



Tilray Brands Delivers Record Q2 Fiscal 2026 Net Revenue of \$218 Million, Moves to Net Cash Position and Reaffirms Full-Year Adjusted EBITDA Guidance

Jan 8, 2026

International Medical Cannabis Revenue Increases 36%; Canadian Adult-Use Cannabis Revenue Grows 6%

Tilray Pharma Achieves Record Quarterly Revenue

U.S. Federal Cannabis Rescheduling Expected to Unlock New Market Opportunity for Tilray Medical Expansion into the U.S.

Strong Financial Position with \$292 Million in Cash and Marketable Securities¹ and ~\$30 Million Net Cash

NEW YORK and LONDON and LEAMINGTON, Ontario, Jan. 08, 2026 (GLOBE NEWSWIRE) -- Tilray Brands, Inc. ("Tilray", "our", "we" or the "Company") (Nasdaq: TRLY; TSX: TRLY), a global lifestyle and consumer packaged goods company at the forefront of the cannabis, beverage, and wellness industries, today reported financial results for its second fiscal quarter ended November 30, 2025. All financial information in this press release is reported in U.S. dollars, unless otherwise indicated.

Irwin D. Simon, Chairman and Chief Executive Officer, commented, "We achieved another record quarter with net revenue reaching \$218 million, a result of disciplined execution within our diversified portfolio spanning cannabis, beverage, wellness and distribution sectors. Our business model supports scalability, adaptability in challenging markets, and long-term value creation, as demonstrated by our ability to perform while reinforcing our core operations. The quarter concluded with a strong balance sheet and ample liquidity, highlighting our prudent financial management and affording us flexibility for selective investment in strategic growth initiatives. As we continue expanding our operations and pursuing our priorities, we remain committed to achieving sustainable profitability and enhancing long-term shareholder value."

Mr. Simon, continued, "We believe federal rescheduling would mark an important advancement for medical cannabis in the United States, paving the way for more research, wider physician involvement, and better patient access. Tilray has invested for years in developing the infrastructure, expertise, and discipline needed to operate successfully in tightly regulated medical markets worldwide. As the U.S. regulatory landscape progresses, Tilray is prepared to leverage its experience to play a key role in building a responsible, research-oriented national medical cannabis industry. With a dedicated team and platform already in place with Tilray Medical U.S., we intend to leverage the infrastructure, expertise and know-how developed in conjunction with Tilray Medical's expected \$150 million global medical cannabis business and our \$300 million Tilray Pharma medical distribution platform in order to rollout our repeatable medical model and expand upon our current research, as well as initiating new FDA trials and partnerships for product development."

¹ Cash and marketable securities and net (debt) cash are non-GAAP financial measures. See "Use of Non-GAAP Measures" below for additional discussion regarding these non-GAAP measures and for a reconciliation of this Non-GAAP Measure to our most comparable GAAP measure.

Financial Highlights

All comparisons made to the prior year period

- Net revenue increased 3% to \$217.5 million in the second quarter compared to \$211.0 million.
- Gross profit was \$57.5 million in the second quarter compared to \$61.2 million.
- Gross margin was 26% in the second quarter compared to 29%.
- Cannabis net revenue increased 3% to \$67.5 million in the second quarter compared to \$65.7 million as a result of a 36% increase in international cannabis and a 6% increase in Canadian adult-use cannabis, offset by a lower presence in Canadian wholesale cannabis in anticipation of deployment in international markets.
 - Cannabis gross profit increased to \$26.1 million in the second quarter compared to \$23.2 million.
 - Cannabis gross margin increased to 39% in the second quarter compared to 35%.
- Beverage net revenue was \$50.1 million in the second quarter compared to \$63.1 million.
 - Beverage gross profit was \$15.7 million in the second quarter compared to \$25.2 million.
 - Beverage gross margin was 31% in the second quarter compared to 40%.
- Wellness net revenue was \$14.6 million in the second quarter and was flat.
 - Wellness gross profit increased to \$4.6 million in the second quarter compared to \$4.5 million.
 - Wellness gross margin increased to 32% in the second quarter compared to 31%.
- Distribution net revenue, which includes Tilray Pharma, grew to our highest revenue quarter ever to \$85.3 million in the second quarter compared to \$67.6 million.
 - Distribution gross profit increased to \$11.0 million in the second quarter compared to \$8.4 million.
 - Distribution gross margin increased to 13% in the second quarter compared to 12%.
- Net loss improved \$41.8 million to \$(43.5) million in the second quarter compared to a net loss of \$(85.3) million and net loss per share improved to \$(0.41) in the second quarter from \$(0.99).
- Adjusted net loss² and adjusted net loss per share² improved to \$(2.0) million and \$(0.02) in the second quarter compared to adjusted net loss of \$(2.2) million and \$(0.03). Excluding non-cash income tax charges, adjusted net income and adjusted net income per share would be \$1.6 million and \$0.01.
- Adjusted EBITDA³ was \$8.4 million in the second quarter compared to \$9.0 million.

Cash Flow: Cash used in operations improved \$32.2 million to \$(8.5) million from \$(40.7) million.

Balance Sheet Update: In the second quarter, we grew our cash and marketable securities balance to \$291.6 million providing flexibility for strategic opportunities. Additionally, we reduced our total outstanding debt by \$4.2 million, further strengthening the balance sheet.

Net (Debt) Cash Position: Our Q1 net debt position of \$3.8 million improved \$31.2 million sequentially to an overall net cash position of \$27.4 million.⁴

Adjusted EBITDA Outlook for Fiscal 2026 Reaffirmed at \$62 Million – \$72 Million

Live Audio Webcast

Tilray Brands will host a webcast to discuss these results today at 4:30 p.m. Eastern Time. Investors may join the live webcast available on the [Events & Presentations section](#) of Tilray's Investor Relations website. A replay will be available and archived on the Company's website.

