SIMPLY BETTER BRANDS CORP.
ANNOUNCES THIRD QUARTER 2021 RESULTS

VANCOUVER, BC -- November 29, 2021 - Simply Better Brands Corp. ("**SBBC**" or the "**Company**") (TSX Venture: SBBC, OTCQB: PKANF) announces its financial results for the quarter ended September 30, 2021. All amounts are expressed in United States dollars unless otherwise noted. Certain metrics, including those expressed on an adjusted basis, are non-IFRS measures, see "Non-IFRS Measures" below.

Corporate Developments

On August 17, 2021 (the "Tru Brands Closing Date"), the Company completed the acquisition of Tru Brands Inc. Under the terms of the acquisition, the Company acquired 24,586,477 shares of common stock with $0.001 par value per share of Tru Brands and 25,000,000 shares of Series A preferred stock with $0.001 par value per share of Tru Brands, and satisfied certain outstanding indebtedness of Tru Brands for an aggregate purchase consideration of $7,500,000, paid in the form of issuance of the Company's shares to the shareholders and debtholders of Tru Brands, calculated on the basis of the volume weighted average closing price (the "VWAP") of the Company's shares on the TSX Venture Exchange (the "Exchange") determined based on the 10 trading days immediately preceding the Tru Brands Closing Date. In connection with the acquisition, the Company issued 89,462 common shares as finder's fee.

The Company's stock option plan and restricted share unit ("RSU") plan and deferred share unit (the "DSU") plan (collectively the "Incentive Plan") was approved at the annual general and special meeting held on July 15, 2021.

On August 20, 2021, the Company entered into a non-binding term sheet (the "CMG Term Sheet") to acquire 60% of Crisp Management Group Inc. ("CMG") to focus on the sale and distribution of CBD and Hemp products through Breakaway Music Festivals in North America as well as through E-commerce. Pursuant to the terms of the CMG Term Sheet, the Company will acquire 60% of the outstanding shares of CMG for $500,000, to be satisfied through the issuance of common shares of the Company at a price per share equal to the ten (10) trading day VWAP of the shares on the Exchange in the ten (10) trading days immediately prior to the closing date of the transaction. It is expected that the share consideration will be subject to escrow, with 15% releasable every four months in the first 20-months after the closing date, and the remaining 25% releasable 24 months from the closing date. The acquisition was completed on September 17, 2021.

RESULTS OF OPERATIONS

expressed in millions except for earnings (loss) per share and gross margin	For the three months ended		For the nine months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	$	$	$	$
Revenue	3.5	2.9	9.1	10.6
Gross margin (in $)	2.0	1.8	5.4	6.9
Gross margin (in %)	57%	62%	59%	65%
Operating expenses	7.4	1.4	12.3	6.0
Other income (expenses)	(0.7)	(0.5)	(1.1)	(0.5)
Net income (loss)	(6.1)	(0.1)	(8.0)	0.4
Earnings (loss) per share				
- Basic	(0.3)	(0.2)	(0.4)	1.0
- Diluted	(0.3)	(0.2)	(0.4)	1.0

expressed in millions except for dividend per share	September 30, 2021	December 31, 2020
	$	$
Total assets	17.1	12.1
Total non-current financial liabilities	16.5	21.3
Dividend per share	-	-

The net loss for the third quarter of 2021 was $6.1 million compared to a net loss of $0.1 million for the third quarter of 2020.

The net loss for the nine months ended September 30, 2021 was $8.0 million compared to a net income of $0.4 million during the nine months ended September 30, 2020.

Revenue

	For the three months ended				Change in	
	September 30, 2021		September 30, 2020			
expressed in millions	$	%	$	%	$	%
Direct to consumer	2.9	82%	2.8	97%	0.1	4%
Business to business	0.6	18%	0.1	3%	0.5	500%
	3.5	**100%**	**2.9**	**100%**	**0.6**	**21%**

	For the nine months ended				Change in	
	September 30, 2021		September 30, 2020			
expressed in millions	$	%	$	%	$	%
Direct to consumer	7.8	85%	9.9	93%	(2.1)	(21%)
Business to business	1.3	15%	0.7	7%	0.6	86%
	9.1	**100%**	**10.6**	**100%**	**(1.5)**	**(14%)**

The Company’s revenue is generated by two segments, Direct to Consumer ("DTC") and Business to Business ("B2B").

