
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of December, 2025

Commission file number: 001-32635

BIRKS GROUP INC.

(Translation of Registrant's name into English)

**2020 Robert Bourassa
Suite 200
Montreal, Québec
Canada
H3A 2A5**

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

☒ Form 20-F ☐ Form 40-F

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BIRKS GROUP INC.

(Registrant)

Date: December 5, 2025

By: /s/ Katia Fontana

Vice President and Chief Financial Officer

PART I – FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is designed to provide the reader of the financial statements with a narrative on our results of operations, financial position and liquidity, risk management activities, significant accounting policies and critical estimates, and the future impact of accounting standards that have been issued but are not yet effective. MD&A is presented in the following sections: Overview, Current Developments, Compliance with NYSE American LLC Continued Listing Standards, Description of Operations, Critical Accounting Policies and Estimates, Operating Results. It is useful to read the MD&A in conjunction with the unaudited condensed consolidated financial statements and related notes thereto contained elsewhere in this document. Unless the context otherwise requires, all references in this MD&A to "the Company", "Birks Group", "Birks" "we", "our", "ours", and "us" refer to Birks Group Inc., a Canadian corporation.

Annually, our fiscal year ends on the last Saturday of March. We refer to the prior fiscal year ended March 29, 2025 as Fiscal 2025, and the current fiscal year ending March 28, 2026 as Fiscal 2026. Fiscal 2026 and Fiscal 2025 consist of a fifty-two-week period.

All figures presented in this MD&A are in Canadian dollars unless otherwise specified.

Overview

Birks Group is a leading designer of fine jewelry and an operator of luxury jewelry, timepieces and gifts retail stores in Canada. The Company also has a small wholesale division with customers in North America, the U.K., and the E.U., which will be wound down by the end of 2025. As of September 27, 2025, Birks Group operated 32 stores across Canada, of which 17 retail stores operate under the Maison Birks brand in most major metropolitan markets in Canada, one retail location in Montreal under the Birks brand, one retail location in Montreal under the TimeVallée brand, one retail location in Calgary under the Brinkhaus brand, one retail location in Vancouver under the Graff brand, one retail location in Vancouver under the Patek Philippe brand, four retail locations in Laval, Ottawa, and Toronto under the Breitling brand, four retail locations in Toronto under the European Boutique brand, one retail location in Toronto under the Omega brand and one retail location in Toronto under the Montblanc brand.

Current Developments

Economic risk factors

The Company believes recent general economic conditions, business and retail climates and geopolitical instability, which include heightened inflation, stock market volatility and high interest rates and tariffs and retaliatory tariffs, could lead to a slow-down in certain segments of the global economy and affect customer behavior and the amount of discretionary income spent by potential consumers to purchase the Company's products. If global economic and financial market and geopolitical conditions persist or worsen, the Company's sales may decrease, and the Company's financial condition and results of operations may be adversely affected.

Significant Transaction

On June 6, 2025, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with the shareholders of 1067830 Ontario Limited ("the Target"), a company incorporated under the laws of Ontario, to acquire the Target and its wholly-owned subsidiaries which operate four retail locations in Toronto, Ontario, under the European Boutique brand and are engaged primarily in luxury timepieces and jewelry retail activities. The purchase was completed on July 8, 2025, for a total consideration of \$10.8 million (or \$8.1 million net of cash acquired) including purchase price adjustments for working capital. The purchase price was paid with a \$9.7 million cash consideration at closing and a note payable of \$1.1 million payable to the vendor on the first anniversary of the closing date, subject to certain adjustments customary for an acquisition of this nature (the "European Acquisition").

On June 26, 2025, Mangrove Holding S.A. ("Mangrove"), one of the Company's controlling shareholders, entered into a loan agreement with the Company to advance \$3.75 million of additional indebtedness (the "Mangrove Loan") to fund the Company's working capital requirements, at an annual interest rate of 15%, which would be repayable, in full, on December 24, 2026.

In conjunction with the closing of the European Acquisition, on July 8, 2025, the Company entered into an amendment to the Amended Term Loan (defined below) with Crystal Financial LLC (D/B/A SLR Credit Solutions) ("SLR"), whereby SLR provided the Company with an additional term loan of \$13.5 million to fund the European Acquisition and to fund ordinary course working capital (the "Incremental Loan"). The Incremental Loan bears interest at the same rate as the current term loan with SLR which is CORRA plus (i) a CORRA adjustment of 0.32% and (ii) 7.75%, and is repayable, in full, on December 24, 2026.

In addition, contemporaneously with the Incremental Loan, on July 8, 2025, the Company entered into an amendment and waiver to the Amended Credit Facility (as defined below) with Wells Fargo Capital Finance Corporation Canada ("Wells Fargo") whereby Wells Fargo waives certain provisions of the existing Amended Credit Facility to permit the European Acquisition, the Incremental Loan and the Mangrove Loan.

Change in Company's Management

On August 26, 2025, the Company announced that Jean-Christophe Bédos, the Company's President and CEO and Director, was stepping down from his role on August 29, 2025. He continues to support the Company in an advisory capacity during the leadership transition. The decision comes as the Company works to address recent financial challenges and position itself for long-term stability and growth.

An executive search for a new President and CEO will take place in due course. In the interim, Mr. Niccolò Rossi di Montelera, in addition to being the Company's Executive Chairman of the Board, was appointed as Interim CEO. Mr. Rossi di Montelera was elected to the Company's Board of Directors in September 2010 and has served as Vice-Chairman of the Company's Board of Directors from June 2015 until being appointed Executive Chairman of the Board in January 2017. In addition, Mr. Davide Barberis Canonico, a member of the Company's Board of Directors, was appointed Interim President and Chief Operating Officer. With 12 years of service on the Company's Board of Directors, Mr. Barberis Canonico brings extensive leadership experience, having held CEO roles at several companies. Mr. Barberis Canonico has assumed day-to-day leadership responsibilities.

Compliance with NYSE American LLC Continued Listing Standards

Our common stock is currently listed with NYSE American LLC ("NYSE American"). In order to maintain our listing, we must maintain certain share prices, financial and share distribution targets, including maintaining a minimum amount of stockholders' equity and a minimum number of public shareholders. NYSE American may delist the securities of any issuer for other reasons involving the judgment of NYSE American.

On February 25, 2025, the Company was notified by NYSE American LLC ("NYSE American") that it was not in compliance with the continued listing standards set forth in Section 1003(a)(i) and (ii) of the NYSE American Company Guide (the "Company Guide"). Section 1003(a)(i) applies if a listed company has stockholders' equity of less than U.S. \$2.0 million and has reported losses from continuing operations and/or net losses in two of its three most recent fiscal years. Section 1003(a)(ii) applies if a listed company has stockholders' equity of less than U.S. \$4.0 million and has reported losses from continuing operations and/or net losses in three of its four most recent fiscal years. The Company reported stockholders' deficit of U.S. \$6.1 million (CAD \$(8.2) million) as of September 28, 2024, and net losses in two of its three most recent fiscal years ended March 30, 2024 and in three of its four most recent fiscal years ended March 30, 2024. The Company was not eligible for any exemption in Section 1003(a) of the Company Guide from the stockholders' equity requirements.

In accordance with the procedures and requirements of Section 1009 of the Company Guide, the Company submitted its plan of compliance on March 27, 2025, addressing how the Company intends to regain compliance with Section 1003(a)(i) and (ii) of the Company Guide. The plan includes various initiatives, supported by a capital injection that may not be available on commercially reasonable terms, or may not be available at all. On May 13, 2025, NYSE American notified the Company that it accepted the Company's plan and granted the Company an extension for its continued listing until August 25, 2026 (the "Plan Period").

The Company is subject to periodic review by NYSE American during the Plan Period. If the Company does not regain compliance by the end of the Plan Period, or if the Company does not make progress consistent with the plan during the Plan Period, NYSE American may initiate delisting procedures as appropriate. We cannot assure that we will make sufficient progress to regain compliance with Sections 1003(a)(i) and 1003(a)(ii) by August 25, 2026 under our initial plan or any revision we make to such plan or that NYSE American will accept any revisions we propose to make to our initial plan, or that delisting proceedings may not be instituted against us based on our not meeting certain elements of the near-term milestones we had included as part of the compliance plan we submitted. If delisting proceedings are instituted against us, we would have the right to appeal any delisting determination.

For the twenty-six week period ended September 27, 2025, the Company reported total assets of \$213.2 million (U.S. \$152.9 million) and revenues of \$93.1 million (U.S. \$67.4 million). As of December 5, 2025, the Company had 11,876,717 publicly listed shares, more than 400 lot shareholders, and a market value of publicly listed shares of U.S. \$13.0 million. The Company is currently not meeting the continued listing standards set forth in the Company Guide with respect to minimum stockholders' equity and reported losses from continuing operations and/or net losses.

If NYSE American delists our common stock from trading on the exchange and we are not able to list our securities on another national securities exchange, we expect our common stock would qualify to be quoted on an over-the-counter market. If this were to occur, we could experience a number of adverse consequences, including: limited availability of market quotations for the common stock; reduced liquidity for our securities; our common stock being categorized as a "penny stock," which requires brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our common stock; and decreased ability to issue additional securities or obtain additional financing in the future.

Receipt of the non-compliance and acceptance notices does not affect the Company's business, operations, financial or liquidity condition, or reporting requirements with the Securities and Exchange Commission. During this time, the Company's Class A voting shares will continue to be listed and trade under the symbol "BGI."

Description of Operations

Our net sales are comprised of revenues, net of discounts, in each case, excluding sales tax. Sales are recognized at the point of sale when merchandise is taken or shipped. Sales of consignment merchandise are recognized on a full retail basis at such time that the merchandise is sold. Revenues for gift certificates and store credits are recognized upon redemption. Customers use cash, debit cards, third-party credit cards, private label credit cards and proprietary credit cards to make purchases. The level of our sales is impacted by the number of transactions we generate and the size of our average sales transaction.

Our operating costs and expenses are primarily comprised of cost of sales and selling, general and administrative expenses (“SG&A”). Cost of sales includes cost of merchandise, direct inbound freight and duties, direct labor related to repair services, the costs of our design and creative departments, inventory shrink, damage and inventory reserves, jewelry, watch and giftware boxes, as well as product development costs. SG&A includes, among other things, all non-production payroll and benefits (including non-cash compensation expense), store and head office occupancy costs, overhead, credit card fees, information systems, professional services, consulting fees, repairs and maintenance, travel and entertainment, insurance, legal, finance, human resources and training expenses. Occupancy, overhead and depreciation expenses are generally less variable relative to net sales than other components of SG&A such as credit card fees and certain elements of payroll, such as commissions. Another significant item in SG&A is marketing expenses, which include marketing, public relations and advertising costs (net of amounts received from vendors for cooperative advertising) incurred to increase customer awareness of both the Birks product brand and our third-party product brands. Marketing has historically represented a significant portion of our SG&A. As a percentage of net sales, marketing expense represented approximately 2.1% of sales during the twenty-six week period ended September 27, 2025 and approximately 2.7% of sales during the twenty-six week period ended September 28, 2024. Additionally, SG&A includes indirect costs such as freight, including inter-store transfers, receiving costs, distribution costs, and warehousing costs. Depreciation and amortization includes depreciation and amortization of our stores and head office, including leasehold improvements, furniture and fixtures, computer hardware and software and amortization of intangibles.

Our attention remains focused on the execution of our short-term and long-term strategic plans.

