BuildDirect Reports Second Quarter 2025 Financial Results

- *Revenue of $16.86M in Q2 2025, an increase of 4.2% from $16.18M in Q2 2024.*
- *Gross margin of 39.9% in Q2 2025, an increase of 170 bps from 38.2% in Q2 2024.*
- *Cash flow from operating activities of $0.53M in Q2 2025, an increase of 495% from $0.09M in Q2 2024.*
- *Delivered $0.14 million in net income and $0.6 million in adjusted EBITDA in Q2 2025, extending the Company's track record to 14 straight quarters of positive performance.*
- *Working capital increased by $0.9 million to $3.6 million at June 30, 2025 from $2.7 million at December 31, 2024.*
- *Company to host Second Quarter 2025 financial results conference call on Thursday, August 28, 2025 at 11:00 AM (PDT) / 2:00 PM (EDT).*

BuildDirect reports in US dollars and in accordance with IFRS Accounting Standards.

Vancouver, British Columbia–(Newsfile Corp. – August 28, 2025) – BuildDirect.com Technologies Inc. (TSXV: BILD) (OTCQB: BDCTF) ("**BuildDirect**" or the "**Company**"), a leading omnichannel building material retailer, today announced its financial results for the Second Quarter Ended June 30, 2025 ("**Q2 2025**").

"Our Q2 results highlight the resilience of our business model as revenue grew 4.2% year-over-year and gross margins expanded to nearly 40%, marking another quarter of positive adjusted EBITDA," said Shawn Wilson, CEO of BuildDirect. "The combination of a disciplined IRR-based approach to capital allocation and operational execution, along with the continued expansion of our Pro Center network, strengthens our financial foundation while supporting consistent cash generation."

Shawn added, "With the successful completion of our C$7 million financing, backed by a strong group of strategic investors and long-term shareholders, we are well-positioned to accelerate growth both organically and through disciplined M&A. This capital provides the flexibility to expand our Pro Center footprint, further enhance our omni-channel platform, and create sustainable value for customers, partners, and investors across North America."

BuildDirect Second Quarter 2025 Financial Results Conference Call

Date: Thursday, August 28, 2025
Time: 11:00 AM (PDT) / 2:00 PM (EDT)
Live Webinar: https://us02web.zoom.us/webinar/register/WN_sekQlp49RdKJmW-Q4orTAA

The replay will be available approximately 24 hours after the completion of the conference call. In addition, an archived replay will be available on the Investor Relations section of the Company's website at https://ir.builddirect.com/financials/quarterly-results/.

Among other things, the Company will discuss the long-term financial outlook on the conference call and related materials will be available on the Company's website at https://ir.builddirect.com/financials/quarterly-results/. Investors should carefully review the factors, assumptions, risks, and uncertainties included in such related materials concerning such as the long-term financial outlook.

Second Quarter 2025 Financial Highlights

A. Financial Position

The following table summarizes the Company's financial position at June 30, 2025 and December 31, 2024.

	As at June 30, 2025	As at December 31, 2024	Change
Cash and cash equivalents	$ 4,070,963	$ 2,347,491	$ 1,723,472
Working capital[(1)]	3,604,114	2,712,617	891,497
Total assets	29,582,247	27,752,963	1,829,284
Total liabilities	27,088,440	24,597,974	2,490,466
Total shareholders' equity	2,493,807	3,154,989	(661,182)
Common shares outstanding	42,074,624	42,032,706	41,918

[1]A non-IFRS measure. See "Non-IFRS measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS Accounting Standards.

B. Financial Results

The following table summarizes the Company's selected financial results for the three months and six months ended June 30, 2025 and 2024.

	Three months ended June 30, 2025	Three months ended June 30, 2024	Change
Revenue	$ 16,860,359	$ 16,182,846	$ 677,513
Income (loss) from operations	(173,541)	(227,626)	54,085
Comprehensive income (loss)	138,458	(517,029)	655,487
Adjusted EBITDA [(1)]	602,473	578,326	24,147
Basic and diluted earnings (loss) per share	$ 0.01	$ (0.01)	$ 0.02

	Six months ended June 30, 2025	Three months ended June 30, 2024	Change
Revenue	$ 31,949,205	$ 31,772,698	$ 176,507
Income (loss) from operations	(328,840)	(544,607)	215,767
Comprehensive income (loss)	(747,447)	(1,106,353)	358,906
Adjusted EBITDA [(1)]	1,252,577	1,082,566	170,011
Basic and diluted loss per share	$ (0.02)	$ (0.03)	$ 0.01

[1]A non-IFRS measure. See "Non-IFRS measures" for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures.

