

Aegis Brands Reports Fourth Quarter and Year End Results

10.3% Same Store Sales Growth and Continued Profitability Improvement in the Quarter

Toronto, ON, March 6, 2026 — Today, Aegis Brands Inc. (TSX: AEG) reports financial results for the fourth quarter and year ending December 28, 2025.

Highlights for the quarter:

- System sales increased by 12.1% to \$34.7 million and same store sales increased by 10.3% compared to last year.
- EBITDA for the fourth quarter increased to \$1.9 million from \$1.2 million in Q4 2024, representing year-over-year growth of 58%.
- Net income for the fourth quarter improved to \$1.1 million, or \$0.01 per share, compared to a net loss of \$0.2 million, or \$(0.00) per share, in Q4 2024.

Highlights full year:

- System sales were flat at \$133.0 million and same store sales decreased by 3.3%.
- EBITDA increased to \$6.4 million, compared to \$6.1 million last year.
- Net income improved to \$3.0 million, or \$0.04 per share, compared to a net loss of \$1.3 million, or \$(0.02) per share, in the prior year.

The fourth quarter of fiscal 2025 reflects the continued strengthening of Aegis following the successful execution of its portfolio simplification strategy. With a focused, asset-light franchising model and a stable national footprint under the St. Louis Bar & Grill banner, the Company is demonstrating improving earnings quality and a clearer long-term value proposition. With the transformation of the business complete, management is focused on building store profitability, enhancing brand relevance, and delivering sustainable earnings for shareholders.

St. Louis Bar & Grill

St. Louis delivered a strong finish to the year, highlighted by same store sales growth of 10.3% in the fourth quarter, marking a significant acceleration. System sales increased 12.1% to \$34.7 million, reflecting stronger guest traffic and the growing effectiveness of the brand's promotional and operational initiatives.

The fourth quarter performance represents one of the brand's strongest same store sales results in recent years and demonstrates the impact of the Company's renewed focus on value-driven promotions, improved operational execution and enhanced franchisee engagement. Initiatives introduced earlier in the year gained traction in the second half, culminating in a meaningful increase in traffic and sales across the system during the quarter.

For the full year, system sales were consistent with the prior year and same store sales declined 3.3%. St. Louis generated \$6.4 million in EBITDA for the year, demonstrating stable profitability as management reduced overhead and increased traffic at the store level in the second half.

During 2025, the Company opened three new locations and closed three underperforming restaurants, maintaining 81 franchised locations at year end. While net unit growth was flat in 2025, system quality improved.

As the Company enters 2026, management is advancing four primary pillars intended to support continued same store sales and profitability growth.

Expanded Promotional Schedule

The Company plans to significantly expand its promotional calendar in 2026. Results in 2025 demonstrated that the brand's marketing initiatives and value-driven offerings can generate meaningful increases in guest traffic and system sales. By increasing the number of promotional windows throughout the year, the Company expects to create additional demand occasions and produce stronger top-line performance for franchisees.

Operational Excellence and Franchisee Development

The Company has introduced the School of Extraordinary Hospitality, a program focused on developing best-in-class franchisees. Continued investment in the training team provides in-store coaching and operational support, while a Multi-Unit Franchisee program prepares operators for responsible expansion. Stores transferred to new franchisees have historically generated a significant lift in sales.

Renovations

Renovated locations are generating meaningful increases in sales post-renovation. A refreshed environment drives higher guest satisfaction, and stronger performance, all of which results in increased profitability for our franchisees. Additional renovations are planned for 2026 as we continue to prioritize renovations where returns justify capital deployment.

New Store Growth

With improving franchisee economics, the Company is returning to disciplined new store development. Ontario remains a priority market, and Atlantic Canada locations continue to over-index relative to the broader network. "Over the past two years, we have focused on improving the underlying quality of the system," said Steven Pelton, President and CEO of Aegis Brands. "By strengthening franchisee capability, accelerating renovations, expanding our promotional schedule and returning to disciplined new store growth, we believe the foundation is in place for continued same store sales and EBITDA improvement."

CPG and Retail Expansion

St. Louis products are now available in five national retailers across Ontario and Atlantic Canada, representing over 1,000 retail doors, in addition to more than 300 independent

grocers. There are currently seven products in market, including frozen wings, two flavours of chips and the garlic dill sauce. Retail packaging includes bounce-back incentives designed to drive restaurant traffic.

Aegis

EBITDA for the fourth quarter increased to \$1.9 million compared to \$1.2 million in Q4 2024. For the full year, EBITDA increased to \$6.4 million compared to \$6.1 million in 2024. Net income improved to \$3.0 million for fiscal 2025 compared to a net loss in 2024, the result of a substantially reduced impact of discontinued operations and a more efficient overhead structure.

“We’ve aligned our overhead with a focused franchisor model and improved store-level economics across the system,” said Pelton. “As unit profitability strengthens, it supports disciplined new store growth, which we expect will drive continued EBITDA and net income improvement year-over-year.”

The Company enters 2026 with strengthened unit economics, expanded demand drivers and a structured framework for sustainable growth.

Reconciliations of net income, the most directly comparable IFRS financial measure, to operating income, to EBITDA and adjusted EBITDA, to adjusted net earnings and adjusted net earnings per share are provided below.