Over the short-term, we intend to focus our efforts on those strategies and key drivers of our performance that we believe are necessary in the current business climate, which include our ability to:

- grow sales, gross margin rate and gross profits;
- manage expenses and assets efficiently in order to optimize profitability and generate positive operating cash flow with the objective of growing earnings before interest, tax, depreciation and amortization (“EBITDA”);
- align our operations to effectively and efficiently deliver benefits to our shareholders;
- successfully integrate the European Acquisition and achievement of identified synergies; and
- maintain flexible and cost-effective sources of borrowings to finance our operations and growth strategies.

Over the long term, we believe that the key drivers of our performance will be our ability to:

- continue to develop our Birks product brand through the expansion of all sales channels including e-commerce;
- execute our merchandising strategy to increase net sales and maintain and expand gross margin by lowering discounts, developing and marketing higher margin exclusive and unique products, and further developing our internal capability to design, develop, and source products;
- execute our marketing strategy to enhance customer awareness and appreciation of the Birks product brand, as well as our third-party product brands with an objective of maintaining and eventually increasing customer traffic, client acquisition and retention, and net sales through regional, national and international advertising campaigns using digital channels (including our website), billboards, print, direct mail, in-store events, community relations, media and public relations, partnerships with key suppliers, and associations with prestige institutions;
- provide a superior omni-channel client experience through consistent outstanding customer service that will ensure customer satisfaction and promote frequent customer visits, customer loyalty, and strong customer relationships;
- increase our retail stores’ average retail transaction, conversion rate, productivity of our store professionals and inventory and four-wall profitability; and
- recruit and retain top talent whose values are aligned with our omni-channel strategic visions.

Critical Accounting Policies and Estimates

Our Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”), but do not include all of the information and footnotes required by GAAP for complete financial statements. Preparation of these statements requires management to make estimates and assumptions about future events and their impact on amounts reported in the financial statements and related notes. Some accounting estimates and policies have a significant impact on amounts reported in the financial statements. A summary of significant accounting estimates and policies and a description of accounting policies that are considered critical may be found in our Annual Report on

Form 20-F for the fiscal year ended March 29, 2025 filed with the SEC on July 25, 2025, in the Critical Accounting Policies and Estimates section contained therein. During the twenty-six week period ended September 27, 2025, there were no material changes in our estimates and critical accounting policies.

Operating results

Comparable Store Sales

We use comparable store sales as a key performance measure for our business. Comparable store sales include stores open in the same period in both the current and prior period. We include e-commerce sales in our comparable store sales calculations. Stores enter the comparable store calculation in their thirteenth full month of operation under our ownership. Stores that have been resized and stores that are relocated are evaluated on a case-by-case basis to determine if they are functionally the same store or a new store and then are included or excluded from comparable store sales accordingly. Comparable store sales measure the percentage change in net sales for comparable stores in a period compared to the corresponding period in the previous year. If a comparable store is not open for the entirety of both periods, comparable store sales measure the change in net sales for the portion of time that such store was open in both periods. We believe that this measure provides meaningful information on our performance and operating results. However, readers should know that this financial measure has no standardized meaning and may not be comparable to similar measures presented by other companies.

The percentage increase (decrease) in comparable stores sales for the periods presented below is as follows:

	For the 26 weeks ended September 27, 2025	For the 26 weeks ended September 28, 2024
Comparable store sales	6.3%	-4.9%

The increase in comparable store sales of 6.3% during the twenty-six week period ended September 27, 2025 is mainly attributable to strong sales in all products categories, particularly in third-party branded timepieces, but also in Birks branded jewelry and third-party branded jewelry. The comparable store sales increase was further supported by an increase in units sold as well as an increase in average sales transaction value.

The following table sets forth, for the twenty-six week period ended September 27, 2025 and for the twenty-six week period ended September 28, 2024, the amounts in our condensed consolidated statements of operations:

	Twenty-Six Week Period Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Net sales	\$ 93,117	\$ 80,118
Cost of sales	56,651	48,859
Gross profit	36,466	31,259
Selling, general and administrative expenses	32,958	27,827
Depreciation and amortization	3,690	3,701
Total operating expenses	36,648	31,528
Operating (loss)	(182)	(269)
Interest and other financing costs	3,694	4,034
Income taxes	—	—
Equity in earnings of joint venture, net of taxes	1,318	1,222
Net (loss)	\$ (2,558)	\$ (3,081)

Net Sales

	For the 26 weeks ended September 27, 2025	(In thousands)	For the 26 weeks ended September 28, 2024
Net Sales – Retail	\$ 88,350		\$ 75,229
Net Sales – Other	4,767		4,889
Total Net Sales	\$ 93,117		\$ 80,118

Total net sales for the twenty-six week period ended September 27, 2025 were \$93.1 million compared to \$80.1 million in the twenty-six week period ended September 28, 2024, which is an increase of \$13.0 million, or 16.2%. Net retail sales were \$13.1 million higher than the comparable prior year period, attributable in part, to the acquisition of the European stores, as well as an increase in third-party branded timepiece sales across multiple brands and increases in Birks branded jewelry and third-party branded jewelry. The retail sales increase was further supported by an increase in units sold as well as an increase in average sales transaction value. The decrease in Net Sales – Other of \$0.1 million is primarily driven by a decrease in sales from our wholesale business due to this business being wound down, offset by an increase in the gold exchange business of 18.1% due to an increase in events throughout the period and strong gold price, as well as an increase of 8.3% in e-commerce sales driven by branded timepiece sales and higher average selling price.

Gross Profit

	For the 26 weeks ended September 27, 2025	(In thousands)	For the 26 weeks ended September 28, 2024
Gross Profit – Retail	\$ 34,325		\$ 29,018
Gross Profit – Other	2,141		2,241
Total Gross Profit	\$ 36,466		\$ 31,259
Gross Margin (Total Gross Profit as a % of Total Net Sales)	39.2%		39.0%

Total gross profit was \$36.5 million, or 39.2% of net sales, for the twenty-six week period ended September 27, 2025 compared to \$31.3 million, or 39.0% of net sales for the twenty-six week period ended September 28, 2024. The increase of \$5.2 million in total gross profit is primarily attributable to an increase in sales volume in retail following the acquisition of the European stores and strong third-party branded timepieces sales. The 0.2% increase in gross margin is primarily attributable to a foreign exchange gain of \$0.8 million compared to a loss in the comparable prior year period, partially offset by product mix. The gold exchange and e-commerce channels also experienced higher sales volume, offset by sales mix. This was partially offset by a decrease in sales volume and sales mix in the wholesale channel due to the wind down of the wholesale business. In addition, packaging, reserves and other costs were approximately \$0.6 million greater than the comparable prior year period.

SG&A Expenses

SG&A expenses for the twenty-six-week period ended September 27, 2025, totaled \$33.0 million, representing 35.4% of net sales, compared to \$27.8 million, or 34.7% of net sales, for the same period in 2024, representing an increase of \$5.2 million. The primary driver of this increase was the European Acquisition, which contributed \$2.6 million. Compensation rose by \$1.3 million (\$0.8 million related to European) due to higher sales volume and increased headcount. Credit card fees increased by \$0.7 million (\$0.2 million related to European) driven by higher sales. Occupancy costs grew by \$1.2 million (\$0.8 million related to European) as a result of additional stores. Transaction costs related to the European acquisition amounted to \$0.4 million, while severance costs totaled \$0.9 million, primarily related to the CEO transition. Professional fees and other expenses increased by \$0.6 million (\$0.3 million relating to the European Acquisition) and stock-based compensation rose by \$0.2 million, mainly due to fluctuations in the stock price. These increases were partially offset by lower marketing costs, which decreased by \$0.2 million as a result of cost-saving measures, including reduced spending on events and campaigns. Overall, SG&A expenses as a percentage of net sales increased by 0.7% compared to the comparable prior year period.

Depreciation and Amortization Expense

Depreciation and amortization expense for the twenty-six week period ended September 27, 2025 was \$3.7 million compared to \$3.7 million for the twenty-six week period ended September 28, 2024.

Interest and Other Financing Costs

Interest and other financing costs in the twenty-six week period ended September 27, 2025 were \$3.7 million compared to \$4.0 million in the twenty-six week period ended September 28, 2024, a decrease of \$0.3 million, driven primarily by an increase of the foreign exchange gain of \$0.9 million on U.S. denominated debt due to the weakening of the U.S. dollar compared to the Canadian dollar during the twenty-six week period ended September 27, 2025 compared to the twenty-six week period ended September 28, 2024, partially offset by an increase in the average amount outstanding on the Amended Credit Facility and the increase in the Amended Term Loan during the twenty-six week period ended September 27, 2025 compared to the twenty-six week period ended September 28, 2024.

Income Tax Expense

The Company has continued to record a 100% valuation allowance on the full value of the deferred tax assets generated from our continuing operations during these periods as the criteria for recognition of these assets was not met at September 27, 2025. The tax years 2018 through 2025 remain open to examination in the major taxing jurisdictions to which the Company is subject.

Equity in earnings of joint venture, net of taxes

During the twenty-six week period ended September 27, 2025, the Company recognized \$1.3 million of equity in earnings of joint venture, net of taxes compared to \$1.2 million in the twenty-six week period ended September 28, 2024, as a result of its investment in the RMBG joint venture accounted for under the equity method of accounting. The increase for the twenty-six-week period ended September 27, 2025 to the comparable twenty-six week period ended September 28, 2024 is a result of higher operating earnings in the joint venture due to improved margins and lower selling, general and administrative expenses.

NON-GAAP MEASURES

The Company reports financial information in accordance with U.S. GAAP, and accordingly provides U.S. GAAP financial measures, including net income (loss). The Company's performance is monitored and evaluated using various sales and earnings measures that are adjusted to include or exclude amounts from the most directly comparable U.S. GAAP measure ("non-GAAP measures"). The Company presents such non-GAAP measures in reporting its financial results to assist in business decision making and to provide key performance information to senior management. The Company believes that this additional information provided to investors and other external stakeholders will allow them to evaluate the Company's operating results using the same financial measures and metrics used by the Company in evaluating performance. The Company does not, nor does it suggest that investors and other external stakeholders should, consider non-GAAP measures in isolation from, or as a substitute for, financial information prepared in accordance with U.S. GAAP. These non-GAAP measures may not be comparable to similarly titled measures presented by other companies. In addition to our results determined in accordance with U.S. GAAP, we use non-GAAP measures from time to time including: "EBITDA".

NET INCOME (LOSS) AND EBITDA

"EBITDA" is defined as net income (loss) before interest expense and other financing costs, income taxes expense (recovery) and depreciation and amortization.

The table below provides a reconciliation of the non-GAAP measures presented to the most directly comparable financial measures calculated with U.S. GAAP EBITDA.