C. Revenue and Gross Profit per Segment

The Company reports results in two segments: (1) E-Commerce and (2) Pro Centers. We measure each reportable operating segment's performance based on revenue. The E-commerce segment relates to our online platform while the Pro Center segment includes sales and installation revenue from bricks and mortar locations.

The E-Commerce and Pro Center segments contributed 22% and 78% of the Company's revenue respectively in Q2 2025 compared to 20% and 80% of the Company's revenue, respectively, in the three months ended June 30, 2024 ("**Q2 2024**"). Likewise, the E-Commerce and Pro Center segments contributed 25% and 75% of our sales respectively in the six months period ended June 30, 2025 ("**H1 2025**") compared to 22% and 78% of our sales, respectively, in the six months ended June 30, 2024 ("**H1 2024**").

The following table summarizes revenue and gross profit per Segment for Q2 2025 and Q2 2024:

Three months ended June 30, 2025			
	E-Commerce	**Pro Centers**	**Total**
Revenue	$ 3,655,890	$ 13,204,469	$ 16,860,359
Cost of goods sold	1,831,585	8,305,761	10,137,346
Gross profit	1,824,305	4,898,708	6,723,013
Gross profit %	49.9%	37.1%	39.9%

Three months ended June 30, 2024			
	E-Commerce	**Pro Centers**	**Total**
Revenue	$ 3,258,746	$ 12,924,100	$ 16,182,846
Cost of goods sold	1,551,747	8,446,344	9,998,090
Gross profit	1,707,000	4,477,757	6,184,756
Gross profit %	52.4%	34.6%	38.2%

D. Working Capital

	June 30, 2025	**December 31, 2024**
Total current assets	$ 19,467,125	$ 16,910,668
Total current liabilities	15,863,011	14,198,051
Working capital	$ 3,604,114	$ 2,712,617

E. Quarterly Financial Information

USD ***(Unaudited)***	**Q2 2025**	**Q1 2025**	**Q4 2024**	**Q3 2024**	**Q2 2024**	**Q1 2024**	**Q4 2023**	**Q3 2023**
Revenue	**16,860,359**	15,088,846	16,723,578	16,968,564	16,182,846	15,589,852	16,916,952	18,411,622
Gross Profit	**6,723,013**	6,224,672	6,562,882	6,503,404	6,184,756	6,090,951	5,957,814	7,321,604
Gross Margin %	**39.9%**	41.3%	39.2%	38.3%	38.2%	39.1%	35.2%	39.8%
Net Loss	**138,458**	(885,905)	243,237	(384,414)	(517,029)	(589,324)	(1,971,942)	(480,818)
Net Earnings (loss) p/s:								
Basic and diluted EPS	**0.01**	(0.02)	0.01	(0.01)	(0.01)	(0.01)	(0.05)	(0.01)
EBITDA[(1)]	**1,466,046**	345,803	396,232	711,775	573,376	486,772	(757,295)	976,906
Adjusted EBITDA[(1)]	**602,473**	650,104	376,331	786,410	578,326	504,230	73,069	1,370,956

[1]A non-IFRS measure. See “Non-IFRS measures” for definitions and reconciliation of non-IFRS measures to the relevant IFRS measures.

Subsequent events to Q2 2025

- On August 1, 2025, BuildDirect successfully closed a non-brokered private placement for gross proceeds of C$7.0 million through the issuance of 6,087,173 common shares at C$1.15 per share, with participation from Sun Mountain Partners, IFCM Microcap Fund, and the Company’s three largest shareholders to support the Company’s growth strategy.

2025 Outlook

BuildDirect remains focused on executing its growth strategy to expand market share in the $90+ billion North American flooring market. With the completion of its recent C$7 million financing, the Company is well-capitalized to pursue both organic expansion and accretive M&A opportunities.

Management intends to:

- Expand the Pro Center footprint across strategic U.S. and Canadian markets while strengthening BuildDirect’s omnichannel presence.
- Pursue selective acquisitions in flooring and complementary building materials at accretive EBITDA multiples, enhancing scale and profitability.
- Leverage e-commerce and technology platforms to drive operational efficiency, customer acquisition, and cross-channel synergies.
- Maintain financial discipline with a continued focus on generating positive adjusted EBITDA and cash flow.

