



## GURU ORGANIC ENERGY ANNOUNCES FISCAL 2024 FOURTH QUARTER AND ANNUAL RESULTS

### Key Highlights:

- **Revenue and Gross Profit Growth with Reduced Losses:** GURU achieved a 3.3% increase in net revenue to \$30.2 million in 2024, while gross profit grew by 8.4% to \$16.7 million, reflecting improved margins. Net loss decreased significantly by 21.3% to \$9.4 million, underscoring the impact of disciplined cost management and operational efficiencies.
- **Strong U.S. Momentum in Online and Retail Channels:** GURU experienced significant growth of 61.6% in the U.S. in 2024.
- **Margin Expansion:** Gross margin improved to 55.3% from 52.7% in 2023, highlighting ongoing cost optimization and effective pricing strategies.
- **Solid Financial Position:** Maintained a solid financial position with \$25.5 million in cash, \$10 million of unused credit facilities and no debt.
- **Growing Consumer Engagement:** Successfully sampled over 450,000 units through Costco Canada roadshows and 150,000 units at universities and events, enhancing brand presence and awareness, and gathering actionable consumer feedback on tastes and preferences.

**Montréal, Québec, January 23, 2025** – GURU Organic Energy Corp. (TSX: GURU) (“**GURU**” or the “**Company**”), Canada’s leading organic energy drink brand<sup>1</sup>, today announced its results for the fourth quarter and fiscal year ended October 31, 2024. All amounts are in Canadian dollars unless otherwise indicated.

<b>Financial Highlights</b> (in thousands of dollars, except per share data)	<b>Three months ended October 31</b>		<b>Fiscal year ended October 31</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>\$</b>	\$	<b>\$</b>	\$
Net revenue	<b>7,155</b>	7,687	<b>30,242</b>	29,288
Gross profit	<b>4,087</b>	4,104	<b>16,736</b>	15,435
Net loss	<b>(2,650)</b>	(3,686)	<b>(9,410)</b>	(11,962)
Basic and diluted loss per share	<b>(0.09)</b>	(0.12)	<b>(0.31)</b>	(0.38)
Adjusted EBITDA <sup>2</sup>	<b>(2,261)</b>	(3,836)	<b>(9,132)</b>	(11,898)

### **Quote from Carl Goyette, President and CEO**

“In fiscal 2024, GURU made significant progress toward returning to profitability, achieving revenue growth while reducing net loss by over 21%, supported by gross margin improvements and disciplined cost control. These results reflect the strength of our strategic focus on operational efficiency and the ability to expand our presence in key channels, particularly online in the U.S. and Canada, as well as in wholesale clubs.”

“Subsequent to fiscal year-end, we announced that our exclusive distribution agreement in Canada will end on May 22, 2025. Since then, we have been preparing for a seamless transition back to our proven direct distribution model that drove growth from 1999 to 2021. Returning to our previous distribution model will result in greater flexibility and stronger brand control that will allow us to grow more efficiently and position GURU as a leading choice for health-conscious consumers in the Canadian market,” added Goyette.

### **Driving Growth in Key Markets**

GURU’s revenue growth was fueled by strong U.S. performance, particularly in online channels. Amazon sales surged, supported by record-breaking Prime Day results and the successful launch of the Zero Sugar line, which meets the growing demand for clean, health-conscious energy drinks.

In Canada, GURU maintained a strong presence in Quebec, supported by product innovations such as Peach Mango Punch and Zero Wild Berry, which reinforced brand loyalty. Costco roadshows resulted in over 450,000 consumer tastings across the country and provided valuable insights to guide future distribution strategies post-transition to the direct distribution model in May 2025. These initiatives highlight GURU’s commitment to building connections with consumers while strategically positioning the brand for growth. Although market dynamics and the timing of retail shipments have impacted sales, these initiatives are expected to improve velocities in the medium term.

### **Strengthened Financial Discipline**

GURU’s gross margin increased to 57.1% in Q4 and 55.3% for fiscal 2024, reflecting a strategic focus on cost reduction and operational efficiency. Selling, general, and administrative (SG&A) expenses decreased by 18.8% in Q4 and by 6.3% for the fiscal year, demonstrating the Company’s disciplined approach to expense management.