Revenue for the third quarter of 2021 was $3.5 million, of which $2.9 million (82%) and $0.6 million (18%) was generated from the DTC and B2B, respectively, compared to $2.9 million, of which $2.8 million (97%) and $0.1 million (3%) was generated from the DTC and B2B, in the third quarter of 2020. Purekana's revenue was flat in the third quarter revenue for the three months ended September 30, 2021 compared to the same period in 2020. This result reversed the previously two quarters revenue decline compared to the prior period revenues which saw Purekana's revenues decline 35% over 2020 for the first six months of 2021.

Revenue for the nine months ended September 30, 2021 was $9.1 million, of which $7.8 million (85%) and $1.3 million (15%) was generated from the DTC and B2B, respectively, compared to $10.6 million, of which $9.9 million (93%) and $0.7 million (7%) was generated from the DTC and B2B, during the nine months ended September 30, 2020. No B.S. Skincare and Tru Brands were acquired on February 18, 2021 and August 18, 2021, respectively, and as a result approximately $1.0 million of sales from No B.S. Skincare and $0.3 million of sales from Tru Brands were reflected in the consolidated sales for nine months ended September 30, 2021.

Revenue for the nine months ended September 30, 2021, was $9.1 million compared to $10.6 million for prior period in 2020 or a decrease of $1.5 million. This decrease was mainly due to the increase in competition of the online CBD sales experienced during the first six months of 2021. Revenues for Purekana during the third quarter were flat compared to revenue for the same period in 2020 reversing the declining CBD revenues seen in the first six months of 2021. Nine month revenues for Purekana were down 22% over 2020 compared six month revenues for Purekana were down 35%.

Cost of goods sold

	For the three months ended					
	September 30, 2021		September 30, 2020		Change in	
expressed in millions	$	%	$	%	$	%
Product costs	1.0	67%	0.6	60%	0.4	67%
Merchant processing fees	0.2	13%	0.2	20%	-	-
Fulfillment costs	0.3	20%	0.2	20%	0.1	50%
	1.5	**100%**	**1.0**	**100%**	**0.5**	**33%**

	For the nine months ended					
	September 30, 2021		September 30, 2020		Change in	
expressed in millions	$	%	$	%	$	%
Product costs	2.4	65%	2.3	61%	0.1	4%
Merchant processing fees	0.5	14%	0.7	18%	(0.2)	(28%)
Fulfillment costs	0.8	21%	0.8	21%	-	-
	3.7	**100%**	**3.8**	**100%**	**0.1**	**3%**

Cost of goods sold includes the product cost, merchant processing fees, and fulfillment and delivery costs. Product costs may vary directly based on hemp's crop price and the CBD derivatives from the crops. Product costs for No BS and Tru Brands products can also be impacted by price of raw materials. Merchant processing fees may be affected by the CBD industry's risk and customer data security and fraud. Fulfillment costs are mainly driven by the delivery costs with the main courier companies.

Cost of goods sold was $1.5 million (includes the product costs of $1.0 million (67%), merchant processing fees of $0.2 million (13%) and fulfillment costs of $0.3 million (20%)) compared to $1.0 million (includes the product costs of $0.6 million (60%), merchant processing fees of $0.2 million (20%) and fulfillment costs of $0.2 million (20%)) in the third quarter of 2021 and 2020, respectively.

Cost of goods sold was $3.7 million (includes the product costs of $2.4 million (65%), merchant processing fees of $0.5 million (14%) and fulfillment costs of $0.8 million (21%)) compared to $3.8 million (includes the product costs of $2.3 million (61%), merchant processing fees of $0.7 million (18%) and fulfillment costs of $0.8 million (21%) during the nine months ended September 30, 2021, and 2020, respectively.

The increase in cost of goods sold of $0.5 million (33%) in the third quarter of 2021 was primarily due to a higher mix of business-to-business revenues that have lower gross margins than the business to consumer markets. 60% of the increase was due to the business-to-business sales from the Tru business for the quarter.

The decrease in cost of goods sold of $0.1 million (2.6%) during the nine months ended September 30, 2021 was primarily due to the decrease in revenue.

