Vitalist Reports Fourth Quarter 2026 Financial Results

CALGARY, AB, CANADA – July 27, 2026 – Vitalist Inc. (**TSX-V:** [VITA.V]; **OTCQB:** [VTLSF]) ("**Vitalist**", "**we**", "**our**" or the "**Company**"), a wearable operating-system focused technology company, today announced its financial results for the year ended March 31, 2026 ("**Q4 2026**"). The related financial statements and accompanying notes, and Management's Discussion and Analysis for Q4 2026 ("**MD&A**") are available on SEDAR+ at www.sedarplus.ca and on the Vitalist's website at www.vitalist.co.

All dollar amounts in this press release are expressed in the Canadian dollars.

Q4 2026 Highlights

- **Revenue** decreased by 15% to $4.06 million for the year ended March 31, 2026, driven by the introduction of sales inducement costs in the current year, which resulted in lower average net selling prices being recognised as compared to the prior year.
- **Gross profit** decreased to $1.31 million from $1.57 million in the prior year, primarily due to the estimated sales inducement costs in the current year lowering the average net selling price per unit, partially offset by product mix shifts and higher overall gross selling price per unit.
- The **Net loss** for the year was $4.53 million, compared to a $3.58 million in the prior year. The increased loss is due to lower gross profit and increases in overall operating expenditures to support growth in producing, marketing and selling Reebok smart watches.
- **Operating cash outflows** increased to $2.33 million from $1.51 million in the prior year as a result of increased operating expenditures and decreased revenue, offset by favorable working capital movements.

Outlook

Looking ahead, Vitalist Inc. is positioning itself to grow across both consumer and enterprise health markets. Building on the ongoing momentum of its exclusive five-year global partnership with Reebok, the Company expects to launch its new flagship smartwatch collection in fall 2026, powered by its proprietary operating system, VitalOS™. This deployment intends to showcase the platform's high-performance capability, 10-day battery life, and seamless hardware compatibility as a commercial design for broader software licensing opportunities. Furthermore, following the acquisition of AI-powered remote patient monitoring innovator Somatix, Inc., Vitalist plans to expand into the high-growth medical wearables sector. By integrating Somatix's proprietary gesture-recognition algorithms into the VitalOS™ ecosystem, Vitalist is seeking to capture higher margin and recurring revenues across both digital health and consumer markets.

"Since launching our Reebok line in 2025, we have seen strong brand momentum. While we navigated a post-holiday slowdown early in 2026 following solid inventory load-in, our focus has been on securing premium, high-impact placement," said Kalvie Legat, CEO of Vitalist. "We have established exceptional retail visibility in key locations across the United States, including Love's Truck Stops, the TMRW Store in Times Square, and TJ Maxx, alongside strong momentum in Canada at Costco. Combined with our strategic partnership with Pattern Inc. to scale our online footprint across Amazon and Walmart online in both markets, we expect these expanded channels to meaningfully reflect in our financial performance in the coming quarters."

Selected Financial Information

	March 31, 2026	March 31, 2025
Total revenue	**4,061,807**	4,751,802
Gross profit	**1,308,703**	1,566,268
Net loss	**(4,530,037)**	(3,582,443)
Net cash used in operating activities	**(2,329,911)**	(1,507,196)
Basic & diluted loss per share	**(0.09)**	(0.08)

As at	**March 31, 2026**	March 31, 2025
Total assets	**1,039,063**	1,127,789
Total non-current financial liabilities	**6,645,271**	-

About Vitalist Inc.

Vitalist Inc. is an innovative technology provider that helps brands build better products. Through VitalOS™, brands create seamlessly connected devices and applications that adapt to each user. By uniting hardware and software with intelligent analytics, we're building an ecosystem of personalized solutions that enhance human potential.

