
BLACK RIFLE
COFFEE COMPANY
Third Quarter
of Fiscal Year
2026
America’s Coffee

# DISCLAIMER

**Forward-Looking Statements**

This presentation contains forward-looking statements about BRC Inc. (the "Company," "we," "us," and "our") and its industry that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this presentation, including statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's financial condition, liquidity, prospects, growth, strategies, future market conditions, developments in the capital and credit markets and expected future financial performance, as well as any information concerning possible or assumed future results of operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and similar expressions, but the absence of these words does not mean that a statement is not forward-looking.

The events and circumstances reflected in the Company's forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Factors that may cause such forward-looking statements to differ from actual results include, but are not limited to: competition and our ability to grow, manage sustainable expansion, and retain key employees; failure to compete effectively with other producers, distributors and retailers of coffee and energy drinks; our limited operating history, which may hinder the successful execution of strategic initiatives and make it difficult to assess future risks and challenges; challenges in managing rapid growth, inventory needs, and relationships with key business partners; inability to raise additional capital necessary for business development; failure to achieve or sustain long-term profitability; inability to effectively manage debt obligations; failure to maximize the value of assets received through bartering transactions; negative publicity affecting our brand, reputation, or that of key employees; failure to uphold our position as a supportive member of the Veteran, military and first-responder communities, or other factors negatively affecting brand perception; inability to establish and maintain strong brand recognition through intellectual property or other means; shifts in consumer spending, lack of interest in new products or changes in brand perception upon evolving consumer preferences and tastes, including due to shifts in demographic or health and wellness trends, reduction in discretionary spending and price increases, and our ability to anticipate or react to these changes; price changes that are insufficient to offset cost increases; unsuccessful marketing campaigns that incur costs without attracting new customers or realizing higher revenue; failure to attract new customers or retain existing customers; risks associated with reliance on social media platforms, including dependence on third-party platforms for marketing and engagement; variable performance of the direct to consumer revenue channel; inability to effectively manage or scale distribution through Wholesale business partners, particularly key Wholesale partners; failure to manage supply chain operations effectively, including inaccurate forecasting of raw material and co-manufacturing requirements; loss of one or more co-manufacturers or production delays, quality issues, or labor-related disruptions affecting manufacturing output; supply chain disruptions or failures by third-party suppliers and logistics service-providers to deliver coffee, store supplies, RTD beverage ingredients, or merchandise, including disruptions caused by external factors; ongoing risks related to supply chain volatility and reliability, including tariffs, as well as political and climate risks; fluctuations in the market for high-quality coffee beans and other key commodities; unpredictable changes in the cost and availability of labor, raw materials, equipment, transportation, or shipping; failure to successfully improve profitability of existing Outposts, including challenges or delays with the implementation of operational and strategic changes; risks related to long-term, non-cancelable lease obligations and other real estate-related concerns; inability of franchise partners to successfully operate and manage their franchise locations; failure to maintain high-quality customer experiences for retail partners and end users, including production defects or issues caused by co-manufacturers that negatively impact product quality and brand reputation; failure to comply with food safety regulations or maintain product quality standards; difficulties in successfully expanding into new markets; failure to comply with federal, state, and local laws and regulations, or inability to prevail in civil litigation matters; risks related to potential unionization of employees; failure to execute our business optimization plans, including our operational improvement plan and Project Core, to reduce costs and improve efficiency of certain company-wide functions; failure to protect against cybersecurity threats, software vulnerabilities, or hardware security risks; volatility in the trading prices of our Class A Common Stock; and other risks and uncertainties indicated in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the "SEC") on March 2, 2026 including those set forth under "Item 1A. Risk Factors" included therein, as well as in our other filings with the SEC. Such forward-looking statements are based on information available as of the date of this presentation and the Company's current beliefs and expectations concerning future developments and their effects on the Company, and speak only as of the date hereof. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not place undue reliance on these forward-looking statements as predictions of future events. Although the Company believes that it has a reasonable basis for each forward-looking statement contained in this presentation, the Company cannot guarantee that the future results, growth, performance or events or circumstances reflected in these forward-looking statements will be achieved or occur at all. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

**Non-GAAP Financial Measures**

In addition to financial measures prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), this presentation contains, and the conference call will contain, non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Adjusted Gross Profit, Adjusted Operating Expenses, DTC revenue, excluding divested brand, Free Cash Flow and Net Leverage Ratio. We rely on both GAAP and non-GAAP financial measures to evaluate the performance of our business. The non-GAAP financial measures, as defined below, are not defined or calculated under principles, standards or rules that comprise GAAP. Accordingly, the non-GAAP financial measures we use and refer to in this presentation and/or the conference call should not be viewed as a substitute for performance measures derived in accordance with GAAP. Our definitions of EBITDA, Adjusted EBITDA, Adjusted Gross Profit, Adjusted Operating Expenses, DTC revenue, excluding divested brand, Free Cash Flow and Net Leverage Ratio described below are specific to our business and you should not assume that they are comparable to similarly titled financial measures of other companies. Further information relevant to the interpretation of non-GAAP financial measures, and reconciliations of these non-GAAP financial measures to the most comparable GAAP measures may be found in Slides 26-30 of this presentation.

We define EBITDA as net income (loss) before interest, tax expense, depreciation and amortization expense. We define Adjusted EBITDA as EBITDA adjusted for equity-based compensation, lease termination and modification costs, net, loss on impairment of assets, loss on disposal of assets, non-routine legal expenses, transactions expenses and restructuring fees and related costs. For the third and fourth quarters of 2025, Adjusted EBITDA also reflects adjustments for the gain on the sale of property, losses on impairment of certain assets, transactions expenses and contract termination costs, none of which occurred in the first six months of 2026 or 2025. We define Adjusted Gross Profit as gross profit adjusted for depreciation and amortization and restructuring fees and related costs. We define Adjusted Operating Expenses as Operating Expenses adjusted for depreciation and amortization, equity-based compensation, lease termination and modification costs, net, non-routine legal expenses and restructuring fees and related costs. We define DTC revenue, excluding divested brand, as DTC revenue adjusted for divested brand DTC revenue. We define Free Cash Flow as net cash provided by (used in) operating activities adjusted for purchases of property, plant and equipment. We define Net Leverage Ratio as total principal amounts of debt less cash and cash equivalents, divided by Adjusted EBITDA.

