

# Body and Mind Announces Q3 2023 Financial Results

## Reports Quarterly Revenue of US\$7.3 Million & Highlights Recent Developments

Las Vegas, Nevada and Vancouver, British Columbia--(Newsfile Corp. - June 21, 2023) - Body and Mind Inc. (CSE: BAMB) (OTCQB: BMMJ) (the "**Company**" or "**BaM**"), a multi-state operations-focused cannabis company, is pleased to announce financial results for the third quarter of fiscal year 2023 ended April 30, 2023 and to provide shareholders with an operational update. All financial information is provided in U.S. dollars unless otherwise indicated.

### Q3 FY 2023 Summary & Comparison to Q2 FY 2023 (in Millions of US\$)

	Q3 FY 2023	Q2 FY 2023
Revenue	\$ 7.3	\$ 7.7
Net Income/(Loss)	(\$3.6)	(\$2.7)
Adjusted EBITDA*	(\$0.7)	(\$1.3)

### Q3 FY 2023 (ended April 30, 2023) and Subsequent Highlights:

- Completed construction, approvals and opened the Markham, Illinois dispensary. This is the first of two dispensary projects in the Illinois market. The Markham dispensary is located within the largest retail mall in Markham, Illinois, which has average daily traffic counts of more than 400,000 cars per day within a mile of the project location and held a Grand Opening with local and state politicians on May 27, 2023.
- Advanced New Jersey state license application in conjunction with BaM Body and Mind Dispensary NJ, Inc. f/k/a CraftedPlants NJ, Inc. Received formal planning committee approval on the site plan, commenced design and architectural plans for the New Jersey location and working with state and local authorities to complete the state license.
- Divested the Michigan BaM Body and Mind dispensary to focus time and energy on the Illinois and New Jersey markets.
- Commenced product sales of Pretzel Bites, Turbo and vaporization cartridge products in Ohio from the Ohio processing operation.

### Management Commentary

"Our most recent quarter reflects a 46% improvement in adjusted EBITDA over last quarter as we continue to streamline our operations and expand into new markets. During the quarter, our team has focused on cost reductions and development of the new Illinois and New Jersey dispensaries," stated Michael Mills, CEO of Body and Mind Inc. "We believe the Chicagoland market remains underserved by dispensaries and the Grand Opening of the Markham, Illinois dispensary was a significant milestone for the Company. We continue to work with state and local licensing authorities to advance current projects and also to apply for licenses in new jurisdictions."

### Q2 FY 2023 Financial Highlights:

- Revenues for Q3 FY 2023 were \$7.3 million, a slight decrease from Q2 FY 2023 revenues of \$7.7 million.
- Gross profit of \$2.07 million for Q3 FY 2023 as compared to \$2.26 million for Q2 FY 2023.

- Q3 FY 2023 net operating loss was \$1.6 million as compared to net operating loss of \$1.8 million in Q2 FY 2023. Net operating income was primarily impacted by continued business development expenses related to Illinois and New Jersey, new license applications and new operation startup expenses.
- Q3 FY 2023 net loss was \$3.6 million (or basic and diluted loss per share of \$0.02) as compared to Q2 FY 2023 with a net loss of \$2.7 million (or basic and diluted loss per share of \$0.02). Net loss in Q3 FY 2023 included non-cash charges of \$0.9 million for loss on impairment and \$0.2 million for stock based compensation.
- Adjusted EBITDA\* loss of \$0.7 million for Q3 FY 2023 compared with a \$1.3 million loss for Q2 FY 2023, an adjusted EBITDA improvement of 46 % over the prior quarter.
- Total Current Assets were \$7.2 million, Total Assets were \$32.6 million, Total Current Liabilities were \$10.8 million and Total Liabilities were \$31 million at April 30, 2023.

The Company had 146,636,974 common shares outstanding as of April 30, 2023.

For further details, please see the Company's recent Form 10-Q filing on EDGAR at [www.sec.gov/edgar/search](http://www.sec.gov/edgar/search), and the interim financial statements filed on SEDAR at [www.sedar.com](http://www.sedar.com).

\*Adjusted EBITDA is a Non-GAAP metric used by management that does not have any standardized meaning prescribed by U.S. GAAP and may not be comparable to similar measures presented by other companies. Management defines the Adjusted EBITDA as the Income (loss) from operations, as reported, before interest, taxes, and adjusted for removing other non-cash items, including stock-based compensation expense, gain on settlement, loss on impairment, depreciation, and further adjustments to remove acquisition related costs or gains. Management believes Adjusted EBITDA is a useful financial metric to assess its operating performance on a cash adjusted basis before the impact of non-cash items and acquisition activities. The most comparable financial measure calculated and presented in accordance with U.S. GAAP is net income (loss), which was presented above prior to the Adjusted EBITDA figure.

<b>Net Loss</b>	<b>-3,608,770</b>
Interest Income	-18,000
Interest Expense	484,522
Tax	939,028
Depreciation/Amortization	351,247
<b>EBITDA</b>	<b>-1,851,973</b>

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Gain on settlement	0
Loss on impairment	944,015
Stock-based compensation	177,642
<b>Adjusted EBITDA</b>	<b>-730,316</b>

## About Body and Mind Inc.

BaM is an operations-focused cannabis company with active retail operations in Ohio, Arkansas, Illinois and California, pending retail operations in Illinois and New Jersey, and craft cultivation and/or processing operations in Nevada, Ohio and Arkansas. We work daily to increase our market share through delighting customers while also continuing to hone our operational efficiencies to drive profits. We are primarily guided by the metric of return on investment. Currently, we believe the most significant return on investment projects in front of us are successful retail cannabis store launches in Illinois and New Jersey, which augment our existing retail footprint. We also believe that our team's core operational skillsets will create significant future shareholder value as the cannabis industry matures.

Please visit [www.bodyandmind.com](http://www.bodyandmind.com) for more information.

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*Certain matters discussed in this news release and oral statements made from time to time by representatives of the Company may constitute forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. Forward-*

*looking information is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Many of these factors are beyond the Company's ability to control or predict. Important factors that may cause actual results to differ materially and that could impact the Company and the statements contained in this news release can be found in the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update or supplement any forward-looking statements whether as a result of new information, future events or otherwise. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities.*



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