EBITDA

<u>(\$000's)</u>	<u>For the twenty-six week period ended</u>	
	<u>September 27, 2025</u>	<u>September 28, 2024</u>
Net income (loss) (U.S. GAAP measure)	(2,558)	(3,081)
<i>as a % of net sales</i>	-2.7%	-3.8%
<u>Add the impact of:</u>		
Interest expense and other financing costs	3,694	4,034
Depreciation and amortization	3,690	3,701
EBITDA (non-GAAP measure)	\$ 4,826	\$ 4,654
<i>as a % of net sales</i>	5.2%	5.8%

FINANCIAL CONDITION

Liquidity and Capital Resources

The Company's ability to fund its operations and meet its cash flow requirements is dependent upon its ability to maintain positive excess availability under the Company's Amended Credit Facility. As of September 27, 2025, bank indebtedness consisted solely of amounts owing under the Company's Amended Credit Facility, which had an outstanding balance of \$73.5 million (\$73.8 million net of \$0.3 million of deferred financing costs) on its maximum \$90.0 million credit facility, which is used to finance working capital and capital expenditures, provide liquidity to fund the Company's day-to-day operations and for other general corporate purposes. The Company is required to maintain minimum excess availability at all times, as defined in the Amended Credit Facility and Amended Term Loan. In the event that excess availability falls below the minimum requirement, this would be considered an event of default under the Amended Credit Facility and Amended Term Loan, that could result in the outstanding balances borrowed under the Company's Amended Credit Facility and Amended Term Loan becoming due immediately, which would also result in cross defaults on the Company's other borrowings. Similarly, both the Company's Amended Credit Facility and Amended Term Loan are subject to cross default provisions with all other loans pursuant to which if the Company is in default of any other loan, the Company will immediately be in default of both the Amended Credit Facility and Amended Term Loan. The Company met its excess availability requirements as of and throughout the twenty-six week period ended September 27, 2025, and as of the date these financial statements were authorized for issuance. In addition, the Company expects to be above the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan for at least the next twelve months from the date of issuance of these financial statements.

On October 23, 2017, the Company entered into a credit facility with Wells Fargo Canada Corporation for a maximum amount of \$85.0 million and maturing in October 2022. On December 24, 2021, the Company entered into an amended and restated senior secured revolving credit facility ("Amended Credit Facility") with Wells Fargo Capital Finance Corporation Canada ("Wells Fargo", successor to Wells Fargo Canada Corporation). The Amended Credit Facility extended the maturity date of the Company's pre-existing loan from October 2022 to December 2026. The Amended Credit Facility also provides the Company with an option to increase the total commitments thereunder by up to \$5.0 million. The Company will only have the ability to exercise this accordion option if it has the required borrowing capacity at such time. On September 6, 2024, the Company exercised the option to increase the maximum amount under the facility by \$5.0 million to reach \$90.0 million. The Amended Credit Facility bears interest at a rate of CDOR plus a spread ranging from 1.5%—2.0% depending on the Company's excess availability levels. On June 26, 2024, the Company entered into an amendment to the Amended Credit Facility with Wells Fargo. The amendment replaces the interest rate of CDOR plus a spread ranging from 1.5%—2% depending on the Company's excess availability levels for the interest rate of CORRA plus a CORRA adjustment ranging from 0.30% to 0.32% and a spread ranging from 1.5%—2% depending on the Company's excess availability levels. On July 8, 2025, the Company entered into an amendment and waiver to the Amended Credit facility whereby Wells Fargo waives certain provisions of the existing Amended Credit Facility to permit the European Acquisition, the Incremental Loan and the Mangrove Loan. The Company is required to maintain minimum excess availability at all times, as defined in the Amended Credit Facility and Amended Term Loan. The Company was above the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan throughout the twenty-six week period ended September 27, 2025.

On June 29, 2018, the Company secured a \$12.5 million term loan maturing in October 2022 with SLR. On December 24, 2021, the Company entered into an amended and restated senior secured term loan ("Amended Term Loan") with Crystal Financial LLC (dba SLR Credit Solutions) ("SLR"). The Amended Term Loan extended the maturity date of the Company's pre-existing loan from October 2022 to December 2026. The Amended Term Loan is subordinated in lien priority to the Amended Credit Facility and bears interest at a rate of CDOR plus 7.75%. The Amended Term Loan also allows for periodic revisions of the annual interest rate to CDOR plus 7.00% or CDOR plus 6.75% depending on the Company complying with certain financial covenants. On June 26, 2024, the Company entered into an amendment to the Amended Term Loan with SLR. The amendment replaces the interest rate of CDOR plus 7.75% (or CDOR plus 7.00% or CDOR plus 6.75% depending on the Company complying with certain financial covenants) for the interest rate of CORRA plus a CORRA adjustment of 0.32% and 7.75% (or CORRA plus a CORRA adjustment of 0.32% plus 7.00% or CORRA plus a CORRA adjustment of 0.32% plus 6.75% depending on the Company complying with certain financial covenants). On July 8, 2025, the Company entered into an amendment to the Amended Term Loan whereby SLR provided the Company with an additional term loan of \$13.5 million to fund the European Acquisition and to fund ordinary course working capital (the "Incremental Loan"). Under the Amended Term Loan, the Company is required to maintain minimum excess availability at all times, as defined in the Amended Credit Facility and Amended Term Loan. The Term Loan is required to be repaid upon maturity. The Incremental Loan bears interest at the same rate as the current term loan with SLR which is CORRA plus (i) a CORRA adjustment of 0.32% and (ii) 7.75%, and is repayable, in full, on December 24, 2026.

The Company's borrowing capacity under both the Amended Credit Facility and the Amended Term Loan is based upon the value of the Company's inventory and accounts receivable, which are periodically assessed by its lenders and based upon these reviews the Company's borrowing capacity could be significantly increased or decreased.

The Company's Amended Credit Facility and its Amended Term Loan are subject to cross default provisions with all other loans pursuant to which if the Company is in default of any other loan, the Company will immediately be in default of both its Amended Credit Facility and its Amended Term Loan. In the event that excess availability falls below the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan, this would be considered an event of default under the Company's Amended Credit Facility and its Amended Term Loan, that provides the lenders the right to require the outstanding balances borrowed under the Company's Amended Credit Facility and its Amended Term Loan to become due immediately, which would result in cross defaults on the Company's other borrowings. The Company expects to be above the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan for at least the next twelve months from the date of issuance of these financial statements.

The Amended Credit Facility and Amended Term Loan also contain limitations on the Company's ability to pay dividends, more

specifically, among other limitations, the Company can pay dividends only at certain excess borrowing capacity thresholds. The Company is required to either i) maintain excess availability of at least 40% of the borrowing base in the month preceding payment or ii) maintain excess availability of at least 25% of the borrowing base and maintain a fixed charge coverage ratio of at least 1.10 to 1.00. Other than these financial covenants related to paying dividends, the terms of the Amended Credit Facility and Amended Term Loan provide that no financial covenants are required to be met other than already described.

The Company's lenders under its Amended Credit Facility and Amended Term Loan may impose, at any time, discretionary reserves, which would lower the level of borrowing availability under the Company's credit facilities (customary for asset-based loans), at their reasonable discretion, to: i) ensure that the Company maintain adequate liquidity for the operation of its business, ii) cover any deterioration in the value of the collateral, and iii) reflect impediments to the lenders to realize upon the collateral. There is no limit to the amount of discretionary reserves that the Company's lenders may impose at their reasonable discretion. No discretionary reserves have been imposed by the Company's senior secured lenders since the inception of the loans.

The Company's ability to make scheduled payments of principal, or to pay the interest, or to fund planned capital expenditures will also depend on its ability to maintain adequate levels of available borrowing, adhere to all financial covenants with its lenders, obtain favorable payment terms from suppliers and its future performance, which may be subject to general economic, financial, competitive, legislative and regulatory factors, as well as other events that are beyond the Company's control. Such events include the potential impacts to our ability to generate cash from operations as a result of recent general economic conditions. See "Risk Factors" in the Company's Annual Report on Form 20-F filed with the SEC on July 25, 2025 for additional information.

Borrowings under our Amended Credit Facility for the periods indicated in the table below were as follows:

	26 Weeks Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Credit facility availability	\$ 88,373	\$ 86,757
Amount borrowed at period end, net of deferred financing costs	\$ 73,513	\$ 71,152
Excess borrowing capacity at period end (before minimum threshold)	\$ 14,860	\$ 15,605
Average outstanding borrowed balance during the 26 weeks	\$ 74,074	\$ 67,572
Average excess borrowing capacity during the 26 weeks	\$ 14,049	\$ 13,186
Maximum borrowing outstanding during the 26 weeks	\$ 78,011	\$ 73,760
Minimum excess borrowing capacity during the 26 weeks	\$ 11,789	\$ 12,028
Weighted average interest rate for 26 weeks	5.4%	7.7%

Investissement Québec

On July 8, 2020, the Company secured a six-year term loan with Investissement Québec, in the amount of \$10.0 million, as amended. The secured term loan was used to fund the working capital needs of the Company, of which \$1.8 million is outstanding as at September 27, 2025 (\$2.8 million as at March 29, 2025). The loan bears interest at a rate of 3.14% per annum and is repayable in 60 equal payments beginning in July 2021. On January 4, 2023, the Company received a loan forgiveness in the amount of \$0.2 million that is being recognized over the term of the loan.

On August 24, 2021, the Company entered into a 10-year loan agreement with Investissement Québec for an amount of up to \$4.3 million to be used specifically to finance the digital transformation of the Company through the implementation of an omni-channel e-commerce platform and enterprise resource planning system. As of September 27, 2025, the Company has \$4.3 million (\$4.2 million net of deferred financing costs) outstanding on the loan (\$4.3 million as at March 29, 2025). The loan bears interest at a rate of 1.41% per annum and is repayable in 60 equal payments beginning 60 months after the date of the first draw in July 2022.

Both term loans with Investissement Québec require the Company on an annual basis to have a working capital ratio (defined as current assets divided by current liabilities excluding the current portion of operating lease liabilities) of at least 1.01. As of March 29, 2025, the working capital ratio was 0.88. On July 14, 2025, Investissement Québec modified the working capital covenant for fiscal years ending March 29, 2025 and March 28, 2026 to 0.88.

Other Financing

As of September 27, 2025, the Company had a balance of \$2.0 million (U.S. \$1.5 million) outstanding from an original \$6.8 million (U.S. \$5.0 million) cash advance from one of its controlling shareholders, Montel S.à.r.l. ("Montel", previously known as Montrovest B.V.). This advance is payable upon demand by Montel once conditions stipulated in our Credit Facility permit such payment. The conditions that are required to be met are the same as those that are required to be met for the Company to pay dividends, which is (outlined in the above section). This advance bears an annual interest rate of 11%, net of any withholding taxes, representing an effective interest rate of approximately 12%.

On March 26, 2020, the Company secured a 6-year term loan with Business Development Bank of Canada (BDC), as amended, for an amount of \$0.4 million to be used specifically to finance the renovations of the Company's Brinkhaus store location in Calgary, Alberta. As of September 27, 2025, the Company has \$0.1 million outstanding on the loan (\$0.2 million as of March 29, 2025). The loan bears interest at a rate of 8.3% per annum and is repayable in 72 monthly payments from June 26, 2021, the date of the drawdown.

On February 1, 2024, the Company entered into a financing agreement for a capital lease facility financing with Varilease Finance Inc. relating to certain equipment consisting of leasehold improvements, furniture, security equipment and related equipment for the construction of a new store. The maximum borrowing amount under this facility is U.S. \$2.5 million (CAD \$3.4 million). During fiscal 2025, the Company had borrowed a total amount of U.S. \$2.4 million (CAD \$3.3 million) against this facility. The capital lease financing bears interest at approximately 14% annually and is repayable over 24 months. As of September 27, 2025, the Company had U.S. \$1.4 million (CAD \$2.0 million) outstanding under this facility.

On June 3, 2024, the Company entered into a financing agreement for a capital lease facility financing with Varilease Finance Inc. relating to certain equipment consisting of leasehold improvements, furniture, security equipment and related equipment for the partial renovation of a store. The maximum borrowing amount under this facility is U.S. \$0.6 million (CAD \$0.8 million). During fiscal 2025, the Company had borrowed a total amount of U.S. \$0.6 million (CAD \$0.8 million) against this facility. The capital lease financing bears interest at approximately 14% annually and is repayable over 24 months. As of September 27, 2025, the Company has U.S. \$0.4 million (CAD \$0.5 million) outstanding under this facility.

