



RELEVIMUM REPORTS SIGNIFICANT IMPROVEMENT ON ITS NET LOSS AS THE COMPANY RESTRUCTURES PRODUCT LINES AND COST STRUCTURES DURING THE THREE AND NINE-MONTH PERIOD ENDED MARCH 31, 2020

July 16, 2020 - MONTREAL, QUEBEC – [Relevium Technologies](#) Inc. (TSX.V:“[RLV](#)”, OTCQB:“[RLLVF](#)” and Frankfurt: “[6BX](#)”) (the “**Company**” or “**Relevium**”), is pleased to report third quarter results for fiscal year ending June 30, 2020.

During the three-month period ended March 31, 2020, the Company undertook a complete review of its products portfolio and its overall costs’ structure. The Company began eliminating high-cost and high-competition products from its portfolio, which lead to a significant decrease in marketing and promotion expenses. The macroeconomic context of the Company during the third quarter was a primary driver of this decision, including significant valuation gaps, lack of liquidity in the capital markets and the start of a global pandemic.

During this restructuring period, sales were reduced to focus only on the profitable top 20% of our products which resulted in revenues for the three-month period of \$529,735 (\$1,038,467 in 2019) but with significantly improved net loss of \$11,514 (\$945,261 in 2019). The focus on profitable products led to improved gross profit margins as compared to sales 79% as compared to 54% in the comparable period last year. For the nine-month period ended March 31, 2020, the Company reported revenues of \$2,671,675 (\$3,030,019 in 2019) and a net loss \$1,305,932 (\$2,600,035 in 2019).

Financial highlights for the three-month period ended March 31, 2020

- The Company reported a decreased revenue for the reporting period. Revenues were reported as \$529,735 (compared to \$1,038,467 for the three-month period ended March 31, 2020).
- Gross margins for the period increased by twenty-five percentage points to 79%, compared to 54% in the previous year.
- Total expenses for the quarter decreased by \$1,072,863 to \$434,136 (compared to \$1,506,999 in 2019).
- The company reported a net and comprehensive loss of \$197,871 (compared to a net and comprehensive loss of \$955,038 in the previous period).

Financial highlights for the nine-month period ended March 31, 2020

- The Company reported a decrease in revenues for the reporting period. Revenues were \$2,671,675 (compared to \$3,030,019 in the comparable quarter in 2019).
- Gross margins for the period increased by five percentage points to 60%, compared to 55% in the previous year.
- Total expenses for the second quarter decreased by \$1,336,445 to \$2,918,686 (compared to \$4,255,131 in 2019).
- The company reported a net and comprehensive loss of \$1,241,322 (compared to a net and comprehensive loss of \$2,613,586 in 2019)
- Total assets as at March 31, 2020 were \$8,338,820 (compared to \$8,560,452 as at June 30, 2019).
- Total liabilities were \$4,339,071 (compared to \$3,512,144 on June 30, 2019) primarily driven by higher accounts payables and accrued liabilities and short-term loans.
- Current assets were \$1,573,678 (compared to \$1,796,016) a decrease primarily driven by lower cash and equivalents and higher accounts receivables.
- Current liabilities were \$4,297,071 (compared to \$1,343,664 as at June 31, 2019). The increase is primarily due to the transfer of the long-term convertible debentures into short terms liabilities as they are due within the year.



Relevium's CEO, Aurelio Useche, stated, "This has been an extraordinarily challenging time for people and businesses globally. We have remained active and taken the opportunity to reset our costs structure. We are actively taking this opportunity as well with the goal of seeing our business strategies thrive over the longer term as we introduce new products that support current opportunities in the market."

REPORT ON THE IMPACT OF COVID-19

The operations and financial condition of the Company have been affected by the Covid-19 global health crisis. Since the beginning of the pandemic, the management and board of Relevium have worked remotely. The Company follows all federal, provincial, and municipal regulations that have been put in place. The Company will continue to monitor closely developments in this regard, with the health and safety of the Company's employees and management as the primary concern.

Covid-19 had an initial impact on the Company in the three months ended March 30, 2020. During the three-month period, the Company experienced a decrease in consumer spending along with some minor supply chain and marketplace disruptions.

During the same period and leveraging the disruptions associated with Covid-19, the Company began a program to revamp its cost structure by conducting a major review of its existing product line and cost structure. Over the 18 months prior to the reporting period, costs for selling and marketing started escalating due to increased competition and changes in the Amazon algorithms. In view of this, the Company started eliminating unprofitable or high marketing cost products and those facing aggressive price competition in the Company's various marketplaces, primarily Amazon.

THE ROLL-OVER TRANSACTION OF BGX E-HEALTH AND COVID-19 GLOBAL PANDEMIC

During the same period, the strategic focus of management strategic was on the conclusion of the roll-over of BGX E-Health LLC into New Scope Capital and the completion of the concurrent financings for both companies. During the reporting period macroeconomic conditions in terms of liquidity in the Canadian financial markets began to deteriorate and along with the overall market capitalization of the Company. In early February, the market begun to feel the effects from the situation in China relating to COVID-19 and in mid-February of 2020, the World Health Organization declared a global pandemic, which in itself solidified the weak financial markets and the appetite for new financings contracted.

