



## **CANADABIS CAPITAL, WITH SUB STIGMA GROW, CONFIRMS ANOTHER RECORD FISCAL YEAR OF RESULTS IN 2023, HIGHLIGHTED BY SIGNIFICANT GROWTH IN NET REVENUE, GROSS PROFIT AND EARNINGS**

- *Positive fiscal 2023 net income of \$4.4 million grew 631% over fiscal 2022 and drove annual earnings per share of \$0.03*
- *Gross revenue totaled \$34.6 million for the full year, expanding 103% over 2022*
- *Net revenue in 2023 of \$22.2 million grew 90% over 2022, while 2023 gross profit increased 111% to \$11.8 million*
- *Adjusted EBITDA<sup>1</sup> expanded to \$5.8 million in 2023, reflecting growth of 238% year-over-year and increased 161% to \$1.8 million in Q4/23*

**CALGARY, AB, November 28, 2023** - CanadaBis Capital Inc. (the "Company" or "CanadaBis") (TSXV: CANB), a premium vertically integrated Canadian cannabis company, is pleased to announce another consecutive year of record results for the fiscal year ended July 31, 2023, and the eighth straight quarter generating positive net income. The Company's Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") are available on CanadaBis' website and filed on SEDAR at [www.sedar.com](http://www.sedar.com).

This past year was the most successful in the Company's history, as gross and net revenue, net income and Adjusted EBITDA<sup>1</sup> all meaningfully exceeded results from previous years, and as such, we are proud to report the removal of the Going Concern note from the Company's financial statements. The continued demonstration of our financial and operating performance supported the removal of the note, and is an indicator of CanadaBis' ability to successfully execute our business strategy, which we believe translates into value creation for shareholders. With the combination of ongoing sales increases, cost efficiencies and rising demand for new and existing stock keeping units ("SKUs"), CanadaBis sold over 1.7 million units of combined concentrate and dry flower during the year ended July 31, 2023, representing growth of more than 112% relative to the 800,000 units sold in 2022.

"I am thrilled to share the Company's positive results for the quarter and year end July 31, 2023, as we delivered efficient operational execution and prudent financial management while successfully growing sales and gross profit, boosting net income, and increasing Adjusted EBITDA<sup>1</sup>, all while enhancing our long-term sustainability with the removal of the Going Concern note in our financial statements," said Travis McIntyre, CEO of CanadaBis. "Our value-oriented mindset and robust offering of multiple in-demand brands under the Stigma Grow umbrella provide a clear field of play where the Company's unique capabilities offer a distinct consumer-centric value proposition. Through fiscal 2024, CanadaBis will remain focused on capturing further market share, increasing unit sales and enhancing cost efficiencies, all of which we believe will support continued generation of positive results and value for our shareholders."

*Adjusted EBITDA is a Non-GAAP performance measure. Refer to "Advisories - Non-GAAP Measures" for further details.*