On July 15, 2024, the Company obtained a support letter (“Shareholder Support Letter”) from one of its shareholders, Mangrove, providing financial support in an amount of up to \$3.75 million, of which \$1.0 million would be available after January 1, 2025. These amounts can be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company’s Board of Directors, until at least July 31, 2025, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined in the Amended Credit Facility and Amended Term Loan. Amounts drawn under this support letter will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2025. On November 27, 2024, the Shareholder Support Letter was extended until December 31, 2025.

On June 26, 2025, the Shareholder Support Letter was terminated and replaced with the Mangrove Loan, whereby Mangrove entered into a loan agreement with the Company to advance \$3.75 million of additional indebtedness to fund the Company’s working capital requirements, at an annual interest rate of 15%, which would be repayable, in full, on December 24, 2026.

On July 21, 2025, the Company obtained support letters from Mangrove, the Company’s Interim President and Chief Operating Officer and member of the Company’s Board of Directors and an officer of the Company, providing financial support for an aggregate total amount of up to \$1.5 million. The amount can be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company’s Board of Directors, until at least July 31, 2026, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in meeting its minimum excess availability at all times as defined in the Amended Credit Facility and Amended Term Loan. Amounts drawn under these support letters will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2026.

In addition, on July 21, 2025, the Company obtained from Mangrove a deferral of interest payments payable in relation to the cash advance outstanding of U.S. \$1.5 million and the Mangrove Loan of \$3.75 million, of up to a maximum of \$813,227, effective immediately and through to July 31, 2026.

Cash flow—from operations

The following table summarizes cash flows from operating, investing and financing activities:

	26 Weeks Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Net cash provided by (used in)		
Operating activities	\$ (4,273)	\$ (3,476)
Investing activities	(8,484)	(5,001)
Financing activities	13,420	8,483
Net increase in cash and cash equivalents	\$ 663	\$ 6

Net cash used in operating activities was \$4.3 million during the twenty-six week period ended September 27, 2025 as compared to net cash used in operating activities of \$3.5 million during the twenty-six week period ended September 28, 2024. The \$0.8 million increase in net cash used in operating activities was the result of i) a \$0.5 million decrease in net loss during the twenty-six week period ended September 27, 2025 compared to the same period in the prior fiscal year, (ii) \$2.7 million increase in cash used by changes in working capital, of which, period over period changes included a decrease of \$8.4 million in inventory investment, a decrease of \$1.9 million in accounts receivable and other receivables (including long term receivables) driven by the wind down of our wholesale operations, a decrease of \$9.5 million in accounts payable and accrued liabilities (including other long term liabilities) primarily driven by a reduction of trade accounts payable of \$7.2 million and a decrease in prepayments of \$0.3 million and (iii) a positive impact of \$1.4 million related to non-cash adjustments consisting mainly of lease modifications.

During the twenty-six week period ended September 27, 2025, net cash used in investing activities was \$8.5 million as compared to \$5.0 million during the twenty-six week period ended September 28, 2024. The \$3.5 million increase in net cash used in investing activities was primarily attributable to the European Acquisition for a total of \$7.0 million, net of cash acquired, partially offset by a decrease in investments in property and equipment.

Net cash provided by financing activities was \$13.4 million in the twenty-six week period ended September 27, 2025 as compared to \$8.5 million provided by financing activities in the twenty-six week period ended September 28, 2024. The \$4.9 million increase in cash flow from financing activities was primarily due to an increase in long-term debt of \$17.3 million during the twenty-six week period ended September 27, 2025, as compared to the prior year period, as well as an increase in bank indebtedness of \$7.8 million offset by a decrease in capital lease funding of \$2.8 million, an increase in capital lease repayments of \$0.8 million and an increase in payment of loan origination fees of \$0.9 million.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various market risks. Market risk is the potential loss arising from adverse changes in market prices and rates. We have not entered into derivative or other financial instruments for trading or speculative purposes.

Interest Rate Risk

We are exposed to market risk from fluctuations in interest rates. Borrowing under our Amended Credit Facility and the Amended Term Loan bear interest at floating rates which is based on CORRA plus a CORRA adjustment of 0.32% plus a fixed additional interest rate. The vendor note payable in relation to the European Acquisition is interest bearing at the CORRA rate plus 2.3% per annum. As of September 27, 2025, we have not hedged these interest rate risks. As of September 27, 2025, we had \$100.4 million of floating-rate debt. Accordingly, our net income will be affected by changes in interest rates. Assuming a 100-basis point increase or decrease in the interest rate under our floating rate debt, our interest expense on an annualized basis would have increased or decreased, respectively, by approximately \$1.0 million.

Currency Risk

As of September 27, 2025, we had \$68.2 million of net liabilities subject to foreign exchange rate risk related to changes in the exchange rate between the U.S. dollar and the Canadian dollar, which would impact the level of our earnings if there were fluctuations in the U.S. and Canadian dollar exchange rate. Assuming a 100-basis point strengthening or weakening of the Canadian dollar in relationship to the U.S. dollar, as of September 27, 2025, our earnings would have increased or decreased, respectively, by approximately \$0.7 million.

Commodity Risk

The nature of our operations results in exposure to fluctuations in commodity prices, specifically diamonds, platinum, gold and silver. We do not currently use derivatives to hedge these risks. Our retail sales and gross margin could be materially impacted if prices of diamonds, platinum, gold or silver rise so significantly that our consumers' behavior changes or if price increases cannot be passed onto our customers.

FORWARD-LOOKING STATEMENTS

This interim report and other written reports and releases and oral statements made from time to time by the Company contain forward-looking statements which can be identified by their use of words like "plans," "expects," "believes," "will," "anticipates," "intends," "projects," "estimates," "could," "would," "may," "planned," "goal," and other words of similar meaning. All statements that address expectations, possibilities or projections about the future, including without limitation, statements about anticipated economic conditions, availability under our Amended Credit Facility and Amended Term Loan, anticipated distributions of profits, and about our strategies for growth, expansion plans, sources or adequacy of capital, expenditures and financial results are forward-looking statements.

One must carefully consider such statements and understand that many factors could cause actual results to differ from the forward-looking statements, such as inaccurate assumptions and other risks and uncertainties, some known and some unknown. No forward-looking statement is guaranteed and actual results may vary materially. Such statements are made as of the date provided, and we assume no obligation to update any forward-looking statements to reflect future developments or circumstances.

One should carefully evaluate such statements by referring to the factors described in our filings with the Securities and Exchange Commission ("SEC"), especially on our Forms 20-F and our Forms 6-K. Information concerning factors that could cause actual results to differ materially is set forth under the captions "Risk Factors" and "Operating and Financial Review and Prospects" and elsewhere in the Company's Annual Report on Form 20-F filed with the SEC on July 25, 2025, and subsequent filings with the SEC. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements. Since it is not possible to predict or identify all such factors, the identified items are not a complete statement of all risks or uncertainties. The Company undertakes no obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this statement or to reflect the occurrence of unanticipated events, except as required by law.

Because such statements include various risks and uncertainties, actual results might differ materially from those projected in the forward-looking statements and no assurance can be given that the Company will meet the results projected in the forward-looking statements. These risks and uncertainties include, but are not limited to the following: (i) heightened inflationary pressure and interest rates, a decline in consumer discretionary spending, increased cost of borrowing or deterioration in consumer financial position; (ii) the Company's ability to maintain its listing on the NYSE American or to list its securities on another national securities exchange, (iii) economic, political and market conditions, including the economies of Canada and the U.S., which could adversely affect the Company's business, operating results or financial condition, including its revenue and profitability, through the impact of changes in the real estate markets, changes in the equity markets and decreases in consumer confidence and the related changes in consumer spending patterns, and the impact on store traffic, tourism and sales, as well as the recently imposed tariffs (and retaliatory measures), possible changes therefrom and other trade restrictions; (iv) the impact of fluctuations in foreign exchange rates, increases in commodity prices and borrowing costs and their related impact on the Company's costs and expenses; (v) the Company's ability to maintain and obtain sufficient sources of liquidity to fund its operations, to achieve planned sales, gross margin and net income, to keep costs low, to implement its business strategy, to maintain relationships with its primary vendors, to source raw materials, to mitigate fluctuations in the availability and prices of the Company's merchandise, to compete with other jewelers, to succeed in its marketing initiatives (including with respect to Birks branded products), and to have a

successful customer service program; (vi) the Company's plan to evaluate the productivity of existing stores, close unproductive stores and open new stores in new prime retail locations, renovate existing stores and invest in its website and e-commerce platform; (vii) the Company's ability to execute its strategic vision; (viii) the Company's ability to invest in and finance capital expenditures; and (ix) the Company's ability to continue as a going concern.

BIRKS GROUP INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	<u>September 27, 2025</u>	<u>March 29, 2025</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,172	\$ 1,509
Accounts receivable and other receivables	5,774	6,608
Inventories	123,461	116,277
Prepays and other current assets	1,913	2,072
Total current assets	<u>133,320</u>	<u>126,466</u>
Long-term receivables	1,372	1,084
Equity investment in joint venture	6,487	5,169
Property and equipment	24,936	25,380
Operating lease right-of-use assets	43,677	34,964
Intangible assets and other assets	2,725	3,017
Goodwill	677	—
Total non-current assets	<u>79,874</u>	<u>69,614</u>
Total assets	<u><u>\$ 213,194</u></u>	<u><u>\$ 196,080</u></u>
Liabilities and Stockholders' Equity (Deficiency)		
Current liabilities:		
Bank indebtedness	\$ 73,513	\$ 73,630
Accounts payable	56,947	58,114
Accrued liabilities	7,490	6,053
Current portion of long-term debt	4,959	4,860
Current portion of operating lease liabilities	9,215	6,929
Total current liabilities	<u>152,124</u>	<u>149,586</u>
Long-term debt	35,514	21,374
Long-term portion of operating lease liabilities	43,772	38,629
Other long-term liabilities	2,319	4,502
Total long-term liabilities	<u>81,605</u>	<u>64,505</u>
Stockholders' equity (deficiency):		
Class A common stock – no par value, unlimited shares authorized, issued and outstanding 11,876,717	42,854	42,854
Class B common stock – no par value, unlimited shares authorized, issued and outstanding 7,717,970	57,755	57,755
Preferred stock – no par value, unlimited shares authorized, none issued	—	—
Additional paid-in capital	19,719	19,719
Accumulated deficit	(140,853)	(138,295)
Accumulated other comprehensive (loss) income	(10)	(44)
Total stockholders' equity (deficiency)	<u>(20,535)</u>	<u>(18,011)</u>
Total liabilities and stockholders' equity (deficiency)	<u><u>\$ 213,194</u></u>	<u><u>\$ 196,080</u></u>

See accompanying notes to Unaudited Condensed Consolidated Financial Statements.

