Nextleaf Solutions Reports Fiscal Q3 2026 Financial Results

Vancouver, British Columbia--(Newsfile Corp. - September 3, 2026) - Nextleaf Solutions Ltd. (CSE: OILS) (OTCQB: OILFF) (FSE: L0MA) ("Nextleaf" or the "Company"), a multi-patented Canadian cannabis processor, released its financial results for the third quarter ended June 30, 2026.

The quarter reflected sequential improvement in net revenue and a significant reduction in excise taxes, supported by a broadened product mix including non-excisable bulk sales and tolling services. Net revenue increased 5% quarter-over-quarter, while excise taxes declined by 32% and net loss narrowed by approximately 22%.

Q3 FY2026 Financial Highlights

For the three months ended June 30, 2026:

- **Net revenue of approximately $2.53 million**, up 5% sequentially from $2.41 million in Q2 FY2026.
- **Gross revenue of approximately $3.16 million**, compared with $3.34 million in Q2 FY2026.
- **Gross profit of approximately $887,000,** compared with $915,000 in Q2 FY2026.
- **Gross margin of 35.1%**, compared with 38.0% in Q2 FY2026 and approximately 38.0% in Q3 FY2025.
- **Excise taxes decreased 32% quarter-over-quarter to approximately $630,000**, compared to $932,000 in Q2 FY2026, reflecting a broadened product mix including balanced and minor cannabinoid formulations with lower THC content, alongside non-excisable bulk ingredient sales.
- **Net loss narrowed approximately 22% sequentially to $502,000,** compared with a net loss of $646,000 in Q2 FY2026.

For the nine months ended June 30, 2026:

- **Gross revenue was approximately $10.49 million**, with net revenue of approximately **$7.95 million**.
- **Adjusted EBITDA was approximately $(179,690)** for the nine months ended June 30, 2026.

Glacial Gold Brand Evolution

Subsequent to quarter-end, Nextleaf announced the continued evolution of its flagship brand Glacial Gold, supported by portfolio refinement, product innovation, updated packaging, merchandising, digital experience, and consumer education.

- Glacial Gold held **nearly 20% national capsule market share**, with trailing-twelve-month capsule retail sales increasing 10% year-over-year compared to a 12% contraction in the national category.
- The brand maintained the **#1 capsule position in British Columbia with 63% market share** and ranked #3 nationally in ingestible extracts with approximately 13% market share.
- Glacial Gold products were carried in more than **1,700 retail stores across six provinces** as of June 2026.

FY2026 Outlook

Nextleaf enters the fourth quarter (July to September 2026) focused on continued implementation of the Company's FY2026 Strategic Objectives.

Key initiatives include:

- **Portfolio Expansion:** National launch of Yard Cannabis pre-rolls, expanding the brand beyond its existing extract portfolio.
- **Product Innovation:** First-to-market in Canada with THC-V softgels under Glacial Gold, continuing the Company's focus on differentiated cannabinoid formulations.
- **National Trade Marketing Programs:** Expanded trade marketing initiatives with national retail partners to support product education, brand visibility, and retail execution.
- **Brand Evolution:** Continued implementation of the refreshed Glacial Gold platform across packaging, merchandising, digital experience, education, and product innovation.

The Company's condensed interim consolidated financial statements and Management's Discussion and Analysis for the three and nine months ended June 30, 2026, are available under the Company's profile on SEDAR+ and on the Company's website.

Share Issuance

As part of the Company's compensation and retention strategy, Nextleaf will issue 285,714 common shares at a price of $0.035 per share, for an aggregate value of $10,000 to members of the Board of Directors of the Company. The issuance is intended to recognize long-service and align the interests of the directors with long-term shareholder value creation. When issued, the shares will be subject to a four-month hold period in accordance with the policies of the Canadian Securities Exchange.

About Nextleaf Solutions

Nextleaf® is an innovation-driven life sciences company and licensed cannabis processor with a portfolio of consumer brands, market-validated cannabis derivative products, and high-potency bulk ingredients. Nextleaf's multi-patented, automated extraction and distillation technology sets the standard for processing cannabis at scale.

The Company's scalable, asset-light platform is built on intellectual property, patented technology and API, enabling total-quality oversight in the development and commercialization of differentiated, value-driven, cannabinoid-based products for domestic and international markets.

Nextleaf's portfolio includes more than 75 global patents covering the extraction and refinement of cannabinoid-based ingredients, as well as its consumer brands: category-leading flagship Glacial Gold, High Plains Cannabis, and Yard Cannabis. The Company maintains more than 35 active SKUs across five categories of consumption.

On behalf of the Board of Directors of the Company,

Emma Andrews, CEO

For More Information

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Nextleaf trades as OILS on the Canadian Securities Exchange, OILFF on the OTCQB Market in the United States, and L0MA on the Frankfurt Stock Exchange.

Non-GAAP Measures

This press release contains references to certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin. These measures are not recognized measures under International Financial Reporting Standards ("IFRS") and do not have a standardized meaning prescribed by IFRS. The Company's method of calculating these non-GAAP measures may differ from the methods used by other issuers and, accordingly, may not be directly comparable to similar measures presented by other issuers.

Management believes these non-GAAP measures provide useful supplemental information to investors regarding the Company's operating performance because they exclude certain non-cash items, finance costs, income taxes, and other items that management does not consider reflective of ongoing operating performance. These non-GAAP measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

A reconciliation of Net Loss (the most directly comparable IFRS measure) to Adjusted EBITDA is presented above. For additional information regarding non-GAAP financial measures, please refer to the Company's Management's Discussion and Analysis for Q1 2026, available on SEDAR+ at www.sedarplus.ca.

Forward-Looking Statements

This press release contains certain "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements include statements regarding the Company's expectations for future financial performance, operational outlook, product launches, margin trajectory, capacity utilization, capital allocation, and strategic priorities. These statements are based on current expectations and assumptions that are subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied by such statements.

Material factors and assumptions that could cause actual results to differ materially include, without limitation: changes in the regulatory environment for cannabis in Canada; competition; changes in consumer preferences; the Company's ability to execute on its commercial strategy; access to capital; and the other risk factors described in the Company's Annual Information Form and Management's Discussion and Analysis filed on SEDAR+. The Company undertakes no obligation to update or revise any forward-looking statements except as required by applicable securities laws. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

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