## FOURTH QUARTER AND YEAR END 2023 HIGHLIGHTS

- **Revenue Continues to Set Records** – Gross revenue for the full year was the highest in CanadaBis’ history, totaling \$34.6 million, more than double the gross revenue in 2022, driven by steady growth and continued demand for newly launched and existing SKUs.
- **Positive Net Income and Earnings per Share** – Net income continued its positive trajectory, totaling \$4.4 million in fiscal 2023 or 631% higher than in 2022, and was positive for the eighth straight quarter in a row at \$1.2 million in Q4/23, 159% higher than Q4/22. Earnings per share totaled \$0.03 in fiscal 2023, and \$0.01 in Q4/23, compared to nil for the same respective periods in 2022.
- **Expanding Adjusted EBITDA<sup>1</sup>** - Adjusted EBITDA<sup>1</sup> was also a record result, totaling \$5.8 million for the year ended July 31, 2023, and \$1.7 million for fourth quarter, increases of 238% and 161%, respectively.
- **Two Key Financial Milestones Realized** – For the first time in our history, CanadaBis removed the Going Concern note from our 2023 financial statements, aligning with the Company’s improved financial performance and stability. As a result of this improved fiscal strength, CanadaBis recorded our inaugural current income tax expense of \$119,228 for the 2023 fiscal year, a testament to the ongoing success of our business.
- **New Products Underpin Growing Sales** – During fiscal 2023, our newest and first-of-its-kind product line, Super Slim Cigarette Style Pre-Rolls, the “Electric Dartz” was brought to market. Since launch, the Electric Dartz product has been well received across the provinces with new flavours unveiled in the previous quarter contributing to growth and record sales in Alberta, British Columbia, Manitoba, Saskatchewan, and Ontario. These new products were packaged in ten packs of 0.4 grams per roll, both infused and non-infused. Previously, we rolled out similar products in packages of three, 0.5 grams per pre-roll format, while the Moonrock and Resin infused Flower format were available in 2-gram packages.
- **Brand Loyalty and Innovation** – The financial results for 2023 are indicative of our increased brand awareness, the launch of the High Priestess brand, and Stigma Grow’s deep innovation pipeline that supports consistent launches of new SKU’s and products driven by customer demand. In addition, the continued growth in our Dab Bod products, including the launch of multiple new SKUs under the Dab Bod Brand, offers an excellent foundation with a loyal market following.
- **Cost Control Remains a Focus** – CanadaBis has continued to manage our input expenses through negotiation with multiple suppliers to capture cost savings while increasing concentrate yields. While this drove a meaningful reduction in costs through 2023, we anticipate seeing a continuation of this trend into 2024 as more cultivators reposition themselves in the industry.

## ANNUAL HIGHLIGHTS ( FISCAL YEAR END 2023)

	Twelve months ended		
	July 31, 2023	July 31, 2022	% Change
Gross revenue	\$ 34,604,669	\$ 17,052,334	103%
Excise duty	\$ 12,382,216	\$ 5,383,365	130%
Net revenues	\$ 22,222,453	\$ 11,668,969	90%
Cost of sales	\$ 10,438,762	\$ 6,096,748	71%
Gross profit	\$ 11,783,691	\$ 5,572,221	111%
Net income and comprehensive income	\$ 4,444,494	\$ 607,951	631%
Per share (basic and diluted)	\$0.03	\$-	
Adjusted EBITDA <sup>1</sup>	\$ 5,832,232	\$ 1,727,569	238%

## OUTLOOK

In light of the consistent and strong performance achieved throughout fiscal 2023, highlighted by remarkable growth in gross and net revenue, net income, Adjusted EBITDA<sup>1</sup>, and successful cost management, CanadaBis has concluded fiscal 2023 with record-breaking results. Our commitment to executing the Company's strategic vision has established a foundation for growth that demonstrates our proven ability to sustain momentum. Going forward, our primary focus will remain on the continued expansion of our customer base and diversification of our product offerings. As a vertically integrated cannabis company, CanadaBis will remain sufficiently nimble and agile to respond effectively to external factors, such as fluctuations in selling prices, input costs, or evolving customer demand, all while maintaining a disciplined approach to capital management.

By leveraging our extensive brand portfolio, enhanced brand recognition, unique product offerings, and strategic allocation of resources, we plan to further cultivate innovative brands and introduce new products that align with evolving customer preferences. We are pleased with the growth achieved in market presence in provinces like Alberta, Ontario, and British Columbia. Our focus on boosting sales of resin and shatter-infused pre-rolls, moonrocks, Dab Bod, and High Priestess products positions us to capture an even greater market share.

As we shift our focus towards fiscal 2024, CanadaBis remains steadfast in its commitment to achieving continued success, pushing boundaries, and delivering sustainable shareholder value. The Company is strategically equipped for substantial growth and product diversification, driven by innovative cultivation techniques, effective market penetration strategies, and an unwavering dedication to product quality. Our strategic path remains clear: we will actively pursue growth opportunities, remain responsive to the evolving cannabis market, and continue to set new benchmarks for excellence in our operations. The outlook for CanadaBis is not just promising; it is a testament to the resilience, creativity, and collaborative strength of our Company. We extend our sincere gratitude to all shareholders and key stakeholders for your unwavering support.