² Adjusted net loss and adjusted net loss per share are non-GAAP financial measures. See "Use of Non-GAAP Measures" below for additional discussion regarding these non-GAAP measures and for a reconciliation of such Non-GAAP Measures to our most comparable GAAP measure.

³ Adjusted EBITDA is a non-GAAP financial measure. See "Use of Non-GAAP Measures" below for a discussion of these Non-GAAP measures and for a reconciliation of this Non-GAAP Measure to our most comparable GAAP measure.

⁴ Net (debt) cash are non-GAAP financial measures. See "Use of Non-GAAP Measures" below for a discussion of these Non-GAAP measures and for a reconciliation of this Non-GAAP Measure to our most comparable GAAP measure.

About Tilray Brands

Tilray Brands, Inc. ("Tilray") (Nasdaq: TLRY; TSX: TLRY), is a leading global lifestyle and consumer packaged goods company with operations in Canada, the United States, Europe, Australia, and Latin America that is leading as a transformative force at the nexus of cannabis, beverage, wellness, and entertainment, elevating lives through moments of connection. Tilray's mission is to be a leading premium lifestyle company with a house of brands and innovative products that inspire joy and create memorable experiences. Tilray's unprecedented platform supports over 40 brands in over 20 countries, including comprehensive cannabis offerings, hemp-based foods, and craft beverages.

For more information on how we are elevating lives through moments of connection, visit [Tilray.com](https://www.tilray.com) and follow @Tilray on all social platforms.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements in this press release constitute forward-looking information or forward-looking statements (together, "forward-looking statements") under Canadian securities laws and within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be subject to the "safe harbor" created by those sections and other applicable laws. Forward-looking statements can be identified by words such as "forecast," "future," "should," "could," "enable," "potential," "contemplate," "believe," "anticipate," "estimate," "plan," "expect," "intend," "position," "may," "project," "will," "would" and the negative of these terms or similar expressions, although not all forward-looking statements contain these identifying words. Certain material factors, estimates, goals, projections or assumptions were used in drawing the conclusions contained in the forward-looking statements throughout this communication.

Forward-looking statements include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things: the Company's ability to become a leading lifestyle consumer packaged goods company; the Company's ability to become a leading beverage alcohol Company; the Company's ability to achieve long term profitability; the Company's ability to achieve operational scale, market share, distribution, profitability and revenue growth in particular business lines and markets; the Company's ability to successfully achieve revenue growth, margin and profitability improvements, production and supply chain efficiencies, synergies and cost savings; the Company's ability to achieve fiscal year 2026 financial guidance, including expected Adjusted EBITDA of \$62 to \$72 million and synergy optimizations; the Company's expected revenue growth, sales volume, profitability, synergies and accretion related to any of its acquisitions; expected opportunities in the U.S., including upon U.S. federal cannabis legalization and rescheduling and the Company's ability to leverage its platform in connection therewith; the Company's ability to successfully leverage artificial intelligence strategies; the Company's anticipated investments and acquisitions, including in organic and strategic growth, partnership efforts, product offerings and other initiatives; and the Company's ability to commercialize new and innovative products.

Many factors could cause actual results, performance or achievement to be materially different from any forward-looking statements, and other risks and uncertainties not presently known to the Company or that the Company deems immaterial could also cause actual results or events to differ materially from those expressed in the forward-looking statements contained herein. For a more detailed discussion of these risks and other factors, see the most recently filed annual information form of the Company and the Annual Report on Form 10-K (and other periodic reports filed with the SEC) of the Company made with the SEC and available on EDGAR. The forward-looking statements included in this communication are made as of the date of this communication and the Company does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

Use of Non-U.S. GAAP Financial Measures

This press release and the accompanying tables include non-GAAP financial measures, including Adjusted gross margin (consolidated and for each of our reporting segments), Adjusted gross profit (consolidated and for each of our reporting segments), Adjusted EBITDA, Adjusted cash operating income (loss), Adjusted net income (loss), Adjusted net income (loss) per share, free cash flow, adjusted free cash flow, constant currency presentations of revenue, cash and marketable securities, and net (debt) cash. Management believes that the non-GAAP financial measures presented provide useful additional information to investors about current trends in the Company's operations and are useful for period-over-period comparisons of operations. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures, nor should adjusted net income (loss) per share be used as a measure of liquidity. In addition, these non-GAAP measures may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded. They should be read only in connection with the Company's Consolidated Statements of Operations and Cash Flows presented in accordance with GAAP.

Certain forward-looking non-GAAP financial measures included in this press release are not reconciled to the comparable forward-looking GAAP financial measures. The Company is not able to reconcile these forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures without unreasonable efforts because the Company is unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact GAAP measures but would not impact the non-GAAP measures. Such items may include litigation and related expenses, transaction costs, impairments of intangible assets and goodwill, foreign exchange movements and other items. The unavailable information could have a significant impact on the Company's GAAP financial results.

The Company believes presenting net sales at constant currency provides useful information to investors because it provides transparency to

underlying performance in the Company's consolidated net sales by excluding the effect that foreign currency exchange rate fluctuations have on period-to-period comparability given the volatility in foreign currency exchange markets. To present this information for historical periods, current period net sales for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average monthly exchange rates in effect during the corresponding period of the prior fiscal year, rather than at the actual average monthly exchange rate in effect during the current period of the current fiscal year. As a result, the foreign currency impact is equal to the current year results in local currencies multiplied by the change in average foreign currency exchange rate between the current fiscal period and the corresponding period of the prior fiscal year. A reconciliation of prior year revenue to constant currency revenue the most directly comparable GAAP measure, has been provided in the financial statement tables included above in this press release.

