

Delota Reports Financial Results for the Three and Nine Months Ended December 31, 2025

Highlights

- Total revenue of \$8.4 million for Q3 2026
 - Total System-Wide Revenue of \$10.0 million for Q3 2026
 - 30% gross profit margin for Q3 2026
- Total revenue of \$27.1 million for the Nine Months Ended 2026
 - Total System-Wide Revenue of \$30.9 million for the Nine Months Ended 2026
 - 33% gross profit margin for the Nine Months Ended 2026
- Segmented revenue for the Nine Months Ended 2026:
 - Vape - B2C: \$16.4 million, B2B: \$7.8 million
 - Cannabis - B2C: \$2.9 million
- Customer base of over 350,000 registered accounts across online and brick-and-mortar platforms

Vaughan, Ontario--(Newsfile Corp. - March 3, 2026) - Delota Corp. (CSE: NIC) (FSE: S62) ("**Delota**" or the "**Company**"), a leading Canadian omni-channel retailer of nicotine vape and alternative tobacco products, is pleased to report it has filed its interim consolidated financial statements, management discussion and analysis, and associated certifications (collectively, the "**Q3 2026 Filings**") for the three and nine months ended December 31, 2025. The Q3 2026 Filings may be accessed under the Company's SEDAR+ profile at www.sedarplus.ca.

Cameron Wickham, CEO of Delota, commented, *"Our third quarter results continue to reflect the short-term impacts of our operational restructuring initiatives that we have been implementing over the past nine months, contributing to an Adjusted EBITDA loss. These ongoing restructuring efforts have streamlined operations, reduced quarter-over-quarter operating expenses and provide for a disciplined approach to growth and cost management. Paired with our strengthened balance sheet and stable System-Wide Revenue, the Company remains firmly positioned to deliver long-term value to shareholders. We are please to have recently launched our newcustomer referral platform as an integrated enhancement to our loyalty program. This initiative directly supports our strategic emphasis on organic customer acquisition, complementing our proven retention efforts and positioning our omni-channel platform to drive sustainable and incremental revenue growth."*

Financial Highlights:

- Total revenue of \$8,400,871 for the three months ended December 31, 2025 ("**Q3 2026**") as compared to \$10,285,372 for the three months ended October 31, 2024 ("**Q3 2025**")
 - Total System-Wide Revenue of \$9,960,255 for Q3 2026 as compared to \$10,876,828 for Q3 2025
 - 30% gross profit margin for Q3 2026 as compared to 38% for Q3 2025

- Adjusted EBITDA of negative \$389,394 for Q3 2026 as compared to positive \$380,110 for Q3 2025
- Total revenue of \$27,117,477 for the nine months ended December 31, 2025 ("**Nine Months Ended 2026**") as compared to \$29,927,038 for the nine months ended October 31, 2024 ("**Nine Months Ended 2025**")
 - Total System-Wide Revenue of \$30,929,579 for the Nine Months Ended 2026 as compared to \$31,820,862 for the Nine Months Ended 2025
 - 33% gross profit margin for the Nine Months Ended 2026 as compared to 40% for the Nine Months Ended 2025
 - Adjusted EBITDA of negative \$396,706 for the Nine Months Ended 2026 as compared to positive \$827,258 for the Nine Months Ended 2025
- Segmented revenue for the Nine Months Ended 2026:
 - Vape - B2C: \$16.4 million, B2B: \$7.8 million
 - Cannabis - B2C: \$2.9 million

Other Highlights:

- On July 15, 2025, the Company changed its auditor to Horizon Assurance LLP.
- On July 7, 2025, the Company announced it had entered into agreements with 180 Global relating to the licensing of the 180 Smoke Vape Store brand for retail online sales in Eastern Canada. 180 Global assumed operational functions in Eastern Canada as a result of the retail partnership in exchange for certain service fees and a royalty fee payable to the Company.
- On April 22, 2025, the Company completed the early redemption of senior secured convertible debentures in the amount of \$900,000 plus accrued interest and the security interests and obligations of the Company and its guarantors have been discharged and all pledged securities have been returned to the Company.
- On February 3, 2025, the Company opened a 180 Smoke Vape Store located at 1530 Albion Road, Unit 51A, Albion Mall, Etobicoke, expanding its retail footprint to 32 locations.
- On January 22, 2025, the Company announced a change to its fiscal year end from January 31st to March 31st.
- On August 26, 2024, the Company opened a 180 Smoke Vape Store located at 499 Main Street South, Unit 60D, Shoppers World, Brampton.
- On July 25, 2024, the Company opened a 180 Smoke Vape Store located at 70 Joseph Street, Parry Sound.

Select Financial Information

The following selected financial information as at and for the nine months ended December 31, 2025 and nine months ended October 31, 2024 are derived from the Company's interim consolidated financial statements.