▹ For more information visit: www.vitalist.co | Investor Materials | LinkedIn

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Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws and forward-looking statements within the meaning of applicable U.S. securities laws. In general, forward-looking information refers to disclosure about future conditions, courses of action, and events. The use of any of the words "anticipates", "believes", "expects", "intends", "plans", "will", "would", "potential", and similar expressions are intended to identify forward-looking information. Forward-looking statements included or incorporated by reference in this press release include, without limitation, the Company's expected growth, expected consumer value in VitalOS™, potential future software licensing opportunities, the ability to expand into remote patient monitoring, the ability to integrate Somatix's proprietary gesture-recognition algorithms into the VitalOS™, the expectation that the digital health market market will yield higher margins, as well as with respect to:

- the ability of the Company to continue as a going concern;
- the impact on the Company of the voluntary assignment into bankruptcy of eBuyNow eCommerce Ltd. (“EBN”), a wholly-owned Canadian subsidiary of the Company, which was filed by EBN on June 27, 2023 pursuant to the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3) (the “Act”) (collectively, the “Bankruptcy”);
- the impact on the Company of the acquisition of Somatix, Inc. (“Somatix”) subsequent to year-end;
- the effects of global supply constraints on the Company and the likelihood that such constraints will continue to occur and impact the Company;

- the plans of the Company for the Reebok (defined below) product category, the status of the Reebok product category relative to those plans, and the anticipated timing and costs to advance the Reebok product category;
- the plans of the Company for the Vitalist (defined below) product category, the status of the Vitalist product category relative to those plans, and the anticipated timing and costs to advance the Vitalist product category;
- the plans of the Company to terminate certain product lines and product categories;
- the strategies of the Company for customer retention and growth;
- anticipated demand for the products and services of the Company, and its ability to meet that demand;
- the Company's intent to maintain a flexible capital structure;
- the ability of the Company to generate sufficient cash to maintain its capacity and fund its growth and development;
- fluctuations in the liquidity of the Company;
- the ability of the Company to meet its obligations as they become due;
- the plans of the Company for remedying its working capital deficiency;
- the need for the Company to pursue additional sources of financing and the ability of the Company to obtain such additional sources of financing;
- capital expenditures not yet committed, but required, to maintain the capacity of the Company and fund its growth and development;
- fluctuations in the capital resources of the Company;
- the sources of financing that the Company has arranged, but not yet used; and
- the plans of the Company to reduce general and administrative expenses.

The forward-looking information is based on certain key expectations and assumptions, including the continuance of manufacturing operations at the Company's partner factories in Asia, the timing of product launches, shipments and deliveries, forecast sales price and sales volumes of the Company's products and the ability of the Company to secure additional sources of financing in the future.

There can be no assurance that the Company will be able to secure additional financing in the future in a timely manner or at all. If the Company fails to secure additional financing, the Company may have insufficient liquidity and capital resources to operate its business resulting in material uncertainty regarding the Company's ability to meet its financial obligations as they become due and continue as a going concern.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company cannot give any assurance that it will prove to be accurate. By its nature, forward-looking information is subject to various risks, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed in this MD&A. Such risks and uncertainties include, without limitation:

- there is the potential for litigation to arise from creditors in connection with the Bankruptcy resulting in contingent liabilities and additional legal costs to the Company;
- certain liabilities of EBN and its subsidiaries may not be extinguished in connection with the Bankruptcy;
- the Company is at risk to possible hidden or contingent liabilities, including pending litigation, regulatory non-compliance, or cybersecurity vulnerabilities incurred by its recent acquisition of Somatix;
- in connection with the Somatix acquisition, a substantial amount of goodwill and intangible assets will likely be recognized and is at risk of impairment;
- the Company may require additional funds by way of debt or equity financings to continue to fund its operating, investing, and financing activities;
- the Company may continue to experience negative impacts of global supply constraints;
- the Company has limited financial resources, a working capital deficiency and a history of negative cash flow, including negative cash flow from operating activities, and may require additional funds by way of debt or equity financings to continue to fund its operating, investing, and financing activities;
- the Company is at risk of not being able to settle its debt obligations or to extend, replace, or refinance its existing debt obligations on terms reasonably acceptable to the Company, or at all;
- global operations risks, including unexpected changes in foreign governmental laws, policies, regulations or project locations concerning the import and export of goods, services and technology, and exposure to global credit and financial factors on consumers in the Company's areas of operations;
- the Company cannot guarantee that it will become cash flow positive or profitable; additionally, negative cash flow, or the failure to become profitable in any future fiscal period, could result in an adverse material change to the Company;
- the Company relies on third-party manufacturing, and from time to time there may be product defects caused by the manufacturing process, assembly, or engineering, particularly when first introduced or when new versions are released;
- global manufacturing risks, including the risk that products manufactured by the Company may be subject to changing tariffs applied by selling countries to countries of origin with little or no warning due to the Company's use of factories in China, Vietnam, Taiwan, or Malaysia, from time to time;
- the Company's revenues may vary over time and with seasonality;
- the Company may not generate sufficient revenue to sustain operations;
- the Company may not be able to successfully negotiate contracts to source, develop, manufacture, pack, ship, distribute, or sell products economically, if at all;