About BuildDirect

BuildDirect (TSXV: BILD) (OTCQB: BDCTF) is an expanding omnichannel building materials retailer, specializing in Pro Centers-strategic distribution hubs designed to serve professional contractors and trades. The Company is actively scaling its footprint through a combination of organic growth and strategic acquisitions, driving efficiency and market expansion. For more information, visit www.BuildDirect.com.

Forward-Looking Information:

This press release contains statements which constitute “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking statements”), including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities and operating performance. Forward-looking statements are often identified by the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”,

“expect” or similar expressions. These statements reflect management’s current beliefs and expectations and are based on information currently available to management as at the date hereof.

Forward-looking statements in this press release may include, without limitation, statements relating to BuildDirect being in a strong position to keep building; BuildDirect’s ongoing pursuit of a model focused on growing the Pro Center network, creating operating leverage and staying disciplined on returns; the Company building or acquiring strong locations, expanding its commercial reach, and growing EBITDA through better execution; the Company’s acceleration of growth through the exploration a combination of new location builds and targeted strategic acquisitions; the Company’s expansion of its geographic footprint, deepening supplier relationships, and enhancing its service capabilities for professional customers; the Company’s delivery of strong returns and capturing market share in both core and emerging regions; the Company’s focus on driving EBITDA growth through improved operational efficiency and the continued development of its commercial sales channel; the Company being well-positioned to scale profitably while maintaining a high standard of customer service; and BuildDirect’s unwavering commitment to pursue sustainable growth, operational excellence, and long-term value creation for its stakeholders

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Among those factors are changes in consumer spending, inflation, availability of mortgage financing and consumer credit, changes in the housing market, changes in trade policies, tariffs or other applicable laws and regulations both locally and in foreign jurisdictions, availability and cost of goods from suppliers, fuel prices and other energy costs, interest rate and currency fluctuations, retention of key personnel and changes in general economic, business and political conditions and other factors referenced under the “Risks and Uncertainties” section of our MD&A. These forward-looking statements may be affected by risks and uncertainties in the business of the Company and general market conditions.

These factors should be considered carefully, and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release reflect the Company’s expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and BuildDirect assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

NON-IFRS MEASURES

This announcement refers to certain non-IFRS measures. These measures are not recognized measures under IFRS, and do not have a standardized meaning prescribed by IFRS Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS Accounting Standards measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS Accounting Standards. We use non-IFRS measures including "EBITDA" and "Adjusted EBITDA". Management uses these non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts, and to determine components of management compensation. As required by Canadian securities laws, we reconcile these non-IFRS measures to the most comparable IFRS Accounting Standards measures in this announcement. See below regarding definitions and reconciliation of these non-IFRS measures to the relevant reported measures.

We define EBITDA as net income or loss before interest, income taxes and amortization. Adjusted EBITDA removes fair value adjustment of convertible debt and warrants, fair value adjustment of inventory, restructuring expenses, non-recurring bad debt expense, foreign exchange gains and losses, and share-based compensation items from EBITDA. We are presenting these measures because we believe that our current and potential investors, and many analysts, use them to assess our current and future operating results and to make investment decisions. Management uses these measures in managing the business and making decisions. EBITDA and adjusted EBITDA are not intended as substitutes for IFRS measures.

	Three months ended June 30, 2025	Three months ended June 30, 2024
Total loss and comprehensive loss	$ 138,458	$ (517,029)
Add:		
Interest expense, net	397,439	306,471
Income tax expense	189,000	84,375
Depreciation and amortization	741,148	699,559
EBITDA	**1,466,046**	573,376
EBITDA – % [(1)]	**8.7%**	3.5%
Add (deduct):		
Stock-based compensation	34,865	51,112
Change in fair value of warrants	116,552	(24,275)
Restructuring costs	36,871	–
Government grant	(1,170,137)	–
Gain on disposal of assets	(7,971)	–
Finance fee	–	20,000
Foreign exchange (gain) loss	126,247	(41,887)
Adjusted EBITDA	**$ 602,473**	$ 578,326
Adjusted EBITDA – % [(2)]	**3.6%**	3.6%