Adjusted EBITDA is calculated as net income (loss) before income tax expense (recovery), net; interest expense, net; non-operating income (expense), net; amortization; stock-based compensation; change in fair value of contingent consideration; purchase price accounting step-up; project 420 optimization costs; litigation costs; restructuring costs, and transaction (income) costs, net. A reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP measure, has been provided in the financial statement tables included below in this press release.

Adjusted cash operating income (loss) is calculated as operating loss, less; amortization; stock-based compensation; and change in fair value of contingent consideration. A reconciliation of adjusted cash operating income (loss) to operating loss, the most directly comparable GAAP measure, has been included below in this press release. Adjusted cash operating income (loss) is not calculated in accordance with GAAP and should not be considered an alternative for GAAP operating income or as a measure of liquidity.

Adjusted net income (loss) is calculated as net loss attributable to stockholders of Tilray Brands, Inc., less; non-operating income (expense), net; amortization; stock-based compensation; change in fair value of contingent consideration; project 420 optimization costs; litigation costs; restructuring costs and transaction (income) costs, net. A reconciliation of Adjusted net income (loss) to net loss attributable to stockholders of Tilray Brands, Inc., the most directly comparable GAAP measure, has been included below in this press release.

Adjusted net income (loss) per share is calculated as net loss attributable to stockholders of Tilray Brands, Inc., net; non-operating income (expense), net; amortization; stock-based compensation; change in fair value of contingent consideration; project 420 optimization costs; litigation costs; restructuring costs and transaction (income) costs, divided by weighted average number of common shares outstanding. A reconciliation of Adjusted net income (loss) per share to net loss attributable to stockholders of Tilray Brands, Inc., the most directly comparable GAAP measure, has been included below in this press release. Adjusted net income (loss) per share is not calculated in accordance with GAAP and should not be considered an alternative for GAAP net income (loss) per share or as a measure of liquidity.

Adjusted gross profit (consolidated and for each of our reporting segments), is calculated as gross profit adjusted to exclude the impact of purchase price accounting valuation step-up. A reconciliation of Adjusted gross profit, excluding purchase price accounting valuation step-up, to gross profit, the most directly comparable GAAP measure, has been provided in the financial statement tables included above in this press release. Adjusted gross margin (consolidated and for each of our reporting segments), excluding purchase price accounting valuation step-up, is calculated as revenue less cost of sales adjusted to add back amortization of inventory step-up, divided by revenue. A reconciliation of Adjusted gross margin, excluding purchase price accounting valuation step-up, to gross margin, the most directly comparable GAAP measure, has been provided in the financial statement tables included above in this press release.

Free cash flow is comprised of two GAAP measures which are net cash flow provided by (used in) operating activities less investments in capital and intangible assets, net. A reconciliation of net cash flow provided by (used in) operating activities to free cash flow, the most directly comparable GAAP measure, has been provided in the financial statement tables included above in this press release. Adjusted free cash flow is comprised of two GAAP measures which are net cash flow provided by (used in) operating activities less investments in capital and intangible assets, net, and the exclusion of growth CAPEX from investments in capital and intangible assets, net, which excludes the amount of capital expenditures that are considered to be associated with growth of future operations rather than to maintain the existing operations of the Company, and excludes cash paid for litigation settlements. A reconciliation of net cash flow provided by (used in) operating activities to adjusted free cash flow, the most directly comparable GAAP measure, has been provided in the financial statement tables included above in this press release.

Cash and marketable securities are comprised of two GAAP measures, cash and cash equivalents added to marketable securities. The Company's management believes that this presentation provides useful information to management, analysts and investors regarding certain additional financial and business trends relating to its short-term liquidity position by combining these two GAAP metrics.

Net (debt) cash is comprised of GAAP measures and reduces bank indebtedness, current and non-current portions of long-term debt, the principal balance of convertible debt by cash and cash equivalents and marketable securities. The company believes this metric provides useful information to management, analysts, and investors regarding its liquidity and the Company's ability to repay all of its debt.

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Consolidated Statements of Financial Position

| (in thousands of US dollars) | November 30, 2025 | May 31, 2025 |
|----------------------------------|----------------------|-----------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 246,703 | \$ 221,666 |
| Marketable securities | 44,848 | 34,697 |
| Accounts receivable, net | 109,071 | 121,489 |
| Inventory | 283,198 | 270,882 |
| Prepays and other current assets | 41,497 | 34,092 |
| Assets held for sale | 4,000 | 5,800 |
| Total current assets | 729,317 | 688,626 |
| Capital assets | 550,101 | 568,433 |

