

Vibe Reports Third Quarter 2023

Sacramento, California--(Newsfile Corp. - November 30, 2023) - Vibe Growth Corporation (**CSE: VIBE**) (**OTCQB: VIBEF**) (the "**Company**" or "**Vibe**"), a vertically integrated California cannabis enterprise, has released its 2023 third quarter financial results. All financial information is provided in U.S. dollars unless otherwise indicated. The Condensed Consolidated Financial Statements and Management Discussion and Analysis ("MD&A") for the three and nine months ended September 30, 2023, are available on the Company's SEDAR+ profile at www.sedarplus.ca and Vibe's website at www.vibebycalifornia.com.

Third Quarter 2023 Highlights

- As of September 30, 2023, Vibe's cash position was \$2.8 million;
- Dispensary Gross Margin increased to 49.7% in the quarter and 41.9% in the 2023 nine-month period compared to 33.6% and 36.6% in the comparative three and nine-month periods of 2022⁽¹⁾;
- EBITDA and Adjusted EBITDA of \$1,170,807 and \$281,672 in the 2023 third quarter compared to EBITDA loss and adjusted EBITDA loss of \$641,893 and \$557,056 in the second quarter of 2023;
- In the nine-month period, the Company generated EBITDA of \$153,643 and an Adjusted EBITDA loss of \$772,270; and
- Revenues were \$3.39 million for the third quarter of 2023, compared to \$3.69 in the second quarter of 2023, representing an 8.1% decrease.

(1) This is a non-IFRS measure. Readers are cautioned that the amounts presented do not have standardized meanings prescribed by IFRS. Please see the non-GAAP Financial Measures Disclosure below.

Financial Highlights

The Company's key financial results for the three and nine months ended September 30, 2022, and 2021 are as follows:

U.S. Dollars	For the three months ended September 30, 2023	For the three months ended September 30, 2022	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
Total revenue ^(a)	\$3,396,007	\$5,522,473	\$11,090,258	\$16,921,735
Gross margin	\$2,059,572	\$1,853,723	\$4,789,215	\$6,200,133
Net loss	\$(1,1340,946)	\$(1,130,063)	\$(3,887,059)	\$(2,775,042)
EBITDA ^(a)	\$1,170,807	\$(450,381)	\$153,643	\$(371,235)
Adjusted EBITDA ^(a)	\$281,672	\$(208,643)	\$(772,270)	\$115,668

Special Note Regarding non-GAAP Financial Measures

- a. This is a non-GAAP measure. Readers are cautioned that the amounts presented do not have standardized meanings prescribed by IFRS. See discussion of non-IFRS Measures in the MD&A for reconciliation to measures reported in the Company's consolidated financial statements.

Vibe chief executive officer, Mark Waldron, commented: "In the third quarter, we started to see the results of the groundwork for centralized purchasing and internal distribution, leading to improvements to Vibe's dispensary gross margins. We've launched several new Hype products and continue to focus our marketing efforts on supporting the new product launches and Vibe continues to implement cost reductions by reducing head office staffing levels."

About Vibe Growth Corporation

Vibe Growth Corporation and its cannabis retail brand, Vibe By California, is a trusted, vertically integrated California cannabis enterprise with retail dispensaries; cannabis greenhouse cultivation; premium indoor cultivation; commercial cannabis distribution; brand sales and marketing; e-commerce platform; home delivery; and [Hype Cannabis Co.](#) marijuana and [Vibe CBD](#) products. In California, Vibe is focused on maximizing shareholder value through accelerating organic growth, opportunistic acquisitions, distressed workouts, and new license applications. The Company operates retail and e-commerce under its iconic Vibe By California brand.

To learn more about Vibe, please visit: www.vibebycalifornia.com

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Cautionary Note Regarding Product & Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performances. The use of any of the words "anticipate," "could," "intend," "expect," "believe," "will," "projected," "estimated," and similar expressions or statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the parties' current belief or assumptions as to the outcome and timing of such future events, and maybe impacted as a result of general economic conditions. In this news release, forward-looking statements relate to, among other things, the Company's expectations of revenue, EBITDA profitability and adjusted funds flow, higher sales volumes, and the Company's retail operations. Actual future results may differ materially.

The forward-looking information contained in this release is made as of the date hereof, and the parties are not obligated to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties, and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein. Risk factors related to the Company are described in the Company's Management Discussion and Analysis, a copy of which is available under the Company's profile on SEDAR.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any State securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. Not for distribution to U.S. Newswire Services or dissemination in the United States. Any failure to comply with this restriction may constitute a violation of U.S. securities laws.

Unlike in Canada, which has Federal legislation uniformly governing the cultivation, distribution, sale, and possession of medical cannabis under the Cannabis Act (Federal), readers are cautioned that in the U.S., cannabis is largely regulated at the State level. To the knowledge of Vibe Growth Corporation, there are, to date, a total of 33 states, plus the District of Columbia, that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the State level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the U.S., and as such, cannabis-related practices or activities, including, without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws concerning cannabis will neither absolve Vibe

of liability under the U.S. Federal law nor will it provide a defense to any Federal proceeding which may be brought against Vibe Growth Corporation. Any such proceedings brought against Vibe may adversely affect its operations and financial performance.

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/189242>