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## Greenway Releases Interim Financial Results

### FOR IMMEDIATE DISTRIBUTION

KINGSVILLE, ON, Feb 24, 2022 /CNW/ - Greenway Greenhouse Cannabis Corporation (CSE: GWAY) ("Greenway" or the "Company"), a cultivator of high-quality greenhouse cannabis for the Canadian market, is pleased to announce the release of its unaudited interim financial statements for the three and nine month periods ending December 31, 2021 and to report positive Adjusted EBITDA<sup>(1)</sup> for the second consecutive quarter.

A copy of the unaudited interim financial statements for the three and nine months ending December 31, 2021 prepared in accordance with International Financial Reporting Standards (IFRS) and the related Management's Discussion and Analysis are available under the Company's profile on [www.sedar.com](http://www.sedar.com). All amounts expressed in this press release refer to Canadian dollars.

The Company is pleased to report the following results for the three months ended December 31, 2021 and that it has achieved positive Adjusted EBITDA<sup>(1)</sup> for such period:

Three months ended December 31, 2021	
Net Revenue	\$ 1,186,186
Gross Profit, before inventory impairment and fair value adjustments	\$ 227,262
Net Income (Loss)	\$ (460,431)
Adjusted EBITDA	\$ 20,223

"We are thrilled to report positive Adjusted EBITDA for a second consecutive quarter", says Jamie D'Alimonte, CEO. "We are continuing to focus on the quality of the product we produce, and the results have been great so far. Through our B2B partners our products are now in five provinces and selling quickly. Our team understands the importance of getting our product to as many end consumers as possible."

"We are continuing the drive towards profitability. I am proud of what we have been able to accomplish so far, but I believe our best is yet to come. Through COVID and some dramatic

weather systems this quarter we managed to increase our revenue over the previous quarter and maintain a positive Adjusted EBITDA” says Darren Peddle, CFO. “This is in no small part thanks to the wonderful leadership team we have assembled with generations of growing experience.”

### **Highlights**

- Completed a private placement financing of units consisting of common shares and warrants for aggregate gross proceeds of \$8,000,000 for the purpose of expanding both the cultivation and nursery facilities.
- Generated cannabis revenue of \$1,186,186, a 2.5% increase from the previous quarter.
- The cost of sales was \$958,924 resulting in a gross margin before inventory impairment and fair value adjustments of 19.2%
- Greenway has had two consecutive quarters producing a positive Adjusted EBITDA.
- Greenway cannabis can be found in five provinces

### **Non-IFRS Measures**

Management uses a non-IFRS measure to assess the Company’s performance. Non-IFRS measures do not have any standardized meaning under IFRS and are not a measure of financial performance under IFRS, and therefore, may not be comparable to similar measures presented by other companies. Please refer to page 1 of the Company’s Management’s Discussion and Analysis for an explanation of the composition of Adjusted EBITDA, an explanation of how it provides useful information to an investor and a quantitative reconciliation to the most directly comparable financial measure under IFRS, all of which is hereby incorporated by reference in this press release.

### **Reconciliations of Non-IFRS Measures**

The following table reconciles the non-IFRS measure to the most comparable IFRS measure for the three months ended December 31, 2021. This measure does not have any standardized meaning under IFRS and is not a measure of financial performance under IFRS, and therefore, may not be comparable to similar measures presented by other companies.

For the three months ended December 31, 2021

<b>Net Income (Loss)</b>	<b>(460,431)</b>
Interest (income) expense, net	220,533
Rental income	(62,500)
Fair value adjustment on sale of inventory	282,469
Fair value adjustment on growth of biological assets	(696,078)
Amortization	274,195

Share-based compensation	102,900
Impairment of inventory	211,395
Bad debt	147,740

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	\$
<b>Adjusted EBITDA</b>	<b>20,223</b>

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*The CSE has in no way passed upon the merits of the business of the Company and has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.*

### **About Greenway Greenhouse Cannabis Corporation**

Greenway Greenhouse Cannabis Corporation (CSE:GWAY) is a federally licensed cultivator for the Canadian cannabis marketplace. Greenway Greenhouse is headquartered in Kingsville, Ontario, and leverages the agriculture and cannabis expertise of its experienced team to be a leading greenhouse cannabis cultivator in Canada. More information can be found on [Greenway.ca](http://Greenway.ca) and updates can be followed on [Instagram](#), [Twitter](#), [Facebook](#), and [LinkedIn](#).

### **Contact Information**

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### **Cautionary Note Regarding Forward-Looking Statements**

This news release contains forward-looking statements that constitute forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities legislation. All statements in this news release that are not purely historical statements of fact are forward-looking statements and include statements regarding beliefs, plans, expectations, future, strategy, objectives, goals and targets, the development of future operations, expansion potential, and orientations regarding the future as of the date of this news release. Although the Company believes that such statements are reasonable and reflect expectations of future developments and other

factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: “believes”, “expects”, “aim”, “anticipates”, “intends”, “estimates”, “plans”, “may”, “should”, “would”, “will”, “potential”, “scheduled” or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved.

Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements, and includes those risks described in the final prospectus of the Company dated September 3, 2021, a copy of which is available under the Company’s profile at [www.sedar.com](http://www.sedar.com). Forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Company’s 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.