BIRKS GROUP INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	26 weeks ended September 27, 2025	26 weeks ended September 28, 2024
Net sales	\$ 93,117	\$ 80,118
Cost of sales	56,651	48,859
Gross profit	36,466	31,259
Selling, general and administrative expenses	32,958	27,827
Depreciation and amortization	3,690	3,701
Total operating expenses	36,648	31,528
Operating (loss) income	(182)	(269)
Interest and other financial costs	3,694	4,034
(Loss) income before taxes and equity in earnings of joint venture	(3,876)	(4,303)
Income taxes (benefits)	—	—
Equity in earnings of joint venture, net of taxes	1,318	1,222
Net (loss) income, net of taxes	\$ (2,558)	\$ (3,081)
Weighted average common shares outstanding:		
Basic	19,595	19,226
Diluted	19,595	19,226
Net (loss) income per common share:		
Basic	\$ (0.13)	\$ (0.16)
Diluted	\$ (0.13)	\$ (0.16)

BIRKS GROUP INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In thousands)

	26 weeks ended September 27, 2025	26 weeks ended September 28, 2024
Net (loss) income	\$ (2,558)	\$ (3,081)
Other comprehensive (loss) income:		
Foreign currency translation adjustments (1)	34	4
Total comprehensive (loss) income	<u>\$ (2,524)</u>	<u>\$ (3,077)</u>

(1) Item that may be reclassified to the Statement of Operations in future periods.

See accompanying notes to Unaudited Condensed Consolidated Financial Statements.

BIRKS GROUP INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIENCY)
(In thousands except shares of voting common stock outstanding)

	Shares of voting common stock outstanding	Voting common stock	Additional paid- in capital	Accumulated deficit	Accumulated other comprehensive loss	Total
Balance at March 29, 2025	19,594,687	\$100,609	\$ 19,719	\$ (138,295)	\$ (44)	\$(18,011)
Net loss	—	—	—	(2,558)	—	(2,558)
Cumulative translation adjustment	—	—	—	—	34	34
Total comprehensive loss	—	—	—	—	—	(2,524)
Balance at September 27, 2025	19,594,687	\$100,609	\$ 19,719	\$ (140,853)	\$ (10)	\$(20,535)

	Shares of voting common stock outstanding	Voting common stock	Additional paid- in capital	Accumulated deficit	Accumulated other comprehensive loss	Total
Balance at March 30, 2024	19,165,969	\$ 98,480	\$ 21,825	\$ (125,476)	\$ 22	\$ (5,149)
Net loss	—	—	—	(3,081)	—	(3,081)
Cumulative translation adjustment	—	—	—	—	4	4
Total comprehensive loss	—	—	—	—	—	(3,077)
Settlement of stock units	145,392	743	(743)	—	—	—
Balance at September 28, 2024	19,311,361	\$ 99,223	\$ 21,082	\$ (128,557)	\$ 26	\$ (8,226)

See accompanying notes to Unaudited Condensed Consolidated Financial Statements.

BIRKS GROUP INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	26 weeks ended September 27, 2025	26 weeks ended September 28, 2024
Cash flows from (used in) operating activities:		
Net (loss) income	\$ (2,558)	\$ (3,081)
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	3,690	3,701
Leasehold inducements received	179	48
Amortization of debt costs	314	117
Net change of operating lease right-of-use assets and liabilities	(1,284)	(1,219)
Lease modifications	—	(1,329)
Equity in earnings of joint venture	(1,318)	(1,222)
Amortization of debt forgiveness	(30)	(89)
Other operating activities, net	(144)	(31)
(Increase) decrease in:		
Accounts receivable, other receivables and long-term receivables	447	2,341
Inventories	1,851	(6,538)
Prepaid expenses and other current assets	420	118
(Decrease) increase:		
Accounts payable	(4,951)	2,290
Accrued liabilities and other long-term liabilities	(889)	1,418
Net cash used in (provided by) operating activities	(4,273)	(3,476)
Cash flows used in investing activities:		
Acquisition, net of cash acquired	(7,012)	—
Additions to property and equipment	(1,312)	(4,782)
Additions to intangible assets and other assets	(160)	(245)
Dispositions of property and equipment	—	26
Net cash (used in) investing activities	(8,484)	(5,001)
Cash flows provided by financing activities:		
Increase (decrease) in bank indebtedness	(46)	7,779
Drawdown on capital lease financing	—	2,836
Increase in long-term debt	17,325	—
Repayment of long-term debt	(1,006)	(1,006)
Repayment of obligations under finance lease	(1,823)	(1,015)
Payment of loan origination fees and costs	(1,030)	(111)
Net cash provided by (used in) financing activities	13,420	8,483
Net increase (decrease) in cash and cash equivalents	663	6
Cash and cash equivalents, beginning of period	1,509	1,783
Cash and cash equivalents, end of period	\$ 2,172	\$ 1,789
Supplemental disclosure of cash flow information:		
Interest paid	\$ 4,087	\$ 3,769
Non-cash transactions:		
Property and equipment and intangible additions included in accounts payable and accrued liabilities	\$ 416	\$ 1,433

See accompanying notes to Unaudited Condensed Consolidated Financial Statements.

BIRKS GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The unaudited condensed consolidated financial statements (“financial statements”) of Birks Group Inc. (“Birks Group” or the “Company”) include the accounts of Birks Group Inc. for all periods presented.

These unaudited condensed consolidated financial statements do not include all of the information and footnotes required by accounting principles generally accepted in the U.S. for complete financial statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

The financial statements of the Company in this report for the twenty-six week periods ended September 27, 2025 and September 28, 2024 have not been audited. In the opinion of management, all adjustments considered necessary for a fair presentation of the financial position, results of operations and cash flows for the interim period have been made. The results of operations are not necessarily indicative of the results of operations for the full year or any other interim period. These statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Annual Report on Form 20-F for the fiscal year ended March 29, 2025, filed with the U.S. Securities and Exchange Commission (“SEC”) on July 25, 2025 (the “Form 20-F”).

Annually, the Company’s fiscal year ends on the last Saturday of March. The Company refers to the current fiscal year ended March 28, 2026 as fiscal 2026, and the prior fiscal year ending March 29, 2025 as fiscal 2025. Fiscal 2026 and fiscal 2025 consist of a fifty-two week period.

Significant Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles in the U.S. (“GAAP”) for interim financial statements. Accordingly, they do not include all of the disclosures required by GAAP for complete financial statements. These unaudited interim condensed consolidated financial statements have been prepared using accounting policies consistent with those used in preparing the Company’s March 29, 2025 annual consolidated financial statements. These principles require management to make certain estimates and assumptions that affect amounts reported and disclosed in the financial statements and related notes. The most significant estimates and judgements include the going concern assumption, the business combination, the valuation of inventories, and accounts receivable, deferred tax assets, and the recoverability of long-lived assets and right-of-use assets. Actual results could differ from these estimates. Periodically, the Company reviews all significant estimates and assumptions affecting the financial statements relative to current conditions and records the effect of any necessary adjustments in the period in which the change in estimate is made.

Goodwill

Goodwill represents the cost of a business acquisition in excess of the fair value of the net assets acquired. Goodwill is not amortized and is reviewed for impairment annually, or more frequently, if facts and circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. The Company compares the fair value of the reporting unit with its carrying amount. If the carrying amount exceeds the fair value, goodwill of the reporting unit is considered impaired and that excess is recognized as a goodwill impairment loss.

Future Operations

These financial statements have been prepared on a going concern basis in accordance with U.S. GAAP. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company funds its operations primarily through committed financing under its senior secured credit facility and senior secured term loan described in Note 6. The senior secured credit facility along with the senior secured term loan are used to finance working capital, finance capital expenditures, provide liquidity to fund the Company’s day-to-day operations and for other general corporate purposes.

The Company believes recent general economic conditions, business and retail climates and geopolitical instability, which includes heightened inflation, stock market volatility, high interest rates, tariffs and retaliatory tariffs could lead to a slow-down in certain segments of the global economy and negatively affect customer behavior and the amount of discretionary income spent by potential consumers to purchase the Company’s products. If global economic and financial market conditions persist or worsen, the Company’s sales may decrease, and the Company’s financial condition and results of operations may be adversely affected.

The Company continues and expects to continue to operate through its senior secured credit facility and senior secured term loan. The Company depends on these facilities to continue to operate its business. These agreements are scheduled to mature in December 2026.

The Company recorded a net loss of \$2.6 million for the twenty-six week period ended September 27, 2025, and a net loss of \$3.1 million for the twenty-six week period ended September 28, 2024. The Company used net cash flows from operations of \$4.3 million and \$3.5 million in the twenty-six week period ended September 27, 2025 and September 28, 2024, respectively. The Company has negative working capital (defined as current assets less current liabilities) of \$18.8 million as at September 27, 2025 and of \$23.1 million as at March 29, 2025. The Company has continued to increase its bank indebtedness each year over the past several years and related interest expense, and as of September 27, 2025, had a bank indebtedness balance of \$73.5 million. With the exception of the Mangrove loan, there has been no cash injection in the Company in the form of equity for several years, resulting in a shareholders' deficiency of \$20.5 million as of September 27, 2025.

On December 24, 2021, the Company entered into an amended and restated senior secured revolving credit facility ("Amended Credit Facility") with Wells Fargo Capital Finance Corporation Canada and an amended and restated senior secured term loan ("Amended Term Loan") with Crystal Financial LLC (dba SLR Credit Solutions) ("SLR"). The Amended Credit Facility and Amended Term Loan extended the maturity date of the Company's pre-existing loans from October 2022 to December 2026.

On July 8, 2020, the Company secured a six-year term loan with Investissement Québec, the sovereign fund of the province of Québec in the amount of \$10.0 million, as amended. The secured term loan was used to fund the working capital needs of the Company, of which \$1.8 million is outstanding as at September 27, 2025 (\$2.8 million as at March 29, 2025). The Company received a loan forgiveness in the amount of \$0.2 million that is being recognized over the term of the loan.

On August 24, 2021, the Company entered into a 10-year loan agreement with Investissement Québec, for an amount of up to \$4.3 million to be used specifically to finance the digital transformation of the Company through the implementation of an omni-channel e-commerce platform and enterprise resource planning system. As of September 27, 2025, the Company has \$4.3 million (\$4.2 million net of deferred financing costs) outstanding on the loan (\$4.2 million as at March 29, 2025).

Both loans with Investissement Québec require the Company, on an annual basis, to have a working capital ratio (defined as current assets divided by current liabilities excluding the current portion of operating lease liabilities) of at least 1.01. The working capital ratio of 1.01 may be lower in any given year if a tolerance letter accepting a lower working capital ratio is received from Investissement Québec. During fiscal 2024, the Company received a tolerance letter from Investissement Québec that allowed the Company, as at March 30, 2024, to tolerate a working capital ratio of 0.97. As at March 30, 2024, the working capital ratio was 0.96. On July 3, 2024, the Company obtained a waiver from Investissement Québec with respect to the requirement to meet the working capital ratio at March 30, 2024. Furthermore, on July 12, 2024, the Company received a tolerance letter from Investissement Québec that allowed the Company, as at March 29, 2025, to tolerate a working capital ratio of 0.90. As at March 29, 2025, the working capital ratio was 0.88. On July 14, 2025, Investissement Québec modified the working capital covenant for the fiscal years ending March 29, 2025 and March 28, 2026 to 0.88. Starting in fiscal 2026 and for the duration of the loan, the interest rate will be adjusted depending on the current ratio calculated at year end.

There is no assurance that the Company will meet its covenant as at March 28, 2026 or for future years, or that if not met, waivers would be available. If a waiver is not obtained, cross defaults with our Amended Credit Facility and our Amended Term Loan would arise.

On July 15, 2024, the Company obtained a support letter (the "Shareholder Support Letter") from one of its controlling shareholders, Mangrove Holding S.A. ("Mangrove"), providing financial support in an amount of up to \$3.75 million that was available until July 31, 2025, of which up to \$2.75 million was available prior to January 1, 2025 and an additional amount of up to \$1.0 million would be available after January 1, 2025. These amounts were available to be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company's Board of Directors, until at least July 31, 2025, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined in the Amended Credit Facility and Amended Term Loan. Amounts drawn under this support letter will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2025. On November 27, 2024, the support letter was extended until December 31, 2025.