When used in conjunction with GAAP financial measures, we believe that EBITDA, Adjusted EBITDA, Adjusted Gross Profit, Adjusted Operating Expenses, DTC revenue, excluding divested brand, Free Cash Flow and Net Leverage Ratio are useful supplemental measures of operating performance and liquidity because these measures facilitate comparisons of historical performance by excluding non-cash items such as equity-based compensation and other amounts not directly attributable to our primary operations, such as lease termination and modification costs, net, non-routine legal expenses and restructuring fees and related costs. Adjusted EBITDA is also a key metric used internally by our management to evaluate performance and develop internal budgets and forecasts. Non-GAAP financial measures have limitations as an analytical tool and should not be considered in isolation or as a substitute for analyzing our results as reported under GAAP and may not provide a complete understanding of our operating results as a whole. Some of these limitations are (i) they do not reflect changes in, or cash requirements for, our working capital needs, (ii) they do not reflect our interest expense or the cash requirements necessary to service interest or principal payments on our debt, (iii) they do not reflect our tax expense or the cash requirements to pay our taxes, (iv) they do not reflect historical capital expenditures or future requirements for capital expenditures or contractual commitments, (v) although equity-based compensation expenses are non-cash charges, we rely on equity compensation to compensate and incentivize employees, directors and certain consultants, and we may continue to do so in the future and (vi) although depreciation, amortization and impairments are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these non-GAAP measures do not reflect any cash requirements for such replacements.

**Forward Looking Non-GAAP Financial Measures**

This presentation also includes certain forward-looking non-GAAP financial measures, specifically Adjusted EBITDA. We have not reconciled forward-looking Adjusted EBITDA to its most directly comparable GAAP measure, net income (loss), in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. We cannot predict with reasonable certainty the ultimate outcome of certain components of such reconciliation, including market-related assumptions that are not within our control, or others that may arise, without unreasonable effort. For these reasons, we are unable to assess the probable significance of the unavailable information, which could materially impact the amount of future net income (loss). See "Non-GAAP Financial Measures" for additional important information regarding Adjusted EBITDA.

# TODAY'S SPEAKERS



**Evan Hafer**

Executive Chairman



**Chris Mondzelewski**

President and Chief Executive Officer



**Matthew Amigh**

Chief Financial Officer



**Matt McGinley**

VP Investor Relations

"A key priority during the third quarter was making Black Rifle Coffee more accessible to consumers and creating more opportunities for them to engage with our brand. We expanded distribution through new retail partners and increased our presence within existing accounts. Our campaign celebrating America's 250th birthday helped broaden awareness and encourage trial among new consumers. Wholesale delivered another quarter of growth, while Direct-to-Consumer recorded its fourth consecutive quarter of year-over-year revenue growth. We also launched Project Core, our multi-year initiative to sharpen our focus on our core coffee business and brand, improve profitability and earnings quality, simplify our operations, and reduce the capital intensity of our business. Our goal is to build on the growth we're seeing while capturing more of the value that growth creates."

- *Chris Mondzelewski, President and CEO*

# 2026 THIRD QUARTER HIGHLIGHTS

## Revenue

Net Revenue

**$108.0 million**

up **7.3%** or **$7.3M** YoY

## Gross Margin

Gross Margin of

**37.1%**

compared to **36.9%** in Q3 2025

## Profitability

Adjusted EBITDA[1]

**$9.5 million**

up **$1.0M** or **12.3%** YoY

## Wholesale Revenue

Wholesale Revenue

**$72.5 million**

up **$5.4M** or **8.1%** YoY

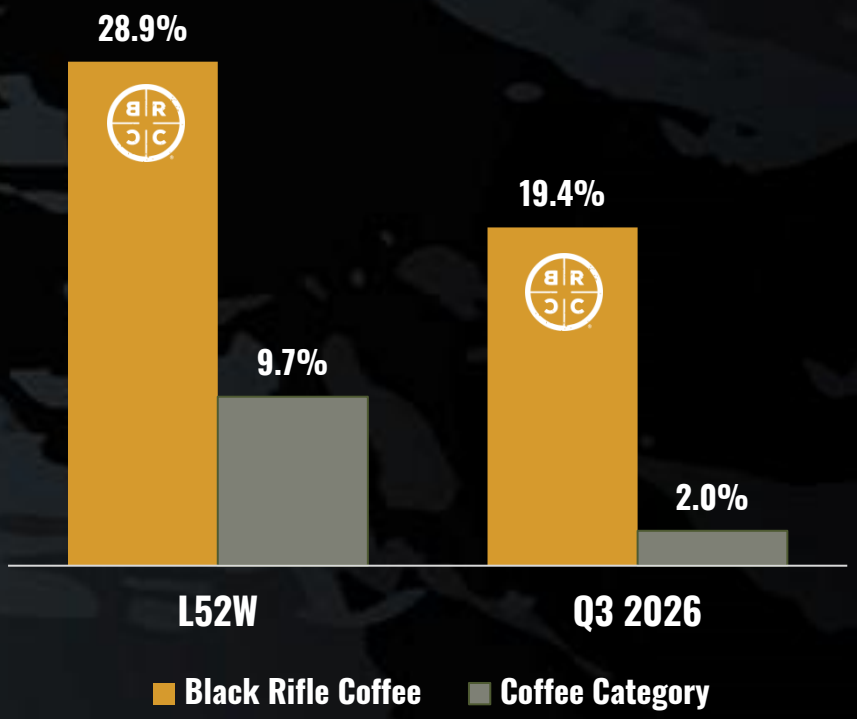
[1] Refer to slide 26 for a reconciliation of "Adjusted EBITDA"



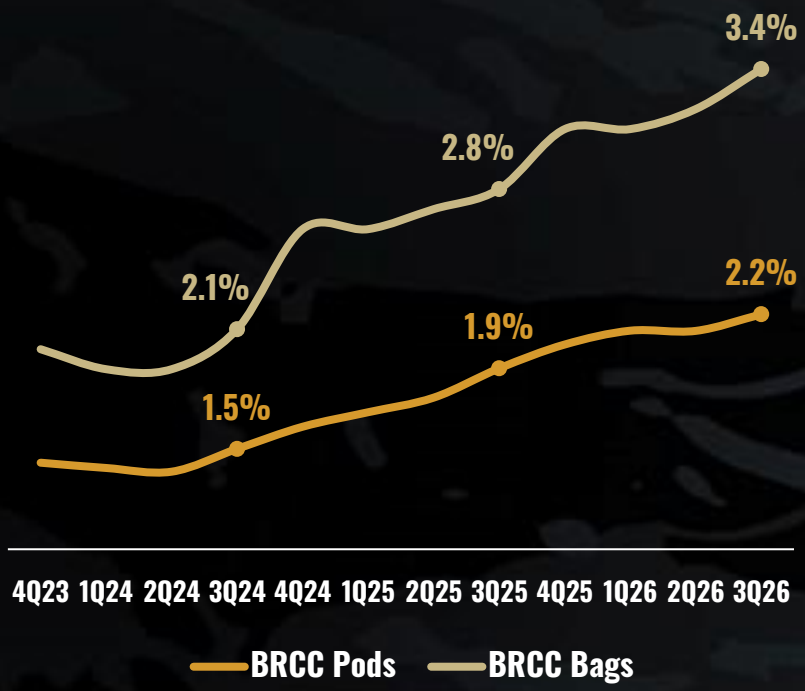

# Channel Highlights

# OUTPACING THE COFFEE CATEGORY THROUGH DISTRIBUTION AND SHARE GAINS

## PACKAGED COFFEE RETAIL SALES GROWTH[1]




## BAGGED & POD COFFEE DOLLAR SHARE[2]




**Distribution gains are driving outsized retail growth**

**Bagged dollar share up 1.3 pts in two years**

1. Nielsen IQ: Total Packaged Coffee, Total US xAOC
2. Nielsen IQ: Bagged Coffee and Pods, Total US xAOC, Dollar Share = BRCC $ Sales / Total Category $ Sales; quarterly periods Q4 2023 (w/e 12/30/23) to Q3 2026 (w/e 09/26/26)

