

HEMPSANA HOLDINGS LTD.



For Immediate Release
Canadian Securities Exchange
Symbol “HMPS”

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HEMPSANA Announces Q4 and Fiscal 2021 Financial Results

Toronto, Ontario – April 25, 2022 – HempSana Holdings Ltd. (the “**Company**” or “**HempSana**”) today announced fourth quarter and annual financial results for the twelve-month period ended December 31, 2021.

Randy Ko, HempSana’s CEO commented: “2021 was the inaugural year for HempSana. After several years of preparation and hard work, we completed the build out of our facility and launched commercial operations. We also completed the RTO and became publicly traded. 2021 was the year we laid the foundation for longer term growth: we built a production and management team, amended our cannabis licence to authorize us to directly sell, established strategic supplier relationships and developed key customer relationships. While the cannabis market faced significant turmoil in 2021, we were able to advance our business plan despite the challenges.”

Operational Highlights:

- Completion of our first commercial run of cannabigerol (“CBG”), with 50+ kg of CBG Isolate processed
- Increased Production Utilization to 90%, compared to 65% during Q3
- Processed 50+ kg of THC, CBD and CBG Distillate
- Process 50+ kg of CBG Isolate

Financial Highlights

- Revenues were \$114,715 for fiscal 2021, the first year the Company had revenues.
- Revenues for Q4 2021 were \$84,351, compared to \$30,364 in Q3 2021, which represents a 178% quarter over quarter increase.
- Net loss and comprehensive loss were \$4,238,470 in fiscal 2021 compared to a net loss of \$1,653,851 in 2020
- Net loss per share was \$(0.19) in fiscal 2021, compared to \$(0.10) in 2020
- The higher net loss in 2021 was driven by one-time costs related to the RTO Transaction and costs to operate as a public company. Specifically, the \$1.9 million in listing expenses, of which \$1.7 million were non-cash expenses, professional fees of \$322k and IR costs of \$313k.
- Net loss and comprehensive loss were \$417,039 in Q4 2021, compared to a net loss of \$812,646 in Q4 2020
- Net loss per share was \$(0.02) in Q4 2021, compared to \$(0.05) in Q4 2020

Options Grant Announcement

The Company announces the grant of an aggregate of 757,000 incentive stock options to certain directors and officers of the Corporation exercisable at CAD\$0.05 until April 22, 2032 pursuant to the Corporation's stock option plan.

About Hempsana Holdings Ltd.

The Company's business involves the manufacturing of major and minor cannabinoid derivatives and producing cannabis extracts for use in finished products and other infused consumables. Hempsana's Health Canada Standard Processing Licensed, and EU-GMP compliant facility provides the Company access to wholesale and retail channels in Canada and internationally. Hempsana currently offers a wide range of product formats, including cannabis concentrates, diamonds, tablets, topicals, tinctures, salves, infused pre-rolls, and hemp-based CBD products that are all manufactured and distributed by Hempsana.

Additional Information

For additional information regarding Hempsana, please contact:

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FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements and forward-looking information within the meaning of applicable Canadian and U.S. securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning the business and operations of the Company. The forward-looking statements and information are based on certain key expectations and assumptions made by management, including expectations and assumptions concerning the Company. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information. There can be no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties, include, but are not limited to, general economic conditions and the state of the regulatory environment. Please refer to the Company's public record on SEDAR at www.sedar.com for more details on the risks faced by the Company. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward- looking information for anything other than its intended purpose. Management of the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.