

FOR IMMEDIATE RELEASE



INDIVA REPORTS FOURTH QUARTER FISCAL 2019 AND YEAR-END RESULTS

LONDON, Ontario – May 15, 2020: Indiva Limited (the “Company” or “Indiva”) (TSXV:NDVA) (OTCQX:NDVAF) is pleased to announce its financial and operating results for fourth quarter fiscal 2019 and the year ended December 31, 2019. All figures are reported in Canadian dollars (\$), unless otherwise indicated. Indiva's financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). For a more comprehensive overview of the corporate and financial highlights presented in this press release, please refer to Indiva's *Management's Discussion and Analysis of Financial Condition and Results of Operations for the Year Ended December 31, 2019*, and the Company's *Annual Consolidated Financial Statements for the Years Ended December 31, 2019 and 2018*, which are filed on SEDAR and available on the Company's website, www.indiva.com.

“2019 was a transitional year focused on infrastructure development and licensing,” Niel Marotta, Indiva's President and Chief Executive Officer, said. “While facing significant regulatory delays, the Company focused on maintaining tight financial controls and ensuring we had the right processes, people and production capabilities in place to accelerate revenue growth in 2020 and beyond. In Q4 2019, we secured over \$13 million in financing in an exceptionally difficult capital market showing that investors believe in Indiva's strategy and vision. We began 2020 at full pace, highlighted by receiving our edibles, extracts and topicals sales licence on January 31, 2020, and achieving record sales of \$2.0 to \$2.2 million in Q1 2020, as publicly announced on April 23, 2020. Receiving this sales licence was transformational for Indiva. We immediately began shipping Bhang® Chocolate, which now leads the edibles category across multiple provinces. We also launched our INDIVA™ THC capsules and pre-rolls in new strains like OG Kush. With distribution now in place across eight provinces, we are excited to launch additional SKUs in 2020 including the award-winning Wana Sour Gummies. Looking ahead, we are confident that Indiva will continue to set the standard for producing premium products that consumers love.”

HIGHLIGHTS

Annual Performance

- Gross revenue increased to \$1.12 million in FY 2019 from \$58,307 in FY 2018.
- The Company had net revenue totaling \$923,862 for the year ended December 31, 2019, and \$58,307 for the year ended December 31, 2018. Net revenue also included \$36,828 of tolling revenue earned in December 2019 realized through the Company's initial batches of pre-rolls prepared pursuant to the Company's processing and supply arrangements.
- Net loss increased from \$8.5 million in FY 2018 to \$11.4 million in FY 2019. The increase in loss pertains mainly to increased operating activities.

- Total operating expenses increased from \$7.8 million in FY 2018 to \$9.8 million in FY 2019, primarily due to increased salaries, wages and office expenses in connection with the Company's increased employee count.
- The Company made capital investments of \$12.3 million to add production capacity, including the purchase of the Company's production facility in London, Ontario for \$5.7 million.

Quarterly Performance

- The Company realized significant sales growth in Q4 2019 as the Company expanded distribution outside of Ontario. Net revenue in Q4 2019 was \$323,454 representing a 74% increase over Q3 2019 net revenue of \$185,539.
- Net loss increased from \$2.6 million in Q3 2019 to \$2.8 million in Q4 2019.
- In Q4 2019, the Company secured additional financing to complete capital projects and for working capital purposes:
 - The Company closed the first tranche of a convertible debenture offering in the aggregate amount of \$2.1 million net of transaction costs.
 - The Company entered into an agreement with an institutional lender for a \$7.5 million secured bridge loan, secured by eligible receivables, and a \$6.5 million secured demand loan facility. At any given time, the facilities drawn cannot exceed a combined \$11.0 million.
- The Company began production of Bhang® Chocolate in Q4 2019. Sales of these products began in Q1 2020 shortly after receipt of the Company's licence amendment from Health Canada in January 2020.
- In December 2019, the Company realized \$36,828 in tolling revenue representing the initial production runs under processing and service arrangements entered into in 2019.
- On October 21, 2019, Indiva announced that it had received approval for its phase three expansion amendment. This expansion added 10,000 square feet of production and processing space. The additional processing rooms are currently operational and are dedicated to edible and pre-roll production.
- On October 22, 2019, Indiva announced that it would manufacture and distribute pre-rolls for Sugarleaf, a Supreme Cannabis Company Inc. brand.

Events Subsequent to Quarter End

- On January 7, 2020, Indiva delivered its first shipment of Sugarleaf pre-rolls.
- On January 14, 2020, Indiva completed its first shipment of cannabis to Quebec.
- On January 20, 2020, Indiva closed the final tranche of its unsecured convertible debenture offering in the amount of \$1.0 million, and on February 4, 2020, the Company announced that it had closed an additional \$1.5 million in unsecured convertible debentures.
- On January 31, 2020, Indiva received its edibles, extracts and topicals sales licence from Health Canada and began shipping Bhang® Chocolate to Ontario, Saskatchewan, Alberta and Nova Scotia.
- On February 18, 2020, Indiva announced that it had finalized its white-label licensing and manufacturing agreement with Dycar Pharmaceuticals, which provided the Company with an immediate \$3.6 million of non-dilutive financing, of which \$600,000 had previously been advanced, and an additional \$4.5 million of non-dilutive financing that will be provided over two additional instalments.
- On February 27, 2020, Indiva announced that it had launched a branded CannSell education

module for Ontario budtenders through Lift & Co further emboldening its commitment to educating Ontario's retail teams.