Gross profit

	For the three months ended					
	September 30, 2021		September 30, 2020		Change in	
expressed in millions	$	%	$	%	$	%
Gross profit	2.0	57%	1.8	64%	0.2	11%

	For the nine months ended					
	September 30, 2021		September 30, 2020		Change in	
expressed in millions	$	%	$	%	$	%
Gross profit	5.4	59%	6.9	65%	(1.5)	-22%

Gross profit for the third quarter of 2021 was $2.0 million (57%) compared to $1.8 million (64%) in the third quarter of 2020. The lower gross profit margin was driven by the lower margin generally from business-to-business sales which was heavily weighted with Tru Brands Inc sales in the third quarter.

Gross profit for the nine months ended September 30, 2021 was $5.4 million (59%) compared to $6.9 million (65%) for the nine months ended September 30, 2020. The lower gross profit margin was driven by the lower margin generally of business-to-business sales which was heavily weighted with Tru Brands Inc sales in the third quarter.

Operating expenses

Followings are the breakdown of the major operating expenses in the presented period:

	For the three months ended					
	September 30, 2021		September 30, 2020		Change in	
*expressed in millions **	$	%	$	%	$	%
General and administrative expenses	0.3	4%	0.1	7%	0.2	200%
Marketing expense	1.4	19%	0.9	64%	0.5	56%
Professional fees	0.4	5%	(0.1)	-7%	0.5	-500%
Regulatory and filing fees	0.1	1%	-	0%	0.1	100%
Salaries and wages	0.8	11%	0.4	29%	0.4	100%
Share-based payment	4.5	61%	-	0%	4.5	100%
Other items **	(0.1)	-1%	0.1	7%	(0.2)	-200%
	7.4	**100%**	**1.4**	**100%**	**6.0**	**429%**

**Items in each presented period with a balance below $0.1M are either combined as "Other Items" or excluded from the table above.*
***Other items including items with a balance below $0.1M and rounding adjustment.*

Operating costs for the third quarter of 2021 were $7.4 million, an increase of $6.0 million (429%), compared to $1.4 million in the third quarter of 2020.

The majority of the operating costs increase incurred in the third quarter of 2021 was related to share-based payments ($4.5 million or 61% of increase). Share-based payments increased as the first stock compensation grant was issued in July after the Company's Shareholder Meeting was held in July. Approximately 50% of these share-based payments were one-time in nature. Marketing expenses of $1.4 million accounted for 19% of the increased and salaries and wages of $0.8 million accounted for 11% of the increase. Share-based payments are related to the options and restricted share units granted during the third quarter of 2021. The majority of the operating costs incurred in the third quarter of 2020 were marketing expenses of $0.9 million (64%) and salaries and wages of $0.4 million (29%). Compared to the third quarter of 2020, the increase in salaries and wages of $0.4 million (100%) was related to the increase in the company's full-time employees in the sales and marketing operations.

	For the nine months ended					
	September 30, 2021		September 30, 2020		Change in	
*expressed in millions **	$	%	$	%	$	%
Customer service support	0.1	1%	0.2	3%	(0.1)	-50%
General and administrative expenses	0.7	6%	0.4	7%	0.3	75%
Marketing expense	3.5	28%	3.6	60%	(0.1)	-3%
Professional fees	0.8	7%	0.6	10%	0.2	33%
Salaries and wages	2.3	19%	1.1	18%	1.2	109%
Regulatory and filing fees	0.3	2%	-	0%	0.3	100%
Share-based payment	4.5	37%	-	0%	4.5	100%
Other items **	0.1	0%	0.1	2%	0.0	36%
	12.3	**100%**	**6.0**	**100%**	**6.3**	**106%**

**Items in each presented period with a balance below $0.1M are either combined as "Other Items" or excluded from the table above.*
***Other items including items with a balance below $0.1M and rounding adjustment.*

Operating costs for the nine months ended September 30, 2021 were $12.3 million, an increase of $6.3 million (106%), compared to $6.0 million for the nine months ended September 30, 2020.