“Our focus on disciplined cost management and operational efficiency delivered a 21.3% reduction in net loss this fiscal year, alongside gross margin improvements that strengthen our foundation and position us well for sustained growth and profitability in the years ahead,” said Ingy Sarraf, CFO of GURU.

### **Innovation and Consumer Engagement**

The Zero Sugar line launch in the U.S. was a pivotal milestone for GURU, enabling the brand to tap into the more than 50% of the \$20 billion market segment. With no sucralose or aspartame, the Zero Sugar line appeals to health-conscious consumers seeking clean energy options. This success was complemented by the Company’s strong marketing digital engagement.

## Looking Ahead to Fiscal 2025

In fiscal 2025, GURU will focus on these key initiatives to drive profitability and growth:

- Seamlessly transition to a direct distribution model in Canada, enhancing operational flexibility, improving retailer relationships, and allowing for more targeted brand-building investments.
- Strengthen GURU's presence in key urban centers in the U.S. and Canada by expanding its Zero Sugar line across premium retail and online platforms.
- Continue disciplined cost management while investing in targeted growth opportunities that align with evolving consumer preferences.

Additionally, as part of GURU's commitment to driving growth, the Company recently named Patrick Charbonneau as Executive Vice President, Sales. Patrick brings over 25 years of leadership experience in the food and beverage industry, where he held key leadership roles. His strategic vision and expertise in building high-performing teams will be instrumental in achieving GURU's objectives in the coming years.

"Fiscal 2024 has set the stage for GURU's next chapter of growth," added Goyette. "With improved gross margins, disciplined cost controls and a clear focus on strategic priorities, GURU is well positioned to return to profitability and deliver sustainable value to its shareholders."

## Results of Operations

Net revenue for Q4 2024 was \$7.2 million, a decrease of 6.9% year-over-year, primarily due to lower retail shipments, reflecting strong prior year comparables, and changes to the promotional cadence in Canada. The decline was mitigated by a strong performance in the U.S., with U.S. sales increasing by 29.5% in Q4 2024, fueled by digital campaigns and the introduction of the GURU Zero line. Enhanced digital marketing efforts, coupled with high engagement during major retail events such as Prime Day, bolstered visibility and conversion rates on Amazon and other platforms. This focus on optimized channel-specific strategies in the U.S. continues to position GURU as the leading organic energy drink choice among health-conscious consumers. Fiscal 2024 net revenue rose 3.3% to \$30.2 million, up from \$29.3 million in 2023. This growth was driven by robust performance in the U.S., underscoring successful expansion and brand penetration efforts in priority markets outside of Canada.

Gross profit for Q4 2024 remained stable at \$4.1 million, with gross margin increasing to 57.1% year-over-year, underscoring the success of input cost management and pricing strategies. Fiscal 2024 gross profit improved by 8.4% to \$16.7 million from \$15.4 million in 2023, with gross margin increasing to 55.3%. This improvement underscores GURU's input cost reduction efforts and its strategic focus on margin expansion while balancing promotional activities to optimize net revenue growth in key markets.

Selling, general and administrative ("SG&A") expenses include operational, sales, marketing and administration costs. SG&A expenses decreased to \$6.8 million in Q4 2024, compared to \$8.3 million for the same period a year ago. Selling and marketing expenses decreased to \$4.0 million from \$5.7 million in Q4 2023, a result of timing of selling expenses for in store promotional activities and marketing efficiencies. Fiscal 2024 SG&A amounted to \$27.3 million, compared to \$29.1 million a year ago. The decrease is primarily attributed to cost control measures stemming from the reduction in sales and marketing expenses in the last two quarters of fiscal 2024.

Net loss totalled \$2.7 million or \$(0.09) per share in Q4 2024, compared to a net loss of \$3.7 million or \$(0.12) per share for the same quarter a year ago. Fiscal 2024 net loss totalled \$9.4 million, or \$(0.31) per share, compared to a net loss of \$12.0 million or \$(0.38) per share a year ago. The improved net loss is a result of higher gross profit and lower sales and marketing expenses in fiscal 2024.

