

GROUPE DYNAMITE DELIVERS RECORD FISCAL 2025 RESULTS, CAPPED BY A STRONG FOURTH QUARTER

- Delivered exceptional Q4 2025 comparable store sales growth¹ of 30.4%, driving 26.7% growth for Fiscal 2025
- Achieved record gross margin¹, expanding 400 bps in Q4 2025 and 100 bps for Fiscal 2025, reaching 63.0% and 63.8% respectively
- Significantly strengthened profitability, with adjusted EBITDA margin¹ expanding 740 bps in Q4 2025 and 490 bps for Fiscal 2025, reaching 36.6% and 36.5%, underscoring the scalability of our luxury-inspired business model
- UK launch live: e-commerce and 2 stores, with strong customer response and momentum
- Introduced strong Fiscal 2026 outlook, projecting comparable store sales growth of 11%-14%, total revenue growth of 22%–25%, and adjusted EBITDA margin of 37.75%–39.25%

MONTRÉAL, April 1, 2026 /CNW/ - Groupe Dynamite Inc. ("Groupe Dynamite" or the "Company") (TSX: GRGD) today reported its financial results for the fourth quarter and full year of fiscal 2025 ended January 31, 2026.

"Q4 and Fiscal 2025 were exceptional. Comparable store sales increased 30.4% in Q4, driving 26.7% growth for the year, while record gross margin and profitability underscored the strength and scalability of our luxury-inspired business model. These results reflect years of engineering our agile operating model. I'm incredibly proud of our teams, who tackled unforeseen challenges head-on, mitigated impacts before they materialized, while embodying our ownership culture. We also expanded GARAGE into the UK early in Fiscal 2026, marking a key milestone in one of the world's most important fashion markets. While it's still early, we are encouraged by the strong customer response. We enter the new year with strong momentum, with a clear focus: stay disciplined, elevate our brands, and build on what's working," said Andrew Lufy, Chief Executive Officer and Chair of the Board.

"Our performance this quarter reflects the strength of our values-led culture and the efforts of our teams as we continue advancing our brand elevation initiatives. Store productivity remained robust, with sales per square foot reaching \$952 in Q4 2025, up nearly 30% year-over-year. Our real estate strategy focused on upgrading our store portfolio continues to work for us. Digital also delivered strong performance, with e-commerce sales up 63.3% year-over-year, driving record quarterly penetration and lifting full-year penetration to 18.9%. In support of this continued momentum, 2025 also saw the opening of our US Distribution Center, enhancing our operational capabilities and supporting growth across North America," added Stacie Beaver, President and Chief Operating Officer.

Fiscal 2025 Fourth Quarter Highlights

- Revenue increased by 45.0% to \$394.2 million in Q4 2025², compared to \$271.8 million in Q4 2024².
- Comparable store sales growth of 30.4% (27.3% on a constant currency basis⁽¹⁾) in Q4 2025, over and above comparable store sales growth of 9.5% in Q4 2024.
- Gross margin expanded by 400 basis points to 63.0% in Q4 2025 compared to 59.0% in Q4 2024.
- SG&A increased to \$105.8 million in Q4 2025, compared to \$87.0 million in Q4 2024, and

adjusted SG&A as a percentage of sales⁽¹⁾ decreased by 340 basis points to 26.2% from 29.6% over the same period in Q4 2024.

- Operating income increased by 128.8% to \$116.0 million in Q4 2025, compared to \$50.7 million in Q4 2024.
- Adjusted EBITDA⁽¹⁾ increased by 81.6% to \$144.4 million in Q4 2025, representing an adjusted EBITDA margin of 36.6%, compared to 29.2% for the same period in Q4 2024.
- Diluted net earnings per share increased to \$0.69 in Q4 2025, compared to \$0.28 in Q4 2024 and adjusted diluted net earnings per share⁽¹⁾ increased by 115.2% to \$0.71 in Q4 2025, compared to \$0.33 in Q4 2024.
- Real estate activity for Q4 2025 includes:
 - Opening of 3 gross new stores in the United States under the Garage banner.
 - 3 store closures in Canada under the Dynamite banner.
 - Renovation or relocation of stores: 2 in Canada under both banners.

