

## PharmaCielo Announces Q3 2023 Financial Results

*All figures in Canadian dollars (\$) unless otherwise specified*

TORONTO and RIONEGRO, Colombia, November 29, 2023 - **PharmaCielo Ltd.** ("**PharmaCielo**" or the "**Company**") (TSXV: PCLO) (OTCQX: PCLOF), the Canadian parent of Colombia's premier cultivator and producer of dried flower and medicinal-grade cannabis extracts, PharmaCielo Colombia Holdings S.A.S., today announced financial results for the third quarter ended September 30, 2023.

### Summary Financials

(000's)	Three months ended	
	September 30 2023	September 30 2022
Revenue	\$ 352	\$ 475
Adjusted EBITDA (Loss)	\$ (1,370)	\$ (2,432)
Net Loss	\$ (2,761)	\$ (5,177)
Net Loss per Share	\$ (0.02)	\$ (0.03)

For further detailed information and analysis, please see the financial statements and management's discussion and analysis for the period ending September 30, 2023, as posted at [sedarplus.ca](https://www.sedarplus.ca) and [pharmacielo.com](https://www.pharmacielo.com)

**Marc Lustig, Chairman and CEO** commented, "As the global cannabis market continues to develop and evolve, PharmaCielo is uniquely positioned to supply large, sophisticated, consumer and pharmaceutical product manufacturers. To our knowledge, there is no other company in the industry today who can consistently supply pharma-grade extracts and dried flower at the scale and with the cost advantage to that of PharmaCielo. As the cannabis market continues to develop and recover, we are in business development conversations and product testing with the most important players globally with a particular focus on the EU, Latin America, and Australia. Our team has built a focused and lean organization over the past twelve months, and effectively re-positioned the product portfolio on higher margin products. With total SG&A expenses down over 40% from Q3 of last year, and no meaningful capital expenditures necessary to get to full commercial scale, we are even better placed to generate higher profitability and cash flows as our sales efforts pay off."

### Summary of Recent Developments

- [On October 6, 2023](#), PharmaCielo announced that it had raised \$1.5 million under its previously announced non-brokered private placement of debenture offering.

### About PharmaCielo

PharmaCielo Ltd. (TSXV: PCLO, OTCQX: PCLOF) is a global company, headquartered in Canada, with a focus on ethical and sustainable cultivating, processing and supply of all natural, pharmaceutical-grade medical dried cannabis flower and cannabis products to large channel distributors. PharmaCielo's principal (and wholly owned) subsidiary is PharmaCielo Colombia Holdings S.A.S., headquartered at its cultivation and processing center located in Rionegro, Colombia.

The board of directors and executive team of PharmaCielo are comprised of a diversely talented group of international business executives and specialists with relevant and varied expertise. PharmaCielo recognized the significant role that Colombia's ideal location plays in building a sustainable business in the medical cannabis industry, and the Company, together with its directors and executives, is executing on a business plan focused on supplying the international marketplace.

## For further information

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\*The term Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation, & Amortization) does not have any standardized meaning under IFRS. Therefore, it may not be comparable to similar measures presented by other companies. The following table provides a reconciliation of net loss to adjusted EBITDA:

Adjusted EBITDA In CAD\$ (000's)	For the three months ended September 30,	
	2023	2022
<b>Net loss for the period</b>	<b>\$(2,761)</b>	<b>\$(5,177)</b>
<b>Add back:</b>		
Financing costs	614	359
Amortization of property, plant and equipment & intangible assets	81	377
Amortization expense included in production costs	277	343
<b>EBITDA</b>	<b>\$(1,789)</b>	<b>\$(4,098)</b>
<b>Adjustments:</b>		
Share based payments	481	673
Non-recurring expenses	(62)	993
<b>Adjusted EBITDA</b>	<b>\$(1,370)</b>	<b>\$(2,432)</b>

## Forward-Looking Statements

*This news release contains forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects", "is expected", "intends", "anticipates", "believes", or variations of such words and phrases or state that certain actions, events or results "may" or "will" be taken, occur or be completed or achieved. Forward-looking statements in this news release include, without limitation, statements regarding the issuance of the debenture units, including the timing and completion of any future issuances thereof.*

*The forward-looking statements in this news release are necessarily based on assumptions, including assumptions with respect to PharmaCielo's ability to obtain necessary approvals for the issuance of the debenture units.*

*Forward-looking statements can be affected by known and unknown risks, uncertainties and other factors, including changes to PharmaCielo's development plans, the failure to obtain and maintain all necessary regulatory approvals relating to the export of cannabinoid products and the import of these products into other countries, TSX Venture Exchange approval, the inability to export or distribute commercial products through sales channels as anticipated due to economic or operational circumstances, risks associated with operating in Colombia, fluctuation of the market price for the Company's products, risks associated with global economic instability relating to COVID-19 or other developments, risks related to retention of key Company personnel, currency exchange risk, competition in PharmaCielo's market and other risks discussed or referred to under the heading "Risk Factors" in PharmaCielo's Annual Information Form for the financial year ended December 31, 2019, which is available at [www.sedar.com](http://www.sedar.com). Accordingly, readers should not place undue reliance on forward-looking statements. Except as required by law, PharmaCielo undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*

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