



Molecule Holdings Inc. Provides Corporate Update

October 27, 2025 – Molecule Holdings Inc. (CSE: MLCL) (“**Molecule**” or the “**Company**”), a Canadian craft-focused cannabis beverage production company, today provides a corporate update, including with respect to the Company’s ongoing “failure-to-file” cease trade order (the “**FFCTO**”) issued by the Ontario Securities Commission (the “**OSC**”), as principal regulator of the Company, on March 5, 2024.

The FFCTO was issued as a result of the Company’s delay in filing its annual financial statements, management’s discussion and analysis and related officer certifications for the year ended October 31, 2023 (collectively, the “**Annual Filings**”) as required under Parts 4 and 5 of National Instrument 51-102 *Continuous Disclosure Obligations* and pursuant to National Instrument 52-109 *Certification of Disclosure in Issuer’s Annual and Interim Filings*.

As previously disclosed, the interim financial statements, management’s discussion and analysis and related officer certifications for the three and nine months ended July 31, 2023 (the “**Interim Filings**”) were late-filed as a result of a contractual dispute between the Company and the financial services company that previously assisted the Company with finance-related consulting services in the role of Chief Financial Officer (the “**Dispute**”). Following the Dispute, the Company appointed Mr. André Audet, Chairman of the Board and Co-Founder of the Company, as Interim Chief Financial Officer, and retained two new independent consultants to assist with financial, accounting and bookkeeping services. The large-scale change to the Company’s accounting team, together with an impact in access to historical financial information in the prior periods as a result of the Dispute, subsequently resulted in a delay in filing the Interim Filings and an associated delay in the preparation and audit of the Annual Filings.

In order to better position the Company during the FFCTO, the Company applied for, and received from the OSC, three partial revocation orders (each, a “**Revocation Order**”) to allow the Company to undertake transactions with respect to the amendment and conversion of certain 8% unsecured convertible debentures (the “**Unsecured Debentures**”) outstanding and past maturity (the “**Amendment Transaction**”), and to complete a financing (a “**Financing**”) in order to fund outstanding payables, including auditor fees to prepare the Annual Filings.

On November 28, 2024 and June 2, 2025, the Company successfully completed the Amendment Transaction by agreeing to amend and convert an aggregate of \$2,905,000 principal amount of Unsecured Debentures, representing approximately 92.5% of the outstanding principal amount under the Unsecured Debentures, into common shares in the capital of the Company (“**Common Shares**”) and warrants to purchase Common Shares (“**Warrants**”). Together with the conversion of all accrued and outstanding interest thereon, together with a 10% premium on the outstanding principal amount agreed to pursuant to the terms of the Amendment Transaction, the Company converted approximately \$3,730,000 of outstanding amounts owing to holders of Unsecured Debentures into 189,060,500 Common Shares and 75,624,200 Warrants. Completing the Amendment Transaction was an important step in the restructuring of the Company’s balance sheet to provide the Company with greater flexibility and be more attractive for investment.

The Company has been unable to complete a Financing to date as a result of market conditions, as well as constraints in doing so as a result of the FFCTO. While the Company has engaged with its auditors with respect to the completion of the Annual Filings, as well as all other outstanding financial documents required to be filed under securities laws (collectively, the “**Outstanding Filings**”), it does not currently anticipate being able to complete the Annual Filings with cash strictly from business operations. The Company will continue to seek opportunities to complete a Financing on appropriate terms, in compliance



with the provisions of the FFCTO, in order to complete the Annual Filings, as well as all Outstanding Filings, and have the FFCTO lifted.

The FFCTO will remain in place until such time as it is fully revoked by the OSC following the filing of the Outstanding Filings, in accordance with National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*. There can be no assurance that the Company will be able to remedy its filing default and have the FFCTO lifted, or that the Company will be able to complete a Financing on reasonable terms, or at all.

Business Update

The Company continues to make strategic and operational changes to its business to improve efficiency. Management remains focused on seeking strong, strategic partners to help it expand its core business, resolving outstanding liabilities, and completing the necessary steps to obtain a full revocation order of the FFCTO in order for the Common Shares to be re-listed for trading on the Canadian Securities Exchange.

The Company will share more information as appropriate and required. Molecule sincerely appreciates the continued support of its shareholders and stakeholders.

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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 Company’s future business operations, statements related to the ability



to complete a Financing, the ability to file the Outstanding Filings, the revocation of the FFCTO, 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.