Adjusted EBITDA<sup>2</sup> was a loss of \$2.3 million in Q4 2024, compared to a loss of \$3.8 million for the same quarter in 2023. The decrease in Adjusted EBITDA loss this quarter was driven by lower sales and marketing expenses, while maintaining a relatively stable gross profit. Fiscal 2024 Adjusted EBITDA was a loss of \$9.1 million, compared to a loss of \$11.9 million in 2023. The improvement in Adjusted EBITDA loss in fiscal 2024 was driven by stronger net revenue and gross profit, coupled with lower expenses.

As at October 31, 2024, the Company had cash and cash equivalents of \$25.5 million, and unused Canadian- and US-dollar denominated credit facilities totalling \$10 million.

<sup>1</sup>Nielsen, 52-week period ended November 2, 2024, All Channels, Canada vs. same period a year ago.

<sup>2</sup>Please refer to the "Non-GAAP and Other Financial Measures" section at the end of this release.

### **Conference call**

GURU will hold a conference call to discuss its fourth quarter and fiscal 2024 results today, January 23, 2025, at 10:00 a.m. ET. Participants can access the call as follows:

- Via webcast: <https://edge.media-server.com/mmc/p/xjuarbrw>
- Via telephone: 1-844-481-2517 (toll free) or 1-412-317-0545 for international dial-in
- A webcast replay will be available on GURU's website until February 28, 2025.

### **About GURU Products**

GURU energy drinks are made from a short list of plant-based active ingredients, including natural caffeine, with zero sucralose and zero aspartame. These carefully sourced ingredients are crafted into unique blends that push your body to go further and your mind to be sharper.

### **About GURU Organic Energy**

GURU Organic Energy Corp. (TSX: GURU) is a dynamic, fast-growing beverage company that launched the world's first natural, plant-based energy drink in 1999. The Company markets organic energy drinks in Canada and the United States through an estimated distribution network of about 25,000 points of sale, and through [www.guruenergy.com](http://www.guruenergy.com) and Amazon. GURU has built an inspiring brand with a clean list of organic ingredients, including natural caffeine, with zero sucralose and zero aspartame, which offer consumers *Good Energy* that never comes at the expense of their health. The Company is committed to achieving its mission of cleaning the energy drink industry in Canada and the United States. For more information, go to [www.guruenergy.com](http://www.guruenergy.com) or follow us [@guruenergydrink](https://www.instagram.com/guruenergydrink) on Instagram, [@guruenergy](https://www.facebook.com/guruenergy) on Facebook and [@guruenergydrink](https://www.tiktok.com/@guruenergydrink) on TikTok.

**For further information, please contact:**

**GURU Organic Energy  
Investors**

Carl Goyette, President and CEO  
Ingy Sarraf, Chief Financial Officer  
514-845-4878  
[investors@guruenergy.com](mailto:investors@guruenergy.com)

Francois Kalos  
[francois.kalos@guruenergy.com](mailto:francois.kalos@guruenergy.com)