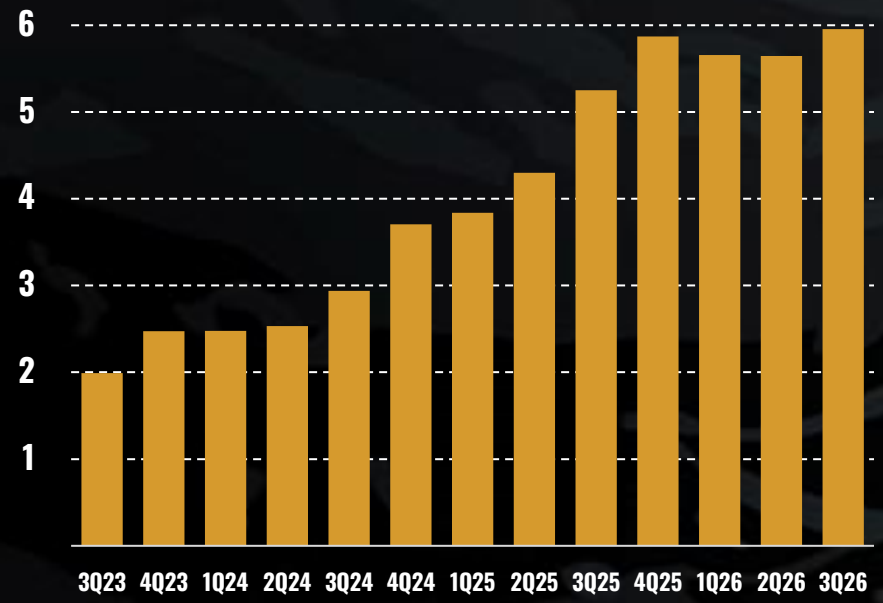
# “LAND & EXPAND”: BROADER REACH, DEEPER ASSORTMENT

## DISTRIBUTION REACH - %ACV[1]




**LAND: Strong ACV trajectory with further retail door expansion opportunity ahead**

## ASSORTMENT DEPTH – AVERAGE ITEMS CARRIED[2]

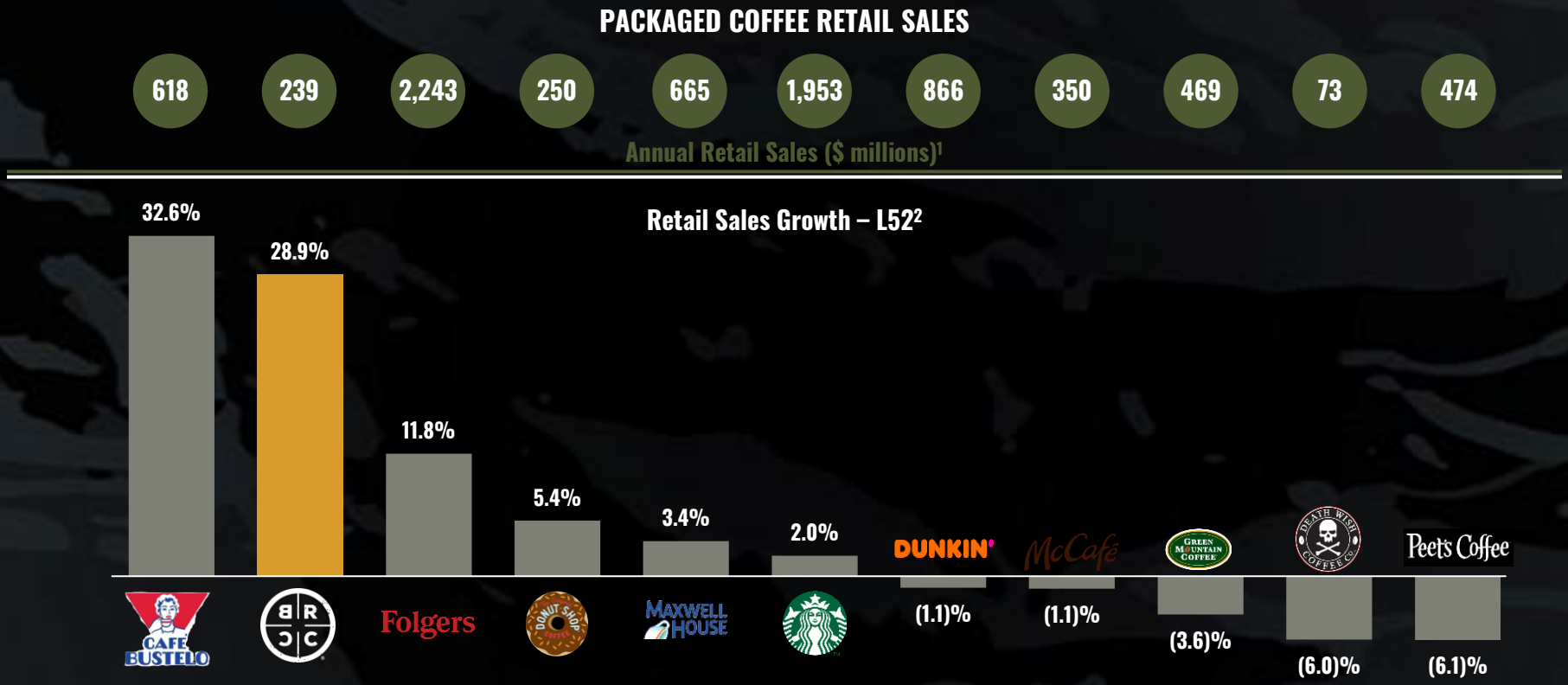



**EXPAND: Average items carried in grocery roughly doubled in two years**

1. Nielsen IQ: Total Packaged Coffee, Total US xAOC, 4-Week periods ending closest to each Quarter's end-date
2. Nielsen IQ: Total Packaged Coffee, Total US Food (Grocery), Average Items Carried

# REAL CONSUMER DEMAND IN A PRICE-DRIVEN CATEGORY

## BRCC's branding and focus on quality products have driven outsized growth compared to legacy brands




| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Unit Growth[3] | 14.2% | 12.8% | (4.9)% | (7.8)% | (13.4)% | (12.0)% | (14.0)% | (8.8)% | (13.7)% | (14.6)% | (13.4)% |
| Pricing Growth[4] | 16.1% | 14.2% | 17.6% | 14.2% | 19.4% | 15.9% | 15.1% | 8.3% | 11.7% | 10.0% | 8.5% |

