



SIMPLY SOLVENTLESS ANNOUNCES RECORD Q2 2025 GROSS REVENUE OF \$13.0 MILLION AND CASH FLOW FROM OPERATIONS OF \$1.0 MILLION

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CALGARY, AB, Aug. 28, 2025 /CNW/ - Simply Solventless Concentrates Ltd. (TSXV: HASH) ("**SSC**") is pleased to announce its Q2 2025 financial and operating results including record quarterly gross revenue of \$13.0 million, EBITDA of \$4.3 million, adjusted EBITDA of \$3.2 million and positive cash flow from operations of \$1.0 million. The information set out in this press release should be read in conjunction with SSC's condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2025 and the related management's discussion and analysis, which are available for review on SSC's SEDAR+ profile at www.sedarplus.ca.

"We delivered another strong quarter of profitable growth, driven by focused and disciplined execution across all of our business units. The SSC platform is allowing our acquired subsidiaries, including Humble, ANC, and Cannmart, to operate on an integrated and complimentary manner. We are now seeing the benefits of increased scale and critical mass beginning to take shape, resulting in record Q2 2025 gross revenue and adjusted EBITDA, and most importantly, positive cash flow from operations of \$1.0 million. We have significantly improved our balance sheet in part through the ANC promissory note settlement and deferral, and we will continue to focus on driving further growth in cash generation from our assets as we launch new products, including the Sluggers brand in late Q3 2025, and as we pursue additional key markets through the remainder of 2025." said President and CEO Jeff Swainson.

Q2 2025 Highlights

INCOME STATEMENT FIGURES			
For the three months ended,	June 30, 2025	March 31, 2025	QoQ % INCREASE
Gross Revenue	\$13.0M	\$12.4M	5 %
Gross Revenue/Share	\$0.118	\$0.115	3 %
Net Revenue	\$11.0M	\$9.9M	11 %
Net Revenue/Share	\$0.099	\$0.091	9 %
Gross Margin	\$5.3M	\$4.8M	10 %
Gross Margin/Share	\$0.047	\$0.044	7 %
EBITDA⁽¹⁾	\$4.3M	\$9.5M	(55 %)
EBITDA/Share ⁽²⁾	\$0.039	\$0.087	(55 %)
Adjusted EBITDA⁽¹⁾	\$3.2M	\$3.2M	0 %
Adjusted EBITDA/Share ⁽²⁾	\$0.029	\$0.030	(3 %)
Net Income	\$3.4M	\$8.4M	(60 %)
Net Income/Share ⁽²⁾	\$0.031	\$0.078	(60 %)
Normalized Net Income (NNI)⁽¹⁾	\$2.0M	\$1.5M	33 %
NNI/Share ⁽²⁾	\$0.018	\$0.014	29 %
Cash from Operations Prior to Changes in Working Capital	\$2.3M	\$2.0M	15 %
Cash from (used in) Operations After Changes in Working Capital	\$1.0M	-\$2.8M	136 %
Gross Margin %	43.0 %	48.9 %	(12 %)

(1) Non-IFRS financial measure. See discussion in the Non-IFRS Financial Measures advisories section of this press release below.

(2) Based on 115,502,799 common shares of SSC outstanding as of June 30, 2025 and 108,627,799 common shares of SSC outstanding as of March 31, 2025, as applicable.

BALANCE SHEET FIGURES			
As at	June 30, 2025	December 31, 2024	% INCREASE
Total Assets	\$60.5M	\$38.6M	57 %

Net Assets	\$31.9M	\$15.5M	106 %
Working Capital ⁽¹⁾	\$20.3M	\$1.6M	1,148 %
Current Ratio ⁽¹⁾	2.62	1.08	143 %
Inventory Turnover ⁽¹⁾	1.13x	0.78x	45 %

(1) Non-IFRS financial measure. See discussion in the Non-IFRS Financial Measures advisories section of this press release below.

Q2 2025 Operational Highlights

- **Humble Retrofit Commencement:** The retrofit of SSC's Humble facility in Winnipeg, MB is expected to increase cannabis production from approximately 8,000kg per year to approximately 14,000kg per year. SSC expects that harvests from the retrofit production will commence in Q1 2026. The retrofit is expected to cost approximately \$2.5 million.
- **Status Brand Update:** Launched in late 2024, SSC's Status brand, acquired as part of the ANC Inc. acquisition, continues to gain traction across Canada.
- **Agreement with Natura Life + Science (Sluggers Brand):** Reached an agreement with Natura Life + Science, a California cannabis company, to launch Sluggers, the legendary northern California cannabis brand, in Canada. The Sluggers brand was built by cannabis culture and community leaders, and is known for premium pre-rolls, vapes and flower. With a passionate fan base, Sluggers has been setting the standard in the U.S. cannabis market. Sluggers has rapidly expanded across multiple states, and is now leveraging SSC's leading manufacturing capability to bring Sluggers' exceptional products to Canada. SSC has exclusivity on distribution of the Sluggers brand in Canada. SSC will retain 75% of the net income generated from the sale of the Sluggers products. SSC will provide all raw materials and Natura will pay for all sales and marketing activities.
- **Appointment of Ananth Krishnan as Chief Financial Officer:** On July 24, 2025 SSC announced the appointment of Ananth Krishnan to the position of Chief Financial Officer, effective August 25, 2025. Ananth brings to SSC over twenty years of experience in investment banking, investment management, financial planning & management, investor relations, strategy, corporate development, commercial negotiations, and cannabis operations.