	Six months ended June 30, 2025	Six months ended June 30, 2024

Total loss and comprehensive loss	$ (747,447)	$ (1,106,353)
Add:		
Interest expense, net	739,609	614,231
Income tax expense	308,000	151,875
Depreciation and amortization	1,511,686	1,400,395
EBITDA	**1,811,849**	1,060,148
	5.7%	**3.3%**
EBITDA – % [1]		
Add (deduct):		
Stock-based compensation	69,730	115,302
Change in fair value of warrants	247,621	(27,314)
Restructuring costs	156,885	–
Government grant	(1,170,137)	–
Gain on disposal of assets	(8,471)	–
Finance fee	–	20,000
Foreign exchange (gain) loss	145,100	(85,570)
Adjusted EBITDA	**$ 1,252,577**	$ 1,082,566
Adjusted EBITDA – % [2]	**3.9%**	3.4%

[1] *EBITDA % is a ratio of EBITDA divided by Total Revenue*

[2] *Adjusted EBITDA % is a ratio of Adjusted EBITDA divided by Total Revenue*

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
(Expressed in United States dollars)

	As at June 30, 2025	As at December 31,2024
Assets		
Current assets:		
Cash and cash equivalents	$ 4,070,963	$ 2,347,491
Short-term investments	200,000	445,415
Trade and other receivables (note 4)	4,235,827	3,694,821
Inventories (note 5)	10,039,503	9,619,963
Prepaid materials, expenses, and deposits	920,832	802,978
Total current assets	19,467,125	16,910,668
Non-current assets:		
Property and equipment (note 6)	706,428	607,699
Intangible assets (note 7)	1,062,168	1,882,891
Right-of-use assets (note 8)	1,915,051	2,562,647
Non-current deposits	508,382	434,040
Loans receivable (note 9)	568,075	–
Goodwill (note 7)	2,530,622	2,530,622
Deferred tax asset	2,824,396	2,824,396
Total non-current assets	10,115,122	10,842,295

Total Assets	$ 29,582,247	$ 27,752,963
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities (note 10)	$ 8,240,292	$ 8,500,775
Income taxes payable	995,888	707,584
Current portion of lease (note 11)	766,881	1,154,315
Deferred revenue (note 12)	1,626,290	1,385,993
Debt – current (note 13)	4,233,660	2,449,384
Total current liabilities	15,863,011	14,198,051
Non-current liabilities:		
Lease liability (note 11)	1,484,281	1,695,228
Debt – non-current (note 13)	9,429,559	8,640,727
Warrants (note 14)	311,589	63,968
Total non-current liabilities	11,225,429	10,399,923
Shareholders' equity:		
Share capital (note 15)	123,165,028	123,136,971
Share based payment reserve	11,573,403	11,515,195
Deficit	-132,244,624	-131,497,177
Total Shareholders' equity	2,493,807	3,154,989
Total Liabilities and Equity	$ 29,582,247	$ 27,752,963

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss (Unaudited)
(Expressed in United States dollars)

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Revenue (note 16)	$ 16,860,359	$ 16,182,846	$ 31,949,205	$ 31,772,698
Cost of goods sold (note 5)	10,137,346	9,998,090	19,001,520	19,496,991
Gross Profit	6,723,013	6,184,756	12,947,685	12,275,707
Operating expenses:				
Fulfillment costs	905,380	1,007,785	1,800,978	2,005,552
Selling and marketing	1,466,217	1,384,578	2,881,276	2,747,135
Administration	3,783,809	3,320,460	7,082,585	6,667,232
Depreciation and amortization	741,148	699,559	1,511,686	1,400,395
	6,896,554	6,412,382	13,276,525	12,820,314
Profit (loss) from operations	(173,541)	(227,626)	(328,840)	(544,607)
Other income (expense):				
Interest income	9,888	15,274	16,328	37,376
Interest expense	(407,327)	(321,745)	(755,937)	(651,607)
Rental income	–	55,281	–	111,476
Fair value adjustment of warrants (note 14)	(116,552)	24,275	(247,621)	27,314
Government grant (note 22)	1,170,137	–	1,170,137	–
Restructuring costs (note 21)	(36,871)	–	(156,885)	–
Finance fee	–	(20,000)	–	(20,000)
Foreign exchange gain (loss)	(126,247)	41,887	(145,100)	85,570
Gain on disposal of equipment	7,971	–	8,471	–
	500,999	(205,028)	(110,607)	(409,871)
Income (Loss) before income taxes	327,458	(432,654)	(439,447)	(954,478)
Income tax expense	(189,000)	(84,375)	(308,000)	(151,875)
Total income (loss) and comprehensive income (loss) for the period	138,458	(517,029)	(747,447)	(1,106,353)
Deficit, beginning of period	(132,383,082)	(130,838,971)	(131,497,177)	(130,249,647)
Deficit, end of period	$ (132,244,624)	$ (131,356,000)	$ (132,244,624)	$ (131,356,000)
Profit (loss) per share:				
Basic and diluted profit (loss) per share (note 23)	0.01	(0.01)	(0.02)	(0.03)