1. Nielsen IQ, Total US xAOC, Dollar Sales, Total Packaged Coffee Sales, L52 through 9/26/2026
2. Nielsen IQ, Total US xAOC, % Change in Dollar Sales, Total Packaged Coffee Sales, L52 through 9/26/2026
3. Nielsen IQ, Total US xAOC, EQ % Change, Total Packaged Coffee Sales, L52 through 9/26/2026
4. Nielsen IQ, Total US xAOC, Average EQ % Price Change, Total Packaged Coffee Sales, L52 through 9/26/2026

# MARKETPLACES BROADEN OUR REACH; BRCC.COM DEEPENS LOYALTY

**Growing the total DTC business through complementary channels**

**+8.5%**
**Total DTC YoY Growth Q3**

**4th**
**Consecutive Quarter of YoY DTC Growth**

**+65%**
**Marketplace YoY Growth Q3**

## BRCC.COM — STRATEGIC ROLE

- Core platform for **subscriptions** and **loyal customers**
- **Home base** for our most **passionate consumers** and **exclusive offerings**
- Supports **pricing discipline** and **margin expansion**
- Performance reflects **intentional mix optimization**

## MARKETPLACE — SCALING THE MODEL

- Expands **reach** by meeting customers **where they shop**
- **Complements** BRCC.com by reaching **new shoppers**
- Mirrors proven **"land and expand"** omnichannel model
- Lower-friction **entry point** driving customer acquisition, brand awareness, repeat purchase

**MARKETPLACE** (REACH) → **BRCC.COM** (LOYALTY) → **DTC OUTCOME** (GROWTH)

# CHANNEL EXPANSION: SIZING THE MARKETPLACE, MASS & GROCERY OPPORTUNITY

**Purchasing patterns differ by channel — pod/bag mix and pack size vary across marketplace, mass, and grocery**

## LARGE ONLINE MARKETPLACE[1]

**~$4.2B**
annual coffee sales

### CATEGORY MIX[4]




● Pods ● Bags

Pod-skewed sales; heavily weighted to the largest pack sizes

### BRCC MARKET SHARE

| 1.8% | 1.4% |
|---|---|
| Bags | Pods |

## LARGE MASS RETAILER[2]

**~$4.1B**
annual coffee sales

### CATEGORY MIX[4]




● Pods ● Bags

Pod-led; skewed to larger 22/24-count packs vs. grocery's 10/12-count

### BRCC MARKET SHARE

| 9.6% | 5.1% |
|---|---|
| Bags | Pods |

## GROCERY[3]

**~$6.8B**
annual coffee sales

### CATEGORY MIX[4]




● Pods ● Bags

Even pod & bag split; grocery buyers still anchor to bagged coffee

### BRCC MARKET SHARE

| 1.8% | 1.1% |
|---|---|
| Bags | Pods |

**BRCC's market share is strongest at our largest mass retail customer, while our low-single-digit share in online marketplaces and grocery signals significant opportunity for growth.**

1. Stackline, Large Online Marketplace, Dollar Sales, Total Packaged Coffee Sales, L52 through 9/26/2026; BRCC market share reflects September 2026 (5 w/e 9/26/26). Bagged share covers the “Ground Coffee” and “Whole Bean Coffee” categories.
2. Nielsen IQ, Large Mass Retailer, Dollar Sales, Total Packaged Coffee Sales, L52 through 9/26/2026; BRCC Market Share is 5 w/e 9/26/26
3. Nielsen IQ, Total US Food (Grocery), Dollar Sales, Total Packaged Coffee Sales, L52 through 9/26/2026; BRCC Market Share is 5 w/e 9/26/26
4. Category mix represents the percentage of combined bagged coffee and pod dollar sales attributable to each format. Excludes instant coffee, canisters, and other formats.

# RTD: FROM DISTRIBUTION SCALE TO IMPROVED ECONOMICS

**Converting an established market position into stronger financial returns**

| ESTABLISHED POSITION | STRATEGIC PRIORITY |
| --- | --- |
| **#3** single-serve RTD coffee brand[1] | Concentrate investment where the brand earns its strongest returns |
| **~53%** weighted distribution (ACV)[1] | Improve sales velocity within existing distribution |
| Sold across convenience, grocery and mass retail | Drive efficiency in how we serve each channel |




**BUILDING A MORE EFFICIENT RTD BUSINESS THROUGH PROJECT CORE**

1. NielsenIQ, Total US xAOC + Convenience, RTD coffee single-serve. Brand rank by dollar sales, latest 52 weeks ending 9/26/26; ACV rolling 4 weeks ending 9/26/26.

# PROJECT CORE: BUILDING A MORE FOCUSED, PROFITABLE BRCC

**Focusing on core coffee and the brand to improve profitability, simplify operations and reduce capital intensity**



## GROW CORE COFFEE

- Media and mission as our demand engine
- Win in grocery and mass, earning distribution through sales velocity
- Grow across digital marketplaces; BRCC.com as the home for subscribers



## IMPROVE PROFITABILITY

- Manage pricing, trade spending, product costs and overhead together
- Put our most profitable products and channels first
- Build earnings that reflect underlying performance



## SIMPLIFY THE BUSINESS

- Non-core activities must justify their place, be partnered or be exited
- Asset-light: partners manufacture, we control brand and standards
- Reduce organizational and operating complexity

