

Meta Growth Achieves Record Quarterly Revenue of \$17.1 Million for the Fourth Quarter of 2019

TORONTO, Dec. 23, 2019 /CNW/ - National Access Cannabis Corp. (TSXV: META) d/b/a **Meta Growth** ("**Meta Growth**", "**META**" or the "**Company**"), Canada's largest publicly traded recreational cannabis retailer by revenue¹, today announced its financial results for the fourth quarter and fiscal year ended August 31, 2019. All amounts are expressed in Canadian dollars.

Q4 2019 Financial Highlights

- Total Quarterly Revenue of \$17.1 million
- Total Gross Margin = 33%
- Retail Cannabis Stores Adjusted EBITDA Margin = 14%
- 30 Operating Retail Stores at the end of the quarter, 6 of which opened during the quarter

"We achieved four quarters of consecutive revenue growth in fiscal year 2019," said Mark Goliger, CEO of Meta Growth. "We continue to expand our store footprint in the western provinces, and we are excited to begin opening stores in Ontario soon. We are also looking forward to providing our customers with access to Cannabis 2.0 products in the very near future. While we are very proud of our industry leading achievements to date, we recognize that we are just at the beginning stages of a very dynamic and high growth industry, and look forward to capitalizing on the many opportunities we have planned for FY 2020."

For a more comprehensive overview of the financial highlights presented in this press release, please refer to Meta Growth's Audited Consolidated Financial Statements for the years ended August 31, 2019 and 2018, and the Company's Management Discussion and Analysis for the year ended August 31, 2019. Both of these documents are available on the Company's SEDAR profile at www.sedar.com.

Summary Financial Tables

Three months ended August 31, 2019	Medical Cannabis Education	Retail Cannabis Stores	Research	Corporate	Total
Revenue	286,060	16,780,502	-	-	17,066,562
Cost of goods sold	(34,720)	(11,485,185)	-	-	(11,519,905)
Gross profit	251,340	5,295,317	-	-	5,546,657
Gross profit margin (%)	88%	32%	n/a	n/a	33%
Operating expenses	(460,884)	(4,137,766)	(284,797)	(4,140,187)	(9,023,634)
Income / (Loss) from operations	(209,544)	1,157,551	(284,797)	(4,140,187)	(3,476,977)
Adjusted EBITDA	(197,902)	2,349,756	(284,797)	(2,573,559)	(706,502)
Adjusted EBITDA %	n/a	14%	n/a	n/a	n/a
Other income / (expenses)	(8,920,784)	(3,827,011)	-	500,067	(12,247,728)
Deferred tax recovery	-	-	-	1,948,063	1,948,063
Net Income / (loss)	(9,130,328)	(2,669,460)	(284,797)	(1,692,057)	(13,776,642)

Twelve months ended August 31, 2019	Medical Cannabis Education	Retail Cannabis Stores	Research	Corporate	Total
Revenue	1,240,062	52,861,598	-	-	54,101,660
Cost of goods sold	(205,500)	(36,240,391)	-	-	(36,445,891)
Gross profit	1,034,562	16,621,207	-	-	17,655,769
Gross profit margin (%)	83%	31%	n/a	n/a	33%
Operating expenses	(2,294,277)	(17,163,268)	(847,207)	(19,904,039)	(40,208,791)
Loss from operations	(1,259,715)	(542,061)	(847,207)	(19,904,039)	(22,553,022)
Adjusted EBITDA	(928,242)	7,202,874	(847,207)	(10,163,831)	(4,736,406)
Adjusted EBITDA %	n/a	14%	n/a	n/a	n/a
Other income / (expenses)	(8,936,848)	(3,911,429)	-	500,067	(12,348,210)
Deferred tax recovery	-	-	-	2,824,630	2,824,630
Net loss	(10,196,563)	(4,453,490)	(847,207)	(16,579,342)	(32,076,602)