Fiscal 2025 Highlights

- Revenue increased by 36.7% to \$1,310.2 million in Fiscal 2025², compared to \$958.5 million in Fiscal 2024².
- Comparable store sales growth of 26.7% (23.8% on a constant currency basis⁽¹⁾) in Fiscal 2025, over and above comparable store sales growth of 12.3% in Fiscal 2024.
- Retail sales per square foot⁽¹⁾ increased by 29.7% compared to Fiscal 2024, reaching \$952 in Fiscal 2025.
- Gross margin expanded by 100 basis points to 63.8% in Fiscal 2025 compared to 62.8% in Fiscal 2024.
- SG&A increased to \$364.0 million in Fiscal 2025, compared to \$313.2 million in Fiscal 2024, and adjusted SG&A as a percentage of sales⁽¹⁾ decreased by 390 basis points to 27.3% from 31.2% over the same period in Fiscal 2024.
- Operating income increased by 78.0% to \$377.7 million in Fiscal 2025, compared to \$212.2 million in Fiscal 2024.
- Adjusted EBITDA⁽¹⁾ increased by 57.6% to \$477.9 million in Fiscal 2025, representing an adjusted EBITDA margin of 36.5%, compared to 31.6% for the same period in Fiscal 2024.
- Diluted net earnings per share increased to \$2.20 in Fiscal 2025, compared to \$1.25 in Fiscal 2024 and adjusted diluted net earnings per share⁽¹⁾ increased by 65.4% to \$2.25 in Fiscal 2025, compared to \$1.36 in Fiscal 2024.
- Real estate activity for Fiscal 2025 includes:
 - Opening of 20 gross new stores in the United States under the Garage banner.
 - 11 store closures: 1 in the United States under the Dynamite banner and 10 in Canada under both banners.
 - Renovation or relocation of 13 stores: 9 in Canada under both banners and 4 in the United States under the Garage banner.

Ratios and Recent Developments

- Inventory turnover⁽¹⁾ improved to 9.85x in Fiscal 2025, compared to 8.54x in Fiscal 2024.
- Net leverage ratio⁽¹⁾ was 0.83x in Fiscal 2025, down from 0.98x in Fiscal 2024.
- Return on assets ("ROA")⁽¹⁾ improved to 36.2% in Fiscal 2025, compared to 26.0% in Fiscal 2024.
- Return on capital employed ("ROCE")⁽¹⁾ reached 70.3% in Fiscal 2025, compared to 47.4% in Fiscal 2024.
- During Fiscal 2025, the Company repurchased 883,100 shares at an average price of \$39.28 for a total of approximately \$34.7 million.

- (1) Refer to "Non-IFRS Measures including Non-IFRS Financial Measures, Non-IFRS Ratios, Supplementary Financial Measures and Retail Industry Metrics" section of this press release for further details concerning these measures including definitions and reconciliations of each non-IFRS financial measure to the relevant reported IFRS financial measure. Non-IFRS financial measures and non-IFRS ratios do not have a standardized meaning under IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB) ("IFRS Accounting Standards") which are used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities.
- (2) All references to "Q4 2025" are to the Company's 13-week period ended January 31, 2026, to "Q4 2024" are to the Company's 13-week period ended February 1, 2025; to "Fiscal 2025" are to the Company's fiscal year ended January 31, 2026; to "Fiscal 2024" are to the Company's fiscal year ended February 1, 2025.

Outlook

The table below outlines the Company's financial annual guidance ranges for Fiscal 2026:⁽¹⁾

	Fiscal 2026 Guidance
Real estate activity	24 to 26 gross new store openings 10 to 12 net new store openings
Comparable store sales growth	11.0% to 14.0%
Total revenue growth	22.0% to 25.0%
Adjusted EBITDA margin	37.75% to 39.25%
CAPEX	\$100.0 to \$110.0 million

Our achievement of these targets is subject to several risks and uncertainties, including the following:⁽²⁾