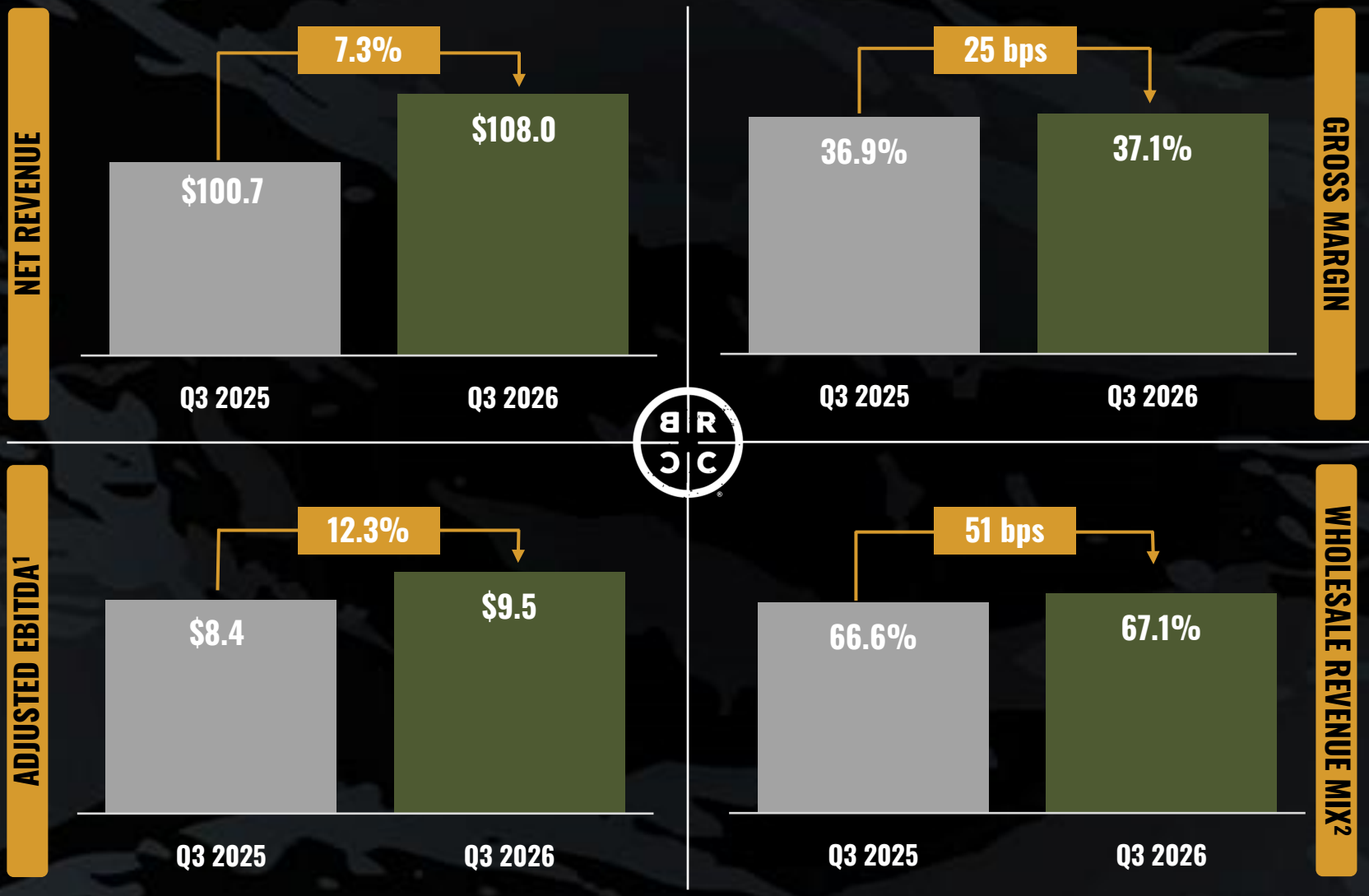
**THE OBJECTIVE: TURN STRONG CONSUMER DEMAND INTO SUSTAINABLE EARNINGS GROWTH**




# Operational Performance & Financial Results

# QUARTERLY FINANCIALS

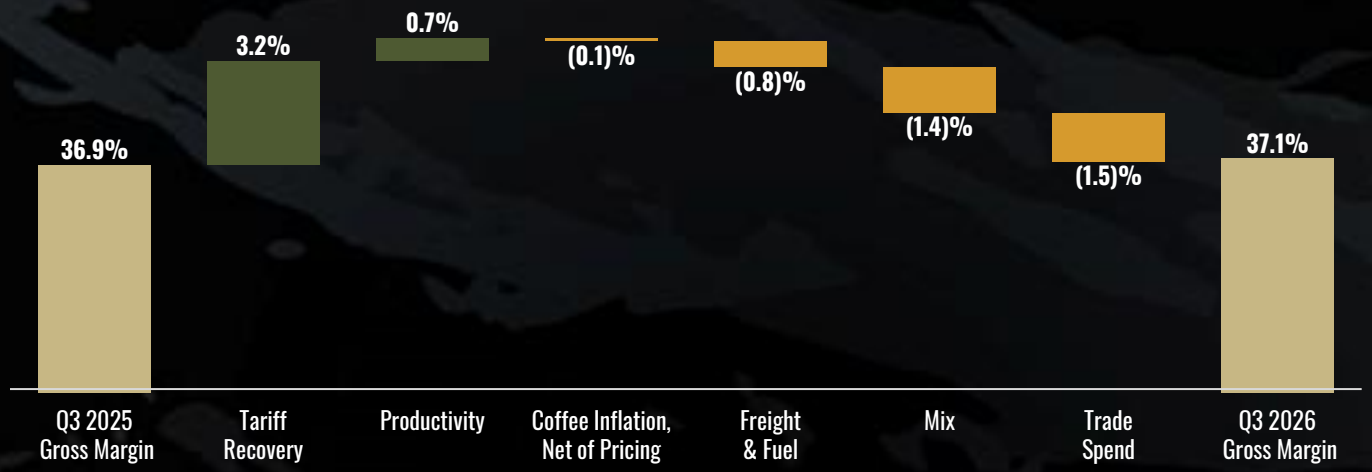
*$ millions*




1. Refer to slide 26 for a reconciliation of "Adjusted EBITDA"
2. Wholesale Revenue Mix defined as Wholesale Revenue as a percentage of Net Revenue

# GROSS MARGIN PRESSURE EASING; LONG-TERM EXPANSION LEVERS REMAIN

## Q3 Gross Margin Bridge

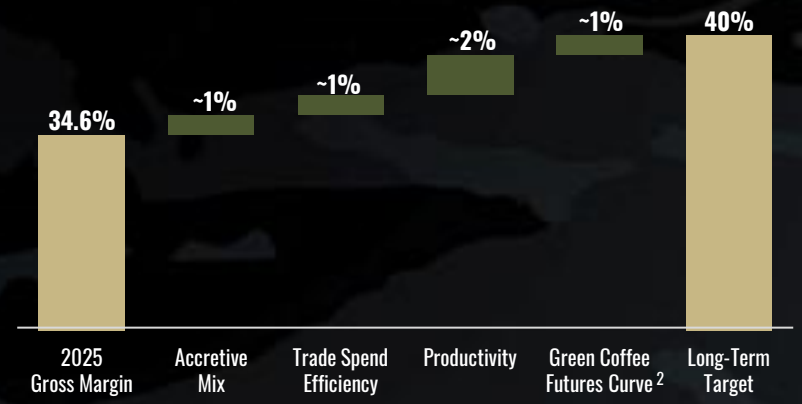



**Coffee inflation created near-term pressure, but controllable levers support margin normalization.**

## Coffee Spot Pricing & Futures Curve[1]




## Long-Term Gross Margin Expansion Levers




1. ICE Futures U.S. Arabica (KC) spot and futures price as of 10/15/26. Futures curve reflects active contract settlement prices.
2. Potential benefit of 100 bps assumes a long-term coffee spot price of $2.50/lb; forward-looking and subject to market volatility. Does not reflect existing hedges, contracted purchases, or actual realized costs, which may differ materially.