Business and Corporate Development Highlights

- On November 8, 2019, the Company announced that it had entered into an agreement to acquire a Montreal-based biopharma contract manufacturer. The transaction was aimed to complement the spin out of BGX and its Bioganix® brand. The Company is working closely with the contract manufacturer to transfer the manufacturing of key products to the Montreal-based manufacturer.
- The same macroeconomic factors affecting the transaction with Newscope have led Relevium to put the transaction on hold pending a strategic review on a post-pandemic basis. Relevium does not have any outstanding obligations toward the contract manufacturer.
- On June 11, 2020, Relevium announced the successful delivery of CleanCare™ hand sanitizers to retail customers in the US, including the orders announced in the Company's news release of April 15, 2020.
- On June 19, 2020, the Company announced that it had expanded and continues to expand its CleanCare™ product line, as it prepares to address increased government and institutional demand for disinfection supplies in preparation for a potential second wave of Covid-19.



- On June 18, 2020, CBC News reported that NATO nations have agreed to stockpile medical equipment and essential supplies to prepare for an anticipated second wave of Covid-19. Defense ministers from NATO have asked member nations to contribute to an emergency fund to buy even more supplies, as the alliance braces for a second wave of the pandemic. Municipal, regional, and federal governments and institutions are also following suit, and the demand for North American-made and compliant products increases daily.
- On June 23, 2020, Relevium announced the appointment of James Mansour, an award-winning brand and marketing executive, to its advisory board. Mr. Mansour is an award-winning branding authority who works closely with global brands to ensure success. He was instrumental in the development of many brands that became icons in the marketplace and multi-billion-dollar businesses, including Victoria's Secret, the #1 lingerie brand in the world, and Bath and Body Works, the #1 beauty products specialty retailer in the world. Well versed in the needs of global corporations like 3M and Corian and highly experienced in navigating the demands of emerging companies, Mansour Design specializes in integrating brands across all media, delivering clarity, consistency and engaging interactivity, which elevates brands and drives target customers to new products online and on-shelf.
- On July 13, 2020, the Company announced the expansion of its CleanCare™ brand into the disinfection and personal protection market, following its successful entry into the hand sanitizing business. Following this successful launch of its hand sanitizing products, and in view of new demand arising from the ongoing global pandemic, the Company's brand is expanding its mandate to cover disinfection and personal protection equipment and supplies (the "PPES Business"). With the expected introduction of air purification and disinfection home and office systems this fall, the Company is also mapping the entry into disinfection technologies and other personal protection products.

The Company also announced the appointment of The Paper Store as an official retailer for its Bioganix® CleanCare™ products, covering the northeastern United States. Established in 1964, The Paper Store is the largest family owned and operated specialty gif business in the American northeast. Today, the Anderson family runs over 80 stores throughout the northeast with a thriving ecommerce business and over 3,000 employees. The Company completed the delivery of initial inventory of Bioganix® CleanCare™ during the month of June 2020, and the products received great acceptance by the customer base of The Paper Store.

Outlook

The most significant challenge for the Company, in terms of its ability to execute its strategy, is its ability to secure financing.

The Company remains focused on the execution of opportunities in the disinfection and personal protection market.



About Relevium Technologies

Relevium is a publicly traded Company that operates in the health and wellness industry, including legal cannabis, with a primary focus on online distribution. The principal business of the Company is the identification, evaluation, acquisition and operation of brands and businesses in the health and wellness markets and medical cannabis. The Company pursues its business strategy through an acquisition and partnership model in a holistic approach to encompass a wide range of health and wellness consumer products. Relevium operates through two wholly owned subsidiaries:

BGX E-Health LLC (BGX), based in Orlando, Florida, markets dietary supplements, nutraceuticals, sports nutrition and cosmeceuticals primarily through its Bioganix® brand portfolio in the US and Europe. Relevium's premium brands are sold at some of the world's largest retailers including Walmart.com and Amazon.com.

Biocannabix Health Corporation (BCX), based in Montreal, Quebec, is a biopharma nutraceutical Company focused on delivering pediatric endo-medicinal nutraceuticals for cannabinoid therapy.

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Cautionary Note Regarding Forward-Looking Statements

This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, including the timing and completion of the proposed acquisitions, are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release, including the assumptions that the Company will be able to apply for and ultimately obtain an ACMPR licence, the proposed business of Biocannabix will develop as anticipated, that the Company will raise sufficient funds to develop the Biocannabix business, and that the Company will obtain all requisite regulatory approvals. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation, the risk that the proposed business developments may not occur as planned; the timing and receipt of requisite approvals and failure to raise sufficient funds.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.

On Behalf of the Board of Directors

RELEVIMUM TECHNOLOGIES INC.



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