- Adverse effects from future policy or legislative changes, tariffs (in addition to those currently in place) that may be imposed by the United States, or retaliatory tariffs from other countries and the United States.
- Failing to successfully locate our stores in suitable locations and any impairment of a store location, including any decrease in customer traffic.
- Failing to negotiate lease agreements for the store pipeline for Fiscal 2026, along with the risk of delays in construction activities beyond our control, and substantial increases in occupancy costs.
- Failing to successfully open and operate new stores in the United Kingdom.
- Failing to complete the renovations and relocations scheduled for Fiscal 2026, which is expected to be between approximately 10 to 15.
- Achieving guidance numbers of comparable store sales or retail sales per square foot.
- Disruption of our strategic relationships with suppliers, impairing open-to-buy visibility.
- Failing to optimize merchandise, anticipate and respond to constantly changing consumer demands and fashion trends.
- Failing to protect and enhance our brands.
- Failing to attract new customers, or retain existing customers, or to maintain or increase sales to those customers.
- Failing to actively manage product margins, including the implementation of effective pricing strategies.
- Obstacles to the ongoing implementation of in-store productivity initiatives and the achievement of cost savings intended to improve operating expenses.
- Any material disruption in our information technology systems and e-commerce business.
- The occurrence of unusually adverse weather, particularly during peak seasons.
- Adverse changes in the general economic conditions and consumer spending in Canada, the United States and other parts of the world.

Note:

- (1) All references to "Fiscal 2026" are to the Company's fiscal year ending January 30, 2027.
- (2) The guidance ranges included in this section are forward-looking statements within the meaning of applicable securities laws, are based on assumptions that we believe to be reasonable and are subject to several risks and uncertainties, including the risks and uncertainties set forth above as well as those incorporated by reference in the "Forward-Looking Statements" section of this press release.

Recent events

On December 19, 2025, as part of a reorganization, (the "December Lutfy Reorganization"), 92,615,622 Multiple Voting Shares, previously held by holding companies under the common control of Andrew Lutfy, were consolidated into a single holding company, 4370368 Canada Inc. (the

"Principal Shareholder"), also indirectly controlled by Andrew Lutfy.

Following the December Lutfy Reorganization, on January 22, 2026, a second series of corporate transactions involving the Principal Shareholder and its affiliates were completed, which involved, among other transactions, the transfer of all of the Multiple Voting Shares of the Company to an entity indirectly controlled by Andrew Lutfy, 17612974 Canada Inc. ("NewCo") (the "January Lutfy Reorganization", and together with the December Lutfy Reorganization, the "Reorganizations"). In connection with the January Lutfy Reorganization, 88,615,622 Multiple Voting Shares and 4,000,000 Subordinate Voting Shares (the "Issued Shares") were issued to the Principal Shareholder for consideration of transferring all of the issued and outstanding shares of NewCo to the Company. On February 1, 2026, as the last step of the January Lutfy Reorganization, Groupe Dynamite amalgamated with NewCo, its then wholly-owned subsidiary (and pursuant to which the Issued Shares were cancelled), with Groupe Dynamite as the continuing entity, and with no changes to its authorized or issued share capital. Immediately after the January Lutfy Reorganization, the Principal Shareholder owned directly 88,615,622 Multiple Voting Shares and 4,000,000 Subordinate Voting Shares, for an aggregate of 92,615,622 shares. The aggregate number of shares of Groupe Dynamite held by the Principal Shareholder or its affiliates and the aggregate number of issued and outstanding shares of Groupe Dynamite remained unchanged from immediately prior to the Reorganizations.

On February 1, 2026, we launched our online platform in the United Kingdom. On March 20, 2026, we expanded our international retail stores presence beyond the United States and Canada by opening our first Garage store in Bluewater Shopping Centre, near London, and on March 27, 2026, on Oxford Street, in London, United Kingdom.

On February 9, 2026, Mary-Ann Vitale was promoted to the role of Senior Vice President, Brand Garage.

Fourth Quarter and Fiscal 2025 Financial Results

Revenue

Total revenue for Q4 2025 increased by \$122.4 million or 45.0% compared to Q4 2024. This growth was primarily due to a 30.4% increase in comparable store sales and contributions from new stores. Online revenue for Q4 2025 was \$100.6 million, representing an increase of \$39.0 million or 63.3% compared to Q4 2024.

Total revenue for Fiscal 2025 increased by \$351.7 million or 36.7% compared to Fiscal 2024. This growth was primarily due to a 26.7% increase in comparable store sales and contributions from new stores. Online revenue for Fiscal 2025 was \$247.8 million, representing an increase of \$76.0 million or 44.2% compared to Fiscal 2024.

Cost of sales and gross profit

Gross profit for Q4 2025 increased by \$88.0 million or 54.9% compared to Q4 2024, with gross margin increasing by 400 basis points to 63.0%. This increase is attributable to the 45.0% revenue growth compared to the relatively lower increase in cost of sales of 30.9% which is due to controlled merchandise cost increases, lower markdowns and our pricing strategy.

