

MariMed Inc. Reports Record Third Quarter 2017 Financial Results

Financial Highlights

- **REVENUE:** Increase of 96% compared to same quarter in 2016; 110% increase for nine-month period compared to the same period in 2016.
- **OPERATING INCOME:** Increase of five times compared to same quarter in 2016.
- **EBITDA*:** Increase of more than three times compared to same 2016 quarter; year-to-date total of \$1,361,000 is over four times higher than the nine-month 2016 period.
- **TOTAL ASSETS:** Increase to \$21,372,000, marking the second quarter in a row of 28+% sequential quarter-to-quarter asset growth; 149.6% increase in assets since December 31, 2016.

Operating Highlights

- **CONSUMER BRANDS:** Distribution of Kalm Fusion™ product line expanded to 51 of the 52 licensed state dispensaries in Illinois, in addition to dispensaries in Delaware and Rhode Island.
- **CLINICALLY-PROVEN MEDICAL STRAINS:** Doubled sales of Tikun Olam flower products in Delaware since the initial Q2 offering which the Company leveraged to obtain exclusive license to distribute Tikun Olam's clinically proven medical cannabis strains in Rhode Island, Maryland, Massachusetts and Illinois in 2018.
- **STATE OPERATIONS:** Continued major progress to build out a national presence in the rapidly growing cannabis business:
 - Existing Revenue Producing Operations
 - **Delaware:** MariMed customer First State Compassion's New Lewes dispensary open for a full quarter, increasing monthly revenues by approximately 50%, with still further growth anticipated.
 - **Illinois:** Expanded distribution of the Kalm Fusion™ product line to nearly all licensed dispensaries and inclusion of the newly acquired Betty's Eddies™ line.
 - Future Revenue Producing Operations
 - **Nevada:** Our Las Vegas cultivation facility progressed from our Q2 permit to operate to beginning cultivation in Q3 with expected first revenues in late Q4 of 2017 / Q1 of 2018.
 - **Maryland:** Hagerstown cultivation facility received certificate of occupancy in Q3 with grow approval expected in Q4 and expected first revenues in Q1 of 2018. Dispensary site located in Annapolis, with purchase anticipated to close in Q1 of 2018, with first revenues shortly thereafter.

- **Massachusetts:** Purchase of Middleboro dispensary facility, with expected first revenues in Q1 of 2018, with sites for two more dispensaries in process. Extended the contract to purchase 137,500 square foot industrial building on 17 acres for a production and cultivation facility in New Bedford, with expected first revenues in Q2 of 2018 (purchase of site concluded in Q4 as a subsequent event to Q3).
- **Other States:** Consulting services for strategic partners to secure cultivation and dispensary licenses in additional states, based on a clear regulatory framework and finding the right partners.

NEWTON, Mass., Nov. 15, 2017 (GLOBE NEWSWIRE) -- [MariMed Inc.](#) (OTCQB:MRMD), a leading provider of cannabis facility management services, branded consumer products, and clinically proven medical strains, today reported financial results for the third quarter ending September 30, 2017.

“Successful development of our consumer and medical brands is one of our key strategies for long term profitable growth,” said Robert Fireman, MariMed Chairman and Chief Executive Officer. “In Q3, we achieved significant distribution gains and saw significant market uptake for Kalm Fusion, our new Betty’s Eddies, and the Tikun Olam clinically-proven medical strains. We are aggressively pursuing expansion to markets where we have facilities coming online and to other markets in distribution agreements, where we assure manufacturing to uniform quality standards.”

Jon Levine, MariMed Chief Financial Officer, commented on the Company’s significant asset expansion, as follows: "MariMed is one of the few companies in the U.S. cannabis industry delivering on a commitment for rapid, high quality, multi-state expansion. Our business model and strong financial results enable us to secure the necessary capital to build our national presence in owned facilities and production agreements for licensed brands. In Q3, the Company delivered milestone achievements on multiple state facilities and expanded brand distribution that will translate to significant new revenue streams in calendar 2018."

The Company’s record financial results come from strong progress across all three of MariMed’s strategic business units:

- i) **Advisory and Management Services** - assisting applicants to secure state licenses, and then management, design, development and operation of cultivation, production and dispensing facilities for licensed cannabis operators;
- ii) **Real Estate Development** - securing, development, and leasing of real estate to licensed cannabis operators; and
- iii) **Branded Cannabis Products** - delivering precision dosed cannabis-infused, branded products sold via licensing agreements with strategic partners from state to state such as MariMed’s Kalm Fusion line of products.

* Beginning this quarter, MariMed is supplementing the metrics of Revenue, Operating Income, and others prepared in accordance with generally accepted accounting principles ("GAAP") with the non-GAAP financial metric of EBITDA. EBITDA is equal to the

Company's operating income before interest, taxes, depreciation, and amortization. Management uses EBITDA to assess the Company's operational performance and liquidity. EBITDA is not intended to be a substitute for the financial information prepared in accordance with GAAP, however we believe that both management and investors benefit from referring to EBITDA in assessing the results and financial health of the Company.

MariMed's full financial statement is available at <http://www.sec.gov/Archives/edgar/data/1522767/000149315217012999/form10-q.htm>.

About MariMed Inc.:

MariMed designs, develops, finances, and optimizes medical cannabis cultivation, production, and dispensary facilities as a management service. MariMed's team has developed or is in the process of developing state-of-the art regulatory-compliant facilities in DE, IL, NV, MD, MA and RI. These facilities are models of excellence in horticultural principals, cannabis production, product development, and dispensary operations. In addition, MariMed is on the forefront of precision dosed branded products for the treatment of specific medical symptoms. MariMed currently distributes its branded products in select states and is expanding licensing and distribution to numerous additional states encompassing thousands of dispensaries. MariMed Inc., is one of the 17 top-performing public cannabis companies in the U.S. tracked on the [U.S. Marijuana Index](http://www.marijuanaindex.com), (www.marijuanaindex.com). For additional information, visit www.MarimedAdvisors.com

Media Contacts:

For MariMed

Business Development
Jon Levine, CFO, MariMed
844-244-0200

Investor Relations

Tyler Troup, Circadian Group
tyler@circadian-group.com
+1 (866) 950 8300

Media Relations

Julie Shepherd, Accentuate PR
Julie@accentuatepr.com
847-275-3643

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" 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.

Source: MariMed Inc.