Condensed Consolidated Interim Statement of Changes in Equity (Deficiency)
(Unaudited)
(Expressed in United States dollars)

For the six months ended June 30, 2025 and 2024

	Common Shares		Share based payment reserve	Deficit	Total
	Number	Amount			
Balance – December 31, 2023	41,941,535	$ 123,109,599	$ 11,323,580	$ (130,249,647)	$ 4,183,532
Exercise of deferred share units (note 15)	7,843	3,720	–	–	3,720
Exercise of stock options (note 15)	83,328	23,652	–	–	23,652
Loss and comprehensive loss for the period	–	–	–	(1,106,353)	(1,106,353)
Share-based payment expense (note 15)	–	–	115,303	–	115,303
Balance – June 30, 2024	42,032,706	$ 123,136,971	$ 11,438,883	$ (131,356,000)	$ 3,219,854
Balance – December 31, 2024	42,032,706	$ 123,136,971	$ 11,515,195	$ (131,497,177)	$ 3,154,989
Exercise of stock options (note 15)	41,918	28,057	(11,522)	–	16,535
Loss and comprehensive loss for the period	–	–	–	(747,447)	(747,447)
Share-based payment expense (note 15)	–	–	69,730	–	69,730
Balance – June 30, 2025	42,074,624	$ 123,165,028	$ 11,573,403	$ (132,244,624)	$ 2,493,807

Condensed Consolidated Interim Statement of Cash Flows
(Unaudited)
(Expressed in United States dollars)

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Cash provided by (used in):				
Operating activities:				
Income (loss) for the period	$ 138,458	$ (517,029)	$ (747,447)	$ (1,106,353)
Add (deduct) items not affecting cash:				
Depreciation	756,140	699,559	1,511,686	1,400,395
Income tax expense	189,000	84,375	308,000	151,875
Stock-based compensation expense	34,865	51,122	69,730	115,303
Gain on disposal of equipment	(8,471)	–	(8,471)	–
Capitalized interest on loans payable	275,368	292,700	544,855	587,875
Amortization of financing costs (note 13)	11,246	–	18,742	–
Interest on capital leases	33,690	27,263	74,246	61,950
Interest on lease receivables and other	–	4,722	–	(17,380)
Fair value adjustment on warrants (note 14)	116,552	(24,275)	247,621	(27,314)
Unrealized foreign exchange	105,586	(39,698)	105,071	(79,492)
Change in non-cash working capital (note 18)	(1,120,097)	(489,787)	(280,834)	174,987
Income taxes paid	(3,085)	–	(19,696)	(1,000)
Total operating activities	529,253	88,952	1,823,504	1,260,845
Investing activities:				
Purchase of property and equipment (note 6)	(55,113)	(19,600)	(89,278)	(48,929)
Proceeds on disposal of equipment (note 6)	22,500	–	22,500	–
Acquisition of assets (note 3)	–	–	(593,396)	–
Payments on capital lease receivables	–	72,151	–	142,702
Total investing activities	(32,613)	52,551	(660,174)	93,773
Financing activities:				
Proceeds from exercise of options (note 15)	12,122	23,652	16,535	27,372
Deferred financing costs (note 13)	(46,278)	–	(119,217)	–
Interest paid	(66,213)	(86,992)	(120,130)	(186,758)
Capital lease payments (note 11)	(350,568)	(350,728)	(672,628)	(698,207)
Promissory note repayment (note 13)	(311,250)	(311,250)	(622,500)	(622,500)
Loan receivable (note 9)	(568,075)	–	(568,075)	–
Deferred consideration repayment	–	–	–	(675,000)
Loan advances (note 13)	1,415,743	1,000,000	2,648,866	1,000,000
Loan repayments (note 13)	(1,416)	(238,322)	(2,709)	(477,903)
Total financing activities	84,065	36,360	560,142	(1,632,996)

Increase (decrease) in cash and cash equivalents	580,705	177,863	1,723,472	(278,378)
Cash and cash equivalents, beginning	3,490,258	2,145,652	2,347,491	2,601,893
Cash and cash equivalents, end	$ 4,070,963	$ 2,323,515	$ 4,070,963	$ 2,323,515



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