Gross profit for Fiscal 2025 increased by \$234.9 million or 39.0% compared to Fiscal 2024, with gross margin increasing by 100 basis points to 63.8%. This increase is attributable to the 36.7% revenue growth compared to the relatively lower increase in cost of sales of 32.7% which is due to the success of our pricing strategy partially offset by the impact of tariffs.

SG&A and Adjusted SG&A as a percentage of sales

SG&A for Q4 2025 increased by \$18.8 million or 21.6% compared to Q4 2024. This increase was primarily driven by the Company's growing scale and activities, leading to a \$13.6 million increase in wages, salaries, and employee benefits. Additionally, during Q4 2025, the Company strategically increased its marketing investment by launching more initiatives aimed at driving brand awareness, resulting in a \$6.8 million increase in selling and marketing expenses compared to Q4 2024. Administrative expenses decreased by \$1.6 million, as higher operating costs to support growth initiatives and new public company requirements were more than offset by \$3.7 million in IPO-related professional fees and \$1.9 million in stock-based compensation expense related to the revaluation of equity instruments recognized in the prior year. As a percentage of sales, SG&A decreased by 520 basis points from 32.0% in Q4 2024 to 26.8% in Q4 2025.

SG&A for Fiscal 2025 increased by \$50.8 million or 16.2% compared to Fiscal 2024. This increase was primarily due to a \$35.8 million increase in wages, salaries, and employee benefits, driven by higher labour costs as revenue grew and a larger proportion of stores were opened in the U.S., where labour tends to be more expensive than in Canada. Selling and marketing expenses also increased by \$16.9 million due to higher investment to support business growth. As a percentage of sales, SG&A decreased by 490 basis points from 32.7% in Fiscal 2024 to 27.8% in Fiscal 2025.

Operating income and adjusted EBITDA

Operating income for Q4 2025 increased by \$65.3 million or 128.8% to reach \$116.0 million compared to \$50.7 million in Q4 2024. Similarly, adjusted EBITDA for Q4 2025 increased by \$64.9 million or 81.6% to reach \$144.4 million compared to \$79.5 million in Q4 2024. The adjusted EBITDA margin improved to 36.6% compared to 29.2% in Q4 2024. This performance results from the combination of both a 400 basis points improvement in gross margin and a reduction of 340 basis points in adjusted SG&A as a percentage of sales, which decreased to 26.2% in Q4 2025 from 29.6% in Q4 2024.

Operating income for Fiscal 2025 increased by \$165.5 million or 78.0% to reach \$377.7 million compared to \$212.2 million in Fiscal 2024. Similarly, adjusted EBITDA for Fiscal 2025 increased by \$174.6 million or 57.6% to reach \$477.9 million compared to \$303.3 million in Fiscal 2024. The adjusted EBITDA margin improved to 36.5% compared to 31.6% in Fiscal 2024. This performance results from the combination of both a 100 basis points improvement in gross margin and a reduction of 390 basis points in adjusted SG&A as a percentage of sales, which decreased to 27.3% in Fiscal 2025 from 31.2% in Fiscal 2024.

Net earnings and adjusted net earnings

Net earnings for Q4 2025 increased by \$48.4 million or 156.1% compared to Q4 2024. This growth was mainly driven by higher revenue, which led to increased gross profit, partially offset by higher SG&A and increased depreciation and amortization. Adjusted net earnings⁽¹⁾ for Q4 2025 increased by \$45.0 million or 123.0% compared to Q4 2024.

Net earnings for Fiscal 2025 increased by \$116.4 million or 85.7% compared to Fiscal 2024. This growth was mainly driven by higher revenue, which led to increased gross profit, partially offset by higher SG&A and increased depreciation and amortization. Adjusted net earnings⁽¹⁾ for Fiscal 2025 increased by \$110.0 million or 74.4% compared to Fiscal 2024.

Working capital

As of January 31, 2026, we have maintained a strong inventory turnover ratio of 9.85x, compared to 8.54x as of February 1, 2025, with current assets of \$206.8 million (including \$82.5 million in cash) and current liabilities of \$261.7 million. Inventory continues to be minimized through agile product development and strategic sourcing, driven by our high open-to-buy ratio.

Free cash flow

The Company reported robust free cash flow⁽¹⁾, achieving \$101.5 million in Q4 2025, up from \$55.3 million in Q4 2024, reflecting stronger net earnings partly offset by a \$13.8 million increase in CAPEX. On a full year basis, free cash flow reached \$335.2 million compared to \$163.7 million last year, an increase of 104.8%.

