



SIMPLY BETTER BRANDS CORP. PROVIDES COMPANY UPDATE AND 2022 OUTLOOK DRIVEN BY INNOVATION, CHANNEL EXPANSION AND CUSTOMER ACQUISITION

VANCOUVER, British Columbia, February 23, 2022 (GLOBE NEWSWIRE)—Simply Better Brands Corp. (the “**Company**” or “**Simply Better Brands**” or “**SBBC**”) (TSX Venture: SBBC) (OTCQB: PKANF) is pleased to provide a corporate update concerning its business progress and outlook for 2022.

SBBC includes a portfolio of emerging brands focusing on health and wellness for Millennials and Generation Z in the rapidly growing plant-based, natural, and clean ingredient space. The Company’s brands are distributed through both its e-commerce platforms as well as brick and mortar retail channels. SBBC’s key brands are PureKana (CBD Wellness), TRUBAR (plant-based nutrition) and No B.S. Skincare (clean ingredient skin care).

SBBC is pleased to provide the following commercial highlights driving its business growth:

PureKana

- PureKana’s customer acquisition strategy launched in October 2021 delivered increased sales across the fourth quarter of 2021 and continues as 2022 commences. Sales from this initiative have increased brand sales performance by over 300%. PureKana is planning to launch additional CBD and wellness products through this customer acquisition initiative during first quarter 2022 to accelerate the base performance in 2022.
- PureKana expects to launch additional CBD, hemp-derived products and wellness offerings in the second and third quarter 2022. For consumer insight-driven innovation, focus areas include recreation, weight management and focal acuity.
- As the global CBD landscape evolves, PureKana is targeting international growth that it expects to be delivering sales in 2022. Key markets in scope are Western Europe, Mexico and Canada.

Recognizing a diverse consumer base, Simply Better Brands is exploring launching additional CBD brands in 2022, addressing Centennials and Boomers while leveraging synergies and scale.

Tru Brands

As we previously announced, the Company achieved distribution expansion of TRUBAR into a broader base of U.S.-based Costco with our new dual pack of ‘Smother Fudger Peanut Butter’ and ‘Oh Oh Cookie Dough’ flavors in the Southeast region. The first quarter of 2022 has commenced with a second rotation in the Southeast region and its first rotation in the Northwest region. The sales performance of the bar at Costco locations continues to exceed the bar category benchmark and as a result the Company expects additional rotations from Costco in 2022 including new regions who have not yet placed purchase orders for TRUBAR.

With a base of business in drug, club, and grocery, TRUBAR is now launching into the convenience store channel in 2022.

Distribution of TRUBAR in Canada continues to go well as the Company continues to receive repeat orders from its blue chip customer base including Loblaw’s, Shoppers Drug Mart, 711 and Metro.

No BS Skincare

Originally built as a direct to consumer brand, No B.S. will continue its omni-channel expansion in 2022. Now with a presence at Amazon and Target, the brand is gaining traction in the drug class of trade with a commitment to enter CVS later this year. Closely following “clean ingredient” consumer trends, category expansion into personal care is a component of the 2022 innovation strategy.

2022 Outlook

Preliminary unaudited net sales for 2021 are expected to be between USD\$15.8 and USD\$16.0 Million over net sales of USD\$13.8 Million achieved in 2020. Preliminary fourth quarter net sales are expected to be between USD\$6.6 and USD\$6.8 Million.

The preliminary unaudited gross margin for the fourth quarter and the full year 2021 are expected to be consistent with the gross margin for the nine months ended September 30, 2021 (59% of net sales). The Company’s audited financials for the period ended December 31, 2021 are scheduled to be filed on April 30, 2022.

For 2022, the Company’s expectation for consolidated net sales to be between USD\$32 Million and USD\$35 Million. At the low end of our expectation, USD\$32 Million net sales represent a 200% increase over our preliminary unaudited net sales for 2021. The Company expects gross margin as a percentage of net sales to be between 58% and 60%. The Company expects to achieve positive Adjusted EBITDA in 2022.

“After taking Simply Better Brands public in December 2020, our mandate in 2021 was executing the acquisitions to build a growing and relevant brand portfolio backed by expert team. After

now optimizing the fundamentals across PureKana, TRUBAR, and No B.S. Skincare, we are poised for sustainable and profitable growth. As we look to 2022, we plan to lead in consumer-centric innovation and relentlessly acquire customers to these emerging brands by driving category, channel and geographic expansion,” says SBBC CEO, Kathy Casey.

