**MariMed Reports Second Quarter 2022 Earnings**

**NORWOOD, MA, August 8, 2022** - [MariMed, Inc.](http://www.marimedinc.com/) (“MariMed” or the “Company”) (CSE: MRMD) (OTCQX: MRMD), a leading multi-state cannabis operator focused on improving lives every day, today announced its financial results for the second quarter ended June 30, 2022.

“We executed on our strategic plan, growing revenue both year-over-year and sequentially,” said Bob Fireman, Chief Executive Officer of MariMed. “Our growth was driven by increased traffic in our dispensaries despite the headwinds facing the entire industry and inflation in the U.S. being at a 40-year high. We continue to report some of the strongest financial results in the industry1 and remain poised for reaccelerated revenue and earnings growth in 2023 and beyond.”

**Financial Highlights2**

The following table summarizes the consolidated financial highlights for the three months ended June 30, 2022 and 2021 (in millions, except percentage amounts):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Three months ended** | |  | |
|  | **June 30,** | |  | |
|  | **2022** | **2021** | |
| Revenue | $33.0 | $32.6 | |
| Gross Margin | 45% | 60% | |
| GAAP Net income | $ 1.9 | $ 7.6 | |
| Non-GAAP Adjusted EBITDA | $ 8.9 | $13.9 | |
| Non-GAAP Adjusted EBITDA Margin | 27% | 43% | |
| Working Capital | $ 8.9 | $13.9 | |

1 Per company research of public filings of peer companies in the U.S. cannabis industry.

2 Please see the reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures and additional information about non-GAAP measures in the section entitled “Discussion of Non-GAAP Financial Measures” in the attached schedules.

**CONFERENCE CALL**

MariMed management will host a conference call on Tuesday, August 9, 2022, to discuss these results at 8:00 a.m. Eastern time. The conference call may be accessed through MariMed’s Investor Relations website by clicking the following link: [MariMed Q222 Earnings Call](https://app.webinar.net/36vJGwjYQ8x).

**SECOND QUARTER OPERATIONAL HIGHLIGHTS**

During the second quarter, the Company executed on multiple facets of its strategic growth plan, including:

* **April 27**: The Company completed the acquisition of Kind Therapeutics USA, a Maryland cannabis operator specializing in the cultivation, production, and wholesale sales of cannabis flower, concentrates, and other edibles from its 180,000 square foot facility in Hagerstown. MariMed is in the process of opening a dispensary in Annapolis, which will lead to the Company’s operations becoming fully vertical in the state.
* **May 5**: The Company completed the acquisition and received final approval of an Illinois wholesale “craft grow” license transfer. MariMed subsequently acquired a facility in Mt. Vernon, Illinois and began construction on this new cultivation and processing facility, which will allow the Company to grow, produce and wholesale its award-winning branded products throughout the state of Illinois.
* **May 18**: MariMed announced it was selected to receive a provisional dispensary license by the Ohio Board of Pharmacy, which allows the Company to build a medical dispensary in Tiffen, Ohio, which will be operational in 2023. Ohio marks the sixth state in which MariMed owns or manages cannabis operations.
* **June 29**: The Company announced a licensing deal with a partner to sell its award-winning *Betty’s Eddies* fruit chews into the Maine adult-use cannabis market, beginning later this year. This licensing deal is in addition to a licensing deal already in place to sell *Betty’s Eddies* into Maine’s medical cannabis market with another partner.

**OTHER BUSINESS DEVELOPMENTS**

Subsequent to the end of the second quarter, the Company announced the following business developments:

* **July 12**: MariMed announced the dual listing of its common shares on the Canadian Securities Exchange (“CSE”) under the stock symbol MRMD. Management believes a dual listing on the CSE allows easier access for institutional and retail investors in Canada and North America to acquire MariMed stock. The Company has already seen new institutional investors taking equity positions in the Company’s common stock.
* **July 18**: MariMed announced the approval of its expanded state-of-the-art kitchen in Maryland. The nearly ten-fold expansion allows the Company to produce all its award-winning branded products including *Betty’s Eddies* fruit chews, *Bubby’s Baked, Kalm Fusion*, and *Vibations* drink mixes. The Company also introduced a brand-new line of gummies for the Maryland medical cannabis market.
* **August 4**: The Company announced the launch of its new *Betty’s Eddies* ice cream in cooperation with Boston based *Emack & Bolio’s®* ice cream company. *Betty’s Eddies* ice cream is currently available in select cannabis dispensaries in Massachusetts offering both dairy and vegan choices.
* **August 8**: The Company announced the acquisition of a conditional dispensary license in the central eastern part of Illinois bordering Indiana. Once open, it will mark the fifth *Thrive* branded dispensary the Company owns and operates in Illinois. MariMed currently owns and operates four adult-use dispensaries in Anna, Harrisburg, Metropolis, and Mt. Vernon.