On June 26, 2025, the Shareholder Support Letter was terminated and replaced with a loan agreement entered into between Mangrove and the Company (the "Mangrove Loan") whereby Mangrove advanced \$3.75 million of additional indebtedness to fund the Company's working capital requirements, at an annual interest rate of 15%, which would be repayable, in full, on December 24, 2026.

In conjunction with the closing of the European Acquisition, on July 8, 2025, SLR provided the Company with an additional term loan of \$13.5 million to fund the European Acquisition and to fund ordinary course working capital, at the same interest rate as the current term loan with SLR which is CORRA plus (i) a CORRA adjustment of 0.32% and (ii) 7.75%, and is repayable, in full, on December 24, 2026.

On July 21, 2025, the Company obtained support letters providing financial support to the Company for an aggregate total amount of up to \$1.5 million from (i) Mangrove for up to \$500,000, (ii) Davide Barberis Canonico (the Company's Interim President and Chief Operating Officer and member of the Company's Board of Directors) for up to \$800,000, and (iii) Marco Pasteris (the Company's Vice-President, Finance) for \$200,000. These amounts can be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company's Board of Directors, until at least July 31, 2026, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined by the Amended Credit Facility and Amended Term Loan. Amounts drawn under these support letters will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2026.

In addition, on July 21, 2025, the Company obtained from Mangrove a deferral of interest payments payable in relation to the cash

advance outstanding of U.S. \$1.5 million and the Mangrove Loan of \$3.75 million, of up to a maximum of \$813,227, effective immediately and through to July 31, 2026.

The Company's ability to meet its cash flow requirements in order to fund its operations is dependent upon its ability to attain profitable operations, adhere to the terms of its committed financings, successfully integrate the strategic acquisitions, obtain favorable payment terms from suppliers as well as to maintain minimum excess availability as defined under its Amended Credit Facility and its Amended Term Loan. In addition to maintaining minimum excess availability at all times as defined in the Amended Credit Facility and Amended Term Loan, other loans have a working capital covenant to adhere to at the end of each fiscal year. In the event that excess availability falls below the minimum requirement, this would be considered an event of default under the Amended Credit Facility and under the Amended Term Loan, that would result in the outstanding balances borrowed under the Company's Amended Credit facility and its Amended Term Loan becoming due immediately, which would also result in cross defaults on the Company's other borrowings. Similarly, both the Company's Amended Credit Facility and its Amended Term Loan are subject to cross default provisions with all other loans pursuant to which the Company is in default of any other loan, the Company will immediately be in default of both the Amended Credit Facility and the Amended Term Loan. The Company met its excess availability requirements as of and throughout the twenty-six week period ended September 27, 2025 and as of the date these financial statements were authorized for issuance as well as for the twenty-six week period ended September 28, 2024. In addition, the Company expects to have minimum excess availability, as defined in the Amended Credit Facility and Amended Term Loan, for at least the next twelve months from the date of issuance of these financial statements.

The Company's lenders under its Amended Credit Facility and its Amended Term Loan may impose, at any time, discretionary reserves, which would lower the level of borrowing availability under the Company's Amended Credit Facility and its Amended Term Loan (customary for asset-based loans), at their reasonable discretion, to: (i) ensure that the Company maintains adequate liquidity for the operation of its business, (ii) cover any deterioration in the amount of value of the collateral, and (iii) reflect impediments to the lenders to realize upon the collateral. There is no limit to the amount of discretionary reserves that the Company's lenders may impose at their reasonable discretion. No discretionary reserves were imposed during the twenty-six week period ended September 27, 2025 and September 28, 2024 by the Company's lenders.

Should a substantial doubt exist in the Company's ability to continue as a going concern, this would trigger an event of default on both the Amended Credit Facility and the Amended Term Loan, and a cross-default on the Company's other loans.

The Amended Credit Facility and the Amended Term Loan are repayable in December 2026. The Company intends to renew or refinance these debts prior to maturity.

The Company's ability to make scheduled payments of principal, or to pay the interest, or to fund planned capital expenditures and store operations will also depend on its ability to maintain adequate levels of available borrowing, obtain favorable payment terms from suppliers and its future performance, as well as the successful integration of strategic acquisitions, which to a certain extent, is subject to general economic, financial, competitive, legislative and regulatory factors, as well as other events that are beyond the Company's control.

The Company continues to be actively engaged in identifying alternative sources of financing that may include raising additional funds through public or private equity, the disposal of assets, and debt financing, including funding from government sources. The incurrence of additional indebtedness would result in increased debt service obligations and could result in operating and financing covenants that could restrict the Company's operations. Financing may be unavailable in amounts or on terms acceptable to the Company if at all, which may have a material adverse impact on its business, including its ability to continue as a going concern.

Certain adverse conditions and events outlined above require consideration of management's plans, which management believes mitigate the effect of such conditions and events. Management plans include continuing to manage liquidity actively, as well as managing liquidity measures such as cost reductions, which include monitoring spend, reducing marketing and general operating expenses, postponement of certain capital expenditures, obtaining favorable payment terms from suppliers, obtain moratorium of interest payments on loans from majority shareholders and obtain support letters, all of which allow for adherence to excess availability requirements. Notwithstanding, the Company believes that it will be able to adequately fund its operations and meet its cash flow requirements for at least the next twelve months from the date of issuance of these financial statements.

Recent Accounting Pronouncements

Recently Accounting Pronouncements Adopted:

There were no new accounting pronouncements adopted during the twenty-six week period ended September 27, 2025 that have a material impact on the Company's financial position or results of operations.

Recent Accounting Pronouncements Not Yet Adopted:

On December 14, 2023, the FASB issued ASU 2023-09: *Income Taxes (Topic 740): Improvements to income tax disclosures*, which primarily enhances the annual income tax disclosures for the effective tax rate reconciliation and income taxes paid. The ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The ASU should be applied prospectively, however, retrospective application in all prior periods is permitted. Management continues to evaluate the impact of this ASU on the consolidated financial statements.

On November 4, 2024, the FASB issued ASU 2024-03, *Income Statement -Reporting Comprehensive Income -Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires new disclosures to disaggregate prescribed natural expenses underlying any income statement caption. This ASU is effective for all public business entities for annual periods in fiscal years beginning after December 15, 2026, and interim periods in fiscal years beginning after December 15, 2027. Early adoption is permitted. This ASU applies on a prospective basis for periods beginning after the effective date, however, retrospective application to any or all prior periods is permitted. Management continues to evaluate the impact of this ASU on the consolidated financial statements.

2. Business Acquisition

On June 6, 2025, the Company entered into a share purchase agreement (the “Share Purchase Agreement”) with the shareholders of 1067830 Ontario Limited (“the Target”), a company incorporated under the laws of Ontario, to acquire the Target and its wholly-owned subsidiaries which operate four retail locations in Toronto, Ontario, under the European Boutique (“European”) brand and are engaged primarily in luxury timepieces and jewelry retail activities.

On July 8, 2025, the Company acquired all of the outstanding shares of 1067830 Ontario Limited, along with its wholly-owned subsidiaries, for a total purchase price of \$10.8 million (or \$8.1 million net of cash acquired) including purchase price adjustments for working capital. The purchase price was paid with a \$9.7 million cash consideration at closing and a note payable of \$1.1 million payable to the vendor on the first anniversary of the closing date. The vendor note payable is interest bearing at the CORRA rate plus 2.3% per annum. The combination of the Company and European creates a leading Canadian-based luxury jewelry and timepieces company with a more diverse multi-brand portfolio. In connection with the acquisition, the Company incurred \$0.4 million of acquisition-related costs (\$0.2 million in the fiscal year ending March 29, 2025) which were recorded as SG&A in the condensed consolidated statement of operations.

The Company accounted for the acquisition of European under the acquisition method of accounting for business combinations and the results of European were consolidated with those of the Company from the date of acquisition. Accordingly, the cost was allocated to the underlying net assets based on their respective fair values. The excess of the purchase price over the estimated fair value of the net assets acquired was recorded as goodwill.

The Company has allocated the purchase price on a preliminary basis to the assets acquired and the liabilities assumed based on management’s best estimates of their values and taking into account all relevant information available at the time. Since the Company is still in the process of finalizing the valuation of certain intangible assets and other assets acquired and liabilities assumed at the date of acquisition, the allocation of the purchase price is subject to change. The Company expects to finalize the allocation of the purchase price by March 28, 2026. The following table presents the estimated fair value of the assets acquired and liabilities assumed from European on July 8, 2025:

	Fair Value at Acquisition Date (In thousands)
Assets Acquired and Liabilities assumed	
Cash and cash equivalents	\$ 2,731
Accounts receivable and other receivables	545
Inventories	9,035
Prepaid and other current assets	261
Property and equipment	1,887
Operating lease right-of-use assets	8,568
Identifiable assets acquired	23,027
Accounts payable	\$ 3,948
Accrued liabilities	384
Operating lease liabilities	8,568
Liabilities assumed	12,900
Identifiable net assets acquired	10,127
Goodwill ⁽¹⁾	677
Net assets acquired	\$ 10,804

- (1) Goodwill is calculated as the excess of the purchase price over the estimated fair values of the assets acquired and the liabilities assumed in the acquisition and represents the future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The amount allocated to goodwill associated with the European acquisition is primarily the result of expected synergies resulting from combining the merchandising and other activities of the Company’s brands, as well as efficiencies in other aspects of the combined operations. Goodwill recorded in connection with this transaction is not expected to be deductible for tax purposes.

Supplementary information:

European incurred a net profit of \$0.1 million for the period from July 8 to September 27, 2025. Revenue for this period was \$6.0 million. If European had been acquired on March 30, 2025, revenue of the Company would have been \$100.8 million. However, due to a lack of U.S. GAAP-specific data prior to the acquisition of European, pro-forma profit or loss of the combined entity for the 26-week period ending September 27, 2025 cannot be determined reliably.

3. Income Taxes

The Company recorded no income tax expense for the 26-week period ended September 27, 2025 and for the comparable period ended September 28, 2024. This is due to the Company recording a full valuation allowance against the value of its net deferred tax assets, as a result of the Company's inability to reach the required conclusion that it would be able to more likely than not realize the value of net deferred tax assets in the future. As of September 27, 2025, the Company had recorded a valuation allowance of \$29.9 million (\$29.2 million as of March 29, 2025) against the full value of the Company's net deferred tax assets. The tax years 2018 through 2025 remain open to examination by the major taxing jurisdictions to which the Company is subject.

4. Net Income (loss) Per Common Share

For the twenty-six week period ended September 27, 2025, the Company's net loss per common share on a basic and diluted basis was (\$0.13). Excluded from the computation of diluted earnings per share were 190,884 shares underlying stock options and units due to their anti-dilutive effect.

For the twenty-six week period ended September 28, 2024, the Company's net loss per common share on a basic and diluted basis was (\$0.16). Excluded from the computation of diluted earnings per share were 274,836 shares underlying stock options and units due to their anti-dilutive effect.

5. Inventories

Inventories are summarized as follows:

	As of September 27, 2025	As of March 29, 2025
	(In thousands)	
Raw materials and work in progress	\$ 4,316	\$ 3,926
Finished goods	119,145	112,351
	<u>\$ 123,461</u>	<u>\$ 116,277</u>

6. Bank Indebtedness and Long-term Debt

As of September 27, 2025 and March 29, 2025, bank indebtedness consisted solely of amounts owing under the Company's Amended Credit Facility, which had an outstanding balance of \$73.5 million (\$73.8 million net of \$0.3 million of deferred financing costs) and \$73.6 million (\$73.8 million net of \$0.2 million of deferred financing costs), respectively. The Company's Amended Credit Facility is collateralized by substantially all of the Company's assets. The Company's excess borrowing capacity was \$14.9 million as of September 27, 2025 and \$15.5 million as of March 29, 2025. The Company met its excess availability requirements throughout the twenty-six week period ended September 27, 2025, and as of the date of these financial statements.