The Company also announced that today it has granted an aggregate of 859,370 restricted share units (“**RSUs**”) and 15,000 stock options (“**Option**”) to certain directors, officers and consultants of the Company under the Company’s equity incentive plan and stock option plan, respectively. Each RSU entitles the recipient to receive one common share of the Company, or a cash payment equal to the equivalent for one common share of the Company, on vesting of such RSU over a two or three year period. Each Option has an exercise price of CAD\$4.70 and is exercisable for a period of five years from the date of grant into one common share of the Company per Option, vesting over three years. Vesting of the RSUs and Options is subject to acceleration in certain events in accordance with policies of the TSX Venture Exchange.

The RSU and Option grants are subject to all necessary regulatory approval.

In respect of the previously-announced non-brokered private placement of units of the Company, the Company advises that it continues to receive and process subscription agreements at this time. The offering will close as soon as practicable.

About Simply Better Brands Corp.

Simply Better Brands Corp. leads an international omni-channel platform with diversified assets in the emerging plant-based and holistic wellness consumer product categories. The Company’s mission is focused on leading innovation for the informed Millennial and Generation Z generations in the rapidly growing plant-based, natural, and clean ingredient space. The Company continues to focus on expansion into high-growth consumer product categories including CBD products, plant-based food and beverage, and the global pet care and skin care industries. SBBC's key brands are PureKana (CBD Wellness), TRUBAR (plant-based nutrition) and No B.S. Skincare (clean ingredient skin care). For more information on Simply Better Brands Corp., please visit: <https://www.simplybetterbrands.com/investor-relations>.

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 release.

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Forward-Looking Information

Certain statements contained in this news release constitute "forward-looking information" and "forward looking statements" as such terms are used in applicable Canadian securities laws. Forward-looking statements and information are based on plans, expectations and estimates of management at the date the information is provided and are subject to certain factors and assumptions, including, among others, that the Company's financial condition and development plans do not change as a result of unforeseen events, the impact of the COVID-19 pandemic, the regulatory climate in which the Company operates, and the Company's ability to execute on its business plans. Specifically, this news release contains forward-looking statements relating to, but not limited to: success of the Company's customer acquisition strategy; the Company's plans for product launch and expansion, and timing of same; the Company's plans for international growth and sales, and timing for same; expectations for continued rotations with Costco for TRUBAR offerings; launch of TRUBAR into convenience; continued omni-channel expansion of the Corporation's products; No B.S. Skincare's planned expansion into CVS; the Company's ability to follow consumer trends; projected financial results for 2021; the Company's ability to acquire customers; the Company's ability to leverage data science and innovation to connect with consumers; expectations for growth in 2022 and financial results for the year and quarter end December 31, 2021.

Forward-looking statements and information are subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking statements and information. Factors that could cause the forward-looking statements and information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, as well as the other risks and uncertainties applicable to the CBD or broader wellness industries and to the Company, and as set forth in the Company's annual information form available under the Company's profile at www.sedar.com.

The above summary of assumptions and risks related to forward-looking statements in this news release has been provided in order to provide shareholders and potential investors with a more complete perspective on the Company's current and future operations and such information may not be appropriate for other purposes. There is no representation by the Company that actual results achieved will be the same in whole or in part as those referenced in the forward-looking statements and the Company 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 may be required by applicable securities law.

Financial Outlook

This press release contains future-oriented financial information and financial outlook information (collectively, “**FOFI**”) about the financial results for the year and quarter ended December 31, 2021, net sales, gross margin, and Adjusted EBITDA, which are subject to the same assumptions, risk factors, limitations, and qualifications as set out under the heading “Forward-Looking Information”. The actual financial results of the Company may vary from the amounts set out herein and such variation may be material. The Company and its management believe that the financial outlook has been prepared on a reasonable basis, reflecting management's best estimates and judgments and the FOFI contained in this press release was approved by management as of the date hereof. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, the Company undertakes no obligation to update such FOFI. FOFI contained in this press release was made as of the date hereof and was provided for the purpose of providing further information about the Company's anticipated future business operations on an annual basis. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

Non-IFRS Financial Measures

This press release refers to certain non-International Financial Reporting Standards (“**IFRS**”) measures. Adjusted EBITDA refers to net earnings from continuing operations before interest, taxes, depreciation and amortization and removing certain non-recurring, one-time or irregular items. Adjusted EBITDA is not an earnings measure recognized by IFRS and does not have a standardized meaning prescribed by IFRS. Management believes that Adjusted EBITDA is an alternative measure in evaluating the Company's business performance. The most directly comparable measure to Adjusted EBITDA calculated in accordance with IFRS is net income (loss). Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net income as determined under IFRS; nor as an indicator of financial performance as determined by IFRS; nor a calculation of cash flow from operating activities as determined under IFRS; nor as a measure of liquidity and cash flow under IFRS. The Company's method of calculating Adjusted EBITDA may differ from methods used by other companies and, accordingly, the Company's Adjusted EBITDA may not be comparable to similar measures used by any other company.