company's annual information form dated February 28, 2025 filed with Canadian securities regulators and available on the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected. Although the Company has attempted to identify important risks, uncertainties, and factors that could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated, or intended. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by law.

#### **SPECIAL NOTE REGARDING FINANCIAL INFORMATION**

This document should be read in conjunction with the Company's unaudited interim consolidated financial statements (the "financial statements") and the Company's MD&A for the three months and nine months ended August 31, 2025, and audited consolidated financial statements for the year ended November 30, 2024. All dollar amounts are referenced in millions of Canadian dollars, except where noted otherwise. The Company's financial statements and MD&A for the three months and nine months ended August 31, 2025, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Additional information relating to the Company, including its Annual Information Form for the year ended November 30, 2024, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Information on the Company's website does not form part of and is not incorporated by reference in the Company's MD&A.

**SPECIAL NOTE REGARDING NON-GAAP AND OTHER FINANCIAL MEASURES**

This document includes references to non-GAAP measures, which include non-GAAP and other financial measures as defined in National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure. These financial measures are used by the Company to evaluate its financial performance, financial position or cash flow and include non-GAAP financial measures, non-GAAP ratios, total of segments measures, capital management measures, and supplementary financial measures. These financial measures are not defined by IFRS and therefore are referred to as non-GAAP and other financial measures. The non-GAAP and other financial measures used by the Company may not be comparable to similar measures presented by other companies, and should not be considered an alternative to or more meaningful than the most directly comparable financial measure presented in the Company's financial statements, as applicable, as an indication of the Company's performance. Descriptions of the Company's non-GAAP and other financial measures included in this document, and reconciliations to the most directly comparable GAAP measure, as applicable, are provided in the "Cautionary Statement Regarding Certain Non-GAAP Performance Measures" section of the Company's MD&A for the three months and nine months ended August 31, 2025, dated October 15<sup>th</sup>, 2025.