| | | |
|--|---------------------|---------------------|
| Operating lease, right-of-use assets | 19,802 | 22,279 |
| Digital assets | 828 | — |
| Intangible assets | 21,735 | 21,423 |
| Goodwill | 752,350 | 752,350 |
| Long-term investments | 13,393 | 10,132 |
| Other assets | 11,073 | 11,084 |
| Total assets | \$ 2,098,599 | \$ 2,074,327 |
| Liabilities | | |
| Current liabilities | | |
| Bank indebtedness | \$ 8,567 | \$ 7,181 |
| Accounts payable and accrued liabilities | 226,422 | 235,322 |
| Contingent consideration | — | 15,000 |
| Warrant liability | — | 1,092 |
| Current portion of lease liabilities | 7,437 | 6,941 |
| Current portion of long-term debt | 16,889 | 14,767 |
| Total current liabilities | 259,315 | 280,303 |
| Long - term liabilities | | |
| Lease liabilities | 61,742 | 64,925 |
| Long-term debt | 138,739 | 148,493 |
| Convertible debentures payable | 86,255 | 86,428 |
| Deferred tax liabilities, net | 5,622 | 3,748 |
| Other liabilities | 417 | 855 |
| Total liabilities | 552,090 | 584,752 |
| Stockholders' equity | | |
| Common stock (\$0.0001 par value; 1,416,000,000 common shares authorized; 116,522,600 and 106,067,875 common shares issued and outstanding, respectively) ¹ | 116 | 106 |
| Treasury Stock (321,391 and 200,422 treasury shares issued and outstanding, respectively) ¹ | — | — |
| Preferred shares (\$0.0001 par value; 10,000,000 preferred shares authorized; nil and nil preferred shares issued and outstanding, respectively) | — | — |
| Additional paid-in capital | 6,511,483 | 6,401,657 |
| Accumulated other comprehensive loss | (39,293) | (43,063) |
| Accumulated deficit | (4,892,479) | (4,847,226) |
| Total Tilray Brands, Inc. stockholders' equity | 1,579,827 | 1,511,474 |
| Non-controlling interests | (33,318) | (21,899) |
| Total stockholders' equity | 1,546,509 | 1,489,575 |
| Total liabilities and stockholders' equity | \$ 2,098,599 | \$ 2,074,327 |

¹Current and prior year share amounts have been retrospectively adjusted to reflect the Reverse Stock Split (as defined in the November 30, 2025, Form 10-Q), which became effective on December 2, 2025.

Condensed Consolidated Statements of Net Loss and Comprehensive Loss

| (in thousands of U.S. dollars, except for per share data) | For the three months ended | | | | For the six months ended | | | |
|---|----------------------------|--------------|----------|----------|--------------------------|--------------|-----------|----------|
| | November 30, | November 30, | Change | % Change | November 30, | November 30, | Change | % Change |
| | 2025 | 2024 | | | 2025 | 2024 | | |
| Net revenue | \$ 217,507 | \$ 210,950 | \$ 6,557 | 3% | \$ 427,008 | \$ 410,994 | \$ 16,014 | 4% |
| Cost of goods sold | 160,010 | 149,730 | 10,280 | 7% | 312,042 | 290,068 | 21,974 | 8% |
| Gross profit | 57,497 | 61,220 | (3,723) | (6)% | 114,966 | 120,926 | (5,960) | (5)% |
| Operating expenses: | | | | | | | | |
| General and administrative | 51,175 | 45,997 | 5,178 | 11% | 92,228 | 90,110 | 2,118 | 2% |
| Selling | 11,781 | 16,162 | (4,381) | (27)% | 24,704 | 27,852 | (3,148) | (11)% |
| Amortization | 4,358 | 22,927 | (18,569) | (81)% | 8,287 | 44,731 | (36,444) | (81)% |
| Marketing and promotion | 9,981 | 9,720 | 261 | 3% | 20,136 | 21,286 | (1,150) | (5)% |
| Research and development | 78 | 60 | 18 | 30% | 119 | 165 | (46) | (28)% |
| Change in fair value of contingent consideration | — | — | — | NM | (15,000) | — | (15,000) | NM |
| Litigation costs, net of recoveries | 869 | 901 | (32) | (4)% | 1,876 | 2,496 | (620) | (25)% |
| Restructuring costs | 965 | 6,869 | (5,904) | (86)% | 1,834 | 11,116 | (9,282) | (84)% |

| | | | | | | | | |
|---|--------------------|--------------------|------------------|--------------|--------------------|---------------------|------------------|--------------|
| Transaction costs (income), net | 569 | 802 | (233) | (29)% | 969 | 1,958 | (989) | (51)% |
| Total operating expenses | 79,776 | 103,438 | (23,662) | (23)% | 135,153 | 199,714 | (64,561) | (32)% |
| Operating loss | (22,279) | (42,218) | 19,939 | (47)% | (20,187) | (78,788) | 58,601 | (74)% |
| Interest expense, net | (5,374) | (7,766) | 2,392 | (31)% | (12,070) | (17,608) | 5,538 | (31)% |
| Non-operating income (expense), net | (12,310) | (33,255) | 20,945 | (63)% | (8,478) | (20,609) | 12,131 | (59)% |
| Loss before income taxes | (39,963) | (83,239) | 43,276 | (52)% | (40,735) | (117,005) | 76,270 | (65)% |
| Income tax expense (recovery), net | 3,546 | 2,036 | 1,510 | 74% | 1,261 | 2,922 | (1,661) | (57)% |
| Net loss | <u>\$ (43,509)</u> | <u>\$ (85,275)</u> | <u>\$ 41,766</u> | <u>(49)%</u> | <u>\$ (41,996)</u> | <u>\$ (119,927)</u> | <u>\$ 77,931</u> | <u>(65)%</u> |
| Total net income (loss) attributable to: | | | | | | | | |
| Stockholders of Tilray Brands, Inc. | (44,931) | (85,342) | 40,411 | (47)% | (45,253) | (124,507) | 79,254 | (64)% |
| Non-controlling interests | 1,422 | 67 | 1,355 | 2,022% | 3,257 | 4,580 | (1,323) | (29)% |
| Other comprehensive gain (loss), net of tax | | | | | | | | |
| Foreign currency translation gain (loss) | 4,464 | (8,966) | 13,430 | (150)% | 4,276 | (4,806) | 9,082 | (189)% |
| Comprehensive loss | <u>\$ (39,045)</u> | <u>\$ (94,241)</u> | <u>\$ 55,196</u> | <u>(59)%</u> | <u>\$ (37,720)</u> | <u>\$ (124,733)</u> | <u>\$ 87,013</u> | <u>(70)%</u> |
| Total comprehensive income (loss) attributable to: | | | | | | | | |
| Stockholders of Tilray Brands, Inc. | (40,994) | (93,422) | 52,428 | (56)% | (41,483) | (128,965) | 87,482 | (68)% |
| Non-controlling interests | 1,949 | (819) | 2,768 | (338)% | 3,763 | 4,232 | (469) | (11)% |
| Weighted average number of common shares - basic ¹ | 110,343,368 | 86,497,456 | 23,845,912 | 28% | 108,173,486 | 83,740,894 | 24,432,592 | 29% |
| Weighted average number of common shares - diluted ¹ | 110,343,368 | 86,497,456 | 23,845,912 | 28% | 108,173,486 | 83,740,894 | 24,432,592 | 29% |
| Net loss per share - basic ¹ | <u>\$ (0.41)</u> | <u>\$ (0.99)</u> | <u>\$ 0.58</u> | <u>(59)%</u> | <u>\$ (0.42)</u> | <u>\$ (1.49)</u> | <u>\$ 1.07</u> | <u>(72)%</u> |
| Net loss per share - diluted ¹ | <u>\$ (0.41)</u> | <u>\$ (0.99)</u> | <u>\$ 0.58</u> | <u>(59)%</u> | <u>\$ (0.42)</u> | <u>\$ (1.49)</u> | <u>\$ 1.07</u> | <u>(72)%</u> |