The largest operating cost for the nine months ended September 21, 2021 was share-based payments ($4.5 million or 37% of the increase). Share-based payments increased as the first stock compensation grant was issued in July after the Company's Shareholder Meeting was held in July. Approximately 50% of these share-based payments were one-time in nature. The majority of the other operating costs incurred during the nine months ended September 30, 2021 were marketing expenses of $3.5 million (28%), professional fees of $0.8 (7%) and salaries and wages of $2.3 million (19%). The majority of the operating costs incurred during the nine months ended September 30, 2020 were marketing expenses of $3.6 million (60%), professional fees of $0.6 million (10%), salaries and wages of $1.1 million (18%) and $4.5 million (37%). Compared to the nine months ended September 30, 2020, the increase in salaries and wages for the nine months ended September 30, 2021 of $1.2 million (109%) was related to the increase in the company's full-time employees in the sales and marketing operations.

As the Company pursued its growth strategy through mergers and acquisitions it incurred listing and regulatory filing fees of $0.3 million as well as legal expenses related to the acquisitions. The professional fees incurred during the nine months ended September 30, 2020 was related to the acquisition of PureKana.

Other income (expenses)

Followings are the breakdown of the major operating expenses in the presented period:

	For the three months ended					
	September 30, 2021		September 30, 2020		Change in	
*expressed in millions **	$	%	$	%	$	%
Finance costs	(1.0)	143%	-	0%	(1.0)	100%
Fair value adjustment of derivative liability	0.7	-100%	-	0%	0.7	100%
Listing expenses	-	0%	(0.5)	100%	0.5	-100%
	(0.7)	**100%**	**(0.5)**	**100%**	**(0.2)**	**40%**

**Items in each presented period with a balance below $0.1M are either combined as "Other Items" or excluded from the table above.*
***Other items including items with a balance below $0.1M and rounding adjustment.*

	For the nine months ended					
	September 30, 2021		September 30, 2020		Change in	
*expressed in millions **	$	%	$	%	$	%
Finance costs	(2.6)	236%	-	0%	(2.6)	100%
Fair value adjustment of derivative liability	1.8	-164%	-	0%	1.8	100%
Listing expenses	-	0%	(0.5)	100%	0.5	-100%
Other items **	(0.3)	27%	-	0%	(0.3)	100%
	(1.1)	**99%**	**(0.5)**	**100%**	**(0.6)**	**120%**

**Items in each presented period with a balance below $0.1M are either combined as "Other Items" or excluded from the table above.*
***Other items including items with a balance below $0.1M and rounding adjustment.*

Finance costs

Finance costs of $1.0 million in the third quarter of 2021 was mainly related to the accretion of interest regarding the convertible notes, lease obligation, loan payable, preferred shares, promissory notes and provision of earn-out payments. No such accretion of interest was recognized in the second quarter of 2020.

Finance costs of $2.6 million during the nine months ended September 30, 2021 was mainly related to the accretion of interest regarding the convertible notes, lease obligation, loan payable, preferred shares, promissory notes and provision of earn-out payments. No such accretion of interest was recognized during the nine months ended September 30, 2020.

Gain on remeasurement of derivative liability

The Company recognized a gain on remeasurement of derivative liability of $0.7 and $1.8 million in the third quarter of 2021 and in the nine months ended September 30, 2021, respectively, pursuant to IFRS 9: *Financial Instruments*. The Company is required to remeasure the fair value of the derivative liability at each reporting period. Any changes in the derivative liability's fair value are recognized in the income statement as a gain or loss. The gain/loss on remeasurement of derivative liability is driven by different factors such as share price of the Company, risk-free interest rate and foreign exchange rate.

Listing expenses

Listing expenses of $0.5 million in the third quarter of 2020 and in the nine months ended September 30, 2020 was mainly related to the RTO transaction. The Company had accounted for this transaction as a reverse acquisition in accordance with IFRS 2: Share-Based Payment; as a result, any excess consideration paid for the Transaction was classified as listing expenses.

Earnings before Interest, Taxes, Depreciation, and Amortization ("EBITDA") and Adjusted EBITDA (Non-GAAP Measures)

EBITDA and Adjusted EBITDA are non-GAAP measures used by management that are not defined by IFRS. EBITDA and Adjusted EBITDA do not have a standardized meaning prescribed by IFRS and therefore may not be Comparable to similar measures presented by other issuers. Management believes that EBITDA and Adjusted EBITDA provide meaningful and useful financial information as these measures demonstrate the operating performance of business excluding non-cash charges.

