



# Greenway Announces Audited Year End Financial Statements

KINGSVILLE, ON, July 30, 2024 /CNW/ - Greenway Greenhouse Cannabis Corporation (CSE: GWAY) (OTCQB: GWAYF) ("Greenway" or the "Company"), a cultivator of high-quality greenhouse cannabis for the Canadian market, today reported its audited annual financial statements for the year ended March 31, 2024.

The Company is pleased to report the following results for the year ended March 31, 2024. All amounts expressed in this press release refer to Canadian dollars:

- Total grams or grams equivalent sold during the year of 5,548,692, a 33% increase from the previous fiscal year
- Net revenue of \$5,230,194 for the year, a decrease of 7% from the prior year.
- Fourth quarter net revenue of \$1,482,194, an increase of 9% from the same period in the prior fiscal year
- For the fiscal year, the Company averaged \$0.74 per gram of cash costs, within the target of management's \$0.75 expected annual cash cost per gram.
- A weighted average cash cost per gram of \$0.60 of finished goods inventory on hand as at March 31, 2024
- Liabilities as at March 31, 2024 consist of accounts payable and accrued liabilities of \$1,390,240, a 59% decrease from March 31, 2023
- Closed a non-brokered private placement for gross proceeds of \$3,500,000
- Launched first consumer products into the Ontario marketplace

"Over the course of the last fiscal year, the cannabis sector has faced intense competition and substantial price compression amid difficult market conditions. Our team began to slowly see prices rebound over the course of the year, and I am happy to report that our revenue in Q4 was up 9% from the previous year. With the total Canadian market continuing to evolve, we are confident that Greenway is one of the best positioned companies in the cannabis sector," said Jamie D'Alimonte, CEO of Greenway. "This year, we've achieved record sales volumes, dramatically reduced liabilities, launched our first consumer brands in Ontario, completed a \$3.5m private placement, and subsequent to our year end received the accreditation necessary to begin exporting Greenway cannabis internationally. Our team has been working to open up new avenues for our products, and to diversify our revenue. The next steps for our team is to continue to increase the value we get from every gram we produce, and to continue to expand into our cultivation area to meet our ever-increasing demand."

"As we increase our sales and production volumes, it is essential for Greenway to have access to multiple sales channels, which is why we have expanded into the international cannabis, and domestic consumer markets. Currently we are processing our first cannabis destined for international sale. Both of these new avenues come with an increased revenue per gram, and help make Greenway less reliant on domestic wholesale price fluctuations," said Carl Mastronardi, President of Greenway. "Our leadership team's decades of experience in produce helps us understand that being a low-cost producer of a consistently high-quality product is what separates who is here today, and who will be here going forward. Many of our competitors may not be able to survive, because they lack the low cost of production, quality and ability to pivot that we have. We anticipate a return to stronger pricing and demand as competitors unable to keep up exit the market, something we started to experience and that can be seen in our Q4 results. We remain committed to achieving profitable growth by delivering high-quality, unique products to Canadians through our wholesale and branded cannabis programs."

A copy of the audited annual financial statements for the year ended March 31, 2024 are 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.sedarplus.ca](http://www.sedarplus.ca).

## **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 twelve months ended March 31, 2024. 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 year ended March 31, 2024	
<b>Net Income (Loss)</b>	<b>(4,722,663)</b>
Amortization – cost of sales	1,263,903
Inventory impairment	199,945
Fair value adjustment on sale of inventory	321,672
Fair value adjustment on growth of biological assets	(321,672)
Amortization – operating expenses	406,796
Share-based compensation	751,594
Shares issued for investor relations services rendered	270,000
Convertible debentures issued for investor relations services rendered	120,000
Bad debt	242,464
Interest expense	843,570
	\$
<b>Adjusted EBITDA</b>	<b>(624,391)</b>

*This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold in the United States unless registered under the 1933 Act and any applicable securities laws of any state of the United States or an applicable exemption from the registration requirements is available.*

## **About Greenway**

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

**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.**

## **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 the Offering and the intended use of proceeds thereof, and the Company's beliefs, plans, expectations, future, strategy, objectives, goals and targets, the development of future operations, 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 Company's final prospectus dated September 3, 2021, a copy of which is available under the Company's profile at [www.sedarplus.ca](https://www.sedarplus.ca). 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.

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