¹Current and prior year share amounts have been retrospectively adjusted to reflect the Reverse Stock Split (as defined in the November 30, 2025, Form 10-Q), which became effective on December 2, 2025.

Condensed Consolidated Statements of Cash Flows

| (in thousands of US dollars) | For the six months ended | | | |
|---|--------------------------|-------------------|----------------------|--------------|
| | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change |
| Cash provided by (used in) operating activities: | | | | |
| Net loss | \$ (41,996) | \$ (119,927) | \$ 77,931 | (65)% |
| Adjustments for: | | | | |
| Deferred income tax (recovery) expense, net | 1,261 | 1,529 | (268) | (18)% |
| Unrealized foreign exchange gain | 4,899 | 9,627 | (4,728) | (49)% |
| Amortization | 31,519 | 65,864 | (34,345) | (52)% |
| Accretion of convertible debt discount | 3,964 | 5,985 | (2,021) | (34)% |
| Unrealized loss on digital assets | 172 | — | 172 | NM |
| Other non-cash items | 1,767 | 3,281 | (1,514) | (46)% |
| Stock-based compensation | 17,335 | 14,154 | 3,181 | 22% |
| Gain on long-term investments | 306 | 66 | 240 | 364% |
| Loss (gain) on derivative instruments | 3,495 | (1,558) | 5,053 | (324)% |
| Change in fair value of contingent consideration | (15,000) | — | (15,000) | NM |
| Change in non-cash working capital: | | | | |
| Accounts receivable | 12,418 | (9,051) | 21,469 | (237)% |
| Prepays and other current assets | (7,394) | (13,046) | 5,652 | (43)% |
| Inventory | (12,316) | (8,127) | (4,189) | 52% |
| Accounts payable and accrued liabilities | (10,308) | (24,828) | 14,520 | (58)% |
| Net cash used in operating activities | <u>(9,878)</u> | <u>(76,031)</u> | <u>66,153</u> | <u>(87)%</u> |
| Cash provided by (used in) investing activities: | | | | |
| Investment in capital and intangible assets | (19,219) | (12,172) | (7,047) | 58% |
| Proceeds from disposal of capital and intangible assets | 427 | 631 | (204) | (32)% |
| Investment in digital assets | (1,000) | — | (1,000) | NM |
| Purchase of marketable securities, net | (10,151) | (30,369) | 20,218 | (67)% |
| Investment in long-term investments | (3,595) | — | (3,595) | NM |

| | | | | |
|---|------------|------------|-----------|--------|
| Business acquisitions, net of cash acquired | — | (18,210) | 18,210 | (100)% |
| Net cash used in investing activities | (33,538) | (60,120) | 26,582 | (44)% |
| Cash provided by (used in) financing activities: | | | | |
| Share capital issued, net of cash issuance costs | 73,058 | 111,517 | (38,459) | (34)% |
| Proceeds from warrants exercised | 2,367 | — | 2,367 | NM |
| Repayment of long-term debt | (6,872) | (10,388) | 3,516 | (34)% |
| Repayment of convertible debt | — | (330) | 330 | (100)% |
| Repayment of lease liabilities | (1,991) | (1,724) | (267) | 15% |
| Net decrease in bank indebtedness | 1,386 | (282) | 1,668 | (591)% |
| Net cash provided by financing activities | 67,948 | 98,793 | (30,845) | (31)% |
| Effect of foreign exchange on cash and cash equivalents | 505 | (1,284) | 1,789 | (139)% |
| Net increase (decrease) in cash and cash equivalents | 25,037 | (38,642) | 63,679 | (165)% |
| Cash and cash equivalents, beginning of period | 221,666 | 228,340 | (6,674) | (3)% |
| Cash and cash equivalents, end of period | \$ 246,703 | \$ 189,698 | \$ 57,005 | 30% |

Net Revenue by Operating Segment

| (In thousands of U.S. dollars) | For the three months ended | | For the three months ended | | For the six months ended | | For the six months ended | |
|--------------------------------|----------------------------|--------------------|----------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | November 30, 2025 | % of Total Revenue | November 30, 2024 | % of Total Revenue | November 30, 2025 | % of Total Revenue | November 30, 2024 | % of Total Revenue |
| Beverage business | \$ 50,083 | 23% | \$ 63,081 | 30% | \$ 105,822 | 25% | \$ 119,053 | 29% |
| Cannabis business | 67,532 | 31% | 65,652 | 31% | 132,043 | 31% | 126,901 | 31% |
| Distribution business | 85,316 | 39% | 67,611 | 32% | 159,323 | 37% | 135,682 | 33% |
| Wellness business | 14,576 | 7% | 14,606 | 7% | 29,820 | 7% | 29,358 | 7% |
| Total net revenue | \$ 217,507 | 100% | \$ 210,950 | 100% | \$ 427,008 | 100% | \$ 410,994 | 100% |

