



## **SIMPLY BETTER BRANDS' PUREKANA BRAND ANNOUNCES ONMICHANNEL EXPANSION AND A BROADER INNOVATION FOOTPRINT**

VANCOUVER, British Columbia, March 2, 2022 (GLOBE NEWSWIRE)—Simply Better Brands Corp. (the “**Company**” or “**Simply Better Brands**” or “**SBBC**”) (TSX Venture: SBBC) (OTCQB: PKANF) is pleased to announce growth plans for its PureKana wellness brand.

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).

PureKana, one of the early entrants into the CBD wellness space, has historically sourced significant sales from its direct-to-consumer site (purekana.com). After proving the brand’s success with such retailers as Rite-Aid (Drug), CBD Emporium (Specialty) and United Pacific (convenience), PureKana has now invested in a national omnichannel sales organization with a consumer-centric portfolio by shopping trip mission.

In addition to the growth from distribution expansion, the PureKana Brand will now address a more diverse set of wellness areas. Currently, with offerings in the pain, calm, sleep and immunity verticals, the innovation footprint will now include offerings in recreation, weight management and focal acuity. For example, in March 2022, we will launch nationally a sugar-free PureKana Keto Gummy, with BHB salts as an active ingredient. “Although PureKana started as a CBD Brand, consumers see it has ability to stretch across multiple health and wellness categories as part of their routine. We are laser-focused on increasing brand availability and consumer application as source of growth,” says Kathy Casey, SBBC CEO.

### **Simply Better Brands 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.

### **Shares for Services**

In addition, the Company announces it entered into an advisory agreement (the "**Agreement**") with Opensky Opportunities Fund Ltd. (the "**Advisor**") dated February 26, 2022, an arm's-length company controlled by Adrian Towing, pursuant to which payment for business development services and branding and business development analysis and data consulting services shall be made in cash or, at the option of SBBC and subject to approval of the TSX Venture Exchange, in common shares in the capital of the Company ("**Common Shares**"). The Agreement contemplates payment to the Advisor of an aggregate amount of USD\$600,000 payable in four equal installments, to be paid quarterly commencing on May 26, 2022. The number of Common Shares shall be determined based on the 15-day volume weighted average price of the Common Shares on the payment date, and shall not be lower than the Discounted Market Price (as defined by the TSX Venture Exchange). The term of the Agreement shall be one (1) year, following which, by mutual agreement, it may be renewed and/or extended for such period or periods and under such terms and conditions as may be mutually agreed to by the Company and the Advisor.

### **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.*

## **Contact Information**

Simply Better Brands Corp.  
Brian Meadows  
Chief Financial Officer  
+1 (855) 553-7441  
ir@simplybetterbrands.com

## **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: growth plans for PureKana; success of PureKana's national omnichannel sales organization; consumer interest in and success of new products; expectations for growth in 2022 and financial results for the year and quarter end December 31, 2021; future payments under the Agreement in cash or Common Shares and TSX Venture Exchange approvals of such payments, as required.

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](http://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.