Net leverage ratio

The Company's net leverage ratio improved to 0.83x compared to 0.98x last year. This improvement is due to the increase in adjusted EBITDA which has more than offset the increase in lease liabilities. At the end of Fiscal 2025, the Company has over \$82.5 million in cash and \$312.0 million available under credit facilities, providing flexibility to drive growth, invest in strategic initiatives, manage market volatility and return excess cash to shareholders.

Return metrics

ROA of 36.2% for Fiscal 2025 has increased from the ROA of 26.0% for Fiscal 2024. This improvement indicates a significant boost in the Company's ability to leverage its assets more effectively than in previous periods.

For Fiscal 2025, our ROCE reached 70.3%, compared to 47.4% in Fiscal 2024, highlighting the effectiveness of our recent strategies and investments. The slower growth of average capital employed compared to adjusted operating income reflects strong capital utilization, enabling the generation of operating income.

Note:

(1) Refer to "Non-IFRS Measures including Non-IFRS Financial Measures, Non-IFRS Ratios, Supplementary Financial Measures and Retail Industry Metrics" section of this press release for further details concerning these measures including definitions and reconciliations of each non-IFRS financial measure to the relevant reported IFRS financial measure. Non-IFRS financial measures and non-IFRS ratios do not have a standardized meaning under IFRS Accounting Standards, which are used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities.

Selected Financial Information

In thousands of Canadian dollars, except per share data and retail sales per square foot	13-week periods ended		Years ended	
	January 31, 2026	February 1, 2025	January 31, 2026	February 1, 2025
	\$	\$	\$	\$
Revenue	394,183	271,765	1,310,234	958,525
Cost of sales	145,898	111,456	473,713	356,933
Gross profit	248,285	160,309	836,521	601,592
Operating expenses				
Selling, general and administrative expenses	105,804	87,027	363,982	313,161
Depreciation and amortization	25,862	22,250	94,092	76,759
Foreign exchange (gain) loss	624	310	760	(534)
Total operating expenses	132,290	109,587	458,834	389,386
Operating income	115,995	50,722	377,687	212,206
Net financing costs	5,765	6,897	25,412	24,613
Earnings before income taxes	110,230	43,825	352,275	187,593
Income taxes	30,783	12,791	100,102	51,825
Net earnings	79,447	31,034	252,173	135,768
Net earnings per share⁽³⁾				
Basic	\$0.73	\$0.29	\$2.33	\$1.26
Diluted	\$0.69	\$0.28	\$2.20	\$1.25
Additional financial measures				
Retail revenue	293,567	210,192	1,062,391	786,764
Comparable store sales growth ⁽¹⁾	30.4 %	9.5 %	26.7 %	12.3 %
Retail sales per square foot ⁽¹⁾	\$952	\$734	\$952	\$734
Adjusted EBITDA ⁽¹⁾	144,392	79,465	477,850	303,267
Adjusted net earnings ⁽¹⁾	81,638	36,553	257,806	147,753
Adjusted net earnings per share ^{(1) (3)}				
Basic	\$0.75	\$0.34	\$2.38	\$1.37
Diluted	\$0.71	\$0.33	\$2.25	\$1.36

Gross margin ⁽¹⁾	63.0 %	59.0 %	63.8 %	62.8 %
SG&A as a percentage of sales ⁽¹⁾	26.8 %	32.0 %	27.8 %	32.7 %
Adjusted SG&A as a percentage of sales ⁽¹⁾	26.2 %	29.6 %	27.3 %	31.2 %
Adjusted EBITDA margin ⁽¹⁾	36.6 %	29.2 %	36.5 %	31.6 %

Ratios and other metrics:

ROA ⁽¹⁾	36.2 %	26.0 %	36.2 %	26.0 %
ROCE ⁽¹⁾	70.3 %	47.4 %	70.3 %	47.4 %
Net leverage ratio ⁽¹⁾	0.83	0.98	0.83	0.98
Free cash flow ⁽¹⁾	101,481	55,269	335,217	163,667
Inventory turnover ⁽¹⁾	9.85	8.54	9.85	8.54
CAPEX ⁽¹⁾	26,390	12,626	85,520	63,307
Number of stores ⁽²⁾	307	298	307	298