About Simply Solventless Concentrates Ltd.

SSC is a public company incorporated under the *Business Corporations Act* (Alberta). SSC's mission is to provide pure, potent, terpene-rich ready to consume cannabis products to discerning cannabis consumers. For more information regarding SSC, please see www.simplysolventless.ca.

Notice on Forward Looking Information

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "will", "estimates", "believes", "intends", "expects", "projected", "approximately" and similar expressions which are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements concerning the launch of new products, including the Sluggers brand, pursuing additional markets and the retrofit of SSC's Humble facility. SSC cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of SSC, including expectations and assumptions concerning SSC, the timing and market acceptance of products, competition in SSC's markets, SSC's reliance on customers, fluctuations in interest rates, SSC's ability to maintain good relations with its customers, employees and other stakeholders, changes in law or regulations, SSC's ability to protect its intellectual property, as well as other risks and uncertainties, including those described in SSC's filings available on SEDAR+ at www.sedarplus.ca. The reader is cautioned that assumptions used in the preparation of any forward-looking statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted

as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of SSC. The reader is cautioned not to place undue reliance on any forward-looking statements. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and SSC does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

Non-IFRS Financial Measures and Ratios

This press release includes references to "EBITDA", "adjusted EBITDA", "normalized net income", "working capital", "current ratio" and "inventory turnover" which are not defined under International Financial Reporting Standards (IFRS). The intent of these non-IFRS measures is to provide additional useful information to investors and analysts. These non-IFRS measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other entities. As such, these non-IFRS measures should not be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS.

Adjusted EBITDA is calculated as income before interest, taxes, depreciation and amortization expenses. Adjusted EBITDA is considered a useful measure by management to understand profitability excluding the effects of capital structure, taxation and depreciation, but may not be appropriate for other purposes. Adjusted EBITDA is not defined under IFRS and therefore should not be considered an alternative to, or more meaningful than net income (loss) and comprehensive income (loss).

NNI is calculated as net income less any gain settlement or disposal, plus any restructuring costs and the share compensation expense. NNI is considered as a useful measure by management of SSC to understand the profitability of SSC excluding the effects of certain non-operating items.

See the "Operations" section in SSC's management's discussion & analysis for the periods Q2 2025, Q1 2025, Q4 2024, Q3 2024, and Q2 2024, available on SEDAR+ at www.sedarplus.ca, for a quantitative reconciliation of net income to adjusted EBITDA for such periods, which information is incorporated by reference in this press release and also shown below inclusive of a reconciliation of EBITDA, adjusted EBITDA and NNI for the most recent Q2, 2025. In addition, see "Liquidity and Capital Resources" section in SSC management's discussion & analysis for Q2 2025 for working capital calculation. Refer to "Cautionary Statement Regarding Non-GAAP Performance Measures" section in SSC management's discussion & analysis for the Q2 2025 for current ratio and inventory turnover discussion.

Reconciliation of Non-GAAP Measures

EBITDA and Adjusted EBITDA

	Three months ended			Six months ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net and comprehensive income (loss)	3,398,547	8,408,008	(582,451)	11,806,555	(3,011,966)
Non-operating items					
Depreciation and amortization	289,647	587,091	13,234	876,738	26,468
Finance costs	613,161	558,221	48,937	1,160,053	100,769
Income tax recovery	-	(97,214)	-	(97,214)	-
EBITDA	4,301,355	9,456,106	(520,280)	13,746,132	(2,884,719)

Non-operating items

Restructuring costs	-	551,175	-	551,175	-
Acquisition costs	-	372,316	-	372,316	-
Foreign exchange loss	5,676	15,175	-	20,851	124
Impairment of branding assets	63,970	-	-	63,970	-
Bargain purchase acquisition price	(560,288)	(7,725,913)	-	(8,286,201)	-
Gain on settlement	(833,750)	-	(431,671)	(833,750)	(431,671)
Share compensation expense	263,924	552,237	101,688	816,161	145,657
Adjusted EBITDA	3,240,887	3,221,096	(850,263)	6,450,654	(3,170,619)

Normalized Net Income

	Three months ended			Six months ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net and comprehensive income	3,398,547	8,408,008	(582,451)	11,806,555	(3,011,966)
Non-operating items					
Restructuring costs	-	551,175	-	551,175	-
Acquisition costs	-	372,316	-	372,316	-
Foreign exchange loss	5,676	15,175	-	20,851	-
Impairment of branding assets	63,970	-	-	63,970	-
Gain on settlement	(833,750)	-	(431,671)	(833,750)	(431,671)
Bargain purchase acquisition price	(560,288)	(7,725,913)	-	(8,286,201)	-
Gain on sale of asset	(47,837)	(97,214)	-	(47,837)	-
Income tax recovery	-	-	-	(97,214)	-
Normalized Net Income	2,026,318	1,523,547	(1,014,122)	3,549,865	(3,443,637)

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

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