

November 27, 2019



MariMed, Inc. Reports Strong Q3 with Solid Performance of Key Operating Metrics

- **Cannabis Revenues Up 24.1% in Q3, 35.3% Year-To-Date**
- **Hemp Revenues Drive Total Revenues Up 230.9% in Q3, 380.4% Year-To-Date**
- **Operating Income Margin Grows to 8.7% from negative 16.2% in Q3, 15.1% from negative 5.0% Year-To-Date**

NORWOOD, Mass., Nov. 27, 2019 (GLOBE NEWSWIRE) -- **MariMed Inc. (MRMD:OTCQX)** a leading multi-state cannabis and hemp operator focused on health and wellness, reported record results for both the three and nine-month periods ended September 30, 2019. Filing of the Company's 10-Q for the quarter was delayed awaiting receipt from GenCanna Global, in which MariMed, Inc. holds a 33.5% interest, of its operating results for the quarter. As previously reported, GenCanna experienced a major fire at its Kentucky facility in early November. Financial comparisons are to the same year-ago periods unless otherwise noted.

Q3 2019 Financial Highlights

For the three months ended September 30, 2019, total revenues increased 230.9% to \$11.22 million compared to the same period of 2018. Of that total, cannabis revenues grew 24.1% to \$4.21 million, while MariMed's hemp division reported revenue primarily from seed sales, of \$7.01 million in the quarter. Total operating income for the period increased to \$973,000, up from an operating loss of \$549,000. Overall, the Company reflected a loss for the quarter of \$7.30 million primarily due to interest expense on short-term borrowings to fund hemp seed purchases, as well as the Company's equity in the net loss reported by GenCanna. The GenCanna loss stems primarily from a one-time adjustment totaling \$6.10 million relating to market value adjustments for product.

For the nine months ended September 30, 2019, total revenues grew 380.4% to \$40.41 million from \$8.41 million for the same period in 2018. The increase is the result of a 35.3% growth of cannabis revenues to \$11.38 million, coupled with revenue from the MariMed's hemp division of \$29.03 million, primarily from seed sales to GenCanna. Operating income for the nine-month period totaled \$6.11 million, delivering a 15.1% operating margin, compared to an operating loss of \$417,000 or a negative 5.0% operating margin for the same period in 2018. Net loss for the nine-month period was \$2.50 million, or \$0.013 per share, a 55.7% improvement over a reported loss of \$5.63 million, or \$0.031 per share for the same period in 2018. The year-to-date loss in 2019 is due to interest on short-term borrowings to fund hemp seed purchases and the Company's equity in GenCanna's net loss for the period.

Q3 2019 Operational Highlights

During the quarter MariMed achieved several operational milestones, including

- Product licensing agreement with Binske Brands in seven states
- Launch of the Hemp Engine™ CBD product platform for major retailers
- Announcement its first major contract for Hemp Engine™ with a major beverage distributor and its retail network in Connecticut and Rhode Island
- Expanded management team with appointment of Jonathan Rider as Chief Information Officer and Phil Frankenberg as President of the MariMed Hemp Product Division
- MariMed Inc. stock up listed to OTCQX® Best Market

MariMed, Inc. CEO Bob Fireman noted that, “We are successfully navigating regulatory delays and capital market fluctuations while laying a strong foundation for future shareholder value. The quarterly results reflect investment spending to grow our platforms and one-time events which do not reflect the underlying health of MariMed’s core businesses in the long run. We continue to deliver innovations to both the cannabis and hemp CBD markets, expand our wholesale and retail footprints, grow our family of brands and attract top-flight executives and directors. We look forward to consolidating results from two major cannabis markets in Illinois and Massachusetts during the current quarter.”

About MariMed:

MariMed Inc., a multi-state cannabis operator, is dedicated to improving the health and wellness of people through the use of cannabinoids and cannabis products. The company develops, owns, and manages seed to sale state-licensed cannabis facilities, which are models of excellence in horticultural principles, cannabis cultivation, cannabis-infused products, and dispensary operations. MariMed has an experienced management team that has produced consistent growth and success for the company and its managed business units.

The company is at the forefront of science and innovation through research developed by its lab technicians and medical advisors resulting in industry-leading products and brands, including “Kalm Fusion” and “Betty’s Eddies.” These precision dosed products are focused on specific medical symptoms and are licensed and distributed across the country.

In 2019, with the enactment of the 2018 US Farm Bill, MariMed formed MariMed Hemp, a wholly owned subsidiary, to leverage its seed to sale cannabis platform and experience into the emerging hemp-based CBD industry. MariMed Hemp has developed and is marketing a portfolio of CBD brands and products to multiple retailers and direct to consumers both domestically and internationally. MariMed Hemp recently launched its Hemp Engine™ store-within-a-store distribution platform for retailers. For additional information, visit marimedinc.com.

Important Caution Regarding Forward Looking Statements

This release contains certain forward-looking statements and information relating to MariMed Inc. that is based on the beliefs of MariMed Inc.’s management, as well as assumptions made by and information currently available to the Company. Such statements reflect the current views of the Company with respect to future events including estimates and projections about its business based on certain assumptions of its management, including those described in this Release. These statements are not guarantees of future

performance and involve risk and uncertainties that are difficult to predict, including, among other factors, changes in demand for the Company's services and products, changes in the law and its enforcement and changes in the economic environment. Additional risk factors are included in the Company's public filings with the SEC. Should one or more of these underlying assumptions prove incorrect, actual results may vary materially from those described herein as "hoped," "anticipated," "believed," "planned," "estimated," "preparing," "potential," "expected," "looks" or words of a similar nature. The Company does not intend to update these forward-looking statements. None of the content of any of the websites referred to herein (even if a link is provided for your convenience) is incorporated into this release and the Company assumes no responsibility for any of such content.

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