<i>In thousands of Canadian dollars</i>	As at	
	Jan 31, 2026	Feb 1, 2025
	\$	\$
Cash	82,478	74,195
Inventories	51,219	44,952
Total current assets	206,789	161,568
Property and equipment	164,675	107,465
Right-of-use assets	415,036	330,105
Total assets	805,888	618,637
Long-term portion of lease liabilities	444,280	340,102
Total non-current liabilities	450,238	340,102
Total liabilities	711,961	477,323
Total shareholders' equity	93,927	141,314
Total debt ⁽¹⁾	477,248	372,581
Net debt ⁽¹⁾	394,770	298,386

Notes:

- (1) Refer to "Non-IFRS Measures including Non-IFRS Financial Measures, Non-IFRS Ratios, Supplementary Financial Measures and Retail Industry Metrics" section of this Press Release for further details concerning these measures including definitions and reconciliations of each non-IFRS financial measure to the relevant reported IFRS financial measure. Non-IFRS financial measures and non-IFRS ratios do not have a standardized meaning under IFRS Accounting Standards, which are used to prepare the Company's financial statements and might not be comparable to similar financial measures presented by other entities.
- (2) Number of stores is as at end of period.
- (3) Net earnings per share and adjusted net earnings per share are calculated, after giving the effect, on a retrospective basis, to the Share Consolidation that occurred in connection with the Pre-Closing Reorganization on November 20, 2024.

Fourth quarter results conference call

Groupe Dynamite will hold a conference call to discuss its Fiscal 2025 fourth quarter results today, April 1, 2026, at 10:30 a.m. (ET), followed by a question-and-answer period for financial analysts. Other interested parties may participate in the call on a listen-only basis via live audio webcast, accessible through the "Events & Presentations" tab on Groupe Dynamite's website at <https://investors.groupedynamite.com/>.

About Groupe Dynamite Inc.

Groupe Dynamite Inc. (TSX: GRGD) is a growth-oriented company striving for excellence in the fashion industry. Operating retail stores and digital experiences under two complementary and spirited banners--GARAGE and DYNAMITE--we offer a wide range of women's fashion apparel, catering to the needs of Generation Z and Millennials. With a growing international presence, we operate across Canada and the United States, and more recently expanded into the United Kingdom, advancing our global footprint. With leading key operating metrics and a commitment to innovation and disciplined execution, we are proud to continue our ambitious growth plans. Guided by our mission, "Empowering YOU to be YOU, one outfit at a time," we are a values-led, inclusive organization committed to inspiring confidence and self-expression. Proudly rooted in the chic and vibrant city of Montréal, our culture, values and distinct brands position us to shape the future of fashion while attracting and inspiring the next generation of leaders and creators. Our ownership-mentality and entrepreneurial mindset is reflected in our Shared Success Program, through which all

our 7,200 employees have ownership exposure. This alignment of interests and values fosters collaboration, fuels innovation, and creates meaningful long-term value for our team and stakeholders alike.

Non-IFRS Measures including Non-IFRS Financial Measures, Non-IFRS Ratios, Supplementary Financial Measures and Retail Industry Metrics

This press release makes reference to certain non-IFRS measures, including non-IFRS financial measures, non-IFRS ratios, supplementary financial measures and certain retail industry metrics. These measures are not recognized measures under IFRS Accounting Standards and do not have a standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS Accounting Standards measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS Accounting Standards. In this press release, we use non-IFRS financial measures including "EBITDA", "adjusted EBITDA", "adjusted EBITDA (after rent equivalent expense)", "free cash flow", "adjusted net earnings" and "adjusted net earnings per share" and non-IFRS ratios including "EBITDA margin", "adjusted EBITDA margin", "adjusted EBITDA (after rent equivalent expense) margin", "adjusted SG&A as a percentage of sales", "comparable store sales on a constant currency basis", "return on assets", "return on capital employed" and "net leverage ratio". We also use supplementary financial measures including "comparable store sales", "inventory turnover", "retail sales per square foot", "gross margin", "SG&A as a percentage of sales" and "CAPEX" and other operating metrics commonly used in the retail industry.

Additional details for these non-IFRS and other financial measures, which are incorporated by reference herein, can be found in our Management's Discussion & Analysis for Fiscal 2025 under the section "Non-IFRS Measures including Non-IFRS Financial Measures, Non-IFRS Ratios, Supplementary Financial Measures and Retail Industry Metrics", which is posted on our website at <https://groupedynamite.com/>, and filed on SEDAR+ at www.sedarplus.ca. Reconciliations for each non-IFRS financial measure to the most directly comparable IFRS measures are provided below.

