

HEMPSANA HOLDINGS LTD.



For Immediate Release
Canadian Securities Exchange
Symbol “HMPS”

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HEMPSANA Announces Q3 2022 Financial Results

Toronto, Ontario – November 28, 2022 – Hempsana Holdings Ltd. (the “**Company**” or “**Hempsana**”) today announced three and nine months financial results for the period ended September 30, 2022.

Randy Ko, Hempsana’s CEO commented: “Our team remains focused on leading the market in the manufacturing and distribution of rare cannabinoids to support product development cycles with many of the major consumer brand leaders in Canada. Our management team continues to keep their ears to the ground on consumer data driven insights, innovation and brand development as we continue to expand on our strategic partnership program to bring unique products to market. With the approval of 10 products into the Ontario Cannabis Store with distribution starting in Q4 of 2022, we look to expand our portfolio of products to the recreational and medical channels. A key area we are focused on is the infused pre-roll market, which has shown great growth with 1000% year over year sales increases in the largest provinces of the Canadian market. The Caviar Gold launch couldn’t be timed any better with initial SKU launches scheduled for Q4 of this year. We look to position the brand as one of the highest quality and highly potent products in the infused pre-roll market and will look to be aggressive in capturing market share.”

Operational Highlights

- Completion of first commercial run of Caviar Gold’s patented technology for high THC potent infused flower for pre-roll and moon rock production
- Production of over 9,567 units of ufeelu and Cream of the Crop Therapeutic products
 - Cream of the Crop Therapeutic – Terpene Rich Relief Cream
 - Shyne Botanicals – CBD Balm 3000
 - Shyne Botanicals – Muscle Rub
 - ufeelu Rest Drop
 - ufeelu Calm Drop
- Commenced distribution of cannabis consumer products into Saskatchewan market
- Commenced bulk intermediate cannabis sales to Australia through broker Cannada Management
- Received approval from AGLC to list and distribute products into Alberta recreational market

Financial Highlights

- Revenues were \$251,631 for the three months ended September 30, 2022, compared to \$30,364 for the three months ended September 30, 2021.
- Revenues were \$880,847 for the nine months ended September 30, 2022, compared to \$30,364 for the nine months ended September 30, 2021.
- Gross profit was \$69,498 and gross margins were 27.6% for the three months ended September 30, 2022, and \$229,030 and 26.0% for the nine months ended September 30, 2022.
- Net loss and comprehensive loss were \$(486,432) in Q3 2022 compared to a net loss of \$(2,460,126) Q3 2021.

- Net loss and comprehensive loss were \$(1,265,004) for the nine months ending September 30, 2022 compared to a net loss of \$(3,821,161) for the nine months ending September 30, 2021.
- Net loss per share was \$(0.02) in Q3 2022, compared to \$(0.11) in Q3 2021.
- Net loss per share was \$(0.05) for the nine months ending September 30, 2022, compared to \$(0.18) for the nine months ending September 30, 2021.

About Hempsana Holdings Ltd.

The Company's business involves the manufacturing of cannabis derivatives and producing cannabis extracts for use in finished products, including vapeables, topical creams and infused consumables. Hempsana's Health Canada Standard Processing Licensed, and EU-GMP compliant facility provides the Company with access to wholesale and retail channels in Canada and internationally.

Additional Information

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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.