# GROSS PROFIT GROWTH DRIVES ADJUSTED EBITDA; OPEX LEVERAGE EXPANDS MARGIN

## Q3 Adjusted EBITDA Bridge[1]




**Focus remains on operational efficiency through disciplined cost management**

- Focused Margin Improvement Initiatives
- Prioritizing Highest-Return Initiatives
- Mix Between Channels and Products
- Aligned Headcount with FDM Focus

[1] Refer to slide 26 for a reconciliation of "Adjusted EBITDA"
[2] Refer to slide 27 for a reconciliation of "Adjusted Gross Profit" and "Adjusted Operating Expenses"




# Outlook

# 2026 FINANCIAL GUIDANCE

## Net Revenue

**At least 8%**

Growth Compared to 2025



- Implies at least $430 million of revenue in 2026, compared to $398.3 million in 2025
- Reaffirmed 2026 revenue guidance incorporates approximately $3 million in expected fourth-quarter revenue headwinds related to the divestiture of a non-core DTC brand and Outpost closures

## Gross Margin

**34 to 36%**

Expected Gross Margin Range

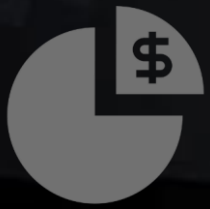


- 2026 gross margin expected to range from 34% to 36%, compared to 34.6% in 2025
- Expected benefits: pricing actions, tariff refunds and productivity initiatives
- Expected offsets: input cost inflation (green coffee, aluminum, co-manufacturing), higher transportation costs (including fuel and freight) and increased trade and slotting investment

## Adjusted EBITDA[1]

**At least 35%**

Growth Compared to 2025



- Implies Adjusted EBITDA of at least ~$29 million in 2026, compared to $21.4 million in 2025
- Revenue growth is expected to drive higher gross profit dollars, with gross margin % broadly in line with 2025
- Benefits from the 2025 Operational Improvement Plan are expected to reduce SG&A dollars in 2026 compared to 2025

[1] We have not reconciled forward-looking Adjusted EBITDA to its most directly comparable GAAP measure, net income (loss), in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. We cannot predict with reasonable certainty the ultimate outcome of certain components of such reconciliation, including market-related assumptions that are not within our control, or others that may arise, without unreasonable effort. For these reasons, we are unable to assess the probable significance of the unavailable information, which could materially impact the amount of future net income (loss). See "Non-GAAP Financial Measures" for additional important information regarding Adjusted EBITDA.

# Appendix



# FINANCIAL HIGHLIGHTS

**Third Quarter 2026 Financial Highlights**

*(in millions, except % data)*

| | Third Quarter Comparisons | | | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Net Revenue | $ 108.0 | $ 100.7 | $ 7.3 | 7.3 % |
| Gross Profit | $ 40.1 | $ 37.1 | $ 3.0 | 8.0 % |
| *Gross Margin* | *37.1 %* | *36.9 %* | | |
| | | | | |
| Net Loss | $ (8.7) | $ (1.2) | $ (7.4) | |
| Adjusted EBITDA[(1)] | $ 9.5 | $ 8.4 | $ 1.0 | 12.3 % |
| *Adjusted EBITDA as a % of Net Revenue* | *8.8 %* | *8.4 %* | | |

[1] Refer to slide 26 for a reconciliation of "Adjusted EBITDA"

# CONSOLIDATED INCOME STATEMENTS

*(in thousands, except share and per share amounts)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| **Revenue, net** | $ 108,038 | $ 100,712 | $ 324,285 | $ 285,524 |
| **Cost of goods sold** | 67,914 | 63,563 | 211,590 | 183,729 |
| Gross profit | 40,124 | 37,149 | 112,695 | 101,795 |
| **Operating expenses** | | | | |
| Marketing and advertising | 10,284 | 8,707 | 30,994 | 29,798 |
| Salaries, wages, and benefits | 15,472 | 14,389 | 45,049 | 43,743 |
| General and administrative | 12,596 | 12,947 | 31,965 | 39,046 |
| Other operating expense, net | 9,261 | 588 | 9,756 | 6,746 |
| Total operating expenses | 47,613 | 36,631 | 117,764 | 119,333 |
| **Operating income (loss)** | (7,489) | 518 | (5,069) | (17,538) |
| **Non-operating expenses** | | | | |
| Interest expense, net | (1,130) | (1,712) | (3,624) | (5,925) |
| Total non-operating expenses | (1,130) | (1,712) | (3,624) | (5,925) |
| **Loss before income taxes** | (8,619) | (1,194) | (8,693) | (23,463) |
| Income tax expense | 33 | 44 | 99 | 132 |
| **Net loss** | (8,652) | (1,238) | (8,792) | (23,595) |
| Less: Net loss attributable to non-controlling interest | (5,307) | (752) | (5,329) | (14,893) |
| **Net loss attributable to BRC Inc.** | $ (3,345) | (486) | $ (3,463) | (8,702) |
| | | | | |
| **Net loss per share attributable to Class A Common Stock** | | | | |
| Basic and diluted | $ (0.28) | $ (0.05) | $ (0.29) | $ (0.98) |
| **Weighted-average shares of Class A Common Stock outstanding** | | | | |
| Basic and diluted | 11,986,604 | 10,799,479 | 11,771,326 | 8,862,574 |

# CONSOLIDATED BALANCE SHEETS

*(in thousands, except share and par value amounts)*

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 9,197 | $ 4,330 |
| Accounts receivable, net | 37,737 | 35,057 |
| Inventories, net | 42,206 | 49,703 |
| Prepaid expenses and other current assets | 11,613 | 11,235 |
| Assets held for sale | 17,065 | — |
| Total current assets | 117,818 | 100,325 |
| Property, plant, and equipment, net | 12,448 | 42,855 |
| Operating lease, right-of-use asset | 8,278 | 21,205 |
| Non-current prepaid marketing expenses | 40,504 | 44,432 |
| Identifiable intangibles, net | 221 | 300 |
| Other | 107 | 126 |
| Total assets | $ 179,376 | $ 209,243 |
| **Liabilities and stockholders' equity** | | |
| Current liabilities: | | |
| Accounts payable | $ 28,279 | $ 34,721 |
| Accrued liabilities | 30,037 | 32,455 |
| Deferred revenue and gift card liability | 2,642 | 4,033 |
| Current maturities of long-term debt | 10,642 | 2,400 |
| Current operating lease liability | 2,619 | 2,481 |
| Current maturities of finance lease obligations | 4 | 4 |
| Total current liabilities | 74,223 | 76,094 |
| Non-current liabilities: | | |
| Long-term debt, net | 20,740 | 32,313 |
| Finance lease obligations, net of current maturities | 12 | 15 |
| Operating lease liability | 11,589 | 24,822 |
| Other non-current liabilities | 5,333 | 7,982 |
| Total non-current liabilities | 37,674 | 65,132 |
| Total liabilities | 111,897 | 141,226 |
| Stockholders' equity: | | |
| Preferred Stock, $0.0001 par value, 1,000,000 shares authorized; no shares issued or outstanding as of both September 30, 2026 and December 31, 2025 | — | — |
| Class A Common Stock, $0.0001 par value, 2,500,000,000 shares authorized; 12,012,076 and 11,486,067 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively[(1)] | 1 | 1 |
| Class B Common Stock, $0.0001 par value, 300,000,000 shares authorized; 13,045,498 and 13,369,486 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively[(1)] | 1 | 1 |
| Class C Common Stock, $0.0001 par value, 1,500,000 shares authorized; no shares issued or outstanding as of both September 30, 2026 and December 31, 2025 | — | — |
| Additional paid in capital | 184,851 | 180,995 |
| Accumulated deficit | (138,807) | (135,344) |
| Total BRC Inc.'s stockholders' equity | 46,046 | 45,653 |
| Non-controlling interests | 21,433 | 22,364 |
| Total stockholders' equity | 67,479 | 68,017 |
| Total liabilities and stockholders' equity | $ 179,376 | $ 209,243 |

