PRESS RELEASE FINAL

Green Growth Brands Reports Second Quarter Fiscal 2020 Results

COLUMBUS, OH February 24, 2020 – Green Growth Brands Inc. (GGB or the Company) (CSE: GGB) (OTCQB: GGBXF) today reported its results for the period ended December 28, 2019. Revenues for the period totaled $21.1M.

"The results this quarter are a reflection of our ability to create products and experiences that consumers want," said Peter Horvath, CEO of Green Growth Brands. "We are pleased with the consumer demand signals we saw in the CBD segment during the quarter, and we remain confident in its future potential. However, overhead costs, near-term obligations and constraints on liquidity have posed significant challenges that have hindered us from growing the CBD business in the timeframes we anticipated to its full-potential.

"The initiatives we announced today to sell the CBD segment, restructure debt and raise equity financing improves the financial infrastructure we need to scale our MSO segment. We believe focusing our expertise on the MSO segment will yield the highest long-term value for our shareholders and customers."

In light of today's announcement regarding the CBD Transaction and related matters, GGB has rescheduled its conference call and audio webcast with Chief Executive Officer, Peter Horvath, Chief Operating Officer, Randy Whitaker, and Chief Financial Officer, Brian Logan, for 5:00 PM EST on Wednesday, February 26, 2020.

Second Quarter Fiscal 2020 Highlights

- Total revenue for the quarter was $21.1 million, a sequential increase of 66% over the prior quarter
- CBD revenue for the quarter was $11.0 million, a sequential increase of 113% over the prior quarter
- MSO revenue for the quarter was $10.1 million, a sequential increase of 33% over the prior quarter
- Total gross margin for the quarter was 30%, compared to 11% for the prior quarter, resulting in a sequential increase in gross profit of $5.0 million over the prior quarter
- Total operating expenses for the quarter were $29.9 million, compared to $25.0 million for the prior quarter, due to growth in mall-based CBD shops from 139 to 195
- Net loss before taxes for the quarter was $34.8 million, including non-operating expenses of $11.3 million, compared to a net loss before taxes for the prior quarter of $29.9 million, including non-operating expenses of $6.3 million
- Adjusted EBITDA loss for the quarter was $13.9 million, compared to a loss of $15.2 million for the prior quarter ended September 28, 2019

Adjusted EBITA loss is a non-IFRS financial measure. A description of and a schedule reconciling net loss before taxes, an IFRS financial measure, to Adjusted EBITDA loss, a non-IFRS financial measure, accompanies this release

Second Quarter Fiscal 2020 Financial Statements

Unaudited Condensed Interim Consolidated Statements of Financial Position
As at December 28, 2019 and June 30, 2019

(Expressed in United States dollars)

		December 28, 2019		June 30, 2019
Assets				
Current Assets				
Cash and cash equivalents	$	3,597,173	$	10,256,008
Receivables		1,032,141		580,529
Prepaid expenses		2,046,461		5,142,618
Inventories		8,167,294		10,244,804
Biological assets		685,744		1,352,097
Notes receivable		48,467		47,739
Other receivables		2,845,744		3,006,760
Deferred lease charges		-		727,518
		18,423,024		31,358,073
Non-current assets				
Deposits and other assets		716,672		2,880,186
Deferred lease charges		-		2,606,940
Notes receivable		154,478		17,999,224
Property and equipment, net		29,708,259		18,761,723
Right-of-use assets		86,619,872		-
Intangible assets		101,667,071		39,925,984
Goodwill		58,416,949		36,253,417
Total assets	**$**	**295,706,325**	**$**	**149,785,547**
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities		32,009,434		16,028,807
Taxes payable		1,113,360		282,593
Due to related parties		4,491,862		317,535
Notes payable		35,060,970		45,762,540
Lease liabilities		11,846,119		-
Embedded derivative liabilities		274,531		1,496,214
Convertible debentures		67,105,410		41,623,041
		151,901,686		105,510,730
Non-current liabilities				
Long term accrued liabilities		1,672,672		299,977
Lease liabilities		77,796,680		-
Embedded derivative liabilities		226,797		-
Convertible debentures		9,033,123		-
Deferred tax liability		6,985,048		1,437,324
		95,714,320		1,737,301
Shareholders' Equity				
Share capital		182,954,729		119,881,374
Reserve for warrants		16,538,786		9,054,624
Reserve for share-based compensation		4,239,914		3,147,110
Accumulated deficit		(158,425,838)		(92,453,943)
Accumulated other comprehensive income		148,286		148,286
Total equity attributable to shareholders of Green Growth Brands Inc.		45,455,877		39,777,451
Non-controlling interest		2,634,442		2,760,065
Total equity		48,090,319		42,537,516
Total liabilities and equity	**$**	**295,706,325**	**$**	**149,785,547**

Adjusted EBITDA loss is a non-IFRS financial measure, which is calculated as net income (loss) before interest, taxes and depreciation and amortization, plus fair value adjustments on sale of inventory and on growth of biological assets, share-based compensation and payments, loss (gain) on equity investments, loss (gain) on foreign exchange, transaction costs, and certain other non-operating expenses, as determined by the Company. The Company believes this measure provides useful information as it is a commonly used measure in the capital markets and as it is a close proxy for repeatable cash generated by (used for) operations.

