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Marijuana Company of America, Inc. Reports its Highest Quarterly Revenue Since Inception for Q3 2021

LOS ANGELES, CA, Nov. 18, 2021 (GLOBE NEWSWIRE) -- via InvestorWire -- Marijuana Company of America, Inc. (OTC: MCOA) ("the Company"), a diversified company with operations and investments throughout the cannabis industry, today announced its financial results for the third quarter and nine months ended September 30, 2021. This is the Company's highest quarterly revenue reported in its history.

Total revenues for the three months ended September 30, 2021 and 2020, were \$442,178 and \$53,195, respectively, an increase of \$388,983. This increase is mainly attributable to \$407,246 of product sales from our new acquisition of our distribution company called cDistro, which began full operations during the quarter ended September 30, 2021. In addition, MCOA also recorded \$12,581 in equipment lease revenues to a cannabis distributor and manufacturer as part of its Lynwood-MCOA joint venture with JV partner Cannabis Global Inc. (OTC: CBGL).

"During the third quarter 2021, despite the fact that we have been in the midst of a global pandemic, the Company produced the highest revenues in its history," said Jesus Quintero, CEO of Marijuana Company of America, Inc. "Our Q3 financial performance was strong and reflects our ability, despite being in a challenging environment, to execute on the strategy by diversifying within the Cannabis industry thru strategic acquisitions along with organic growth."

Quintero added, "We continue to grow and adapt our business as demonstrated by our entrance into the South American markets via the creation of our new hempSMART-Brazil and hempSMART Uruguay operations, focusing on increasing customer engagement to support the value of our products for the first time globally."

For the three months ended September 30, 2021 and 2020, gross profits were \$63,687 and \$16,025, respectively, an increase of \$47,662. This increase is mainly attributed to gross profits from our acquisition of cDistro which began full operations during the three months ended September 30, 2021. In addition, MCOA's hempSMART business improved gross profits due to new pricing and promotions associated with sales restructuring and new sales strategies, along with the effects of the COVID-19 pandemic subsiding during the three months ended September 30, 2021. As a result, the combined gross margins were 14.4% and 30.1% for the three months ended September 30, 2021 and 2020, respectively.

Quintero stated, "We have begun to selectively increase our acquisition activities and the investments we have made to enhance our value propositions that has yielded strong results, driving expansion into new areas within the Cannabis industry including: Distribution with our acquisition of cDistro; International Expansion with our premium Hemp & CBD

Hempsmart™ products, as well as Cultivation with the October 2021 acquisition of a cannabis nursery cultivation facility in Salinas, California that is both a cultivator and distributor utilizing its own growing systems to produce desirable cannabis clones.”

MCOA reported a net loss for the three months ended September 30, 2021 and 2020 was \$1,764,591 and \$1,872,171, respectively, a decrease of \$107,580. The net loss of \$1,764,591 for the three months ended September 30, 2021 represents 399.1% of total revenues for the period. The net loss of \$1,872,171 for the three months ended September 30, 2020 represents 3,519.4% of total revenues for the period.

Financial Summary of Nine Months Ended September 30, 2021 Compared to Nine Months Ended June 30, 2020

Total revenues for the nine months ended September 30, 2021 and 2020, were \$493,988 and \$217,972, respectively, an increase of \$276,016. This increase is mainly attributable to \$407,589 of product sales from our acquisition of cDistro, which was effective towards the end of June 30, 2021 and accordingly, began to contribute revenue during the period ended September 30, 2021. In addition, MCOA recorded \$12,581 in equipment lease revenues to a cannabis distributor and manufacturer, under the Lynwood joint venture. MCOA also reported that it had also sold \$73,818 of hempSMART products during the nine months ended September 30, 2021, due to a new sales platform as well as changes to sales strategy, including the rebranding of our hempSMART product line.

MCOA reported a net loss for the nine months ended September 30, 2021 and 2020 was \$7,250,698 and \$4,177,391, respectively, an increase of \$3,073,307. The net loss of \$7,250,698 for the nine months ended September 30, 2021 represents 1,468% of total revenues for the period. The net loss of \$4,177,391 for the nine months ended September 30, 2020, represents 1,917% of total revenues for the period.

Quintero added, “We are confident that the steps we are taking will enable us to maintain a growing strong position as we drive growth across the entire business and maximize value for our stakeholders over the long term. Our expectation is that we should have another record breaking quarter in Q4 2021, since we will report a full quarter of revenue from our newly acquired cultivation facility in Salinas, California.”

About Marijuana Company of America, Inc.

Marijuana Company of America operates and invests in the cannabis sector directly. The Company's operations include cDistro, one of the THC, Hemp & CBD cannabis industries fastest growing distribution companies, hempsmart™, a Premium CBD company, and a cannabis nursery cultivation facility in Salinas, California that is a cultivator and distributor utilizing its own growing systems to produce desirable cannabis clones.

The company's core mission is to leverage its experience, and access to capital to identify and invest in acquisitions with unique growth potential.

Forward-Looking Statements

This news release contains 'forward-looking statements,' which are not purely historical and may include any statements regarding beliefs, plans, expectations, or intentions regarding

the future. Such forward-looking statements include, among other things, the development, costs, and results of new business opportunities and words such as 'anticipate,' 'seek,' 'intend,' 'believe,' 'estimate,' 'expect,' 'project,' 'plan,' or similar phrases may be deemed 'forward-looking statements' within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with new projects, the future U.S. and global economies, the impact of competition, and the Company's reliance on existing regulations regarding the use and development of cannabis-based products. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that any beliefs, plans, expectations, and intentions contained in this press release are reasonable, there can be no assurance that any such beliefs, plans, expectations, or intentions will prove to be accurate. Investors should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in our annual report on Form 10-K, our quarterly reports on Form 10-Q, and other periodic reports filed from time to time with the Securities and Exchange Commission.

For more information, please visit www.marijuanacompanyofamerica.com or visit www.sec.gov.

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