The most directly comparable measure to EBITDA and Adjusted EIBTDA calculated in accordance with IFRS is net loss. The following table presents the EBITDA and Adjusted EBITDA for the third quarter of 2021 and 2020 and the nine months ended September 30, 2021 and 2020, and a reconciliation of same to net income (loss):

	For the three months ended		Change in	
	September 30, 2021	September 30, 2020		
*expressed in millions **	$	$	$	%
Net income (loss)	**(6.1)**	**(0.1)**	**(6.0)**	**6000%**
Add (less):				
Finance costs	1.0	-	1.0	100%
EBITDA	**(5.1)**	**(0.1)**	**(5.0)**	**5000%**
Add (less):				
Acquisition-related costs	0.4	-	0.4	100%
Fair value adjustment of derivative liability	(0.7)	-	(0.7)	100%
Listing expenses	-	0.5	(0.5)	-100%
Share-based payment	4.5	-	4.5	100%
Shares issued for services	**0.2**	-	0.2	100%
Adjusted EBITDA	**(0.7)**	**0.4**	**(1.2)**	**-288%**

The Adjusted EBITDA loss for the third quarter is driven by the following factors: (1) operating loss of No BS Skincare subsidiary ($0.2 million), (2) operating loss of Tru Brands Inc. ($0.1 million), (3) regulatory and legal fees related to business acquisitions ($0.1 million), and (4) operating Loss at Purekana ($0.3 million). The Purekana operating loss was reduced by $0.2 million in the third quarter of 2021 compared to the second quarter of 2021.

	For the nine months ended		Change in	
	September 30, 2021	September 30, 2020		
*expressed in millions **	$	$	$	%
Net income (loss)	**(8.0)**	**0.4**	**(8.4)**	**-2100%**
Add (less):				
Finance costs	2.6	-	2.6	100%
EBITDA	**(5.4)**	**0.4**	**(5.8)**	**-1450%**
Add (less):				
Acquisition-related costs	0.4	-	0.4	100%
Fair value adjustment of derivative liability	(1.8)	-	(1.8)	100%
Listing expenses	-	0.5	(0.5)	-100%
Share-based payment	4.5	-	4.5	100%
Shares issued for services	**0.2**	-	0.2	100%
Adjusted EBITDA	**(2.2)**	**0.9**	**(3.1)**	**-339%**

The Adjusted EBITDA loss during the nine months ended September 30, 2021 was driven by the following factors: (1) operating loss of No BS Skincare subsidiary ($0.6 million). (2) operating loss of Tru Brands Inc. ($0.1 million), (3) regulatory and legal fees related to business acquisitions ($0.3 million), and (4) operating Loss at Purekana ($1.2 million). Of the $1.2 million operating loss at Purekana, $0.1 million was due to higher fulfillment and delivery costs in the first quarter which have subsequently being reduced in the second quarter and $0.1 million in one-time salary related costs.

LIQUIDITY AND CAPITAL RESOURCES

As at	September 30, 2021	December 31, 2020
*expressed in millions **	$	$
ASSETS		
Current assets		
Cash	4.1	8.3
Accounts receivable	0.5	0.2
Other receivable	0.1	-
Loan receivable	-	0.4
Prepaid expenses	1.4	1.9
Inventory	1.3	0.8
Other items **	-	0.1
Total current assets	**7.4**	**11.7**
Non-current assets	**9.6**	**0.4**
TOTAL ASSETS	**17.0**	**12.1**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	(1.4)	(0.7)
Current portion of derivative liability	(0.2)	-
Current portion of lease obligation	-	(0.1)
Current portion of promissory note	(6.9)	(3.7)
Current portion of provision of earn-out payments	(1.1)	-
Other items **	(0.1)	-
Total current liabilities	**(9.7)**	**(4.5)**
Long term liabilities	**(16.5)**	**(21.3)**
TOTAL LIABILITIES	**(26.2)**	**(25.8)**
WORKING CAPITAL	**(2.3)**	**7.2**

*Items in each presented period with a balance below $0.1M are either combined as "Other Items" or excluded from the table above.
**Other items including items with a balance below $0.1M and rounding adjustment.

