

Aegis Brands Reports Third Quarter Results

Continued improvement in EBITDA and Net Income

Toronto, ON, October 31st, 2025 — Today, Aegis Brands Inc. (TSX: AEG) reports financial results for the third quarter ending September 28, 2025.

Highlights for the quarter:

- System sales decreased by 2.3% to \$32.8 million and same store sales decreased by 7.0% compared to the same quarter last year.
- Adjusted EBITDA for the third quarter increased to \$1.5 million from \$1.3 million in Q3 2024, representing year-over-year quarterly growth of 14.7%.
- Net income for the third quarter improved to \$0.7 million, or \$0.01 per share, compared to a net loss of \$1.7 million, or \$(0.02) per share, in Q3 2024.

Highlights year to date:

- Year to date system sales decreased by 3.8% to \$98.1 million and same store sales decreased by 7.4%.
- Adjusted EBITDA year to date increased 3.5% to \$4.1 million, compared to \$4.0 million last year.
- Net income improved to \$1.9 million, or \$0.02 per share, in F2025 compared to a net loss of \$1.1 million, or \$(0.01) per share, in the prior year, reflecting a strong turnaround in overall profitability.

St. Louis Bar & Grill

While early-quarter same store sales were down compared to 2024, sales improved in September with a positive trend in same-store sales growth. This positive trajectory continued into the fourth quarter.

St. Louis Bar & Grill's continuous effort to provide increasing value to our guests is the primary driver behind a sharp sales turnaround at the end of the quarter and continuing into the fourth quarter. The efforts are delivering meaningful increases in guest traffic and cheque averages, while also generating significant buzz on social and traditional media. Most importantly, they deliver strong profitability for franchisees — demonstrating that compelling guest value can also support unit-level margins.

Traffic Trends

St. Louis has seen a rebound in on-premise dining, which remains the most profitable traffic channel for franchisees. Guest interest in dine-in promotions has translated into on-premise improvements.

Conversely, off-premise traffic has continued to be challenged. While St. Louis continues to participate in platform-driven off-premise campaigns, its strategic focus remains on profitable traffic, both in-restaurant and through direct digital channels.

Renovations, Transfers and New Store Performance Fuel Confidence

The new brand look, featured in recently renovated locations, is resonating strongly with guests. Early data shows renovated locations are generating a significant lift in sales compared to their pre-renovation performance. Similarly, locations transferred to new franchisees — which benefit from updated training and systems — are showing an average sales lift of 18%.

With several store renovations and transfers scheduled for the remainder of 2025 and into 2026, management expects these initiatives to significantly boost top-line sales. New stores also continue to outperform legacy units, which is helping fill the pipeline for 2026 and beyond.

“We’re encouraged by the speed and strength of the sales rebound late in the third quarter and early in the fourth,” said Pelton. “The uniqueness of our offers resonates with our guests, and we will continue to lean into the promotions that have always paid off for our franchisees and our guests.”

Grocery Expansion Broadens Brand Reach

St. Louis continues to scale its presence in grocery, with four wing SKUs and Garlic Dill Sauce now available in 500+ locations. New chip SKUs launching in Q4 complement this strategy, helping drive awareness and bounce-back visits.

All In For Autism: Ongoing Impact

The brand’s All In For Autism campaign has raised over \$3.25 million since launch, including more than \$250,000 in 2024. October fundraising efforts will conclude with a gala event on November 13th at the Promenade Mall St. Louis Bar & Grill.

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.

