



**THC BIOMED INTL LTD.**

**#1 – 2550 Acland Road**

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**THC BioMed Reports Third Quarter Results**

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**THC - CSE**

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**Vancouver, Canada, June 29, 2023** -- THC BioMed Intl Ltd. (**CSE: THC**) (“THC BioMed” or the “Company”) is pleased to report its financial results for the nine months ended April 30, 2023.

**Q3 HIGHLIGHTS**

- In March, THC BioMed Ltd. commenced the sales and distribution of its patented American-manufactured Clone Shipper containers in Thailand. Clone Shipper containers are available for purchase from THC BioMed (Thailand) Co. Ltd. via their THC2Go dispensaries. Clone Shipper Ltd. is a profit-making subsidiary of THC BioMed Intl Ltd. The innovative Clone Shipper container’s patented design enables plants, especially clones or young plants, to be shipped safely and all the while nurturing the plant in the growing process. The container is built to last for multiple shipments. The latest innovations include a new opaque lid and an LED light that lasts for 100 hours or longer.
- In April, our affiliate, THC BioMed (Thailand) Co. Ltd., began retail medical sales in the dispensary in Thailand.

**HIGHLIGHTS SUBSEQUENT TO APRIL 30, 2023**

- Our largest customer, the Province of B.C., discontinued skews for our gummies and pre-rolls which affected sales for Q3. This caused us to reestablish new skews for these products and sales have resumed.
- Management has made a decisive strategic restructuring of operations going forward focusing on service expansion. The Company now offers comprehensive assistance to micro-producers seeking entrance into the lucrative cannabis sector. In the wake of the Company's shift to edibles and drinks as its main products, THC BioMed Ltd. has available grow space in its licensed Kelowna, B.C. facility. This space will be leveraged to offer turnkey operations for micro-producers, inclusive of a licensed grow space and consulting services covering all facets of cannabis production, from growth to extraction, distribution and sales. As a result of this restructuring, some units have been earmarked to be sold as commercial units in the Acland Road business park. Micro-producers utilizing THC's services will gain from the Company's existing license, in-house processing, and established distribution networks. THC BioMed Ltd. will also assist these new micro-producers in applying for a B.C. farmgate license, facilitating non-medical cannabis product sales from stores located at cultivation sites.
- On June 29, 2023, the *THC Kiss Mango Beverage Shot* was #3 and *THC Kiss Guava Beverage Shot* was #4 on the bestselling beverages list on the Ontario Cannabis Store website.
- On June 29, 2023, the *THC Kiss Mango Beverage Shot* was #2 on the B.C. Cannabis Store website.

## MANAGEMENT COMMENT

"Transitioning to edibles and drinks, coupled with our Clone Shipper sales, we now have space to accommodate a few micro-producers," stated John Miller, CEO of THC BioMed. "This new direction allows us to contribute to the growing trend toward micro-producers in the Canadian cannabis market, aiding newcomers in navigating market entry barriers. As a result of the more streamlined process with edibles and drinks production, some units have been earmarked to be sold as commercial units in the Acland Road business park. Micro-producers utilizing THC's services will gain from the Company's existing license, in-house processing, and established distribution networks. THC BioMed Ltd. will also assist these new micro-producers in applying for a B.C. farmgate license, facilitating non-medical cannabis product sales from stores located at cultivation sites."

## SUMMARY OF QUARTERLY RESULTS

Quarter Ended	Revenue	Net Income (Loss)	Income (Loss) Per Share
Q3/2023 April 30, 2023	\$ 476,230	\$ (935,212)	\$ (0.005)
Q2/2023 January 31, 2023	\$ 817,096	\$ (992,011)	\$ (0.005)
Q1/2023 October 31, 2022	\$ 667,876	\$ (331,478)	\$ -
Q4/2022 July 31, 2022	\$ 897,371	\$ (1,653,118)	\$ (0.010)
Q3/2022 April 30, 2022	\$ 699,004	\$ (131,108)	\$ -
Q2/2022 January 31, 2022	\$ 606,826	\$ (1,547,016)	\$ (0.010)
Q1/2022 October 31, 2021	\$ 1,136,796	\$ 25,006	\$ -
Q4/2021 July 31, 2021	\$ 1,020,804	\$ (1,426,064)	\$ (0.010)