**Forward-Looking Information**

*This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Such forward-looking information includes, but is not limited to, information with respect to the Company’s objectives and the strategies to achieve these objectives, as well as information with respect to management’s beliefs, plans, expectations, anticipations, estimates and intentions. This forward-looking information is identified by the use of terms and phrases such as “may”, “would”, “should”, “could”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “believe” or “continue”, the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. Forward-looking information is provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments and therefore the reader is cautioned that such statements may not be appropriate for other purposes. Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond management’s control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the following risk factors, which are discussed in greater detail under the “RISK FACTORS” section of the annual information form for the year ended October 31, 2024: management of growth; reliance on key personnel; reliance on key customers; changes in consumer preferences; significant changes in government regulation; criticism of energy drink products and/or the energy drink market; economic downturn and continued uncertainty in the financial markets and other adverse changes in general economic or political conditions, as well as geopolitical developments, global inflationary pressure or other major macroeconomic phenomena; global or regional catastrophic events; fluctuations in foreign currency exchange rates; inflation; revenues derived entirely from energy drinks; increased competition; relationships with co-packers and distributors and/or their ability to manufacture and/or distribute GURU’s products; seasonality; relationships with existing customers; changing retail landscape; increases in costs and/or shortages of raw materials and/or ingredients and/or fuel and/or costs of co-packing; failure to accurately estimate demand for its products; history of negative cash flow and no assurance of continued profitability or positive EBITDA; repurchase of common shares; intellectual property rights; maintenance of brand image or product quality; retention of the full-time services of senior management; climate change; litigation; information technology systems; fluctuation of quarterly operating results; conflicts of interest; consolidation of retailers, wholesalers and distributors and key players’ dominant position; compliance with data privacy and personal data protection laws; management of new product launches; use of third-party marketing, including celebrities and influencers; review of regulations on advertising claims, as well as those other risk factors identified in other public materials, including those filed with Canadian securities regulatory authorities from time to time and which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional risks and uncertainties not currently known to management or that management currently deems to be immaterial could also cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. Although the forward-looking information contained herein is based upon what management believes are reasonable assumptions as at the date they were made, investors are cautioned against placing undue reliance on these statements since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking*

information concerning availability of capital resources, business performance, market conditions, and customer demand. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that management anticipates will be realized or, even if substantially realized, that they will have the expected consequences or effects on the business, financial condition, or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and management does not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

## Non-GAAP and Other Financial Measures

This press release includes certain non-GAAP and other supplementary financial measures to help assess GURU's financial performance. Those measures do not have any standardized meaning prescribed by International Financial Reporting Standards ("IFRS"). Management's method of calculating these measures may differ from the methods used by other issuers and, accordingly, GURU's definitions of these non-GAAP measures may not be comparable to similar measures presented by other issuers. Investors are cautioned that non-GAAP financial measures should not be construed as an alternative to IFRS measures.

### Adjusted EBITDA

Adjusted EBITDA is defined as net income or loss before income taxes, net financial (income) expenses, depreciation and amortization, stock-based compensation expense and restructuring expenses. This measure is a non-GAAP financial measure and is not an earnings or cash flow measure or a measure of financial condition recognized by IFRS. As such, it should not be construed as an alternative to "net income", as determined in accordance with IFRS, as an alternative to "cash flows from operating activities" as a measure of liquidity and cash flows or as an indicator of the Company's performance or financial condition.

The exclusion of net finance expense eliminates the impact on earnings derived from non-operational activities, and the exclusion of depreciation, amortization, share-based compensation and restructuring expenses eliminates the non-cash impact of these items. Management believes that Adjusted EBITDA is a useful measure of financial performance without the variation caused by the impacts of the excluded items described above because it provides an indication of the Company's ability to seize growth opportunities in a cost-effective manner and finance its ongoing operations. Excluding these items does not imply that they are necessarily non-recurring. Management believes this measure, in addition to conventional measures prepared in accordance with IFRS, enable investors to evaluate the Company's operating results, underlying performance and future prospects in a manner similar to management. Although Adjusted EBITDA is frequently used by securities analysts, lenders and others in their evaluation of companies, it has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under IFRS.

### Reconciliation of Net Loss to Adjusted EBITDA

	Three months ended October 31		Twelve months ended October 31	
	2024	2023	2024	2023
<i>(In thousands of Canadian dollars)</i>	\$	\$	\$	\$
<b>Net loss</b>	(2,650)	(3,686)	(9,320)	(11,962)
Restructuring expenses	160	-	160	-
Net financial income	(253)	(499)	(1,417)	(1,758)
Depreciation and amortization	260	322	950	1,179
Income taxes	45	(26)	67	6
Stock-based compensation expense	177	53	518	637
<b>Adjusted EBITDA</b>	(2,261)	(3,836)	(9,132)	(11,898)

**Retail Consumer Scanned Sales**

*This indicator represents the total number of the Company's products that were "scanned" for purchase by end consumers in retail points of sale in the respective period. Management believes this indicator provides meaningful information as it serves as an indicator of actual sales to end consumers and a potential indicator of growth or potential future sales.*