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# GSRX Industries Inc. Reports Fourth Quarter Revenues Up 135% to \$1.66 Million

DORADO, Puerto Rico, April 18, 2019 (GLOBE NEWSWIRE) -- GSRX Industries Inc. (OTCQB: GSRX) ("GSRX" or the "Company") today announced financial results for the fourth quarter and fiscal year ended December 31, 2018.

## Fourth Quarter 2018 Highlights

- Total revenues generated were \$1,661,504, an increase of \$955,076, or 135%, from the quarter ended September 30, 2018. Gross profit was \$733,585, an increase of 188% from the prior quarter. This growth was primarily attributable to increased sales and the commencement of operations at additional Green Spirit RX dispensary locations in Puerto Rico, as well as sales from its newly-launched Pure And Natural subsidiary, and increased sales at The Green Room in California.
- Puerto Rico operations posted an increase of 185% over prior quarter sales. Gross margin increased from 44.13% to 45.60% quarter-over-quarter.
- California dispensary operations posted an increase of 12% over prior quarter sales. Gross margin increased from 35.45% to 45.87% quarter-over-quarter.
- Operating expenses increased 61% to \$3,538,929 compared to \$2,198,056 for the quarter ended September 30, 2018. Excluding stock based compensation, operating expenses for the fourth quarter increased 12% to \$2,212,769 from \$1,975,209 the prior quarter.
- The net loss from operations attributable to GSRX increased for the quarter ended December 31, 2018 to approximately \$2,591,640 or \$0.05 per share, compared to a loss of approximately \$1,655,745 or \$0.04 per share for the quarter ended September 30, 2018. Net loss from operations, excluding stock based compensation, was \$1,479,184 for the fourth quarter, compared with a loss of \$1,720,157 for the prior quarter, an improvement of 14%.

## Full Year 2018 Highlights

- Total revenues generated were \$2,681,530 for the Company's first full year of operations. Gross profit was \$1,143,085, or 43% of revenues.
- Puerto Rico operations posted total revenues of \$2,165,295 for the year. Gross profit was \$974,360, or 45% of revenues.

- California dispensary operations posted total revenues of \$380,917 for the year. Gross profit was \$143,297, or 38% of revenues.
- Operating expenses for the year decreased 31% to \$18,056,379 compared to \$26,082,960 for the year ended December 31, 2017. Excluding stock based compensation, operating expenses for the year ended December 31, 2018, totaled \$6,756,872, an improvement of 44% from \$12,000,821 for the prior year.
- Net loss from operations attributable to GSRX decreased for the year ended December 31, 2018 to approximately \$16,239,276, or \$.37 per share, compared to a loss of approximately \$26,082,960, or \$1.33 per share, for the year ended December 31, 2017. Excluding stock based compensation, the net loss from operations for 2018 was \$4,939,769, or \$.11 per share, compared to a net loss of \$.61 per share for the prior year.

“We are pleased to report an outstanding performance for our first full year of operations,” said Les Ball, GSRX Chief Executive Officer. “We met all our operations goals, exceeded our revenue expectations, and are looking forward to continued growth in 2019.”

#### **About GSRX Industries Inc.**

GSRX Industries Inc. (OTCQB: GSRX), through its subsidiaries, is in the business of acquiring, developing and operating retail cannabis dispensaries and non-THC CBD retail stores. GSRX is also in the process of expanding its business to include distribution, lite manufacturing and delivery of cannabis and cannabinoid products. Currently, GSRX operates five cannabis dispensaries in Puerto Rico under the name Green Spirit RX, one dispensary in California under the name The Green Room, and has five additional pre-qualified locations in Puerto Rico, all of which are in various phases of development and construction. GSRX also owns and operates the e-commerce site [GetPureAndNatural.com](http://GetPureAndNatural.com), which offers a broad range of pharmaceutical grade CBD products.

#### **Forward-Looking Statements**

This press release contains forward-looking statements. Such statements include statements regarding our expectations, hopes, beliefs or intentions regarding the future, including but not limited to statements regarding our market, strategy, competition, development plans (including acquisitions and expansion), financing, anticipated revenues, operations, and compliance with applicable laws. Forward-looking statements involve certain risks and uncertainties, and actual results may differ materially from those discussed in any such statement. Factors that could cause actual results to differ materially from such forward-looking statements include the risks described in greater detail in the following paragraphs. All forward-looking statements in this document are made as of the date hereof, based on information available to us as of the date hereof, and we assume no obligation to update any forward-looking statement except where applicable law requires us to update these statements. Market data used throughout this prospectus is based on published third party reports or the good faith estimates of management, which estimates are based upon their review of internal surveys, independent industry publications and other publicly available information.

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