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**CANADA HOUSE WELLNESS GROUP REPORTS FIRST QUARTER  
FISCAL YEAR 2022 RESULTS**

*Montréal, Québec – September 28, 2021 (CNW)* - Canada House Wellness Group Inc. (CSE: CHV) (“**Canada House**” or the “**Company**”) is pleased to report its financial results for the three months ending July 31, 2021. All amounts are stated in thousands of Canadian dollars. Complete details may be found at [www.sedar.com](http://www.sedar.com).

**Financial Highlights:**

- Cash position was \$741 as at July 31, 2021 compared to \$1,835 as at April 30, 2021.
- Revenue was \$4,024, an increase of \$1,497 or 59%, compared to \$2,527 during the same period in the prior year.
- Loss and Comprehensive Loss for the three months was \$2,575, an increase of \$1,943 or 307% compared to a loss of \$632 during the same period in 2020. Loss and Comprehensive Loss for the three months ending July 31, 2021 included a one-time inventory impairment of \$1,004 and there was an unrealized gain on changes in fair value of biological assets of \$712 in the same period of the prior year.
- Cash flow used in operating activities was \$347, an increase of \$69 or 25%, compared to \$278 during the same period in 2020.
- Cash flow used in investing activities was \$576 during the three months ending July 31, 2021, \$131 of net cash was provided by the investing activities during the same period in the prior year.
- Net cash used in financing activities was \$171 compared to \$268 during the same period in 2020.
- Shareholder's equity was a surplus of \$4,484 compared to \$6,873 as of April 30, 2021.

**Business Highlights:**

- On May 27, 2021, the Company’s wholly-owned subsidiary Canada House Clinics Inc. (“**CHC**”)

completed the acquisition of Margaree Health Group Inc. (“**Margaree**”). Margaree is a medical cannabis clinic dedicated to Veterans in Nova Scotia. Margaree’s patients will be served by the Halifax clinic of CHC. CHC purchased 100% of the issued and outstanding shares of Margaree for cash consideration of \$500,000 and a three-year earn-out measured against Margaree’s revenue during the earn-out period. CHC has also committed to further increase its contributions to veteran causes both through the Not-for-Profit Post Traumatic Growth Association and additional programs.

- On May 31, 2021, Abba Medix Corp. (“**Abba**”), the Company’s wholly-owned subsidiary, fulfilled its first purchase order from Cannabis New Brunswick for 3.5-gram dried flower formats of Critical Orange Punch and VetStar Night strains. The Company entered into an agreement with a New Brunswick based licence producer to source locally grown, premium cannabis products to supplement its offerings to Cannabis New Brunswick, Abba’s medical patient base, and other provincial distribution channels.
- On June 1, 2021, Abba completed the shipment of its first order of adult-use dried flower products to third-party distributor, National Cannabis Distribution (“**NCD**”), for sale in Saskatchewan, the fifth province in which Abba’s products were made available to recreational consumers. Abba initially offered 15-gram dried flower and 0.5 gram pre-rolled formats, including internally cultivated Purple Bud and Critical Orange Punch genetics to Saskatchewan consumers and subsequently received additional purchase orders to bring additional products to NCD serviced licensed retailers in Saskatchewan.
- On June 7, 2021, the Company entered into a product acquisition agreement with Groupe Fuga Inc. (“**Fuga**”). Under the terms of the agreement, Abba will distribute Fuga’s first product: Tropicanna Cookies, a strain with unique properties crafted in accordance with the industry’s high standards to its medical patient base and through its existing recreational sales channels. Fuga is a medical and recreational cannabis grower located in Stoneham, Quebec.
- On June 7, 2021, the Company changed its registered office to 551 Rue Saint-Marc, Louiseville, Quebec, J5V 2L4, Canada.
- On June 14, 2021, Abba entered into an exclusive agreement with Montreal Cannabis Medical Inc. (“**MTL Cannabis**”) for Abba’s distribution of MTL Cannabis’ high-grade dried flower to Abba’s medical patient base (the “**Exclusivity Agreement**”). Under the terms of the Exclusivity Agreement, MTL Cannabis partnered with Abba to be the exclusive distributor of certain varieties of cannabis material produced by MTL Cannabis and destined for sale to medical patients in Canada. The variety of strains that will be supplied to support medical patients include: MTL Cannabis’ signature strain Sage n’ Sour, as well as Cookies N’ Cream and Candyland, along with up to six more future genetics. The dried flower format of these strains were initially offered through Abba’s medical brand, with a long-term plan to develop an “MTL Medical” branded line of medical product offerings.
- On July 6, 2021, Abba surpassed 1,000 active medical patient registrations. Abba’s active medical patient registrations have grown from fewer than 600 in January 2021 to over 1,000, representing patient growth of more than 67% in the first 6 months of this calendar year.

The Company is also pleased to announce that Peili Miao, CPA CGA, has been promoted to Chief Financial Officer (CFO). Ms. Miao joined the Company 2 years ago as Financial Controller, bringing 15 years prior experience in progressive finance roles, including as CFO of a TSXV listed mining company. Ms. Miao assumed the role of Interim CFO on March 25, 2021 and led a seamless transition of the Companies finance and accounting matters during the interim period.

### **About Canada House Wellness Group**

Canada House Wellness Group is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that produces high quality medical grade cannabis; IsoCanMed Inc., a Licensed

Producer in Louiseville, Québec growing best-in-class indoor cannabis, in its 64,000 sq. ft. production facility employing state-of-the-art vertical, aeroponic production methodologies; Canada House Clinics Inc., with clinics across the country that work directly with primary care teams to provide specialized cannabinoid therapy services to patients suffering from simple and complex medical conditions; and Knalysis Technologies, a provider of fully customizable, cloud-based software that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Wellness Group's goal is to become the leading cultivator of premium craft cannabis and provider of cannabinoid therapy, targeting the medical cannabis markets globally. Please visit [www.canadahouse.ca](http://www.canadahouse.ca) or the Company's public filings at [www.sedar.com](http://www.sedar.com).

**For further information, please contact:**

**Steven Pearce, Vice-President, Legal**

Canada House Wellness Group

289-980-3584

[spearce@canadahouse.ca](mailto:spearce@canadahouse.ca)

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