- On March 10, 2020, Indiva announced an exclusive license agreement with Wana Brands to produce and distribute their award-winning cannabis-infused Sour Gummies in a variety of flavours and formats.
- On March 31, 2020, Indiva announced that it had received its final licence amendment for its phase four expansion. With that approval, the Company's London, Ontario-based facility became completely licensed.
- On March 31, 2020, Indiva announced that its Bhang® Milk and Dark Chocolate ranked in the top two positions in the edibles category for Ontario.
- To date, Indiva has secured product distribution with eight provinces including Ontario, Quebec, British Columbia, Alberta, Nova Scotia, New Brunswick, Manitoba and Saskatchewan.

Company Updates

Top-selling cannabis products: Bhang® Chocolate continues to lead the edibles category in Ontario and preliminary sales data reports equally impressive results in other provinces where Bhang® is sold. More preliminary performance data is available in Indiva's April 23, 2020, press release titled, [Indiva Reports Preliminary First Quarter Fiscal 2020 Results and Announces Updated Filing Timeline for Q4 Fiscal 2019 Due to COVID-19](#), which provides additional insight into the products' performance and the Company's financial performance in Q1 2020.

Proven, trusted brands: Indiva has rooted its strategy in identifying players from established markets with proven formulations and success. This approach has yielded remarkable results in both performance and in speed-to-market. The Company expects to deliver Wana Brands' Sour Gummies to Canadians within the year. Wana Brands' Sour Gummies lead the American edibles market in dollars sold and Indiva anticipates similar demand in Canada. In addition, the Company intends to bring cannabis-infused sugar and salt to Canadians to further expand its award-winning edibles portfolio and make more exceptional cannabis products accessible to all of-age consumers.

Infrastructure that supports future growth: With the receipt of its latest expansion amendment licence, Indiva's facility is now fully-licensed allowing continued growth in its operational and production capacity, which will be allocated to new product lines and greater output for its Bhang®, INDIVA™ and partner brands.

Passionate, experienced leadership: In 2019, the Company brought in new expertise to ensure that Indiva was positioned for long-term success. Executives with rich CPG experience were brought on board to bring Indiva's vision and strategy to life. Having a gender-balanced and experienced leadership team provides the Company with a competitive advantage that is delivering results in 2020.

OPERATING AND FINANCIAL RESULTS FOR TWELVE MONTHS ENDED DECEMBER 31, 2019

Overarching Financial Data

(in thousands of \$, except per share figures)	Year ended December 31	
	2019	2018
Gross revenue	1,120.6	58.3
Net loss	(11,397.9)	(8,526.6)
Comprehensive loss	(11,397.9)	(8,541.2)
Adjusted EBITDA ¹	(8,469.7)	(6,408.3)

Net loss per share – basic and diluted	(0.14)	(0.11)
Comprehensive loss per share – basic and diluted	(0.14)	(0.11)
Total assets	38,104.9	35,845.9

Operating Expenses

<i>(in thousands of \$)</i>	Year ended December 31	
	2019	2018
General and administrative	6,315.0	5,085.0
Marketing and sales	2,157.6	1,325.8
Research and development	122.6	24.8
Share-based compensation	602.7	909.7
Depreciation of property, plant and equipment	602.6	374.5
Amortization of intangible assets	24.1	32.6
Total operating expenses	9,824.6	7,752.4

Quarterly Results

<i>(in thousands of \$, except per share figures)</i>	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net revenue	323.5	185.5	173.5	241.4
Comprehensive net loss	(2,840.2)	(2,626.7)	(2,302.5)	(3,628.5)
Basic and diluted loss per share	(0.04)	(0.03)	(0.03)	(0.04)

ABOUT INDIVA

Indiva sets the standard for quality and innovation in cannabis. As a Canadian licensed producer, Indiva creates premium pre-rolls, flower, capsules, oils, and edible products and provides production, manufacturing and refinement services to peer entities. In Canada, Indiva produces and distributes the award-winning Bhang® Chocolate, Wana Sour Gummies, Ruby® Cannabis Sugar, Sapphire™ Cannabis Salt and other *Powered by INDIVA™* products through license agreements, partnerships and joint ventures. Click here to connect with Indiva on [LinkedIn](#), [Instagram](#), [Twitter](#) and [Facebook](#), and [here to find more information on the Company and its products](#).

CONTACTS

MEDIA CONTACT

Kate Abernathy, Vice President of Marketing and Communications

Phone: 613-296-5764

Email: kabernathy@indiva.com

INVESTOR CONTACT

Steve Low, Investor Relations

Phone: 647-620-5101

Email: slow@indiva.com

DISCLAIMER AND READER ADVISORY

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has in any way passed upon the merits of the contents of this press release and neither of the foregoing entities accepts responsibility for the adequacy or accuracy of this release or has in any way approved or disapproved of the contents of this press release.

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words “could”, “intend”, “expect”, “believe”, “will”, “projected”, “estimated” and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the parties’ current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the Company’s future operations, future product offerings and compliance with applicable regulations. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the parties. The material factors and assumptions include the parties being able to maintain the necessary regulatory and other third parties’ approvals and licensing and other risks associated with regulated entities in the cannabis industry. The forward-looking information contained in this release is made as of the date hereof and the parties are 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. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. Not for distribution to U.S. Newswire Services or for dissemination in the United States. Any failure to comply with this restriction may constitute a violation of U.S. Securities laws.