

THS Maple Holdings Ltd. (YAY) Reports Financial Results for the First Quarter of Fiscal Year 2025

November 26, 2024 – Toronto, Ontario – THS Maple Holdings Ltd. (the “Company” or “THS”) (TSX-V: YAY), a leading producer and global distributor of maple syrup and maple-flavoured products, is pleased to announce its financial and operational results for the three-month period ended September 30, 2024. The results highlight the Company’s ongoing success in executing its strategic initiatives, driving operational efficiencies, and expanding its market presence.

Financial Performance Highlights	3 Months Ended September 30, 2024	3 Months Ended August 31, 2023¹
Sales	\$4,666,560	\$3,192,539
Cost of Sales	\$3,512,310	\$2,621,233
Gross Profit	\$1,154,250	\$571,306
Selling Expenses	\$419,470	\$304,288
Administrative Expenses	\$553,346	\$480,321
Operating Income (Loss)	\$181,434	\$(213,303)
Finance costs and Other Income	\$137,877	\$240,145
Pre-tax Income (Loss)	\$43,557	\$(453,448)
Net Income (Loss) per share	\$0.001	\$(0.018)

1. Comparative Period for 2023 reflects the recent change in fiscal year end

Key Financial Highlights:

- **Revenue Growth:** Revenue for the quarter totalled \$4.7 million, a 41.5% increase compared to \$3.2 million in the comparative period last year and is reflective of the Company’s growing customer base.
- **Gross Margin Improvement:** The gross margin for the quarter rose to 24.7% from 17.9% in the comparative period last year, reflecting improved operational efficiencies from rising sales despite some challenges with raw material supply costs.
- **Profitability Achieved:** The Company reported net income of \$43,421 for the quarter, a substantial turnaround from a net loss of \$414,656 in the comparative period last year.
- **Positive Operating Cash Flow:** Consolidated cash flows from operations reached \$155,527, marking a significant improvement compared to negative \$293,408 in the comparative period last year.
- **Stronger Financial Position:** Working capital improved quarter-over-quarter to \$341,033 as of September 30, 2024, compared to \$241,050 as of June 30, 2024.

Operational Highlights:

- **Expansion in the US Market:** THS entered into a lease agreement for a new warehouse and distribution center in Vermont, with operations set to begin on December 1, 2024. This strategic investment will support the Company's growth plans in the US market by enabling faster delivery times, reduced logistics costs, and enhanced inventory management.
- **Facility Upgrades in Granby, Quebec:** As part of its commitment to meeting growing demand, the Company signed a long-term lease agreement for additional space at its Granby facility, effective October 2024. This expansion will allow THS to maintain higher inventory levels and better capture sales opportunities during peak periods.
- **Robust Sales Performance Across Markets:** Canadian revenue grew by 43% year-over-year, and US revenue more than doubled, demonstrating strong demand for THS's proprietary brands—Turkey Hill, Echo Mountain, and Herman's 76. Additionally, the Company recorded notable gains in Asia, Saudi Arabia, and the UAE.
- **Efficiency Initiatives:** The addition of a planned second production shift at the Granby facility has enhanced the Company's ability to meet seasonal demand fluctuations. These measures are part of THS's broader efforts to optimize production efficiency and align with the seasonality of its maple syrup production cycle.

CEO Commentary:

"We are pleased with our improved performance this quarter, as it reflects both our commitment to operational excellence and the growing demand for our products," said Tom Zaffis, CEO of THS Maple Holdings Ltd. "The opening of our Vermont warehouse and our expanded Granby facilities are pivotal steps in strengthening our position as a leading supplier of maple syrup products globally."

Strategic Outlook:

The Company's growth is supported by increasing consumer interest in natural sweeteners and maple products. With an expanding presence in over 20 countries, THS is well-positioned to capitalize on trends favouring organic and sustainable products as well as explore future opportunities in North America and globally.

Notice of Annual General Meeting

THS will hold its Annual General Meeting, for the fiscal year ended June 30, 2024, on Wednesday, December 4, 2024, at 2:00pm at the offices of Borden Ladner Gervais LLP, Suite 3400, 22 Adelaide Street West, Toronto, ON M5H 4E3.

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