Fourth quarter

13 weeks ended December 28, 2025 compared to 52 weeks ended December 29, 2024:

Net income (loss) to operating income:

(in thousands of Canadian dollars)		2025	2024
Net income (loss)	\$	1,068	\$ (247)
Add (deduct):			
Net loss from discontinued operations		96	583
Interest and financing charges		426	586
Other loss (income)		(5)	(8)
Operating income	\$	1,585	\$ 914

Net income (loss) to EBITDA:

(in thousands of Canadian dollars)		2025	2024
Net income (loss)	\$	1,068	\$ (247)
Add (deduct):			
Net loss from discontinued operations		96	583
Interest and financing costs		426	586
Depreciation of property and equipment		23	6
Amortization of intangible assets		255	255
Amortization of right-of-use assets		21	22
EBITDA	\$	1,889	\$ 1,205

EBITDA to adjusted EBITDA:

(in thousands of Canadian dollars)		2025	2024
EBITDA	\$	1,889	\$ 1,205
Add (deduct):			
Revaluations of securities, warrants, and other		-	7
Other income		(5)	(178)
Adjusted EBITDA	\$	1,884	\$ 1,034

Net income (loss) to adjusted net income:

(in thousands of Canadian dollars)		2025		2024
Net income (loss)	\$	1,068	\$	(247)
Add (deduct):				
Net loss from discontinued operations		96		583
Revaluations of securities, warrants, and other		-		7
Other income		(5)		(178)
Adjusted net income	\$	1,159	\$	165

Net earnings per share to adjusted net earnings per share:

		2025		2024
Net earnings (loss) per share	\$	0.01	\$	(0.00)
Add (deduct):				
Net loss per share from discontinued operations		0.00		0.00
Revaluations of securities, warrants, and other		0.00		0.00
Other income		(0.00)		(0.00)
Adjusted net earnings per share	\$	0.01	\$	0.00

Full Year

52 weeks ended December 28, 2025 compared to 52 weeks ended December 29, 2024:

Net income (loss) to operating income:

(in thousands of Canadian dollars)		2025		2024
Net income (loss)	\$	2,995	\$	(1,295)
Add (deduct):				
Net loss from discontinued operations		274		2,777
Interest and financing charges		1,943		2,683
Restructuring costs		-		613
Other income		(388)		(21)
Operating income	\$	4,824	\$	4,757

Net income (loss) to EBITDA:

(in thousands of Canadian dollars)		2025		2024
Net income (loss)	\$	2,995	\$	(1,295)
Add (deduct):				
Net loss from discontinued operations		274		2,777
Interest and financing charges		1,943		2,683
Restructuring costs		-		613
Depreciation of property and equipment		61		48
Amortization of intangible assets		1,020		1,020
Amortization of right-of-use assets		82		205
EBITDA	\$	6,375	\$	6,051

EBITDA to adjusted EBITDA:

(in thousands of Canadian dollars)		2025		2024
EBITDA	\$	6,375	\$	6,051
Add (deduct):				
Revaluations of securities, warrants, and other		-		4
Other income		(388)		(1,034)
Adjusted EBITDA	\$	5,987	\$	5,021

Net income (loss) to adjusted net income:

(in thousands of Canadian dollars)		2025		2024
Net income (loss)	\$	2,995	\$	(1,295)
Add (deduct):				
Net loss from discontinued operations		274		2,777
Restructuring costs		-		613
Revaluations of securities, warrants, and other		-		4
Other income		(388)		(1,034)
Adjusted net income	\$	2,880	\$	1,065

Net earnings (loss) per share to adjusted net earnings per share:

		2025		2024
Net earnings (loss) per share	\$	0.04	\$	(0.02)
Add (deduct):				
Net loss per share from discontinued operations		0.00		0.03
Restructuring costs		0.00		0.01
Revaluations of securities, warrants, and other		0.00		0.00
Other income		(0.01)		(0.01)
Adjusted net earnings per share	\$	0.03	\$	0.01

About Aegis Brands

Aegis Brands Inc. owns and operates the St. Louis Bar & Grill brand and holds the master franchise for the Sweet Jesus ice cream brand in Canada. Aegis is focused on growing its portfolio through strategic partnerships, disciplined expansion, and operational excellence. For more information, visit www.aegisbrands.ca.

NON-IFRS MEASURES

Aegis measures the success of its business in part by employing several key performance indicators referenced herein that are not recognized under IFRS. These indicators should not be considered alternatives to IFRS financial measures, such as net income, and are presented because management of Aegis believes that such measures are relevant in interpreting the performance of its business. As non-IFRS financial measures do not have standardized definitions prescribed by IFRS, they are less likely to be comparable with other issuers or peer companies. A description of the non-IFRS measures used by Aegis in measuring its performance and a reconciliation of certain non-IFRS measures to the nearest IFRS measure is included in Aegis' management's discussion and analysis for the year ended December 28, 2025 available on the SEDAR+ website at www.sedarplus.ca.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of Canadian securities laws. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The forward-looking statements included in this press release, include without limitation statements regarding future year-over-year sales increases, the nature of Aegis' growth strategy going forward and Aegis' execution on any of its potential plans (including with respect to the growth and development of St. Louis). Although Aegis has attempted to identify 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. Such forward-looking statements and information are subject to risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement.

Risks and uncertainties that may cause such differences include but are not limited to: risks related to the company's strategy going forward; capital requirements; risks related to interest rates and inflationary pressures on the cost of doing business; and other risks inherent in the industry in which Aegis operates. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Additional information on these and other factors that could affect Aegis' operations or financial results are included in reports on file with applicable securities

regulatory authorities and may be accessed through the SEDAR+ website at www.sedarplus.ca.

The forward-looking statements in this press release are made as of the date it was issued and Aegis 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 required by applicable law.

For more information, please visit aegisbrands.ca.

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