- the Company relies on major components to be manufactured on an original equipment manufacturer basis, which involves several risks, including the possibility of defective products, a shortage of components, delays in delivery schedules, and increases in component costs;
- demand for international sales may not grow as expected or at all, and there is no assurance that the Company will succeed in expanding into new markets;
- the ability of the Company to successfully enter new markets is subject to uncertainties;
- there can be no assurance that the business and growth strategy of the Company will enable the Company to be profitable;
- the Company relies on licenses from third parties, and there can be no assurance that these third-party licenses will continue to be available to the Company on commercially reasonable terms, or at all;
- the Company may be required to obtain and maintain certain permits, licenses, and approvals in the jurisdictions where its products or technologies are being commercialized or sold, and there can be no assurances that the Company will be able to obtain or maintain any such necessary licenses, permits, or approvals;
- the future growth and profitability of the Company may be dependent in part on the effectiveness and efficiency of its sales and marketing expenditures;
- the Company may be exposed to product liability claims in the use of its products;
- the market for the Company’s products is characterized by rapidly changing technology, evolving industry standards, and customer requirements, which may cause the introduction of products embodying new technology and the emergence of new industry standards to render the existing technology solutions of the Company obsolete or unmarketable, and may also exert price pressures on the Company’s existing solutions;
- the Company may not be able to develop new market-relevant products in a timely manner;
- the ability of the Company to generate revenue will largely depend upon the effectiveness of its sales and marketing efforts, both domestically and internationally;
- the success of the Company is largely dependent on the performance of its key directors, officers, and employees;
- the commercial success of the Company is reliant on the ability to develop new or improved technologies, manufacture products, and successfully obtain patents or other proprietary or statutory protection for these technologies and products in Canada and other jurisdictions;
- the Company could become subject to a wide variety of cyberattacks on its networks and systems;
- the Company is engaged in an industry that is highly competitive and rapidly evolving;

- the new products provided by the competitors of the Company may render the existing products of the Company less competitive;
- the Company uses contract manufacturers to manufacture its products and products under development and its reliance on contract manufacturers subjects it to significant operational risks, many of which would impair its ability to deliver products to its customers should they occur;
- the Company may become party to litigation, mediation, or arbitration from time to time in the ordinary course of business;
- any future acquisitions may result in significant transaction expenses and may present additional risks associated with entering new markets, offering new products, and integrating the acquired companies;
- the business plan of the Company anticipates rapid growth, and the Company may not be able to continue to attract, hire, and retain the highly skilled and motivated officers and employees necessary to manage its growth effectively;
- the computer infrastructure of the Company may potentially be vulnerable to physical or electronic computer break-ins, viruses, and similar disruptive problems and security breaches;
- the Company may not be able to enhance its current products or develop new products at competitive prices or in a timely manner;
- the Company is subject to taxes in Canada and other foreign jurisdictions, and in the ordinary course of business, there may be many transactions and calculations where the ultimate tax determination is uncertain;
- a customer of the Company or counterparty to a financial instrument of the Company may fail to meet its contractual obligations to the Company;
- the ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems, which may not always be possible;
- the forecasts and models of the Company could be inaccurate;
- the accounting estimates and judgments of the Company could be incorrect;
- the Company may fail to develop or maintain effective controls over financial reporting;
- there is no assurance that insurance will be consistently available to the Company on economic terms, if at all; and
- the risk factors included in the Company's other continuous disclosure documents are available on SEDAR+ at www.sedarplus.ca.

Although Vitalist has attempted to identify in its public disclosure important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the risk factors in its public disclosure may not be exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of Vitalist as of the date of this press release and, accordingly, is subject to change after such date. However, Vitalist expressly 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 expressly required by applicable securities law.