NEXTLEAF SOLUTIONS REPORTS FISCAL Q2 2026 RESULTS

Vancouver, British Columbia — June 1, 2026 — Nextleaf Solutions Ltd. ("Nextleaf" or the "Company") (CSE: OILS) (OTCQB: OILFF) a multi-patented Canadian cannabis processor, announced financial results for Q2 FY2026 (ended March 31, 2026), with gross revenue of $3,338,310 and gross profit of $914,536 (38% gross margin).

The quarter reflects deliberate investment in commercial infrastructure, including a national sales agency, qualified export ready platform, and a second licensed processing site, amidst a backdrop of industry-wide pricing compression.

Margin & Profitability

- $3,338,310 gross revenue
- Gross Profit of $914,536, on Net Revenue of $2,406,388
- Gross margin held at 38.0% in Q2 FY2026 vs 38.3% in Q2 FY2025 despite continued industry-wide pricing compression underscoring the resilience of Nextleaf's manufacturing model and cost discipline.
- Net loss of $646,277, reflecting deliberate investment in commercial infrastructure and platform readiness ahead of anticipated FY2026 revenue contribution.
- Adjusted EBITDA of $107,129 for the six months ended March 31, 2026.
- Excise duties of $931,921 paid to the Canada Revenue Agency, representing 28% of gross revenue.

Revenue & Market Position

- First-ever international export revenue: $322,358 in FY2026 (vs $0 FY2025), generated entirely from white label shipments to Australia, establishing Nextleaf as a qualified, and validated, export-ready processor.
- Glacial Gold® held a leadership position, ranked #2 for national market share in the ingestible-capsule subcategory at approximately 19% of retail dollars in Q2 FY2026. Glacial Gold THC 10 Softgels (100-count) ranked among Canada's top two best-selling softgel SKUs by retail revenue.[1]
- Revenue from bulk distillate grew 23.6% year-over-year to $429,621 (Q2 FY2025: $347,580), reflecting accelerating demand for Nextleaf's B2B ingredient platform amidst increasing pricing pressure in branded CPG.
- Expanded distribution partnerships into Manitoba, Saskatchewan, new listings in Québec (via Québec Craft Cannabis), and achieving national retail sales coverage through the Company's partnership with Kindred Canada.

1. Source: Turff (brand.turff.ai), Canadian cannabis retail measurement.

FY2026 Outlook

Nextleaf enters the third quarter (April to June 2026) focused on continued implementation of the Company's FY2026 Strategic Objectives.

- Micro-Processing License of Nextleaf Distribution, the Company's second site of operations. Allowing the Company to scale domestic and export-ready operations while maintaining quality oversight, resource utilization, and operational efficiency.
- Advancing the Company's export-ready platform by completing subsequent shipments and due diligence with additional commercial partners in expanded jurisdictions.
- Secure toll processing agreements to supplement top line revenue and bolster bottom line growth in the Company's bulk ingredient business.
- Hiring and onboarding sales leadership role to execute domestic CPG business objectives.
- Expanded listings from brand High Plains Cannabis. A formulation-first, value-engineered assortment built around high-demand product attributes and utilization of the Company's in-house ingredient portfolio.

Management Commentary

Management views Q2 as an investment quarter that positions Nextleaf for the domestic portfolio and distribution reset, and international expansion now underway.

"Our Q2 financial results reflect intentional, and disciplined execution in a highly competitive market," said Emma Andrews, CEO. "Despite continued pricing compression, we invested in infrastructure that strengthens our position as a capital-efficient, qualified export-ready, cannabis processing leader."

Share Issuance

As part of the Company's compensation and retention strategy, Nextleaf issued 266,667 common shares at a price per share $0.06 for aggregate proceeds of $16,000 to certain employees of the Company. This is to align employee interests with long-term shareholder value. 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 75+ global patents for the extraction and refinement of cannabinoid-based ingredients, alongside category-leading flagship brand Glacial Gold, High Plains Cannabis, and Yard Cannabis. The Company maintains an average of 35+ active SKUs across 5 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.