<sup>1</sup> Adjusted EBITDA is a Non-GAAP performance measure. Refer to "Advisories - Non-GAAP Measures" for further details.

## **ABOUT CANADABIS CAPITAL INC.**

CanadaBis Capital Inc. (TSXV:CANB) is a vertically integrated Canadian cannabis company focused on achieving large-scale growth, from cultivation to retail, in the fast-emerging global cannabis market. By targeting organic growth opportunities alongside the right-fit partners, we remain focused on finding and capitalizing on chances to grow, diversify and continue to lead our industry.

Our integrated subsidiaries:

- **Stigma Pharmaceuticals Inc.** – 100% held
- 1998643 Alberta Ltd. (operating as “**Stigma Grow**”) - 100% held; [www.stigmagrow.ca](http://www.stigmagrow.ca)
- Full Spectrum Labs Ltd. (operating as “**Stigma Roots**”) - 100% held
- 2103157 Alberta Ltd. (operating as “**INDICative Collection**”) -100% held; [www.indicativecollection.ca](http://www.indicativecollection.ca)
- **Goldstream Cannabis Inc.** - 95% held

## **ABOUT STIGMA GROW**

Stigma Grow is a cutting-edge cannabis cultivation and extraction company positioned advantageously to meet the unmet market demands and stigmas within the legal cannabis industry head on, with products designed to disturb the status quo and dramatically shift the conversation surrounding Canada’s legal cannabis industry.

For more information, please visit or contact:

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1-888-STIGMA1

[www.canadabis.com](http://www.canadabis.com)

## **CAUTIONARY STATEMENTS**

### **Non-GAAP Measures**

This news release contains the financial performance metric of Adjusted EBITDA, a measure that is not recognized or defined under IFRS (a "Non-GAAP Measure"). As a result, this data may not be comparable to data presented by other cannabis companies. For an explanation and reconciliation of Adjusted EBITDA to related comparable financial information presented in the Financial Statements prepared in accordance with IFRS, refer to the MD&A for the three and twelve months ended July 31, 2023. The Company believes that Adjusted EBITDA is a useful indicator of operational performance and is specifically used by management to assess the financial and operational performance of the Company.

Adjusted EBITDA is a measure of the Company’s financial performance. It is intended to provide a proxy for the Company’s operating cash flow and is widely used by industry analysts to compare CanadaBis to its competitors and derive expectations of future financial performance of the Company. Adjusted EBITDA increases comparability between comparative companies by eliminating variability resulting from differences in capital structures, management decisions related to resource allocation, and the impact of fair value adjustments on biological assets, inventory, and financial instruments, which may be volatile on a period-to-period basis. Adjusted EBITDA is not a recognized, defined, or standardized measure under IFRS. The Company calculates Adjusted EBITDA as net income (loss) and comprehensive income (loss) excluding changes in fair value of biological assets, change in fair value of biological assets realized through inventory sold, depreciation and amortization expense, share-based payments, and finance costs.

### **Regarding Forward-Looking Information**

This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements include but are not limited to statements with respect to our business and operations; the focus of our 2024 activities, our continued cost saving initiatives, our outlook and the plan to seek further growth initiatives. Forward-looking statements are necessarily based upon a number of assumptions including: the ability of the Company's products to compete with the pricing and product availability; the market demand for the Company's products; and assumptions concerning the Company's competitive advantages. These assumptions, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: compliance with extensive government regulation, the general business, economic, competitive, political and social uncertainties; ability to sustain or create a demand for a product; requirement for further capital; delay or failure to receive board, shareholder or regulatory approvals; the results of operations and such other matters as set out in the Company's continuous disclosure on SEDAR at [www.sedar.com](http://www.sedar.com). There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Accordingly, readers should not place undue reliance on forward-looking statements. Investors are cautioned that forward-looking information is not based on historical facts but instead reflects management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although we believe that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have a material adverse effect on our future results, performance or achievements.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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