**UPDATED 2022 FINANCIAL GUIDANCE**

MariMed remains committed to its proven strategic growth plan and continues to operate some of the best cannabis facilities with some of the highest margins and returns in the cannabis industry. The Company’s revised financial targets for 2022 are as follows:

* Revenue of $135 million to $140 million versus the previous range of $145 million to $150 million.
* Gross margin of approximately 50% versus the previous range of 54% to 55%.
* Non-GAAP Adjusted EBITDA of $35 million to $40 million versus the previous range of $47 million to $52 million.
* Capital expenditures of $18 million versus the previous target of $25 million.

“The second quarter brought some challenges to the industry and MariMed that were primarily outside of our control. We took assertive actions that drove additional traffic into our dispensaries and launched multiple new products that are increasing our sales within our wholesale business,” said Susan Villare, Chief Financial Officer of MariMed. “We are confident that the financial and operational decisions we are making positions us for accelerating growth in the near term and beyond.”

**DISCUSSION OF NON-GAAP FINANCIAL MEASURES**

The Company has provided in this release several non-GAAP financial measures: non-GAAP net income, Non-GAAP Adjusted EBITDA, and non-GAAP Adjusted EBITDA margin, as a supplement to Revenue, Gross margin, and other financial measures prepared in accordance with GAAP.

Management believes these non-GAAP financial measures are useful in reviewing and assessing the performance of the Company, as they provide meaningful operating results by excluding the effects of expenses that are not reflective of its operating business performance. In addition, the Company’s management uses these non-GAAP financial measures to understand and compare operating results across accounting periods and for financial and operational decision-making. The presentation of these non-GAAP measures is not intended to be considered in isolation or as a substitute for the financial information prepared in accordance with GAAP.

Management believes that investors and analysts benefit from considering non-GAAP financial measures in assessing the Company’s financial results and its ongoing business, as it allows for meaningful comparisons and analysis of trends in the business. In particular, non-GAAP adjusted EBITDA is used by many investors and analysts themselves, along with other metrics, to compare financial results across accounting periods and to those of peer companies.

As there are no standardized methods of calculating non-GAAP financial measures, the Company’s calculations may differ from those used by analysts, investors and other companies, even those within the cannabis industry, and therefore may not be directly comparable to similarly titled measures used by others.

Management defines non-GAAP Adjusted EBITDA as net income, determined in accordance with GAAP, excluding the following items:

* interest income and interest expense;
* income taxes;
* depreciation of fixed assets;
* amortization of acquired intangible assets;
* Impairment or write-downs of intangible assets;
* stock-based compensation;
* legal settlements;
* acquisition-related and other;
* other income and other expense;
* and discontinued operations.

For further information, please refer to the Company's Quarterly Report on Form 10-Q for the three month period ended June 30, 2022 available on [Marimed's Investor Relations](https://ir.marimedinc.com/) website, on the SEC’s [Edgar](https://www.sec.gov/edgar/search/#/dateRange=all&ciks=0001522767&entityName=MARIMED%2520INC.%2520(MRMD)%2520(CIK%25200001522767)) website in the U.S., or on the Canadian securities regulatory authorities’ [SEDAR](https://www.sedar.com/DisplayProfile.do?lang=EN&issuerType=03&issuerNo=00054777) website in Canada.

**ABOUT MARIMED**

MariMed Inc., a multi-state cannabis operator, is dedicated to improving lives every day through its high-quality products, its actions, and its values. 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. Proprietary formulations created by the Company’s technicians are embedded in its top-selling and award-winning products and brands, including Betty's Eddies, Nature’s Heritage, Bubby’s Baked, K Fusion, Kalm Fusion, and Vibations: High + Energy. For additional information, visit [www.marimedinc.com](http://www.marimedinc.com).

**IMPORTANT CAUTION REGARDING FORWARD-LOOKING STATEMENTS:**

This release contains certain forward-looking statements and information relating to MariMed Inc. that are 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 view of the Company with respect to future events, including consummation of pending transactions, launch of new products, expanded distribution of existing products, obtaining new licenses, estimates and projections of revenue, EBITDA and Adjusted EBITDA and other information about its business, business prospects and strategic growth plan, which are based on certain assumptions of its management, including those described in this release. These statements are not a guarantee 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 Securities and Exchange Commission. 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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