The Company's primary liquidity and capital requirements are for inventory and general corporate working capital purposes. The Company currently has a cash balance of $4.1 million as of September 30, 2021, which will provide capital to support the planned growth of the business and for general corporate working capital purposes. The Company's working capital decreased from $7.2 million as of December 31, 2020 to working capital deficiency of $2.3 as of September 30, 2021. The Company continues to focus on improving its working capital position through a number of initiatives including better payment terms with key vendors, taking advantage of early payment options with its offline customers and negotiating lower costs with its key vendors. The Company also secured a $2.5 million line of credit facility in October for the Tru Brands Inc. subsidiary to support the financing of purchase orders from a key customer.

The Company's working capital requirements fluctuate from period to period depending on, among other factors, key consumer holidays (second and fourth quarter each year), new product introductions and vendor lead times. The Company’s principal working capital needs include accounts receivable, inventory, prepaid expenses, and accounts payable.

PureKana is subject to externally imposed capital requirements in connection with its loan. The Loan contains a financial covenant for the debt service coverage ratio (the "Debt Service Coverage Ratio") of Purekana LLC at the end of each calendar year during the term of the loan should not be less than 1.2. Pursuant to the Loan, the Debt Service Coverage Ratio is defined as the quotient of the Company’s EBITDA for each annual reporting period divided by a ten-year amortization of the Loan Amount which is the sum of the interest expense for the reporting period and the scheduled principal payments made with respect to the Loan Amount for the reporting period. The Adjusted EBITDA is defined as the unadjusted EBITDA adjusted for any non-recurring, one-time, or irregular items. The Company was in compliance with these capital requirements as at December 31, 2020.

The Company’s ability to fund operating expenses will depend on its future operating performance which will be affected by general economic, financial, regulatory, and other factors including factors beyond the Company’s control (See "Risk and Uncertainties").

Management continually assesses liquidity in terms of the ability to generate sufficient cash flow to fund the business. Net cash flow is affected by the following items: (i) operating activities, including the level of amounts receivable, accounts payable, accrued liabilities and unearned revenue and deposits; (ii) investing activities (iii) financing activities.

OUTSTANDING SHARE DATA

As at September 30, 2021, the Company had 23,673,651 common shares (December 31, 2020 – 21,016,875) issued and outstanding.

<u>During the nine months ended September 30, 2021</u>

- The Company issued shares to acquire 100% of the issued and outstanding shares of Tru Brands. In connection with the acquisition of Tru Brands, the Company also issued finder's shares.

- The Company issued the CMG Share Consideration to acquire 60% of the outstanding shares of CMG.

- 22,500 warrants were exercised for cash proceeds of $23,636 (CA$30,000).

- 457,521 common shares were issued for conversion of convertible notes.

- 29,680 common shares with fair value of $150,000 were issued for advisory services.

- 472,100 common shares with fair value of $2,142,390 were issue for restricted share units.

- On July 26, 2021, the Company granted 932,030 options with an exercise price of CA$5.70 to its officers of the Company. The options are exercisable for a period of five years. One-third vest on date of grant and one-third will vest every nine months thereafter.

- On July 26, 2021, the Company granted 419,000 options with an exercise price of CA$5.70 to its employees and consultants of the Company. The options are exercisable for a period of five years. One-third vest will vest every anniversary thereafter.

- On July 27, 2021, the Company issued 472,000 RSUs with fair value of $2,142,390 to its directors, employees and consultants. All of the RSUs granted vested immediately at the date of grant. During the nine months ended September 30, 2021, the Company issued 472,100 common shares for the RSUs.

- On July 27, 2021, the Company issued 432,000 RSUs with fair value of $1,960,416 to its employees and consultants. One-fourth vest on date of grant and one-fourth will vest every six months thereafter.

Subsequent to September 30, 2021

- On September 30, 2021, the Company completed a conversion agreement with the convertible preferred shares holders to convert the entire convertible preferred shares ($8,200,000) into common shares. 2,327,833 common shares were issued for the conversion of the $8,200,000 convertible preferred shares subsequent to September 30, 2021.

- 13,125 common shares were issued for vested RSUs.

As at the date of this MD&A, the Company had 26,014,609 common shares issued and outstanding.

In addition, as at the date of this MD&A, the Company had 1,388,530 stock options and 418,875 RSUs issued and outstanding.