These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

Non-IFRS Financial Measures and Non-IFRS Ratios

Earnings before interests, taxes, depreciation, amortization ("EBITDA"), adjusted EBITDA and adjusted EBITDA (after rent equivalent expense)

EBITDA margin, adjusted EBITDA margin and adjusted EBITDA (after rent equivalent expense) margin

<i>In thousands of Canadian dollars</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
	\$	\$	\$	\$
Operating income	115,995	50,722	377,687	212,206
Depreciation and amortization	25,862	22,250	94,092	76,759
EBITDA	141,857	72,972	471,779	288,965
EBITDA margin	36.0 %	26.9 %	36.0 %	30.1 %

<i>In thousands of Canadian dollars</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
EBITDA	\$141,857	\$72,972	\$471,779	\$288,965
Adjustments to EBITDA				
Stock-based compensation expense ⁽¹⁾	2,535	2,817	6,341	5,557
Gain on lease modification	-	-	(813)	-
Professional fees related to the IPO	-	3,676	543	8,745
Total adjustments	2,535	6,493	6,071	14,302
Adjusted EBITDA	144,392	79,465	477,850	303,267
Adjusted EBITDA margin	36.6 %	29.2 %	36.5 %	31.6 %

(1) This excludes the expenses related to cash-settled deferred share units granted under the Shared Success Program, as well as those paid in lieu of bonus under the omnibus equity incentive plan (the "Omnibus Plan").

<i>In thousands of Canadian dollars</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
	\$	\$	\$	\$
Adjusted EBITDA	144,392	79,465	477,850	303,267
Depreciation of right-of-use assets	(16,202)	(14,486)	(61,214)	(53,902)
Interest expense on lease liabilities	(7,715)	(6,445)	(28,382)	(23,768)
Adjusted EBITDA (After Rent Equivalent Expense)	120,475	58,534	388,254	225,597
Adjusted EBITDA (After Rent Equivalent Expense) margin	30.6 %	21.5 %	29.6 %	23.5 %

Adjusted SG&A as a percentage of sales

<i>In thousands of Canadian dollars</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
	\$	\$	\$	\$
SG&A	105,804	87,027	363,982	313,161
Adjustments to SG&A				
Stock-based compensation expense ⁽¹⁾	2,535	2,817	6,341	5,557
Gain on lease modification	-	-	(813)	-
Professional fees related to the IPO	-	3,676	543	8,745
Total adjustments	2,535	6,493	6,071	14,302
Adjusted SG&A	103,269	80,534	357,911	298,859
Adjusted SG&A as a percentage of sales	26.2 %	29.6 %	27.3 %	31.2 %

(1) This excludes the expenses related to cash-settled deferred share units granted under the Shared Success Program, as well as those paid in lieu of bonus under the omnibus equity incentive plan (the "Omnibus Plan").

Adjusted net earnings

<i>In thousands of Canadian dollars, except per share data</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
	\$	\$	\$	\$
Net earnings	79,447	31,034	252,173	135,768
Adjustments to net earnings				
Stock-based compensation expense ⁽¹⁾	2,535	2,817	6,341	5,557
Gain on lease modification	-	-	(813)	-
Professional fees related to the IPO	-	3,676	543	8,745
Income tax (recovery) expense on taxable items above	(344)	(974)	(438)	(2,317)
Total adjustments	2,191	5,519	5,633	11,985
Adjusted net earnings	81,638	36,553	257,806	147,753
Adjusted net earnings per share				
Basic	\$0.75	\$0.34	\$2.38	\$1.37
Diluted	\$0.71	\$0.33	\$2.25	\$1.36

(1) This excludes the expenses related to cash-settled deferred share units granted under the Shared Success Program, as well as those paid in lieu of bonus under the omnibus equity incentive plan (the "Omnibus Plan").

