

# KITS

NEWS RELEASE

## KITS Issues First Quarter 2026 Guidance Reflecting Category-Leading Organic Growth of over 25% and Glasses growth exceeding 50%

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Q1 2026 Revenue Guidance of \$58 Million to \$60 Million  
Glasses Revenue to Exceed \$10 Million, Growing Over 50% Year-over-Year  
Adjusted EBITDA Margin Between 4% to 6%

VANCOUVER, BC, Feb. 17, 2026 /CNW/ - **Kits Eyecare Ltd.** (TSX: KITS) ("KITS" or the "Company"), a leading vertically integrated digital eyewear platform, today provided first quarter 2026 guidance reflecting continued category-leading growth, and disciplined strategic investment to accelerate market share gains.

### First Quarter 2026 Outlook (Three Months Ending March 31, 2026)

- Revenue expected in the range of \$58 million to \$60 million reflecting 25% to 29% organic growth
- Adjusted EBITDA as a percentage of revenue expected between 4% and 6%
- Glasses revenue expected to exceed \$10 million, representing over 50% year-over-year growth

### Sustained Growth in a Large, High-Margin Category

The optical market remains highly fragmented and structurally attractive, characterized by recurring demand and premium product mix expansion. KITS continues to outpace category growth, supported by:

- Increasing repeat customer behavior
- Expanding premium lens adoption

- Strong customer acquisition efficiency
- Ongoing operating leverage within its vertically integrated model

Management believes these trends reflect the durability and scalability of the KITS platform.

## Strategic Investment to Accelerate Share Capture

During the quarter, the Company is prudently continuing marketing investment to further expand brand awareness and accelerate market share gains.

This deliberate investment reflects management's confidence in:

- The Company's customer lifetime value dynamics
- Structural cost advantages from vertical integration
- The long-term operating model

KITS remains focused on disciplined capital allocation and value creation.

## Financial Strength and Capital Flexibility

The Company maintains a strong balance sheet, supported by:

- Significant liquidity
- A recently expanded \$15 million credit facility complementing an already robust balance sheet
- A conservative capital structure

This flexibility enables KITS to invest from a position of strength while preserving strategic optionality.

## Direct Validation of Platform Quality

Over the past three years, KITS has consistently delivered:

- Durable double-digit revenue growth

- Expanding earnings power
- Strong repeat customer metrics
- Category-leading growth among public North American peers

Management believes this sustained performance demonstrates that KITS has evolved beyond a high-growth challenger into a scaled, profitable platform within a structurally advantaged industry.

As operating scale increases and earnings durability continues to strengthen, the Company believes its valuation should increasingly reflect the quality, consistency, and leadership position of the platform.

## CEO Commentary

Roger Hardy, Co-Founder and CEO of KITS, stated:

"Our performance continues to validate the strength of our vertically integrated model and our ability to capture share in a large, profitable category. We are executing with discipline, investing thoughtfully, and building a platform designed to compound value over time.

As we continue to demonstrate sustained growth and earnings durability, we believe the quality of business is becoming increasingly evident."

## About KITS

KITS (TSX: KITS) is one of the world's fastest growing eyecare providers, offering high-quality, affordable prescription glasses and contact lenses through its vertically integrated digital platform. With advanced in-house lens manufacturing, an industry-leading digital fit experience powered by OpticianAI, and thousands of 5-star customer reviews, KITS is redefining how Canadians experience eyecare. Designed in Canada. Delivered worldwide. For more information on KITS, visit: [www.kits.com](http://www.kits.com).

## Forward-Looking Statements

This press release contains forward-looking statements, including statements relating to the execution of our proposed strategy, our operating performance, our expectations and outlook and prospects for the business. These forward-looking statements generally can be identified by the use of words such as "intend," "believe," "could," "continue," "expect," "estimate," "forecast," "may," "potential," "project," "plan," "would," "will," and other words of similar meaning. Each forward-looking statement contained in this press release is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such a

statement. Our business is subject to substantial risks and uncertainties. This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of the expansion and enhancement of our fulfillment network, including our optical laboratory for glasses and warehouse facilities; the growth of our business and launch of new technologies; premium lens adoptions and smart eyewear expansion; our ability to drive sales growth; our ability to maintain, enhance, and grow within our addressable market; our ability to drive ongoing development and innovation of our exclusive brands and product categories; our ability to continue directly sourcing from third party suppliers and manufacturers; our ability to retain key personnel; our ability to add, maintain and expand production, distribution and fulfillment capabilities; our ability to continue investing in infrastructure to support our growth; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; the changes and trends in our industry or the global economy; the impact of tariffs and U.S. and international trade actions, policies and reform; and the changes in laws, rules, regulations, and global standards. KITS' risks and uncertainties are discussed in detail in the company's Annual Information Form, filed on SEDAR on March 5, 2025. Investors, potential investors, and others should give careful consideration to these risks and uncertainties. We caution investors not to rely on the forward-looking statements contained in this press release when making an investment decision in our securities. The forward-looking statements in this press release speak only as of the date of this release, and we undertake no obligation to update or revise any of these statements, except as required under applicable securities laws. If we do update certain forward-looking information, no inference should be made that we will further update such or other forward-looking information.

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