	Nine Months Ended December 31, 2025	Nine Months Ended October 31, 2024
	\$	\$

Revenue	27,117,477	29,927,038
Net income (loss) for the period	(628,905)	307,912
Net earnings (loss) per share - basic and diluted	(0.02)	0.01
Working capital (deficit)	(1,784,821)	(790,654)
Total assets	12,726,010	15,005,151
Total non-current liabilities	4,131,355	5,968,005
Total liabilities	12,031,054	14,073,814
Share capital	7,832,560	7,832,560
Warrant reserve	99,398	99,398
Contributed surplus	507,513	503,493
Accumulated deficit	(7,744,515)	(7,506,574)
Shareholders' equity	694,956	931,337

System-Wide Revenue

The Company's "System-Wide Revenue" is a non-IFRS financial measure that does not have a standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers. This measure is presented to provide readers with additional insight into total sales activity across the Company's network, including sales generated through licensing arrangements where the Company recognizes royalty or fee income rather than gross revenue. System-Wide Revenue should not be considered in isolation or as a substitute for revenue prepared in accordance with IFRS.

The following table presents System-Wide Revenue for the three and nine months ended December 31, 2025 and October 31, 2024. Following the Company's change in fiscal year-end, comparative periods are not directly aligned.

	Three Months Ended December 31, 2025 \$	Three Months Ended October 31, 2024 \$	Nine Months Ended December 31, 2025 \$	Nine Months Ended October 31, 2024 \$
180 Smoke - Vape B2C	4,162,992	8,066,701	16,404,573	23,539,666
180 Smoke - Vape B2B	4,824,121	1,875,438	11,601,780	5,603,143
Offside Cannabis - Cannabis	973,142	934,689	2,923,226	2,678,053
Total System-Wide Revenue	9,960,255	10,876,828	30,929,579	31,820,862

System-Wide Revenue includes gross sales generated by franchisees and third-party operators under licensing arrangements with the Company. Under these arrangements, the Company earns income through royalty fees and service fees rather than recording gross sales as revenue. As a result, System-Wide Revenue will not agree to IFRS revenue recognition, which reflects only the fees recognized by the Company under IFRS 15.

Adjusted EBITDA

The Company's "Adjusted EBITDA" is a non-IFRS metric used by management that does not have any standardized meaning prescribed by IFRS and may not be fully comparable to similar measures presented by other companies. Management defines Adjusted EBITDA as the net income (loss) reported, before income taxes and other expense (income) items such as finance costs, finance income, gains and losses related to derivative liability valuations, and adjusted for share-based compensation, depreciation and amortization expenses, gains and losses related to the revaluations of its right-of-use assets and lease liabilities and foreign exchange differences.

The reconciliation of net income (loss) to Adjusted EBITDA is presented below.

	Three Months Ended December 31, 2025	Three Months Ended October 31, 2024	Nine Months Ended December 31, 2025	Nine Months Ended October 31, 2024
	\$	\$	\$	\$
Net income (loss) for the period - as reported	(406,235)	474,928	(628,905)	307,912
Depreciation and amortization	122,496	129,806	375,741	393,698
Interest and accretion expenses	23,173	203,876	156,453	611,721
Stock-based compensation	-	2,460	-	10,277
Fair value adjustment of derivative liabilities	(65,589)	(417,743)	(134,566)	(464,882)
Deferred tax recovery	(15,945)	(15,945)	(47,833)	(47,833)
Lease adjustments	(53,981)	(2,592)	(129,757)	(5,184)
Foreign exchange loss	6,687	5,320	12,161	21,549
Adjusted EBITDA	(389,394)	380,110	(396,706)	827,258

About Delota Corp.

Delota is the largest omni-channel specialty vape retailer in Ontario with a mission of becoming one of the largest national specialty retailers of nicotine vape and alternative tobacco products. The Company's growth strategy includes aggressively growing its flagship brand, 180 Smoke Vape Store, by expanding its retail footprint organically in Ontario and select provinces across Canada, strengthening its national e-commerce platform, and through strategic M&A to accelerate growth and market consolidation. The Company is committed to expanding its nicotine product assortment, enhancing customer experience, and growing its registered customer base, which now exceeds 350,000 accounts.

Investors interested in learning more about Delota can visit www.delota.com.

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Cautionary Statements

This press release contains "forward-looking statements or information". Forward-looking statements can be identified by words such as: anticipate, intend, plan, goal, seek, believe, project, estimate, expect, strategy, future, likely, may, should, will and similar references to future periods. Examples of forward-looking statements in this press release include statements made regarding information about future plans, expectations and objectives of the Company overall.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. The Company may not actually achieve its plans, projections, or

expectations. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the adequacy of our cash flow and earnings, the availability of future financing and/or credit, developments and changes in laws and regulations, consumer sentiment towards the Company's products, failure of counterparties to perform their contractual obligations, government regulations, competition, loss of key employees and consultants, and general economic, market or business conditions, the impact of technology and social changes on the products and industry, as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedarplus.ca. Given these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.



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