The Company's ability to fund its operations and meet its cash flow requirements is dependent upon its ability to maintain positive excess availability under its \$85.0 million Amended Credit Facility with Wells Fargo Capital Finance Corporation Canada. On October 23, 2017, the Company entered into a credit facility with Wells Fargo Capital Finance Corporation Canada ("Wells Fargo", successor to Wells Fargo Canada Corporation), for a maximum amount of \$85.0 million and maturing in October 2022. On December 24, 2021, the Company entered into the Amended Credit Facility with Wells Fargo. The Amended Credit Facility extended the maturity date of the Company's pre-existing loan from October 2022 to December 2026 and provided the Company with an option to increase the total commitments thereunder by up to \$5.0 million. The Company will only have the ability to exercise this accordion option if it has the required borrowing capacity at such time. On September 6, 2024, the Company exercised the option to increase the credit facility by \$5 million, bringing the credit facility to a maximum of \$90 million. The Amended Credit Facility bears interest at a rate of Canadian Overnight Repo Rate Average ("CORRA") plus a spread ranging from 1.5%—2.0% depending on the Company's excess availability levels. The Company is required to maintain minimum excess availability at all times, as defined in the Amended Credit Facility and Amended Term Loan. The Company was above the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan throughout fiscal 2025.

On June 26, 2024, the Company entered into an amendment to the Amended Credit Facility with Wells Fargo. The amendment replaced the interest rate of CDOR plus a spread ranging from 1.5%—2% depending on the Company's excess availability levels for the interest rate of CORRA plus a CORRA adjustment ranging from 0.30% to 0.32% and a spread ranging from 1.5%—2% depending on the Company's excess availability levels.

On June 29, 2018, the Company secured a \$12.5 million term loan with Crystal Financial LLC (dba SLR Credit Solutions) ("SLR"). On December 24, 2021, the Company entered into an Amended Term Loan with SLR. The Amended Term Loan extended the maturity date of the

Company's pre-existing loan from October 2022 to December 2026. The Amended Term Loan is subordinated in lien priority to the Amended Credit Facility and bears interest at a rate of CORRA plus 7.75%. The Amended Term Loan also allows for periodic revisions of the annual interest rate to CORRA plus 7.00% or CORRA plus 6.75% depending on the Company complying with certain financial covenants. The Company is required to maintain minimum excess availability, at all times as defined in the Amended Credit Facility and Amended Term Loan. The Amended Term Loan is required to be repaid upon maturity.

On June 26, 2024, the Company entered into an amendment to the Amended Term Loan with SLR. The amendment replaces the interest rate of CDOR plus 7.75% (or CDOR plus 7.00% or CDOR plus 6.75% depending on the Company complying with certain financial covenants) for the interest rate of CORRA plus a CORRA adjustment of 0.32% and 7.75% (or CORRA plus a CORRA adjustment of 0.32% plus 7.00% or CORRA plus a CORRA adjustment of 0.32% plus 6.75% depending on the Company complying with certain financial covenants).

On July 8, 2025, the Company entered into an amendment to Amended Term Loan with Crystal Financial LLC (D/B/A SLR Credit Solutions) (“SLR”), whereby SLR provided the Company with an additional term loan of \$13.5 million to fund the European Acquisition and to fund ordinary course working capital (the “Incremental Loan”). The Incremental Loan bears interest at the same rate as the current term loan with SLR. Under this amendment to the Amended Term Loan, the Company is required to ensure that the aggregate amount outstanding under this agreement and the Amended Credit Facility does not exceed the lesser of \$116 million and the borrowing base contemplated in the Amended Term Loan.

In addition, contemporaneously with the Incremental Loan, on July 8, 2025, the Company entered into an amendment and waiver to the Amended Credit Facility with Wells Fargo whereby Wells Fargo waives certain provisions of the existing Amended Credit Facility to permit the European Acquisition, the Incremental Loan and the Mangrove Loan. Under this amendment and waiver to the Amended Credit Facility, the Company is entitled to borrow an amount not to exceed the lesser of \$90 million and the most recent borrowing base delivered by the Company to its senior secured lenders.

The Company’s borrowing capacity under both its Amended Credit Facility and its Amended Term Loan is based upon the value of the Company’s inventory and accounts receivable, net of reserves and availability blocks, which is periodically assessed by its lenders and based upon these reviews the Company’s borrowing capacity could be significantly increased or decreased.

Both the Company’s Amended Credit Facility and its Amended Term Loan are subject to cross default provisions with all other loans pursuant to which if the Company is in default of any other loan, the Company will immediately be in default of both its Amended Credit Facility and its Amended Term Loan. In the event that minimum excess availability falls below the minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan, this would be considered an event of default under the Company’s Amended Credit Facility and its Amended Term Loan, that provides the lenders the right to require the outstanding balances borrowed under the Company’s Amended Credit Facility and its Amended Term Loan become due immediately, which would result in cross defaults on the Company’s other borrowings. The Company expects to have minimum excess availability as defined in the Amended Credit Facility and Amended Term Loan for at least the next twelve months from the date of issuance of these financial statements.

The Company’s Amended Credit Facility and its Amended Term Loan also contain limitations on the Company’s ability to pay dividends, more specifically, among other limitations; the Company can pay dividends only at certain excess borrowing capacity thresholds. The Company is required to either (i) maintain excess availability of at least 40% of the borrowing base in the month preceding payment or (ii) maintain excess availability of at least 25% of the line cap and maintain a fixed charge coverage ratio of at least 1.10 to 1.00. Other than these financial covenants related to paying dividends, the terms of the Company’s Amended Credit Facility and its Amended Term Loan provide that no financial covenants are required to be met other than already described.

The Company’s lenders under its Amended Credit Facility and its Amended Term Loan may impose, at any time, discretionary reserves, which would lower the level of borrowing availability under its credit facilities (customary for asset-based loans), at their reasonable discretion, to: (i) ensure that the Company maintains adequate liquidity for the operations of its business, (ii) cover any deterioration in the amount of value of the collateral, and (iii) reflect impediments to the lenders to realize upon the collateral. There is no limit to the amount of discretionary reserves that the Company’s lenders may impose at their reasonable discretion. No discretionary reserves were imposed during the twenty-six week period ended September 27, 2025 by the Company’s lenders.

The information concerning the Company’s bank indebtedness is as follows:

	26 Weeks Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Maximum borrowing outstanding during the 26 weeks	\$ 78,011	\$ 73,760
Average outstanding borrowed balance during the 26 weeks	\$ 74,074	\$ 67,572
Weighted average interest rate for the 26 weeks	5.4%	7.7%
Effective interest rate at September 27, 2025	5.1%	7.5%

As security for the bank indebtedness, the Company has provided some of its lenders the following: (i) general assignment of all accounts receivable, other receivables and trademarks; (ii) general security agreements on all of the Company’s assets; (iii) insurance on physical assets in a minimum amount equivalent to the indebtedness, assigned to the lenders; (iv) a mortgage on moveable property (general) under the Civil Code (Québec) of \$200.0 million; (v) lien on machinery, equipment and molds and dies; and (vi) a pledge of trademarks and stock of the Company’s subsidiaries.

On March 26, 2020, the Company secured a 6-year term loan with Business Development Bank of Canada (BDC), as amended, for an amount of \$0.4 million to be used specifically to finance the renovations of the Company’s Brinkhaus store location in Calgary, Alberta. As of September 27, 2025, the Company has \$0.1 million outstanding on the loan (\$0.2 million as of March 29, 2025). The loan bears interest at a rate of 8.3% per annum and is repayable in 72 monthly payments from June 26, 2021, the date of the drawdown.

On July 8, 2020, the Company secured a 6-year term loan with Investissement Québec, in the amount of \$10.0 million, as amended. The secured term loan was used to fund the working capital needs of the Company, of which \$1.8 million is outstanding at September 27, 2025 (\$2.8 million as at March 29, 2025). The loan bears interest at a rate of 3.14% per annum and is repayable in 60 equal payments beginning in July 2021. On January 4,

2023, the Company received a loan forgiveness in the amount of \$0.2 million that is being recognized over the term of the loan.

On August 24, 2021, the Company entered into a 10-year loan agreement with Investissement Québec, for an amount of up to \$4.3 million to be used specifically to finance the digital transformation of the Company through the implementation of an omni-channel e-commerce platform and enterprise resource planning system. As of September 27, 2025 and March 29, 2025, the Company has \$4.3 million (\$4.2 million net of deferred financing fees) outstanding on the loan. The loan bears interest at a rate of 1.41% per annum and is repayable in 60 equal payments beginning 60 months after the date of the first draw in July 2022.

The term loan with Investissement Québec requires the Company on an annual basis to have a working capital ratio (defined as current assets divided by current liabilities excluding the current portion of operating lease liabilities) of at least 1.01 at the end of the Company's fiscal year. During fiscal 2024, the Company received a tolerance letter from Investissement Québec that allowed the Company, as at March 30, 2024, to tolerate a working capital ratio of 0.97. As at March 30, 2024, the working capital ratio was 0.96. On July 3, 2024, the Company obtained a waiver from Investissement Québec with respect to the requirement to meet the working capital ratio at March 30, 2024 and therefore the debt has been presented as long-term at year end. Furthermore, on July 12, 2024, the Company received a tolerance letter from Investissement Québec that allows the Company, as at March 29, 2025, to tolerate a working capital ratio of 0.90. As at March 29, 2025, the working capital ratio was 0.88. On July 14, 2025, Investissement Québec modified the working capital covenant for fiscal years ending March 29, 2025 and March 28, 2026 to 0.88. Starting in fiscal 2026 and for the duration of the loan, the interest rate will be adjusted depending on the current ratio calculated at year end.

The Company has a cash advance outstanding from one of its controlling shareholders, Montel S.a.r.l. ("Montel", previously known as Montrovest), of U.S. \$1.5 million (approximately CAD \$2.0 million) originally received in May 2009. This cash advance was provided to the Company by Montel to finance working capital needs and for general corporate purposes. This advance and any interest thereon is subordinated to the indebtedness of the Company's Amended Credit Facility and Amended Term Loan. This cash advance bears an annual interest rate of 11%, net of withholding taxes, representing an effective interest rate of approximately 12%, and is repayable upon demand by Montel once conditions stipulated in the Company's Amended Credit Facility permit such a payment. In the twenty-six week period ending September 27, 2025, interest expense of \$0.1 million was recorded versus \$0.1 million in the comparative prior period. At September 27, 2025 advances payable to Montel amounted to U.S. \$1.5 million (approximately CAD \$2.1 million) and as at September 28, 2024 advances payable to Montel amounted to U.S. \$1.5 million (approximately CAD \$2.0 million).

On July 15, 2024, the Company obtained the "Shareholder Support Letter" from one of its controlling shareholders, Mangrove, providing financial support in an amount of up to \$3.75 million that was available until July 31, 2025, of which up to \$2.75 million was available prior to January 1, 2025 and an additional amount of up to \$1.0 million would be available after January 1, 2025. These amounts were available to be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company's Board of Directors, until at least July 31, 2025, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined in the Amended Credit Facility and Amended Term Loan. Amounts drawn under this support letter will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2025. On November 27, 2024, the support letter was extended until December 31, 2025.

