



For Immediate Release

News Release

July 23, 2024

HERBAL DISPATCH ANNOUNCES RECORD REVENUE, POSITIVE NET INCOME AND OTHER UPDATES

Vancouver, B.C. – Herbal Dispatch Inc. (CSE: HERB) (“Herbal Dispatch” or the “Company”) a leading distributor of high-quality craft cannabis products, is pleased to announce significant achievements in revenue growth, export volume, and new Provincial product listings.

Record Revenue Growth

Herbal Dispatch Inc. expects to report a significant increase in revenue for the first half of 2024. The company has generated \$5.9 million in gross revenue so far this year, surpassing the total revenue for the entire year of 2023. In Q2 2024, Herbal Dispatch achieved \$4.3 million in gross revenue, reflecting growth of over 300% from Q2 last year. The Company also expects to report positive adjusted EBITDA and positive net income in the second quarter of 2024. The Company will be finalizing its financial results for the second quarter ended June 30, 2024 over the coming weeks and will provide additional disclosure regarding its Q2 results at that time.

Export Milestones

In Q2 2024, Herbal Dispatch exported more than 1,000 kilograms of cannabis to clients in Australia and Portugal. This is more than double the amount exported in 2023 and marks a significant expansion in the company's international strategy. The company anticipates further growth in export volume in the coming quarters, driven by increasing demand in international markets and the establishment of new client relationships across multiple countries.

Introduction of Happy Hour Brand

The "Happy Hour" brand has been well received in the market since its launch in Q1 2024. This brand includes an affordable range of offerings like pre-rolls, vapes, flower, and THCA toppers, with more products launching this year. Known for its flavourful and bright offerings, "Happy Hour" products are competitively priced to appeal to a broad range of consumers, providing refreshing options for those seeking high-quality cannabis experiences at accessible price points.

New Listings in British Columbia

Herbal Dispatch Inc. is pleased to announce the listing of its products in several new retail locations across British Columbia. This expansion includes the introduction of its new brand, "Happy Hour," which features a variety of cannabis products designed for social and recreational use.



Loan Receivable Update

Herbal Dispatch also announces that it has settled all litigation claims between the Company and Enhanced Pet Sciences Corp. (“EPS”) regarding its outstanding loan receivable owing from EPS as well as all other matters of dispute between the parties. As part of the settlement, the Company’s loan receivable was replaced by a royalty agreement whereas the Company will receive royalty payments in an amount equal to five percent of all of EPS’s gross sales until the Company has received total payments equal to CAD \$850,000, subject to adjustment in certain circumstances. Additional information regarding the royalty agreement will be provided in the Company’s interim consolidated financial statements for the three and six months ended June 30, 2024.

CEO Statement

"We are encouraged by the strong revenue growth, export milestones, and net profit achieved this quarter," said Philip Campbell, CEO of Herbal Dispatch. "In the coming quarters we will remain focused on expanding profitable sales channels while efficiently scaling our operations to support our ambitious goals. The success of our 'Happy Hour' brand, which we will expand across Canada in the quarters ahead, and the growth in exports to international markets provides us with many promising market expansion opportunities."

ABOUT HERBAL DISPATCH INC.

The Company owns and operates leading cannabis e-commerce platforms and is dedicated to providing top quality cannabis to informed consumers at affordable pricing.

Herbal Dispatch is committed to providing high-quality cannabis products to Canadian and international customers. The Company’s mission is to enhance consumer’s cannabis experience through superior product quality and exceptional customer service. **Herbaldispatch.com**, is a trusted source for exclusive access to small-batch craft cannabis flower and a wide-array of other product formats. With a robust and growing distribution network, the Company aims to be a leader in the cannabis industry by expanding the Herbal Dispatch brand and product offering as a trusted brand and leading purveyor of cannabis in Canada and internationally.

The Company’s common shares trade on the Canadian Securities Exchange under the symbol “HERB”.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release, including statements or information containing terminology such as “anticipate”, “believe”, “intend”, “expect”, “estimate”, “may”, “could”, “will”, and similar expressions constitute “forward-looking statements” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events, or developments that the Company or a third party expect or anticipate will or may occur in the future, including the Company’s future growth, results of operations, performance, and business prospects and opportunities are forward-looking statements. These forward-looking statements reflect the Company’s current beliefs and are based on information currently available to the Company. These statements require the Company to make assumptions it believes are reasonable and are subject to inherent risks and uncertainties.

Actual results and developments may differ materially from the anticipated results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond the Company’s control. These risk factors are interdependent and the impact of any one risk or uncertainty on a particular forward-looking statement is not determinable.

Examples of forward-looking statements in this news release and the key assumptions and risk factors involved in such statements include, but are not limited to, executing the Company’s strategic growth initiatives for 2024 and beyond, including growing revenue from export sales. The successful execution of these initiatives is subject to a number of risks and uncertainties, including industry competition, and future customer demand for the Company’s products, among others. The Company’s Q2 gross revenue and estimates that Adjusted EBITDA and net income will be positive for the second quarter ended June 30, 2024 are preliminary and remain subject to further adjustment as the Company finalizes its financial results for the second quarter ended June 30, 2024.

Consequently, all of the forward-looking statements made in this news release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected effects on the Company. These forward-looking statements are made as of the date of this news release. Except as required by applicable securities legislation, the Company assumes no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

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