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**CANADA HOUSE CANNABIS GROUP REPORTS Q1 FISCAL YEAR 2023 FINANCIAL RESULTS WITH RECORD REVENUE, POSITIVE CASH FLOW AND OPERATING PROFIT**

*Montréal, Québec – December 21, 2022 (CNW)* - Canada House Cannabis Group Inc. (formerly 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, 2022. All amounts are stated in thousands of Canadian dollars. Complete details may be found at [www.sedar.com](http://www.sedar.com).

**Financial Highlights:**

- Adjusted EBITDA of \$1,250 of profit, a 950% improvement of \$1,397, compared with \$147 loss for the three months ended October 31, 2021 (*See reconciliation of “Adjusted EBITDA (non-IFRS measure)” below*).
- Net revenue of \$5,981, an increase of \$875 or 17%, compared to \$5,106 in the same period in the prior year.
- Cash flow provided by operating activities was \$562, an improvement of \$1,942 compared to \$1,380 used in the operating activities during the same period in 2021.
- Loss and Comprehensive Loss of \$428, an improvement of \$2,949 or 87% compared to \$3,377 in the same quarter of last year, which included an inventory impairment of \$1,344.
- Net cash used in investing activities was \$311, an increase of \$274 or 741% compared to \$37 used in investing activities during the same period in 2021.
- Net cash provided by financing activities was \$130, a decrease of \$1,420 or 92% compared to \$1,550 provided by financing activities during the same period in 2021.
- Shareholder's equity was a surplus of \$12,683 compared to an equity deficit of \$3,753 as of July 31, 2022.
- Cash position was \$831 as at October 31, 2022 compared to the \$450 as at July 31, 2022.

“We are pleased to report continued revenue growth and positive financial performance at Canada House, a trend over our last five quarters which we expect to continue as we further optimize our low-cost cultivation facilities and distribute more high grade internally produced flower through our profitable medical and recreational distribution channels,” commented Chris Churchill-Smith, CEO of Canada House. “This was a landmark quarter for our Company, having generated positive cash flow from operations and a significant operating profit. We look forward to next quarter which will be our first full quarter to include sales from ICM’s retrofit production facility. I want to thank the entire CHV team as well as MTL management for their continued support as we continue to work on closing the second part of our transaction.”

<b>Reconciliation of "Adjusted EBITDA (non-IFRS measure)"</b>		
	<b>3 months ended October 31, 2022</b>	<b>3 months ended October 31, 2021</b>
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (428)</b>	<b>\$ (3,377)</b>
<b>Finance costs</b>	<b>928</b>	<b>857</b>
<b>Acquisition costs</b>	<b>905</b>	<b>-</b>
<b>Share of income from investment in associates</b>	<b>(59)</b>	<b>-</b>
<b>Provision for income taxes</b>	<b>(3)</b>	<b>30</b>
<b>Depreciation and amortization</b>	<b>488</b>	<b>269</b>
<b>Right-of-use assets amortization</b>	<b>123</b>	<b>92</b>
<b>Inventory impairment</b>	<b>-</b>	<b>1,344</b>
<b>Share-based compensation</b>	<b>18</b>	<b>122</b>
<b>Realized loss on sale of inventory</b>	<b>29</b>	<b>321</b>
<b>Unrealized loss on biological assets</b>	<b>(751)</b>	<b>195</b>
	<b>\$ 1,678</b>	<b>\$ 3,230</b>
<b>Adjusted EBITDA</b>	<b>\$ 1,250</b>	<b>\$ (147)</b>

- The above information contains non-IFRS financial performance measures which the Company believes provide users with relevant information regarding operation performance. These measures are not recognized or defined under IFRS, and as a result, they may not be comparable to the data presented by competitors.

#### **About Canada House Cannabis Group Inc.**

Canada House Cannabis Group Inc. is the parent company of Abba Medix Corp., a Licensed Producer in Pickering, Ontario that operates a leading medical cannabis marketplace; 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 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 to Canada House Clinics that links physician, provider, and patient to data that supports treatment with medical cannabis.

Canada House Cannabis Group's goal is to become the leading cultivator of premium craft cannabis and medical cannabis clinic and product solutions. Please visit [www.canadahouse.ca](http://www.canadahouse.ca) or the Company's public filings at [www.sedar.com](http://www.sedar.com).

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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 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.

The CSE has in no way passed upon the merits of the transactions contemplated in the Agreement (including the Transaction) and has neither approved nor disapproved the contents of this news release. 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.