Adjusted EBITDA

(Expressed in United States dollars)

	13 weeks December 28, 2019	Three Months December 31, 2018	26 weeks December 28, 2019	Six months December 31, 2018
Net loss after listing fees before income taxes	**$ (34,799,689)**	**$ (14,163,507)**	**$ (64,686,365)**	**$ (17,010,044)**
Fair value adjustment on sale of inventory	335,681	593,670	1,242,600	593,670
Fair value adjustment on biological assets	527,234	(757,564)	19,950	(757,564)
Stock based compensation	1,649,401	187,640	3,282,323	187,640
Depreciation and amortization	5,661,206	202,561	9,287,735	202,561
Shares issued for services	101,804	1,000,000	101,804	1,567,884
Pre-opening expenses	1,235,974	-	2,201,717	-
Non-operating expenses	11,322,409	3,644,412	17,586,574	3,800,514
Termination and severance	199,292	-	620,688	-
Writedown of developed technology	-	-	573,662	-
Other non-operating expenses	(155,050)	-	623,879	-
Listing fees	-	459,715	-	699,190
	20,877,951	5,330,434	35,540,932	6,293,895
Adjusted EBITDA loss	**$ (13,921,738)**	**$ (8,833,073)**	**$ (29,145,433)**	**$ (10,716,149)**

Unaudited Condensed Interim Consolidated Statements of Loss
For the 13 and 26 weeks ended December 28, 2019 and for the three and six months ended December 31, 2018

(Expressed in United States dollars)

	13 weeks ended December 28, 2019	Three months ended December 31, 2018	26 weeks ended December 28, 2019	Six months ended December 31, 2018
Sales				
Revenue	$ 21,090,653	$ 3,000,445	$ 33,792,611	$ 3,000,445
Cost of goods sold	13,796,645	3,020,708	24,707,645	3,020,708
Gross profit before fair value adjustments	7,294,008	(20,263)	9,084,966	(20,263)
Fair value change in biological assets included in inventory sold and other charges	335,681	593,670	1,242,600	593,670
Unrealized loss (gain) on changes in fair value of biological assets	527,234	(757,564)	19,950	(757,564)
Gross profit	6,431,093	143,631	7,822,416	143,631
Operating expenses				
General and administrative	8,139,725	8,629,756	17,823,392	11,080,716
Sales and marketing	14,458,041	1,183,054	24,528,757	1,183,054
Share-based compensation	1,649,401	187,640	3,282,323	187,640
Depreciation and amortization	5,661,206	202,561	9,287,735	202,561
	29,908,373	10,203,011	54,922,207	12,653,971
	(23,477,280)	(10,059,380)	(47,099,791)	(12,510,340)
Other expenses (income)				
Loss on equity investments	-	671,578	-	671,578
Gain in fair value of derivative liabilities	(3,938,846)	-	(8,179,556)	-
Interest expense, net	5,693,009	1,887,378	9,454,486	1,887,595
Accretion on convertible debentures	2,153,706	-	3,563,289	-
Foreign exchange loss	518,057	585,529	29,670	741,414
Realized gain on short term investments	-	(500,073)	-	(500,073)
Transaction costs	6,896,483	1,000,000	12,718,685	1,000,000
Net loss before listing fees and income taxes	**(34,799,689)**	**(13,703,792)**	**(64,686,365)**	**(16,310,854)**
Listing fees	-	459,715	-	699,190
Net loss after listing fees	**(34,799,689)**	**(14,163,507)**	**(64,686,365)**	**(17,010,044)**
Income taxes	1,142,216	375,618	1,498,825	375,618
Net loss after income taxes	**$ (35,941,905)**	**$ (14,539,125)**	**$ (66,185,190)**	**$ (17,385,662)**
Less: Non-controlling interest	82,462	12,442	125,623	12,442
Net loss attributable to owners of the parent	**$ (35,859,443)**	**$ (14,526,683)**	**$ (66,059,567)**	**$ (17,373,220)**
Net loss per Common Share attributable to owners of the parent				
Basic and Diluted	$ (0.15)	$ (0.09)	$ (0.32)	$ (0.15)
Weighted average common shares	238,307,273	164,090,148	204,887,700	114,258,347
Other comprehensive loss				
Exchange gain on translating foreign operations	-	148,286	-	148,286
Comprehensive loss	**$ (35,859,443)**	**$ (14,378,397)**	**$ (66,059,567)**	**$ (17,224,934)**

