



Molecule Holdings Inc. Announces Additional Amendment and Conversion Transaction of Unsecured Debentures

June 2, 2025 – Molecule Holdings Inc. (CSE: MLCL) (“**Molecule**” or the “**Company**”), a Canadian craft-focused cannabis beverage production company, today announces that, as of May 28, 2025 (the “**Closing Date**”), it has entered into amending and settlement agreements (each, an “**Amending Agreement**”) with certain holders of 8% unsecured convertible debentures issued on September 17, 2020, and August 11, 2021 (collectively, the “**Unsecured Debentures**”) that had previously matured, to amend the terms of the Unsecured Debentures, resulting in the settlement and conversion of the Unsecured Debentures (the “**Transaction**”).

Prior to the completion of the Transaction, \$780,000 in principal amount remained outstanding under the Unsecured Debentures (the “**Outstanding Principal Amount**”), in addition to accrued but unpaid interest (“**Interest**”). Pursuant to the terms of the Amending Agreements, the Company and the holders of \$545,000 of the Outstanding Principal Amount (the “**Amending Debentureholders**”), representing approximately 70% of the Outstanding Principal Amount, agreed to the following amendments to the Amending Debentureholders’ Unsecured Debentures (collectively, the “**Amendments**”):

- the extension of the original maturity dates of the Unsecured Debentures to the Closing Date;
- the reduction of the original conversion prices of the Unsecured Debentures to \$0.02 (the “**New Conversion Price**”) per common share in the capital of the Company (“**Common Share**”);
- providing each Amending Debentureholder with a 10% premium on their respective portion of the Outstanding Principal Amount as of the Closing Date (the “**Premium**”); and
- the issuance to each Amending Debentureholder of 0.4 of a Common Share purchase warrant (each, a “**Warrant**”) for each \$0.02 outstanding in respect of their respective portion of the Outstanding Principal Amount, Premium and Interest as at the Closing Date (collectively, the “**Outstanding Amounts**”). Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.05 per Common Share (the “**Warrant Exercise Price**”) for a period of five years from the Closing Date.

Immediately following completion of the Amendments, each Amending Debentureholder was deemed to have converted their Unsecured Debentures, including all Outstanding Amounts. Pursuant to the terms of the Amending Agreements, the settlement of the Outstanding Amounts resulted in the issuance of 36,390,500 Common Shares and 14,556,200 Warrants. As a result of the completion of the Transaction, total Outstanding Amounts of approximately \$730,000 were settled and extinguished. All securities issued in connection with the Interest and Premium, as well as all Warrants, bear a legend containing a hold period of four month plus one day from issuance.

The holders (the “**Default Holders**”) of \$235,000 of the Outstanding Principal Amount (the “**Default Principal Amount**”) have not agreed to the above terms, or could not be located, and their Unsecured Debentures remain in default as of the date of their maturity. The Company will continue to pursue alternatives with holders of outstanding debt to better position the Company’s capital structure.

The Canadian Securities Exchange (the “**CSE**”) conditionally approved the completion of the Amendments. The securities have been issued pursuant to the previously announced partial revocation order of the Ontario Securities Commission dated February 27, 2025 of the Company’s failure-to-file cease trade order dated March 5, 2024.

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About Molecule Holdings Inc.

Molecule is a licensed producer dedicated to creating cannabis-infused beverages for the Canadian market. We produce leading, top-quality drinks to provide opportunity and choice to people seeking a convenient and social way to consume cannabis. Molecule is focused on growing both our portfolio, and the overall cannabis beverage market. We want to ensure people have the best opportunity to find exactly the product and experience they thirst for.

Neither the CSE nor its regulation services provider accepts responsibility for the adequacy or accuracy of this press release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains statements that constitute “forward-looking information” (“forward-looking information”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking information and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information. In disclosing the forward-looking information contained in this press release, the Company has made certain assumptions. Forward-looking information in this press release includes statements related to the Amending Agreements and the obligations set out therein; the Transaction; the Default Principal Amount owing to the Default Holders, including the ability to continue to pursue alternatives to better position the Company’s capital structure; statements related to the Company’s long-term plans regarding growth and objectives; and the Company’s ability to produce cannabis-infused beverages for the Canadian beverage market to provide opportunities for people to consume cannabis. In disclosing the forward-looking information contained in this press release, the Company has made certain assumptions.

The Company’s actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company. Additional risk factors can also be found in the Company’s current MD&A, which has been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

The Company believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Any forward-looking information contained in this news release represents the Company’s expectations as of the date hereof and is subject to change after such date. The Company disclaims any intention or obligation 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 legislation.