



FOR IMMEDIATE RELEASE

NEXT GREEN WAVE SURPASSES 6 MONTHS OF POSITIVE CASH FLOW AND PROFITABILITY

(CSE: NGW) (OTCQX: NXGWF)



Next Green Wave Surpasses 6 Months of Positive Cash Flow and Profitability

Vancouver, B.C. — October 7, 2020 — Next Green Wave Holdings Inc. (CSE: NGW) (OTCQX: NXGWF) ("Next Green Wave", "NGW" or the "Company") As a follow up to our last press release on [September 1, 2020](#), the Company is pleased to confirm the following financial milestones:

- In the months of July, August and September 2020, the Company operated with positive cash flow, and achieved both positive Adjusted EBITDA* and positive Net Income (the "Milestones"). It has now achieved these Milestones for seven consecutive months.
- In the months of July, August and September 2020, the Company surpassed US\$1.1 Million of revenues in each month, and as a result, achieved approximate

revenues of US\$3.5 Million in Q3 2020. The total cash costs incurred to generate Q3 2020 revenue was approximately US\$1.9 Million*.

- The CDN\$1,500,000 of convertible debentures (the “Debentures”), previously announced on [December 13, 2019](#), have been fully converted into common shares and all outstanding interest payments related to the Debentures have been fully paid. As a result, the number of common shares issued and outstanding, as of October 7, 2020, is 169,506,783.



To capitalize on the growing popularity of the NGW brand due to the success of the indoor flower line, the company has launched several new artisanal grade products that can be found in premium dispensaries in cities across California, including San Diego, LA, Modesto, Sacramento and Oakland. Next Green Wave branded prerolls, dabbable extracts and vape cartridges are all currently available throughout California, while the Company’s line of gum drops is expected to hit the market mid October. Next Green Wave followed the same approach that led to the successful flower launch, first releasing products locally in Coalinga at [Have A Heart](#) and quickly expanding through our other retail partners and distributors, including some of Los Angeles most well known and respected locations like DTPG, Dr. Greenthumbs.



“Considering the challenges and obstacles this Company has had to overcome over the last few years we are extremely proud to announce the above accomplishments. Now that we have set baselines for production and revenue over the last two quarters, our objectives are threefold. First, continue to optimize operations and improve production metrics to maximize overall flower output at our production facility. Second, continue to grow revenue by increasing branded product sales volume and increasing downline product sales such as extracts, prerolls, vape cartridges and edibles. Finally, get our extraction facility online this year which will add revenue through tolling and decrease internal production costs for downline products.

The whole team has been working hard to meet our continued growing demand as we are sold out week after week. The rapid expansion into retail is in full bloom across California including Oakland, Los Angeles, San Joaquin Valley and San Diego areas.” - Mike Jennings CEO Next Green Wave

Michael Jennings

Chief Executive Officer, Director
Next Green Wave Holdings Inc.

About Next Green Wave

Next Green Wave is a fully integrated premium seed to shelf craft cannabis producer offering products through its in-house brand portfolio and wholesale flower for other large cannabis manufacturers. The Company owns and operates a 35,000 sf indoor

facility in Coalinga, CA which is home to our nursery, cultivation, distribution, and future extraction business. NGW has an exclusive seed library consisting of 120 cannabis strains and hybrids including award-winning cultivars and is producing high quality tissue culture plantlets through its proprietary cloning technology with bio-tech leader [Precigen](#). Marketing, product design and formulation are produced in-house, please follow along us at www.nextgreenwave.com or on [Twitter](#), [Instagram](#), or [LinkedIn](#).

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*All financial information is provided in U.S. dollars. The Company provides financial metrics that are not prepared in accordance with IFRS. Management uses non-IFRS financial measures, in addition to IFRS financial measures, to understand and compare operating results across accounting periods, for financial and operational decision making, for planning and forecasting purposes and to evaluate the Company's financial performance. One example is Adjusted EBITDA, which has limitations as an analytical tool as it excludes from net income as reported, interest, tax, depreciation, other income and expenses, non-cash grow costs expensed for biological assets and unsold inventory, and the non-cash fair value effects of accounting for biological assets and inventories. Management believes that these non-IFRS financial measures reflect the Company's ongoing business in a manner that allows for meaningful comparisons and analysis of trends in the business, as they facilitate comparing financial results across accounting periods and to those of peer companies. Management also believes that these non-IFRS financial measures enable investors to evaluate the Company's operating results and future prospects in the same manner as management. These non-IFRS financial measures may also exclude expenses and gains that may be unusual in nature, non-cash, infrequent or not reflective of the Company's ongoing operating results. As there are no standardized methods of calculating these non-IFRS measures, the Company's methods may differ from those used by others, and accordingly, the use of these measures may not be directly comparable to similarly titled measures used by others. Accordingly, these non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. While the FY 2019 information available on SEDAR is audited, the quarterly information disclosed above is not.

Neither Canadian Securities Exchange (the "CSE") nor its Regulation Services Providers (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

Next Green Wave Forward Looking Statements

This press release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, are "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. Such risks and uncertainties include, among others, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing state, local or other licenses and any inability to obtain all necessary governmental approvals licenses and permits to complete construction of its proposed facilities in a timely manner; engaging in activities which currently are illegal under US federal law and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, particularly in California, due to inconsistent public opinion, perception of the medical-use and adult-use marijuana industry, bureaucratic delays or inefficiencies or any other reasons; any other factors or developments which may hinder market growth; NGW's limited operating history and lack of historical profits; reliance on

management; NGW's requirements for additional financing, and the effect of capital market conditions and other factors on capital availability, competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with customers and suppliers. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. Although NGW has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. NGW no obligation to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason except as required by law.