Comparable store sales

<i>In thousands of Canadian dollars</i>	13-week periods ended			Years ended		
	Jan 31, 2026	Feb 1, 2025	Variance	Jan 31, 2026	Feb 1, 2025	Variance
Retail revenue	293,567	210,192	39.7 %	1,062,391	786,764	35.0 %

Comparable store sales on a constant currency basis	27.3 %	23.8 %
Foreign currency exchange impact	3.1 %	2.9 %
Comparable store sales	30.4 %	26.7 %
Non-comparable store sales and others	9.3 %	8.3 %

Return on assets or ROA

<i>In thousands of Canadian dollars</i>	Years ended	
	January 31, 2026	February 1, 2025
	\$	\$
Adjusted net earnings	257,806	147,753
Average total assets	712,263	567,557
Return on assets	36.2 %	26.0 %

Return on capital employed or ROCE

<i>In thousands of Canadian dollars</i>	Years ended	
	January 31, 2026	February 1, 2025
	\$	\$
Adjusted EBITDA	477,850	303,267
Depreciation and amortization	(94,092)	(76,759)
Adjusted EBITDA reduced by depreciation and amortization	383,758	226,508
Capital employed		
Average total Assets	712,263	567,557
- Average total current liabilities	(199,472)	(129,934)
+ Average short-term portion of long-term debt	-	9,920
+ Average short-term portion of lease liabilities	32,724	30,257
Average total capital employed	545,514	477,800
Return on capital employed	70.3 %	47.4 %

Free cash flow

<i>In thousands of Canadian dollars</i>	13-week periods ended		Years ended	
	Jan 31, 2026	Feb 1, 2025	Jan 31, 2026	Feb 1, 2025
	\$	\$	\$	\$
Cash from operating activities	127,871	67,895	420,737	226,974
Additions to property and equipment	(24,007)	(8,580)	(75,869)	(52,659)
Additions to intangible assets	(2,383)	(4,046)	(9,651)	(10,648)
Free cash flow	101,481	55,269	335,217	163,667

Net leverage ratio

<i>In thousands of Canadian dollars</i>	Years ended	
	January 31, 2026	February 1, 2025
Net debt	\$	\$
Long-term debt including current portion	-	-
Lease liabilities including current portion	477,248	372,581
- Cash	(82,478)	(74,195)
Total net debt	394,770	298,386
Adjusted EBITDA	477,850	303,267
Net leverage ratio	0.83	0.98

Forward-Looking Statements


This press release contains forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking information in this press release may relate to our future financial outlook (including our full-year guidance for Fiscal 2026) and anticipated events or results and may include (without limitation) statements relating to: our ability to raise performance and enhance long-term shareholder value, strengthen brand experiences and positioning, raise brand awareness, and deepen our community connections; the continued ramp-up of our U.S. distribution

center and its expected operational impact; our ability to continue creating accessible fashion and delivering on-trend products; the planned expansion and optimization of our store footprint and the achievements that can be derived therefrom; our expectations regarding the reinvestment in our business, the return of excess cash to shareholders, our financial performance, financial position and use of liquidity; and our future growth rates and growth strategies. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding possible future events or circumstances.

Forward-looking information is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Our assumptions underpinning forward-looking information include, but are not limited to, the following: expected short-, medium- and long-term discretionary spending and overall economic trends; successfully maintaining and enhancing our brands; marketing efforts, store renovations and store expansions will be successful and drive our revenue; maintaining our supplier relationships and a steady, cost-effective supply of inventories; successfully managing expenses and driving gross margin improvements; growing our e-commerce business and making headway in our international expansion efforts; successfully retaining key personnel including our Chief Executive Officer; the absence of material changes to taxes, duties, tariffs and interest rates; the absence of further material disruptions in the international trade; the economy generally; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated, intended or implied.

Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is also subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Risks and uncertainties are discussed in the "Risk Factors" section of the Company's annual information form for Fiscal 2025 (the "AIF") which is incorporated by reference into this document. A copy of the AIF and the Company's other publicly filed documents can be accessed under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. The risks, uncertainties, opinions, estimates and assumptions referred to elsewhere in this press release should be considered carefully by readers. Accordingly, readers should not place undue reliance on forward-looking information. To the extent any forward-looking information in this press release constitutes future-oriented financial information or financial outlook, within the meaning of applicable Canadian securities legislation, such information is being provided to demonstrate the potential of the Company and readers are cautioned that this information may not be appropriate for any other purpose. Future-oriented financial information and financial outlook, as with forward-looking information generally, are based on current assumptions and subject to risks, uncertainties and other factors. Furthermore, the forward-looking information contained in this press release represents our expectations as of the date of this press release (or as of the date it is otherwise stated to be made) and is subject to change after such date. We disclaim any intention, obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable Canadian securities legislation. All of the forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements.

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