Net Revenue by Operating Segment in Constant Currency

| (In thousands of U.S. dollars) | For the three months ended | | For the three months ended | | For the six months ended | | For the six months ended | |
|--------------------------------|---|--------------------|---|--------------------|---|--------------------|---|--------------------|
| | November 30, 2025 as reported in constant currency | % of Total Revenue | November 30, 2024 as reported in constant currency | % of Total Revenue | November 30, 2025 as reported in constant currency | % of Total Revenue | November 30, 2024 as reported in constant currency | % of Total Revenue |
| Beverage business | \$ 50,083 | 23% | \$ 63,081 | 30% | \$ 105,822 | 25% | \$ 119,053 | 29% |
| Cannabis business | 67,486 | 32% | 65,652 | 31% | 131,535 | 32% | 126,901 | 31% |
| Distribution business | 79,961 | 38% | 67,611 | 32% | 149,667 | 36% | 135,682 | 33% |
| Wellness business | 14,734 | 7% | 14,606 | 7% | 30,015 | 7% | 29,358 | 7% |
| Total net revenue | \$ 212,264 | 100% | \$ 210,950 | 100% | \$ 417,039 | 100% | \$ 410,994 | 100% |

Net Cannabis Revenue by Market Channel

| (In thousands of U.S. dollars) | For the three months ended | | For the three months ended | | For the six months ended | | For the six months ended | |
|--|----------------------------|--------------------|----------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| | November 30, 2025 | % of Total Revenue | November 30, 2024 | % of Total Revenue | November 30, 2025 | % of Total Revenue | November 30, 2024 | % of Total Revenue |
| Revenue from Canadian medical cannabis | \$ 6,234 | 9% | \$ 6,673 | 10% | \$ 12,380 | 9% | \$ 12,934 | 10% |
| Revenue from Canadian adult-use cannabis | 62,448 | 92% | 59,077 | 90% | 126,515 | 96% | 116,312 | 92% |
| Revenue from wholesale cannabis | 1,346 | 2% | 6,593 | 10% | 5,501 | 4% | 12,100 | 10% |
| Revenue from international cannabis | 20,180 | 30% | 14,865 | 23% | 33,547 | 26% | 27,056 | 21% |
| Less excise taxes | (22,676) | (33)% | (21,556) | (33)% | (45,900) | (35)% | (41,501) | (33)% |
| Total | \$ 67,532 | 100% | \$ 65,652 | 100% | \$ 132,043 | 100% | \$ 126,901 | 100% |

Net Cannabis Revenue by Market Channel in Constant Currency

| | For the three months ended | | For the three months ended | | For the six months ended | | For the six months ended | |
|--|----------------------------|--|----------------------------|--|--------------------------|--|--------------------------|--|
| | November 30, 2025 | | November 30, 2024 | | November 30, 2025 | | November 30, 2024 | |

| (In thousands of U.S. dollars) | as reported in | | as reported in | | as reported in | | as reported in | |
|--|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| | constant currency | % of Total Revenue | constant currency | % of Total Revenue | constant currency | % of Total Revenue | constant currency | % of Total Revenue |
| Revenue from Canadian medical cannabis | \$ 6,380 | 9% | \$ 6,673 | 10% | \$ 12,554 | 10% | \$ 12,934 | 10% |
| Revenue from Canadian adult-use cannabis | 63,877 | 95% | 59,077 | 90% | 128,236 | 97% | 116,312 | 92% |
| Revenue from wholesale cannabis | 1,373 | 2% | 6,593 | 10% | 5,546 | 4% | 12,100 | 10% |
| Revenue from international cannabis | 19,053 | 28% | 14,865 | 23% | 31,727 | 24% | 27,056 | 21% |
| Less excise taxes | (23,197) | (34)% | (21,556) | (33)% | (46,528) | (35)% | (41,501) | (33)% |
| Total | <u>\$ 67,486</u> | <u>100%</u> | <u>\$ 65,652</u> | <u>100%</u> | <u>\$ 131,535</u> | <u>100%</u> | <u>\$ 126,901</u> | <u>100%</u> |

Other Financial Information: Key Operating Metrics

| (in thousands of U.S. dollars) | For the three months ended | | For the six months ended | |
|--|----------------------------|-------------------|--------------------------|-------------------|
| | November 30, 2025 | November 30, 2024 | November 30, 2025 | November 30, 2024 |
| Net beverage revenue | \$ 50,083 | \$ 63,081 | \$ 105,822 | \$ 119,053 |
| Net cannabis revenue | 67,532 | 65,652 | 132,043 | 126,901 |
| Distribution revenue | 85,316 | 67,611 | 159,323 | 135,682 |
| Wellness revenue | 14,576 | 14,606 | 29,820 | 29,358 |
| Beverage costs | 34,351 | 37,925 | 68,764 | 70,975 |
| Cannabis costs | 41,398 | 42,475 | 82,639 | 79,529 |
| Distribution costs | 74,334 | 59,207 | 140,342 | 119,345 |
| Wellness costs | 9,927 | 10,123 | 20,297 | 20,219 |
| Adjusted gross profit (excluding PPA step-up) | 57,497 | 62,596 | 114,966 | 122,477 |
| Beverage adjusted gross margin (excluding PPA step-up) | 31% | 42% | 35% | 42% |
| Cannabis adjusted gross margin (excluding PPA step-up) | 39% | 35% | 37% | 37% |
| Distribution gross margin | 13% | 12% | 12% | 12% |
| Wellness gross margin | 32% | 31% | 32% | 31% |
| Adjusted EBITDA | \$ 8,365 | \$ 9,017 | \$ 18,546 | \$ 18,351 |
| Cash and marketable securities as at the period ended: | 291,551 | 252,249 | 291,551 | 252,249 |
| Working capital as at the period ended: | \$ 470,002 | \$ 428,815 | \$ 470,002 | \$ 428,815 |