[(1)] *Share amounts have been retroactively adjusted to reflect the 1-for-10 reverse stock split of the Class A Common Stock and Class B Common Stock that was effected on August 21, 2026.*

# CONSOLIDATED STATEMENTS OF CASH FLOWS

*(in thousands)*

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2026 | 2025 |
| **Operating activities** | | |
| Net loss | $ (8,792) | $ (23,595) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 5,976 | 9,591 |
| Equity-based compensation | 8,461 | 7,685 |
| Settlement of litigation by issuance of stock | — | 2,367 |
| Amortization of debt issuance costs | 819 | 809 |
| (Gain) loss on disposal of assets | (301) | 1,396 |
| Gain on modification of leases | (3,219) | — |
| Loss on impairment of assets | 11,698 | — |
| Paid-in-kind interest | — | 1,224 |
| Other | 30 | 83 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | (2,719) | 3,072 |
| Inventories, net | 6,632 | (11,772) |
| Prepaid expenses and other assets | 5,863 | 7,895 |
| Accounts payable | (6,472) | (3,264) |
| Accrued liabilities | (2,418) | 8,376 |
| Deferred revenue and gift card liability | (1,391) | 751 |
| Operating lease liability | (1,126) | (3,708) |
| Other liabilities | (2,649) | (2,005) |
| Net cash provided by (used in) operating activities | 10,392 | (1,095) |
| **Investing activities** | | |
| Purchases of property, plant, and equipment | (1,594) | (2,964) |
| Proceeds from sale of property and equipment | 429 | 102 |
| Net cash used in investing activities | (1,165) | (2,862) |
| **Financing activities** | | |
| Proceeds from ABL Facility | 27,500 | 231,206 |
| Debt issuance costs paid | — | (225) |
| Repayment of long-term debt | (31,250) | (262,032) |
| Financing lease obligations | (3) | 7 |
| Repayment of promissory note | (400) | (1,047) |
| Payments of tax withholdings on vested Restricted Stock Units | (316) | — |
| Issuance of stock from the Employee Stock Purchase Plan | 109 | 297 |
| Proceeds received for settlement agreement | — | 1,000 |
| Proceeds received for public offering, net of issuance costs | — | 37,423 |
| Net cash provided by (used in) financing activities | (4,360) | 6,629 |
| Net increase in cash, cash equivalents | 4,867 | 2,672 |
| Cash and cash equivalents, beginning of period | 4,330 | 6,810 |
| Cash and cash equivalents, end of period | $ 9,197 | $ 9,482 |
| **Supplemental cash flow disclosures** | | |
| Recognition of revenue for inventory exchanged for prepaid advertising | (40) | 1,398 |
| Property and equipment purchased but not yet paid | 62 | 54 |
| Note receivable from sale of property and equipment | 844 | — |
| Cash paid for income taxes | 133 | 378 |
| Cash paid for interest | 3,135 | 3,991 |

# KEY OPERATIONAL METRICS

**Revenue by Sales Channel**

*(in thousands)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Wholesale | $ 72,462 | $ 67,032 | $ 217,787 | $ 185,139 |
| DTC | 30,203 | 27,842 | 91,323 | 83,203 |
| Outpost | 5,373 | 5,838 | 15,175 | 17,182 |
| Total revenue, net | $ 108,038 | $ 100,712 | $ 324,285 | $ 285,524 |

**Key Operational Metrics**

| | September 30, | |
|---|---|---|
| | 2026 | 2025 |
| Coffee ACV %[1] | 58.7 % | 54.1 % |
| Ready-to-Drink Coffee ACV %[2] | 52.8 % | 53.3 % |
| Outposts | | |
| Company-owned stores | 17 | 17 |
| Franchise stores | 22 | 20 |
| Total Outposts | 39 | 37 |

(1) *Coffee ACV% calculated as the "Packaged Coffee" category within Nielsen. Nielsen Total US xAOC, 4-weeks ending 9/26/26 and 4-weeks ending 9/27/25.*

(2) *RTD ACV% calculated for the "RTD Coffee" category (Plus Monster-Java) for single-serve RTD coffee within Nielsen. Nielsen Total US xAOC + Conv, 4-weeks ending 9/26/26 and 4-weeks ending 9/27/25.*

# 2026 OUTLOOK

**For full-year fiscal 2026, the Company reaffirms the following guidance:**

*(in millions, except % data)*

| | FY2025 Actual | Current FY2026 Guidance |
|---|---|---|
| Net Revenue | $ 398.3 | *At least 8% growth* |
| Gross Margin | 34.6 % | *34% to 36%* |
| Adj. EBITDA | $ 21.4 | *At least 35% growth* |

# RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

*(in thousands)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Net loss | $ (8,652) | $ (1,238) | $ (8,792) | $ (23,595) |
| Interest expense | 1,130 | 1,712 | 3,624 | 5,925 |
| Tax expense | 33 | 44 | 99 | 132 |
| Depreciation and amortization | 1,794 | 3,055 | 5,976 | 9,591 |
| EBITDA | $ (5,695) | $ 3,573 | $ 907 | $ (7,947) |
| Equity-based compensation[1] | 2,759 | 2,354 | 8,461 | 7,685 |
| Lease termination and modification costs, net[2] | 282 | 735 | 408 | 1,546 |
| Loss on impairment of assets | 11,698 | — | 11,698 | — |
| Loss on disposal of assets[3] | 355 | — | 355 | — |
| Non-routine legal expense[4] | (165) | (471) | (197) | 6,039 |
| Transactions expenses[5] | — | 741 | — | 741 |
| Restructuring fees and related costs[6] | 220 | 1,490 | 1,444 | 3,639 |
| Adjusted EBITDA | $ 9,454 | $ 8,422 | $ 23,076 | $ 11,703 |

(1) Represents the non-cash expense related to our equity-based compensation arrangements for employees, directors, and consultants.

(2) Represents costs, net of gains, associated with the modification of lease agreements for retail locations, including the gains and loss from the modification of leases and incremental fees incurred in connection with lease modifications. Costs for the three months ended September 30, 2026 include $3.5 million of lease modification fees in connection with Project Core, partially offset by a gain of $3.2 million as a result of lease modifications. Costs for the nine months ended September 30, 2026 include $3.5 million of lease modification fees in connection with Project Core and $0.1 million of lease termination costs incurred in the first half of the year, partially offset by a gain of $3.2 million as a result of lease modifications. Costs for both the three and nine months ended September 30, 2025 consist of lease termination costs.

(3) Represents loss on disposal of assets related to the divestiture of a non-core brand.