Financial Measures

There are measures included in this news release that do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures because it believes certain investors use these measures and metrics as a means of assessing financial performance. EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

Adjusted EBITDA

Three months ended August 31, 2019	Medical Cannabis Education	Retail Cannabis Stores	Research	Corporate	Total
Income/(Loss) from operations	(209,544)	1,157,551	(284,797)	(4,140,187)	(3,476,977)
Amortization of property and equipment	11,642	516,140	-	-	527,782
Amortization of intangible assets	-	-	-	419,133	419,133
Finance and other costs	-	-	-	816,474	816,474
Professional fees – fundraising and acquisition	-	-	-	315,512	315,512
Integration and restructuring costs	-	-	-	-	-
Pre-operating retail expenses	-	676,065	-	-	676,065
Share based compensation	-	-	-	15,509	15,509
Adjusted EBITDA	(197,902)	2,349,756	(284,797)	(2,573,559)	(706,502)
Adjusted EBITDA %	n/a	14%	n/a	n/a	n/a

Twelve months ended August 31, 2019	Medical Cannabis Education	Retail Cannabis Stores	Research	Corporate	Total
Loss from operations	(1,259,715)	(542,061)	(847,207)	(19,904,039)	(22,553,022)
Amortization of property and equipment	331,473	1,380,241	-	-	1,711,714
Amortization of intangible assets	-	-	-	1,676,532	1,676,532
Finance and other costs	-	-	-	5,307,584	5,307,584
Professional fees – fundraising and acquisition	-	-	-	1,411,722	1,411,722
Integration and restructuring costs	-	-	-	380,479	380,479
Pre-operating retail expenses	-	6,364,694	-	-	6,364,694
Share based compensation	-	-	-	963,891	963,891
Adjusted EBITDA	(928,242)	7,202,874	(847,207)	(10,163,831)	(4,736,406)
Adjusted EBITDA %	n/a	14%	n/a	n/a	n/a

Management defines Adjusted EBITDA as the net income or loss from operations, as reported before interest, tax, and adjusted by removing non-cash items, including stock-based compensation expense, depreciation, amortization, and further adjusted to remove integration and restructuring related costs, as well as upfront costs required to open a retail store. Management believes Adjusted EBITDA is a useful financial metric to assess its operating performance on a cash adjusted basis before the impact of non-cash items, acquisition related costs, and non-recurring expenditures. Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning and therefore may not be comparable to similar measures presented by other issuers.

About Meta Growth

With a portfolio of 36 licensed retail locations in its nationwide network, Meta Growth is a leader in secure, safe and responsible access to legal recreational cannabis in Canada. Through its Canada-wide network of Meta Cannabis Co.™, Meta Cannabis Supply Co.™ and NewLeaf Cannabis™ recreational cannabis retail stores, Meta Growth enables the public to gain knowledgeable access to Canada's network of authorized Licensed Producers of cannabis. National Access Cannabis d/b/a Meta Growth is listed on the TSX Venture Exchange under the symbol (TSXV: META).

For more information on Meta Growth, visit:

metagrowth.com

metacannabis.com

newleafcannabis.ca

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward looking statements or information. Forward-looking statements and information in this news release includes, but is not limited to, opening cannabis retail stores in Ontario and retailing new cannabis products. Although the Company believes that the expectations and assumptions on which the forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company cannot give any assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results and developments may differ materially from those that are currently contemplated by these statements depending on, among other things, the ability to obtain or maintain licenses to retail cannabis products; future legislative and regulatory developments involving the cannabis industry in Canada; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms, and the cannabis industry in Canada generally. The Company cautions that the foregoing list of risks and uncertainties is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

¹ New Cannabis Ventures, Public Cannabis Company Revenue & Income Tracker. Largest publicly traded cannabis retailer by revenue.

SOURCE National Access Cannabis Corp d/b/a Meta Growth

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CNW 18:49e 23-DEC-19