Unaudited Condensed Interim Consolidated Statement of Cashflow
For the 26 weeks ended December 28, 2019, and for the six months ended December 31, 2018

(Expressed in United States dollars)

	December 28, 2019	December 31, 2018
Cashflow from Operating Activities		
Net loss after income taxes for the period	$ (66,185,190)	$ (17,385,662)
Adjustments for:		
Stock based compensation	3,282,323	187,640
Shares and warrants issued for services and fees	3,615,733	1,673,328
Depreciation and amortization	9,289,938	209,195
Lease incentives	4,560,000	-
Loss on equity investment	-	671,578
Unrealized gain on short term investment	-	(500,073)
Loss on acquisitions	-	1,000,000
Writedown of developed software	409,022	-
Deferred tax expense	(225,333)	-
Accretion expense	3,563,290	-
Gain in fair value of embedded derivative liabilities	(8,179,556)	-
Net fair value adjustment on biological assets	1,262,550	(163,894)
Foreign exchange on translation	29,670	741,414
Changes in working capital balances		
Receivables	(438,563)	111,027
Prepaid expenses	3,096,157	(2,701,515)
Other receivables	867,463	(1,339,326)
Inventories	2,749,316	272,793
Biological assets	(596,197)	(267,917)
Accounts payable and accrued liabilities	16,485,190	3,976,455
Income taxes payable	830,767	375,618
	(25,583,420)	(13,139,339)
Cashflow from Investing Activities		
Purchase of property and equipment	(12,538,980)	(1,044,378)
Purchase of software	(802,876)	-
Purchase of short term investment	-	(16,945,040)
Acquisition of businesses, net of cash acquired	(12,703,263)	(31,185,080)
Proceeds from sale of equity investment	23,674	50,000
Purchase of equity investment	-	(300,000)
Advances on acquisitions	-	(19,485,000)
	(26,021,445)	(68,909,498)
Cashflow from Financing Activities		
Proceeds from warrants and options exercised	298,420	23,055,019
Proceeds from equity financings	36,500,915	25,578,714
Repayment of notes	(15,485,000)	-
Principal payments of lease liabilities	(4,007,059)	-
Proceeds from promissory notes	6,688,680	-
Proceeds from convertible debentures, net of issuance costs	20,936,845	60,618,156
	44,932,801	109,251,889
Effect of exchange rates on cash	13,229	(408,079)
(Decrease) Increase in cash	(6,658,835)	26,794,973
Cash, beginning of period	10,256,008	4,688,311
Cash, end of period	**$ 3,597,173**	**$ 31,483,284**

Supplemental disclosure of cash flow information		
Interest paid	2,245,602	-
Income taxes paid	750,000	-
Other non-cash investing and financing activities		
Change in accrual for construction in progress	440,662	-
Acquisition of business for non-cash	47,107,913	-
Issuance of shares for underwriter fees on bought deal financing	2,080,494	-

Segmented statement of operations for the 13 weeks ended December 28, 2019 and three months ended December 30, 2018
(unaudited)
(Expressed in United States dollars)