## STATEMENT OF NET AND COMPREHENSIVE LOSS SUMMARY

	For the three months ended		For the nine months ended	
	April 30 2023	April 30 2022	April 30 2023	April 30 2022
Revenue	\$ 476,230	\$ 699,004	\$ 1,961,202	\$ 2,442,626
Cost of sales	(736,054)	(831,431)	(2,012,850)	(2,337,214)
Gross profit (loss) before fair value adjustments	(259,824)	(132,427)	(51,648)	105,412
Net change in fair value of biological assets	(110,576)	(68,322)	(511,432)	(536,467)
Gross profit after fair value adjustments	(370,400)	(200,749)	(563,080)	(431,055)
Total expenses	(556,399)	(550,201)	(1,659,089)	(1,826,815)
Total other income (expense) items	(8,413)	619,842	(36,532)	604,752
<b>Net and comprehensive loss for the period</b>	<b>\$ (935,212)</b>	<b>\$ (131,108)</b>	<b>\$ (2,258,701)</b>	<b>\$ (1,653,118)</b>

## STATEMENT OF FINANCIAL POSITION SUMMARY

As at	April 30 2023	July 31 2022
Current assets	\$ 3,314,445	\$ 4,291,954
Total assets	\$ 13,721,302	\$ 14,746,366
Current liabilities	\$ 8,046,304	\$ 6,844,658
Total liabilities	\$ 9,021,567	\$ 7,813,235
Working capital	\$ (4,731,859)	\$ (2,552,704)
Accumulated deficit	\$ (27,019,011)	\$ (25,337,925)

## CASH FLOW STATEMENT SUMMARY

	For the three months ended		For the nine months ended	
	April 30 2023	April 30 2022	April 30 2023	April 30 2022
Net and comprehensive loss for the period	\$ (935,212)	\$ (131,108)	\$ (2,258,701)	\$ (1,653,118)
Cash, end of the period	\$ 205,015	\$ 1,155,063	\$ 205,015	\$ 1,155,063

## NON-IFRS EARNINGS MEASURE

	For the three months ended		For the nine months ended	
	April 30 2023	April 30 2022	April 30 2023	April 30 2022
Net and comprehensive loss for the period	\$ (935,212)	\$ (131,108)	\$ (2,258,701)	\$ (1,653,118)
Add back				
Interest	157,382	91,144	380,056	287,177
Depreciation and amortization	191,921	229,947	617,401	684,782
<b>EBITDA from continuing operations</b>	<b>(585,909)</b>	189,983	<b>(1,261,244)</b>	(681,159)
Accretion expense on convertible debentures	13,543	13,765	40,877	30,179
Extinguishment of accounts payable	-	(170,237)	-	(170,237)
Gain (loss) on sale of assets	-	(455,381)	365	(455,381)
Share-based compensation	-	-	-	94,204
Net changes in fair value of biological assets	110,576	68,322	511,432	536,467
<b>Adjusted EBITDA</b>	<b>\$ (461,790)</b>	\$ (353,548)	<b>\$ (708,570)</b>	\$ (645,927)

The Company defines Adjusted EBITDA as net income (loss) excluding fair value changes on growth of biological assets, realized fair value changes on inventory sold or impaired, depreciation and amortization of property, plant and equipment and intangible assets, share based payments, finance expense, gain or loss on disposal of property plant and equipment, unrealized gains or losses on investments and income taxes.

All financial information in this press release is reported in Canadian dollars, unless otherwise indicated. This news release is intended to be read in conjunction with the Company's Condensed Interim Consolidated Financial Statements and Management's Discussion & Analysis for the six months ended January 31, 2023 and 2022, which has been filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

## ABOUT THC

THC BioMed is one of Canada's oldest active licensed cannabis companies. It was first licensed to deal with cannabis in 2013 under a Health Canada Section 56 exemption under the *Controlled Drugs and Substances Act* and has been a Licensed Producer under the current regime since 2016. It is a small batch producer and aims to be a leader in the beverage and edible space.

THC BioMed is a Licensed Producer of medical and recreational cannabis under the *Cannabis Act*. It is licensed to cultivate and sell dried, extract, edible, and topical cannabis. The Company is on the leading edge of scientific research and the development of products and services related to the cannabis industry. THC BioMed is well-positioned to be in the forefront of this rapidly growing industry.

Please visit our website for a more detailed description of our business and services available. [www.thcbiomed.com](http://www.thcbiomed.com)

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## **Forward-Looking Information**

This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of THC BioMed Intl Ltd. ("THC"). Forward-looking information is based on certain key expectations and assumptions made by the management of THC. In some cases, you can identify forward-looking statements by the use of words such as "will," "may," "would," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "could" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Forward-looking statements in this press release are made as of the date of this press release and include that THC will be on the forefront of this rapidly growing industry. Although THC believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because THC can give no assurance that they will prove to be correct. THC disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

***The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.***