(4) Represents legal costs and fees incurred as well as the settlement of non-routine litigation related to the exercise of warrants issued in connection with our business combination, net of insurance recoveries. For more information about our litigation matters see our Annual Report on Form 10-K for fiscal year ended December 31, 2025 and the other filings we make with the SEC.

(5) Represents costs incurred in connection with proposed capital markets transactions that were not completed.

(6) Represents costs incurred related to restructuring as part of our Operational Improvement Plan. Costs for the three months ended September 30, 2026 include $0.2 million of severance. Costs for the nine months ended September 30, 2026 include $0.6 million of severance and $0.9 million related to the relocation of inventory following a change in third-party logistics provider. Costs incurred during 2025 include $0.8 million and $2.9 million of severance for the three and nine months ended September 30, 2025, respectively, and $0.7 million of costs for both periods related to the relocation of inventory following a change in third-party logistics provider and to the relocation of our headquarters.

# RECONCILIATION OF OTHER GAAP TO NON-GAAP MEASURES

**Reconciliation of Gross Profit (GAAP) to Adjusted Gross Profit (Non-GAAP)**

*(in thousands)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Gross profit | 40,124 | 37,149 | 112,695 | 101,795 |
| Adjustments: | | | | |
| Depreciation and amortization | 379 | 411 | 1,184 | 1,238 |
| Restructuring fees and related costs[1] | — | 681 | 320 | 681 |
| Adjusted Gross Profit | $ 40,503 | $ 38,241 | $ 114,199 | $ 103,714 |

**Reconciliation of Operating Expenses (GAAP) to Adjusted Operating Expenses (Non-GAAP)**

*(in thousands)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Operating expenses | 47,613 | 36,631 | 117,764 | 119,333 |
| Adjustments: | | | | |
| Depreciation and amortization | 1,417 | 2,644 | 4,792 | 8,353 |
| Equity-based compensation[2] | 2,759 | 2,354 | 8,461 | 7,685 |
| Lease termination and modification costs, net[3] | 282 | 735 | 408 | 1,546 |
| Loss on impairment of assets | 11,698 | — | 11,698 | — |
| Loss on disposal of assets[4] | 355 | — | 355 | — |
| Non-routine legal expense[5] | (165) | (471) | (197) | 6,039 |
| Transaction expenses[6] | — | 741 | — | 741 |
| Restructuring fees and related costs[7] | 220 | 809 | 1,124 | 2,958 |
| Adjusted Operating Expenses | $ 31,047 | $ 29,819 | $ 91,123 | $ 92,011 |

(1) Represents the costs incurred related to restructuring as part of our Operational Improvement Plan and primarily related to the relocation of inventory following a change in third-party logistics provider.
(2) Represents the non-cash expense related to our equity-based compensation arrangements for employees, directors, and consultants.
(3) Represents costs, net of gains, associated with the modification of lease agreements for retail locations, including the gains and loss from the modification of leases and incremental fees incurred in connection with lease modifications. Costs for the three months ended September 30, 2026 include $3.5 million of lease modification fees in connection with Project Core, partially offset by a gain of $3.2 million as a result of lease modifications. Costs for the nine months ended September 30, 2026 include $3.5 million of lease modification fees in connection with Project Core and $0.1 million of lease termination costs incurred in the first half of the year, partially offset by a gain of $3.2 million as a result of lease modifications. Costs for both the three and nine months ended September 30, 2025 consist of lease termination costs.
(4) Represents loss on disposal of assets related to the divestiture of a non-core brand.
(5) Represents legal costs and fees incurred as well as the settlement of non-routine litigation related to the exercise of warrants issued in connection with our business combination, net of insurance recoveries. For more information about our litigation matters see our Annual Report on Form 10-K for fiscal year ended December 31, 2025 and the other filings we make with the SEC.
(6) Represents costs incurred in connection with proposed capital markets transactions that were not completed.
(7) Represents costs incurred related to restructuring as part of our Operational Improvement Plan. Costs for the three months ended September 30, 2026 include $0.2 million of severance. Costs for the nine months ended September 30, 2026 include $0.6 million of severance and $0.6 million related to SG&A costs incurred as part of the relocation of inventory following a change in third-party logistics provider. Costs incurred during 2025 include $0.8 million and $2.9 million of severance for the three and nine months ended September 30, 2025, respectively.

# RECONCILIATION OF DTC REVENUE TO DTC REVENUE, EXCLUDING DIVESTED BRAND

*(in thousands)*

| | Three Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2026 | 2025 | $ Change | % Change |
| DTC revenue | $ 30,203 | $ 27,842 | $ 2,361 | 8.5 % |
| Less: divested brand DTC revenue | 463 | 1,369 | | |
| DTC revenue, excluding divested brand | $ 29,740 | $ 26,473 | $ 3,267 | 12.3 % |

# RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO FREE CASH FLOW

*(in thousands)*

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Net cash provided by (used in) operating activities | $ (2,243) | $ 6,369 | $ 10,392 | $ (1,095) |
| Purchases of property, plant and equipment | (501) | (817) | (1,594) | (2,964) |
| Free Cash Flow | $ (2,744) | $ 5,552 | $ 8,798 | $ (4,059) |

# RECONCILIATION OF NET LEVERAGE RATIO

*(in thousands, except for ratio)*

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | December 31, 2025 | March 31, 2026 | June 30, 2026 | September 30, 2026 | Last Twelve Months |
| Net income (loss) | $ (8,639) | $ 46 | $ (186) | $ (8,652) | **$ (17,431)** |
| Interest expense | 1,581 | 1,240 | 1,254 | 1,130 | **5,205** |
| Tax expense | — | 33 | 33 | 33 | **99** |
| Depreciation and amortization | 2,606 | 2,162 | 2,018 | 1,794 | **8,580** |
| EBITDA | $ (4,452) | $ 3,481 | $ 3,119 | $ (5,695) | **$ (3,547)** |
| Equity-based compensation | 2,622 | 2,734 | 2,968 | 2,759 | **11,083** |
| Lease termination and modification costs, net | (5) | 123 | 3 | 282 | **403** |
| (Gain)/Loss on disposal of assets | (675) | — | — | 355 | **(320)** |
| Loss on impairment of assets | 3,437 | — | — | 11,698 | **15,135** |
| Non-routine legal expense | 2,129 | (32) | — | (165) | **1,932** |
| Transaction expenses | 704 | — | — | — | **704** |
| Contract termination costs | 4,024 | — | — | — | **4,024** |
| Restructuring fees and related costs | 1,960 | 1,031 | 193 | 220 | **3,404** |
| Adjusted EBITDA | $ 9,744 | $ 7,337 | $ 6,283 | $ 9,454 | **$ 32,818** |

| | September 30, 2026 |
|---|---|
| Principal amounts of: | |
| Term loan facility | $ 34,930 |
| Finance leases | 16 |
| Total principal amounts | 34,946 |
| Less: | |
| Cash and cash equivalents | 9,197 |
| Total principal amounts less cash and cash equivalents | $ 25,749 |

| | |
|---|---|
| September 30, 2026 Net Leverage Ratio | 0.78 |