On June 26, 2025, the Shareholder Support Letter was terminated and replaced with the Mangrove Loan whereby Mangrove advanced \$3.75 million of additional indebtedness to fund the Company's working capital requirements, at an annual interest rate of 15%, which would be repayable, in full, on December 24, 2026.

In addition, on July 21, 2025, the Company obtained from Mangrove a deferral of interest payments payable in relation to the cash advance outstanding of U.S. \$1.5 million and the Mangrove Loan of \$3.75 million, of up to a maximum of \$813,227, effective immediately and through to July 31, 2026.

On February 1, 2024, the Company entered into a financing agreement for a capital lease facility financing with Varilease Finance Inc. relating to certain equipment consisting of leasehold improvements, furniture, security equipment and related equipment for the construction of a new store. The maximum borrowing amount under this facility is U.S. \$2.5 million (CAD \$3.4 million). During fiscal 2025, the Company had borrowed a total amount of U.S. \$2.4 million (CAD \$3.3 million) against this facility. The capital lease financing bears interest at approximately 14% annually and is repayable over 24 months. As of September 27, 2025, the Company has U.S. \$1.4 million (CAD \$2.0 million) outstanding under this facility.

On June 3, 2024, the Company entered into a financing agreement for a capital lease facility financing with Varilease Finance Inc. relating to certain equipment consisting of leasehold improvements, furniture, security equipment and related equipment for the partial renovation of a store. The maximum borrowing amount under this facility is U.S. \$0.6 million (CAD \$0.8 million). During fiscal 2025, the Company had borrowed a total amount of U.S. \$0.6 million (CAD \$0.8 million) against this facility. The capital lease financing bears interest at approximately 14% annually and is repayable over 24 months. As of September 27, 2025, the Company has U.S. \$0.4 million (CAD \$0.5 million) outstanding under this facility.

7. Contingencies

The Company and its subsidiaries, in the normal course of business, may become involved from time to time in litigation and are subject to claims. While the final outcome with respect to claims and legal proceedings pending at September 27, 2025 cannot be predicted with certainty, management believes that adequate provisions have been recorded in the accounts where required and that the financial impact, if any, from claims related to normal business activities will not be material.

8. Segmented Information

The Company's Interim President and Chief Operating Officer is currently the Company's CODM. The CODM regularly reviews segment sales, segment cost of sales and segment unadjusted gross profit, after the elimination of any inter-segment transactions, to determine resource allocations and to assess profitability between segments. The Company's sales are primarily derived from the retailing of jewelry, timepieces, services and other products as generated through the management of its segments. Segment unadjusted gross profit is used by the CODM to monitor and assess segment results compared to prior periods, forecasted results, and the Company annual profit plan. The Company aggregates operating segments with

similar economic, operating and other characteristics.

The Company has two reportable segments, Retail and Other. As of September 27, 2025, Retail operated 17 stores across Canada under the Maison Birks brand, one retail location in Montreal under the Birks brand, one retail location in Montreal under the TimeVallée brand, one retail location in Calgary under the Brinkhaus brand, one retail location in Vancouver under the Graff brand, one retail location in Vancouver under the Patek Philippe brand, and four retail locations in Laval, Ottawa and Toronto under the Breitling brand, four retail locations in Toronto under the European Boutique brand, one retail location in Toronto under the Omega brand and one retail location in Toronto under the Montblanc brand. During the twenty-six week period ending September 27, 2025, the Company acquired through the European acquisition, 7 retail locations. Other consists primarily of our e-commerce business, wholesale business and gold exchange program. The two reportable segments are managed and evaluated by the CODM separately based on unadjusted gross profit. Sales and long-lived assets (other than financial instruments and deferred taxes) attributed to other foreign countries are not material and have not been disclosed separately. The significant segment expenses used by the CODM and disclosed retrospectively beginning fiscal 2025 are Cost of sales Jewelry and other and Cost of sales timepieces. The accounting policies used for each of the segments are the same as those used for the consolidated financial statements. Inter-segment sales are made at amounts of consideration agreed upon between the two segments and intercompany profit is eliminated if not yet earned on a consolidated basis. Inter-segment sales for the twenty-six week periods ended September 27, 2025 and September 28, 2024 are not material and, therefore, such information is not presented. The Company does not evaluate the performance of the Company's assets on a segment basis for internal management reporting and, therefore, such information is not presented.

Certain information relating to the Company's segments for the twenty-six week periods ended September 27, 2025 and September 28, 2024, respectively, is set forth below:

(In thousands)	Retail		Other		Total	
	Fiscal 2026	Fiscal 2025	Fiscal 2026	Fiscal 2025	Fiscal 2026	Fiscal 2025
Jewelry and other	\$ 30,493	\$ 25,359	\$ 3,586	\$ 4,060	\$ 34,079	\$ 29,419
Timepieces	57,857	49,870	1,181	829	59,038	50,699
Sales to external customers	88,350	75,229	4,767	4,889	93,117	80,118
Cost of sales:						
Jewelry and other	16,756	14,212	1,882	2,065	18,638	16,277
Timepieces	36,728	31,127	715	495	37,443	31,622
Total cost of sales	53,484	45,339	2,597	2,560	56,081	47,899
Unadjusted gross profit⁽¹⁾	34,866	29,890	2,170	2,329	37,036	32,219
Inventory provisions					(524)	(339)
Foreign exchange (loss) gain					671	(86)
Other unallocated costs					(717)	(535)
Gross profit					\$ 36,466	\$ 31,259

(1) This is a reconciliation of the segment's gross profits and certain unallocated costs to the Company's consolidated gross profits.

Various amounts in the fiscal 2025 Segmented information note were corrected for immaterial errors. The nature of the corrections were either between segments or between captions within the same segment. Total revenues and gross profit for the 26-week period ended September 28, 2024 remained unchanged.

9. Leases

Amounts recognized in the Condensed Consolidated Statement of Earnings were as follows:

	26 Weeks Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Fixed operating lease expense	\$ 4,994	\$ 5,333
Variable operating lease expense ⁽¹⁾	2,912	2,536
Total lease expense	\$ 7,906	\$ 7,869

(1) No rent concessions were recognized in the condensed consolidated statement of earnings for each of the periods ended September 27, 2025 and September 28, 2024.

Variable operating lease expense includes percentage rent, taxes, mall advertising, and common area maintenance charges. The weighted average remaining operating lease term was 6.2 years and the weighted average discount rate was 10.0% for all of the Company's operating leases as of September 27, 2025.

The following table provides supplemental cash flow information related to the Company's operating leases:

	26 Weeks Ended	
	September 27, 2025	September 28, 2024
	(In thousands)	
Cash outflows from operating activities for operating leases	\$ 6,187	\$ 6,559
Right-of-use assets obtained in exchange for operating lease liabilities ⁽¹⁾	\$ 2,979	\$ 2,067

- (1) Right-of-use assets obtained are recognized net of leasehold inducements. For the period ending September 27, 2025, there were no leasehold inducements recognized and as of September 27, 2025, \$0.1 million is included in Accounts Receivables and other receivables. For the period ending September 28, 2024, there were \$0.7 million of leasehold inducements recognized, and as of September 28, 2024, \$0.5 million is included in Accounts Receivables and other receivables.

The following table reconciles the undiscounted cash flows currently expected to be paid in each of the next five fiscal years and thereafter to the operating lease liability recorded on the Condensed Consolidated Balance Sheet for operating leases existing as of September 27, 2025.

	Minimum Lease Payments as of September 27, 2025 (in thousands)
Year ending March:	
2026*	\$ 7,249
2027	12,735
2028	11,384
2029	9,557
2030	8,379
Thereafter	22,919
Total minimum lease payments	72,223
Less: amount of total minimum lease payments representing interest	(19,236)
Present value of future total minimum lease payments	52,987
Less: current portion of lease liabilities	(9,215)
Long-term lease liabilities	\$ 43,772

* This amount represents minimum lease payments for the six-month period from September 27, 2025 to March 28, 2026.

10. Related Party Transactions

The Company has a cash advance outstanding from one of its controlling shareholders, Montel S.a.r.l. ("Montel", previously known as Montrovest), of U.S. \$1.5 million (approximately CAD \$2.0 million) originally received in May 2009. This cash advance was provided to the Company by Montel to finance working capital needs and for general corporate purposes. This advance and any interest thereon is subordinated to the indebtedness of the Company's Amended Credit Facility and Amended Term Loan. This cash advance bears an annual interest rate of 11%, net of withholding taxes, representing an effective interest rate of approximately 12%, and is repayable upon demand by Montel once conditions stipulated in the Company's Amended Credit Facility permit such a payment. In the twenty-six week period ending September 27, 2025, interest expense of \$0.1 million was recorded versus \$0.1 million in the comparative prior period. At September 27, 2025 advances payable to Montel amounted to U.S. \$1.5 million (approximately CAD \$2.1 million) and as at September 28, 2024 advances payable to Montel amounted to U.S. \$1.5 million (approximately CAD \$2.0 million).

On July 15, 2024, the Company obtained the "Shareholder Support Letter" from one of its controlling shareholders, Mangrove, providing financial support in an amount of up to \$3.75 million that was available until July 31, 2025, of which up to \$2.75 million was available prior to January 1, 2025 and an additional amount of up to \$1.0 million would be available after January 1, 2025. These amounts were available to be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company's Board of Directors, until at least July 31, 2025, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined in the Amended Credit Facility and Amended Term Loan. Amounts drawn under this support letter will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2025. On November 27, 2024, the support letter was extended until December 31, 2025.

On June 26, 2025, the Shareholder Support Letter was terminated and replaced with the Mangrove Loan whereby Mangrove advanced \$3.75 million of additional indebtedness to fund the Company's working capital requirements, at an annual interest rate of 15%, which would be

repayable, in full, on December 24, 2026.

In addition, on July 21, 2025, the Company obtained from Mangrove a deferral of interest payments payable in relation to the cash advance outstanding of U.S. \$1.5 million and the Mangrove Loan of \$3.75 million, of up to a maximum of \$813,227, effective immediately and through to July 31, 2026.

On July 21, 2025, the Company obtained support letters providing financial support to the Company for an aggregate total amount of up to \$1.5 million from (i) Mangrove for up to \$500,000, (ii) Davide Barberis Canonico (the Company's Interim President and Chief Operating Officer and a member of the Company's Board of Directors) for up to \$800,000, and (iii) Marco Pasteris (the Company's Vice-President, Finance) for \$200,000. These amounts can be borrowed, if needed, when deemed necessary by the Company, upon approval by the Company's Board of Directors, until at least July 31, 2026, to assist the Company in satisfying its obligations and debt service requirements as they come due in the normal course of operations, or in maintaining minimum excess availability levels at all times as defined by the Amended Credit Facility and Amended Term Loan. Amounts drawn under these support letters will bear interest at an annual rate of 15%. However, there will be no interest or principal repayments prior to July 31, 2026.

The Company provides RMBG Retail Vancouver ULC ("RMBG") with retail support and administrative services, and charges RMBG for these related services. During the period ended September 27, 2025, the Company charged \$257,250 to RMBG (\$244,999 for the period ended September 28, 2024). These fees are reflected as a reduction of selling, general and administrative expenses in the condensed consolidated statement of operations. As of September 27, 2025, the Company has \$0.1 million (\$0.2 million as at March 29, 2025) as a receivable related to these related services, and is presented in accounts receivable and other receivables on the condensed consolidated balance sheet.