OUTLOOK

The Company changed of its name to Simply Better Brands Corp., highlighting the Company's transition from a CBD and plant-based wellness company to that of a global health, wellness and lifestyle company. "Simply Better Brands" reflects the Company's commitment to promoting healthy and active lifestyles while building the brands which make them possible. In addition to expanding its majority-owned CBD subsidiary brand, PureKana, the Company has over the past nine months made or announced strategic acquisitions in industry-leading health, wellness, beauty, pet and lifestyle brands and companies. The Company expects to continue to seek out additional merger and acquisition (M&A) opportunities in these industry sectors to drive top line growth and profitability.

- **Wellness Business** - The wellness business is driven by the Company's holdings in PureKana, a leading CBD brand. We maintain a strong direct to consumer position, as consumers buy online at a greater rate during the pandemic. We also see sequential monthly improvement in our CBD specialty retail channel with continued distribution expansion. We are encouraged by our monthly sales progress in this offline business channel and as a result are hiring additional sales staff to pursue additional sales opportunities. PureKana launched a new customer acquisition strategy based on data-science. The demonstrative acceleration of consumers engaging with the brand drove significant sales growth in early Q4 compared to the previous quarter. The Company previously announced SBBC sales for October were USD$2.6 million in revenue or 220% growth over the average month's revenue for the third quarter. Our current pacing indicates the expected growth in the Company's wellness sector (PureKana) from 18-20% growth in the second half of 2021 which we reported on August 30, 2021, to stronger guidance of 58% sales growth in the Company's wellness sector over the first half of 2021.

Additional opportunities that the Company is developing for future sales growth beyond 2021 include the CMG acquisition and its exclusive CBD distribution relationship at Breakaway Music events, and potential international expansion of the PureKana brand in the UK, South America and Mexico.

- **Beauty Business** - The beauty business is driven by the company's No B.S. brand. We are expecting flat growth in this brand in 2021.

- **Plant Based Food** - TRU Brands acquisition closed in August of 2021. After its initial entry in Costco Canada earlier this year, TRUBAR has now entered the U.S. Market with Costco. Early TRUBAR sales significantly exceeded the bar category benchmark driving re-orders and additional regional expansion yet this year. To drive continued trial and awareness, TRUBAR also entered 7-11 in the Canadian market. We are expecting the contribution to SBBC consolidated sales to be material starting in the fourth quarter of 2021 driven by successful placement of the bars in the Canadian and US market with large retailers including Costco, Loblaws and Shoppers Drug Mart.

The Company's expected sales growth for SBBC in the second half of 2021 is 93% compared to the first half of 2021. This sales growth increase includes PureKana, No BS and TRUBAR. We also are continually working on merger and acquisition opportunities that our future sales growth beyond 2021 in the wellness sector depending on the timing of the close of these transactions.

- Other Market Sectors - The Company is currently evaluating other markets for consumer offerings characterized by strong growth and appeal to its core customer segments. The Company is focused on building a direct-to-consumer platform catering to Millennial and Gen Z consumers.

- Operating Synergies - The Company will continue to focus on realizing operating synergies across its portfolio of consumer brands. This includes e-commerce platforms, finance and administration, fulfillment and marketing synergies. The Company has made progress in all areas during the first nine months of 2021 and expects this success to continue during the fourth quarter of 2021. The Company has benefited from an integrated sales team and integrated fulfilment operations to date in 2021.

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. 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: continued revenue growth driven by the Company's brands; expanding the Company's brands; success of M&A potential opportunities to drive top line growth and profitability; the Company's ability to follow consumer trends; projected results of operations during 2021, including specific sales growth targets and industry growth targets; the Company's ability to acquire customers; potential international expansion; ability to capitalize on operating synergies; the Company's ability to leverage data science and innovation to connect with consumers; expectations for growth, revenue and operations for the balance of 2021 and into 2022.

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.

This news release contains financial outlook information about prospective results of operations, which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. The financial outlook information was approved by management as of the date of this news release and was provided for the purpose of providing further information about the Company’s anticipated future business operations. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company disclaims any intention or obligation to update or revise any financial outlook information contained in this news release, whether as a result of new information, future events or otherwise, unless required by applicable securities law.