	MSO		CBD		Head office		Allocations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Sales										
Revenue	$ 10,112,627	$ 2,935,682	$ 10,978,026	$ 64,763	$ -	$ -	$ -	$ -	$ 21,090,653	$ 3,000,445
Cost of goods sold	5,953,122	1,846,179	6,565,210	116,584	-	-	1,278,313	1,057,945	13,796,645	3,020,708
Gross profit before fair value adjustments	4,159,505	1,089,503	4,412,816	(51,821)	-	-	(1,278,313)	(1,057,945)	7,294,008	(20,263)
Fair value change in biological assets included in inventory sold and other charges	335,681	593,670	-	-	-	-	-	-	335,681	593,670
Unrealized loss (gain) on changes in fair value of biological assets	527,234	(757,564)	-	-	-	-	-	-	527,234	(757,564)
Gross profit	3,296,590	1,253,397	4,412,816	(51,821)	-	-	(1,278,313)	(1,057,945)	6,431,093	143,631
Operating Expenses										
General and administration	-	-	-	-	8,929,459	8,629,756	(789,734)	-	8,139,725	8,629,756
Sales and marketing	2,783,110	822,161	11,937,442	9,477	-	1,183,054	(262,511)	(831,638)	14,458,041	1,183,054
Stock based compensation	-	-	-	-	1,649,401	187,640	-	-	1,649,401	187,640
Depreciation and amortization	528,083	-	4,509,254	-	849,937	202,561	(226,068)	-	5,661,206	202,561
	3,311,193	822,161	16,446,696	9,477	11,428,797	10,203,011	(1,278,313)	(831,638)	29,908,373	10,203,011
	(14,603)	431,236	(12,033,880)	(61,298)	(11,428,797)	(10,203,011)	-	(226,307)	(23,477,280)	(10,059,380)
Non-operating expenses										
Loss on equity investment in Xanthic Beverages USA, LLC	-	-	-	-	-	671,578	-	-	-	671,578
Gain in fair value of derivative liabilities	-	-	-	-	(3,938,846)	-	-	-	(3,938,846)	-
Interest expense, net	582,759	-	1,697,431	-	3,412,819	1,887,378	-	-	5,693,009	1,887,378
Accretion expense	-	-	-	-	2,153,706	-	-	-	2,153,706	-
Foreign exchange loss	-	-	-	-	518,057	585,529	-	-	518,057	585,529
Unrealized gain on marketable securities	-	-	-	-	-	(500,073)	-	-	-	(500,073)
Transaction costs	-	-	-	-	6,896,483	1,000,000	-	-	6,896,483	1,000,000
Net income (loss) before listing fees and income taxes	**(597,362)**	**431,236**	**(13,731,311)**	**(61,298)**	**(20,471,016)**	**(13,847,423)**	**-**	**(226,307)**	**(34,799,689)**	**(13,703,792)**
Listing fees	-	-	-	-	-	459,715	-	-	-	459,715
Net income (loss) after listing fees	**(597,362)**	**431,236**	**(13,731,311)**	**(61,298)**	**(20,471,016)**	**(14,307,138)**	**-**	**(226,307)**	**(34,799,689)**	**(14,163,507)**
Income taxes	1,142,216	375,618	-	-	-	-	-	-	1,142,216	375,618
Net income (loss) after income taxes	**$ (1,739,578)**	**$ 55,618**	**$ (13,731,311)**	**$ (61,298)**	**$ (20,471,016)**	**$ (14,307,138)**	**$ -**	**$ (226,307)**	**$ (35,941,905)**	**$ (14,539,125)**
Net income (loss) and comprehensive loss attributable to:										
Owners of the parent	(1,739,578)	55,618	(13,731,311)	(61,298)	(20,471,016)	(14,307,138)	-	(226,307)	(35,941,905)	(14,539,125)
Non-controlling interest	-	-	-	-	-	-	-	-	-	-
	(1,739,578)	55,618	(13,731,311)	(61,298)	(20,471,016)	(14,307,138)	-	(226,307)	(35,941,905)	(14,539,125)

Conference Call Information

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Or access via webcast.

The call and replay archive will be accessible on Green Growth Brands' Investor Relations website.

About Green Growth Brands Inc.

Green Growth Brands creates remarkable experiences in cannabis and CBD. Led by CEO Peter Horvath and a leadership team of consumer-focused retail experts, the company's brands include CAMP, Seventh Sense Botanical Therapy, The+Source, Green Lily, and 8 Fold. The Company also has a licensing agreement with the Greg Norman™ Brand to develop a line of CBD-infused personal care products designed for active wellness. GGB is expanding its cannabis operations throughout the U.S., via dispensaries in Nevada, Massachusetts and Florida and the largest network of CBD shops in malls across the country and ShopSeventhSense.com. Learn more about the vision at GreenGrowthBrands.com.

Cautionary Statements

Forward Looking Information

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “intend”, “forecast” and similar expressions. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving medical and recreational marijuana; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favorable terms; the marijuana industry in the United States, income tax and regulatory matters; the ability of the Company to implement its business strategies, including with respect to its CBD Business strategy; competition; currency and interest rate fluctuations and other risks, including those factors described under the heading “Risks Factors” in (i) the Company’s Annual Information Form dated November 26, 2018 which is available on the Company’s issuer profile on SEDAR and (ii) the Company’s Short Form Prospectus dated August 15, 2019. Information relating to the Company’s second quarter results in this news release is based upon unaudited internal financial statements prepared by management and subject to final review procedures.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. The forward-looking statements contained in this release, including without limitation, the results of any strategic review process, including the potential sale or other disposition of all or a portion of the CBD Business; the application of proceeds of such sale or disposition of the CBD Business; the ability of the Company to secure short term and alternative financing; the expected expansion of the MSO Segment, including the opening of 45 dispensaries, is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Going Concern Risk

