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**CANADA HOUSE WELLNESS GROUP REPORTS Q2 FISCAL YEAR 2022 RESULTS,  
REVENUE INCREASE OF 126% OVER Q2 2021 RESULTS**

*Louiseville, Québec – December 23, 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 October 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:**

- Revenue was \$5,106, an increase of \$2,843 or 126%, compared to \$2,263 during the same period in the prior year.
- Loss and Comprehensive Loss for the three months ending October 31, 2021 was \$3,377, an increase of \$1,318 or 64% compared to a loss of \$2,059 during the same period in 2020. Loss and Comprehensive Loss for the three months included an inventory impairment of \$1,344. Without the inventory impairment, Loss and Comprehensive Loss for the three months would have been \$2,033.
- Cash flow used in operating activities was \$1,727, a decrease of \$961 or 36%, compared to \$2,688 during the same period in 2020.
- Cash flow used in investing activities was \$613 compared to \$224 during the same period in 2020.
- Net cash used in financing activities was \$1,379 compared to \$2,761 during the same period in 2020.
- Shareholder's equity was a surplus of \$1,229 compared to \$6,873 as of April 30, 2021.
- Cash position was \$874 as at October 31, 2021 compared to \$1,835 as at April 30, 2021.

“We are very pleased with the revenue growth we are experiencing in both the medical and recreational cannabis markets as evidenced by our consolidated revenue more than doubling over the same period last year. We are just beginning to see the positive financial impact from significant growth in the

adult-use market with strong reviews and demand for of our product offerings across nine Canadian provinces,” commented Chris Churchill-Smith, CEO of Canada House. “We continue to receive strong reviews on Abba’s platform and product offering with medical sales growing at a consistent rate. We look forward to continued success and to demonstrating industry leading results as we complete and integrate the MTL Cannabis transaction.”

### **Business Highlights:**

- On August 9, 2021, Canada House and MTL Cannabis entered into a definitive share exchange agreement for Canada House’s acquisition of all of the issued and outstanding shares of MTL Cannabis (the “**Transaction**”). The Transaction is between arm’s length parties and constitutes a “reverse takeover” of the Company, and it is anticipated that the Company will operate under the MTL Cannabis corporate name with shares trading on the CSE under a related ticker symbol following the closing of the Transaction. Canada House is expecting that the transaction will be completed in the first calendar quarter of 2022.

The Company also announced that, prior to the maturity of its outstanding Convertible Debentures dated December 5, 2017 (the “**2017 Debentures**”), the Company corresponded with the remaining holders of 2017 Debentures and proposed Convertible Debenture Amending Agreements (the “**Amending Agreements**”) to: i) extend the Maturity Date of the 2017 Debentures to December 5, 2022; ii) increase the interest rate on the outstanding principal amount from 8.5% per annum to 18.0% per annum from and after December 5, 2021; iii) remove the conversion right under the Debenture; and, iv) reaffirm the Company’s obligations under the 2017 Debentures. As the Maturity Date of the 2017 Debentures has passed without payment of the amounts due at maturity, the Company is in default under the 2017 Debentures and will continue to be so until the Company pays the amounts due at maturity or reaches agreements with respect to the extension of the Maturity Date thereof. If the Company is not able to enter into Amending Agreements with all holders of the 2017 Debentures to extend the Maturity Date of the 2017 Debentures, the principal and interest of the 2017 Debentures not subject to such extensions will be due and payable and the holders of the 2017 Debentures may exercise rights to enforce the payment thereof.

### **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 premium cannabis in its 64,000 sq. ft. indoor production facility; 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)

Cautionary Statement Regarding Forward-Looking Information. This press release contains forward-looking statements, including statements that relate to, among other things, the Company's clinic, production and technology businesses, its future plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Material assumptions used to develop forward-looking information in this news release include, among other things, the closing of the transaction with MTL Cannabis and the receipt of all necessary regulatory and shareholder approvals associated therewith, the regulations related to cannabis use under the Access to Cannabis for Medical Purposes Regulations and the act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts, passed by the Canadian Federal government, making cannabis and cannabis based edibles, vapes and oils legal for recreational use on October 17, 2018 and October 17, 2019; Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.