Third quarter

13 weeks ended September 28, 2025 compared to 13 weeks ended September 29, 2024:

Net income (loss) to operating income:

(in thousands of Canadian dollars)	2025	2024
Net income (loss)	\$ 684	\$ (1,688)
Add (deduct):		
Net loss from discontinued operations	25	1,401
Interest and financing charges	483	657
Restructuring costs	-	613
Other loss (income)	-	(13)
Operating income	\$ 1,192	\$ 970

Net income (loss) to EBITDA:

(in thousands of Canadian dollars)	2025	2024
Net income (loss)	\$ 684	\$ (1,688)
Add (deduct):		
Net loss from discontinued operations	25	1,401
Interest and financing costs	483	657
Restructuring costs	-	613
Depreciation of property and equipment	11	17
Amortization of intangible assets	255	255
Amortization of right-of-use assets	20	34
EBITDA	\$ 1,478	\$ 1,289

EBITDA to adjusted EBITDA:

(in thousands of Canadian dollars)	2025	2024
EBITDA	\$ 1,478	\$ 1,289
Add (deduct):		
Other loss (income)	-	(6)
Adjusted EBITDA	\$ 1,478	\$ 1,283

Net income (loss) to adjusted net income:

(in thousands of Canadian dollars)	2025		2024	
Net income (loss)	\$	684	\$	(1,688)
Add (deduct):				
Net loss from discontinued operations		25		1,401
Restructuring costs		-		613
Other loss (income)		-		(6)
Adjusted net income	\$	709	\$	320

Net earnings per share to adjusted net earnings per share:

	2025		2024	
Net earnings (loss) per share	\$	0.01	\$	(0.02)
Add (deduct):				
Net loss per share from discontinued operations		0.00		0.02
Restructuring costs		0.00		0.00
Other loss (income)		0.00		(0.00)
Adjusted net earnings per share	\$	0.01	\$	0.00

Year to Date

39 weeks ended September 28, 2025 compared to 39 weeks ended September 29, 2024:

Net income (loss) to operating income:

(in thousands of Canadian dollars)	2025		2024	
Net income (loss)	\$	1,927	\$	(1,054)
Add (deduct):				
Net loss from discontinued operations		178		2,194
Interest and financing charges		1,517		2,097
Restructuring costs		-		613
Other loss (income)		(353)		(13)
Operating income	\$	3,269	\$	3,837

Net income (loss) to EBITDA:

(in thousands of Canadian dollars)	2025	2024
Net income (loss)	\$ 1,927	\$ (1,054)
Add (deduct):		
Net loss from discontinued operations	178	2,194
Interest and financing charges	1,517	2,097
Depreciation of property and equipment	38	42
Amortization of intangible assets	765	765
Amortization of right-of-use assets	61	183
EBITDA	\$ 4,486	\$ 4,840

EBITDA to adjusted EBITDA:

(in thousands of Canadian dollars)	2025	2024
EBITDA	\$ 4,486	\$ 4,840
Add (deduct):		
Other loss (income)	(353)	(845)
Adjusted EBITDA	\$ 4,133	\$ 3,995

Net income (loss) to adjusted net income:

(in thousands of Canadian dollars)	2025	2024
Net income (loss)	\$ 1,927	\$ (1,054)
Add (deduct):		
Net loss from discontinued operations	178	2,194
Restructuring costs	-	613
Other loss (income)	(353)	(845)
Adjusted net income	\$ 1,752	\$ 908

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

	2025	2024
Net earnings (loss) per share	\$ 0.02	\$ (0.01)
Add (deduct):		
Net loss per share from discontinued operations	0.00	0.03
Restructuring costs	0.00	0.00
Other loss (income)	(0.00)	(0.01)
Adjusted net earnings per share	\$ 0.02	\$ 0.01

About Aegis Brands

Aegis Brands owns and operates St. Louis Bar & Grill and holds the master franchise for the Sweet Jesus ice cream brand in Canada. Aegis is committed to growing through strategic partnerships, retail expansion, acquisitions and a focus on operational excellence. For more information, please 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, including same store sales and EBITDA. 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 29, 2024 available on SEDAR at www.sedarplus.ca.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of Canadian securities laws. The forward-looking statements included in this press release, including statements regarding 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 Bar and Grill), are not guarantees of future results and involve risks and uncertainties that may cause actual results to differ materially from the potential results discussed in the forward-looking statements.

Risks and uncertainties that may cause such differences include but are not limited to: risks related to the company's strategy going forward; 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 (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.

For further information:

Tara Ramsay

Aegis Brands

tramsay@aegisbrands.ca