As previously disclosed, the continuing operations of the Company remain dependent upon its ability to continue to raise adequate financing, to commence profitable operations in the future, and repay its liabilities arising from normal business operations as they become due. As at and for the 13 week period ending December 28, 2019, the Company had a working capital deficit of $133,478,662 and used cash for operating activities of $12,589,708. Notwithstanding the CBD Transaction, CBD Sales Process and the strategic review of the CBD Business there remains a significant risk that the Company will be unable to realize sufficient cost savings, find sufficient sources of financing for on-going working capital requirements and other material obligations that are due or maturing in the short term or to negotiate extensions or alternate payment terms in respect of such debt. These material uncertainties cast significant doubt upon the Company's ability to meet its obligations as they come due and to continue as a going concern. As previously announced, US$5 million was payable to MXY Holdings LLC (“Moxie”) on or before February 5, 2020 (assuming a five-day cure period following January 31, 2020). The Company has been working to secure a deferral of this obligation and is also seeking short-term financing from certain of its key stakeholders in connection therewith. In addition to the Moxie payment, The Company and its subsidiaries have material obligations that are due or that are coming due in the near term. The Company has drawn all amounts available to it under the previously announced working capital backstop commitment provided by All Js Greenspace LLC (“All Js”) and Chiron Ventures Inc. (collectively, the “Backstop Parties”) for purposes of funding the Company’s operations. In addition, for purposes of funding the Company’s operations All Js advanced approximately US$1.5 million from its portion of the previously announced US$52.3 million debenture repayment backstop commitment. Notwithstanding the US$1.5 million advance from All Js, there is no guarantee that either of the Backstop Parties will permit additional funds to be drawn from the debenture repayment backstop commitment for purposes of funding the Company’s operations. Amounts drawn from the debenture backstop commitment to fund operations reduce the funds available to refinance the debentures upon maturity. The Company has ceased negotiations with United Capital Partners LLC (“UCP”) in respect of the previously announced potential debt financing transaction with UCP of up to US$50 million. The Company is actively pursuing alternative sources of financing, but investors are cautioned that additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to raise capital when needed will have a material adverse effect on the Company's ability to pursue its business strategy, and accordingly could negatively impact the Company's business, financial condition and results of operations. Failure to obtain sufficient financing

and/or to successfully execute on one or more strategic alternative transactions could result in the Company defaulting on its obligations and force the Company or its subsidiaries into reorganization, bankruptcy or insolvency proceedings.

As previously disclosed, the continuing operations of the Company remain dependent upon its ability to continue to raise adequate financing, to commence profitable operations in the future, and repay its liabilities arising from normal business operations as they become due. Notwithstanding the CBD Transaction, CBD Sales Process and the strategic review of the CBD Business there remains a significant risk that the Company will be unable to realize sufficient cost savings, find sufficient sources of financing for on-going working capital requirements and other material obligations that are due or maturing in the short term or to negotiate extensions or alternate payment terms in respect of such debt. These material uncertainties cast significant doubt upon the Company's ability to meet its obligations as they come due and to continue as a going concern. The Company and its subsidiaries have material obligations that are due or that are coming due in the near term. The Company has drawn all amounts available to it under the previously announced working capital backstop commitment provided by All Js Greenspace LLC ("All Js") and Chiron Ventures Inc. (collectively, the "Backstop Parties") for purposes of funding the Company's operations. In addition, for purposes of funding the Company's operations All Js advanced approximately US$1.5 million from its portion of the previously announced US$52.3 million debenture repayment backstop commitment. Notwithstanding the US$1.5 million advance from All Js, there is no guarantee that either of the Backstop Parties will permit additional funds to be drawn from the debenture repayment backstop commitment for purposes of funding the Company's operations. Amounts drawn from the debenture backstop commitment to fund operations reduce the funds available to refinance the debentures upon maturity. The Company has ceased negotiations with United Capital Partners LLC ("UCP") in respect of the previously announced potential debt financing transaction with UCP of up to US$50 million. The Company is actively pursuing alternative sources of financing, but investors are cautioned that additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to raise capital when needed will have a material adverse effect on the Company's ability to pursue its business strategy, and accordingly could negatively impact the Company's business, financial condition and results of operations. Failure to obtain sufficient financing and/or to successfully execute on one or more strategic alternative transactions could result in the Company defaulting on its obligations and force the Company or its subsidiaries into reorganization, bankruptcy or insolvency proceedings.

US Securities Law Disclaimer

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any securities and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal.

The securities referred to herein have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

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