Other Financial Information: Gross Margin and Adjusted Gross Margin

| (In thousands of U.S. dollars) | For the three months ended November 30, 2025 | | | | |
|--------------------------------|--|-----------|--------------|-----------|------------|
| | Beverage | Cannabis | Distribution | Wellness | Total |
| Net revenue | \$ 50,083 | \$ 67,532 | \$ 85,316 | \$ 14,576 | \$ 217,507 |
| Cost of goods sold | 34,351 | 41,398 | 74,334 | 9,927 | 160,010 |
| Gross profit | 15,732 | 26,134 | 10,982 | 4,649 | 57,497 |
| Gross margin | 31% | 39% | 13% | 32% | 26% |

| (In thousands of U.S. dollars) | For the three months ended November 30, 2024 | | | | |
|-----------------------------------|--|-----------|--------------|-----------|------------|
| | Beverage | Cannabis | Distribution | Wellness | Total |
| Net revenue | \$ 63,081 | \$ 65,652 | \$ 67,611 | \$ 14,606 | \$ 210,950 |
| Cost of goods sold | 37,925 | 42,475 | 59,207 | 10,123 | 149,730 |
| Gross profit | 25,156 | 23,177 | 8,404 | 4,483 | 61,220 |
| Gross margin | 40% | 35% | 12% | 31% | 29% |
| Adjustments: | | | | | |
| Purchase price accounting step-up | 1,376 | — | — | — | 1,376 |
| Adjusted gross profit | 26,532 | 23,177 | 8,404 | 4,483 | 62,596 |
| Adjusted gross margin | 42% | 35% | 12% | 31% | 30% |

| (In thousands of U.S. dollars) | For the six months ended November 30, 2025 | | | | |
|--------------------------------|--|------------|--------------|-----------|------------|
| | Beverage | Cannabis | Distribution | Wellness | Total |
| Net revenue | \$ 105,822 | \$ 132,043 | \$ 159,323 | \$ 29,820 | \$ 427,008 |
| Cost of goods sold | 68,764 | 82,639 | 140,342 | 20,297 | 312,042 |
| Gross profit | 37,058 | 49,404 | 18,981 | 9,523 | 114,966 |

| | | | | | |
|--------------|-----|-----|-----|-----|-----|
| Gross margin | 35% | 37% | 12% | 32% | 27% |
|--------------|-----|-----|-----|-----|-----|

| (In thousands of U.S. dollars) | For the six months ended November 30, 2024 | | | | |
|-----------------------------------|--|------------|--------------|-----------|------------|
| | Beverage | Cannabis | Distribution | Wellness | Total |
| Net revenue | \$ 119,053 | \$ 126,901 | \$ 135,682 | \$ 29,358 | \$ 410,994 |
| Cost of goods sold | 70,975 | 79,529 | 119,345 | 20,219 | 290,068 |
| Gross profit | 48,078 | 47,372 | 16,337 | 9,139 | 120,926 |
| Gross margin | 40% | 37% | 12% | 31% | 29% |
| Adjustments: | | | | | |
| Purchase price accounting step-up | 1,551 | — | — | — | 1,551 |
| Adjusted gross profit | 49,629 | 47,372 | 16,337 | 9,139 | 122,477 |
| Adjusted gross margin | 42% | 37% | 12% | 31% | 30% |

Other Financial Information: Adjusted Earnings Before Interest, Taxes and Amortization

| (In thousands of U.S. dollars) | For the three months ended | | | | For the six months ended | | | |
|--|----------------------------|-------------------|----------------------|-------------|--------------------------|-------------------|----------------------|-----------|
| | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change |
| | Net loss | \$ (43,509) | \$ (85,275) | \$ 41,766 | (49)% | \$ (41,996) | \$ (119,927) | \$ 77,931 |
| Income tax expense (recovery), net | 3,546 | 2,036 | 1,510 | 74% | 1,261 | 2,922 | (1,661) | (57)% |
| Interest expense, net | 5,374 | 7,766 | (2,392) | (31)% | 12,070 | 17,608 | (5,538) | (31)% |
| Non-operating income (expense), net | 12,310 | 33,255 | (20,945) | (63)% | 8,478 | 20,609 | (12,131) | (59)% |
| Amortization | 15,958 | 34,050 | (18,092) | (53)% | 31,519 | 65,864 | (34,345) | (52)% |
| Stock-based compensation | 12,283 | 7,237 | 5,046 | 70% | 17,335 | 14,154 | 3,181 | 22% |
| Change in fair value of contingent consideration | — | — | — | NM | (15,000) | — | (15,000) | NM |
| Project 420 business optimization | — | — | — | NM | 200 | — | 200 | NM |
| Purchase price accounting step-up | — | 1,376 | (1,376) | (100)% | — | 1,551 | (1,551) | (100)% |
| Litigation costs, net of recoveries | 869 | 901 | (32) | (4)% | 1,876 | 2,496 | (620) | (25)% |
| Restructuring costs | 965 | 6,869 | (5,904) | (86)% | 1,834 | 11,116 | (9,282) | (84)% |
| Transaction costs (income), net | 569 | 802 | (233) | (29)% | 969 | 1,958 | (989) | (51)% |
| Adjusted EBITDA | <u>\$ 8,365</u> | <u>\$ 9,017</u> | <u>\$ (652)</u> | <u>(7)%</u> | <u>\$ 18,546</u> | <u>\$ 18,351</u> | <u>\$ 195</u> | <u>1%</u> |

Other Financial Information: Adjusted Cash Operating Income (Loss)

| | For the three months ended | | | | For the six months ended | | | |
|--|----------------------------|-------------------|----------------------|---------------|--------------------------|-------------------|----------------------|---------------|
| | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change |
| | Operating loss | \$ (22,279) | \$ (42,218) | \$ 19,939 | (47)% | \$ (20,187) | \$ (78,788) | \$ 58,601 |
| Change in fair value of contingent consideration | — | — | — | NM | (15,000) | — | (15,000) | NM |
| Amortization | 15,958 | 34,050 | (18,092) | (53)% | 31,519 | 65,864 | (34,345) | (52)% |
| Stock-based compensation | 12,283 | 7,237 | 5,046 | 70% | 17,335 | 14,154 | 3,181 | 22% |
| Adjusted cash operating income (loss) | <u>\$ 5,962</u> | <u>\$ (931)</u> | <u>\$ 6,893</u> | <u>(740)%</u> | <u>\$ 13,667</u> | <u>\$ 1,230</u> | <u>\$ 12,437</u> | <u>1,011%</u> |

Other Financial Information: Adjusted Net Income (Loss) and Adjusted Net Income (Loss) Per Share

| | For the three months ended | | | | For the six months ended | | | |
|--|--|-------------------|---------------|-----------|--------------------------|-------------------|---------------|-----------|
| | November 30, 2025 | November 30, 2024 | Change Change | % Change | November 30, 2025 | November 30, 2024 | Change Change | % Change |
| | Net loss attributable to stockholders of Tilray Brands, Inc. | \$ (44,931) | \$ (85,342) | \$ 40,411 | (47)% | \$ (45,253) | \$ (124,507) | \$ 79,254 |
| Non-operating income (expense), net | 12,310 | 33,255 | (20,945) | (63)% | 8,478 | 20,609 | (12,131) | (59)% |
| Amortization | 15,958 | 34,050 | (18,092) | (53)% | 31,519 | 65,864 | (34,345) | (52)% |
| Stock-based compensation | 12,283 | 7,237 | 5,046 | 70% | 17,335 | 14,154 | 3,181 | 22% |
| Change in fair value of contingent consideration | — | — | — | NM | (15,000) | — | (15,000) | NM |
| Project 420 business optimization | — | — | — | NM | 200 | — | 200 | NM |

| | | | | | | | | |
|--|-------------------|-------------------|----------------|--------------|-----------------|-------------------|------------------|---------------|
| Litigation costs, net of recoveries | 869 | 901 | (32) | (4)% | 1,876 | 2,496 | (620) | (25)% |
| Restructuring costs | 965 | 6,869 | (5,904) | (86)% | 1,834 | 11,116 | (9,282) | (84)% |
| Transaction costs (income) | 569 | 802 | (233) | (29)% | 969 | 1,958 | (989) | (51)% |
| Adjusted net income (loss) ¹ | <u>\$ (1,977)</u> | <u>\$ (2,228)</u> | <u>\$ 251</u> | <u>(11)%</u> | <u>\$ 1,958</u> | <u>\$ (8,310)</u> | <u>\$ 10,268</u> | <u>(124)%</u> |
| Adjusted net income (loss) per share - basic and diluted ¹ | <u>\$ (0.02)</u> | <u>\$ (0.03)</u> | <u>\$ 0.01</u> | <u>(33)%</u> | <u>\$ 0.02</u> | <u>\$ (0.10)</u> | <u>\$ 0.12</u> | <u>(120)%</u> |

¹Current and prior year share amounts have been retrospectively adjusted to reflect the Reverse Stock Split (as defined in the November 30, 2025, Form 10-Q), which became effective on December 2, 2025.

Other Financial Information: Adjusted Free Cash Flow

| (In thousands of U.S. dollars) | For the three months ended | | | | For the six months ended | | | |
|---|----------------------------|--------------------|----------------------|--------------|--------------------------|--------------------|----------------------|--------------|
| | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change | November 30, 2025 | November 30, 2024 | Change 2025 vs. 2024 | % Change |
| Net cash used in operating activities | \$ (8,537) | \$ (40,724) | \$ 32,187 | (79)% | \$ (9,878) | \$ (76,031) | \$ 66,153 | (87)% |
| Less: investments in capital and intangible assets, net | (9,562) | (4,833) | (4,729) | 98% | (18,792) | (11,541) | (7,251) | 63% |
| Free cash flow | <u>\$ (18,099)</u> | <u>\$ (45,557)</u> | <u>\$ 27,458</u> | <u>(60)%</u> | <u>\$ (28,670)</u> | <u>\$ (87,572)</u> | <u>\$ 58,902</u> | <u>(67)%</u> |
| Add: growth CAPEX | 2,622 | 1,970 | 652 | 33% | 5,631 | 4,510 | 1,121 | 25% |
| Add: cash paid for litigation settlements | — | — | — | NM | 2,804 | — | 2,804 | NM |
| Adjusted free cash flow | <u>\$ (15,477)</u> | <u>\$ (43,587)</u> | <u>\$ 28,110</u> | <u>(64)%</u> | <u>\$ (20,235)</u> | <u>\$ (83,062)</u> | <u>\$ 62,827</u> | <u>(76)%</u> |