November 15, 2019

Jushi Holdings Inc. Provides Shareholder Update and Reports Third Quarter 2019 Financial Results

Generated $3.6 Million in Revenue from Operations in Pennsylvania, Nevada, and New York;

Net Income of $4.2 Million or $0.04 Diluted EPS, Due to $13.2 Million Net Gain in Other Income;

Net Working Capital of $36.6 Million at Quarter-End;

BOCA RATON, Fla., Nov. 15, 2019 /CNW/ --Jushi Holdings Inc. **("Jushi" or the "Company") (NEO: JUSH.B) (OTCQX: JUSHF)**, a globally-focused, multi-state cannabis and hemp operator, today is providing a shareholder update and reporting its financial results for the third quarter ended September 30, 2019. All financial information is provided in U.S. dollars unless otherwise indicated.

"During the third quarter of 2019, we generated revenue of $3.6 million, an increase sequentially from $0.2 million, due primarily to commencement of retail operations in Pennsylvania and New York, and cultivation and manufacturing in Nevada. Additionally, we reported a net gain of $13.2 million in other income primarily from sale of our minority stake in Gloucester Street Capital resulting in net income of $4.2 million for the quarter," stated Jim Cacioppo, CEO and Chairman of Jushi.

"In the five months since becoming a public company and the related financing, we have methodically invested our capital targeting attractive adult-use and limited license medical markets that today include Pennsylvania, Virginia, California, New York, Nevada, Ohio and Illinois. In Pennsylvania, for example, our BEYOND/HELLO™ brand has established a major footprint in a limited license medical state with five retail dispensaries operational today and at least one to two more projected before the end of the year with three to five more projected to open in the first half of 2020. We continue to explore further growth opportunities, increasing our applications pipeline to ten pending and over 30 planned application submissions in 2019 and 2020. The pipeline includes applications in existing states in which we operate such as California and New York as well as new markets that fit within our strategy such as Florida, Georgia, Illinois, Michigan, Missouri and New Jersey. Led by our team of industry, operations and finance experts, we remain confident in the opportunity ahead for our continued expansion," concluded Mr. Cacioppo.

Key Developments for the Quarter Ending to Date:

- **Pennsylvania:** During the quarter, the Company's BEYOND/HELLO™ retail chain, which brings high-quality personalized marijuana treatments and products to patients,

opened three new medical marijuana dispensaries in Philadelphia, Scranton and Johnstown, Pennsylvania. In September, Jushi signed a definitive agreement to acquire the majority ownership of Agape Total Health Care Inc ("Agape"), another Pennsylvania Dispensary Permittee. Agape plans to open three retail locations in the Philadelphia region, Reading and Pottsville. Between BEYOND/HELLO™ and Agape, the total retail locations could reach 15 in Pennsylvania a key east coast limited license medical market. We anticipate opening all 15 dispensaries by the end of 2020 in a steady progression throughout Q4 2019 and in each quarter of 2020.

- **Nevada:** In July, the Company's subsidiary Production Excellence, LLC ("Production Excellence") received local City of North Las Vegas authorization to enter the greater Las Vegas, Nevada market under a management services agreement with Franklin Bioscience NV, LLC ("Franklin Bioscience Nevada"). Franklin Bioscience Nevada holds medical and adult-use cannabis cultivation, processing and distribution licenses issued by the Nevada Department of Taxation and currently operates cultivation, production and distribution facilities in North Las Vegas, Nevada.
- **California:** Through acquisitions and new license applications, Jushi currently expects to have four retail store openings in 2020 in four high income and well trafficked cities: San Diego, Santa Barbara, Malibu and Culver City. In each dispensary, the Company plans to offer delivery services subject to regulatory approvals. Of the four, the San Diego and Santa Barbara dispensaries are expected to be operational by Jushi in the first quarter of 2020.
- **Virginia:** In September, the Company completed the acquisition of the majority of the membership interests in Dalitso LLC, a Virginia-based pharmaceutical processor for medical cannabis extracts. Dalitso is currently one of only five applicants to receive conditional approval for a permit issued by the Virginia Board of Pharmacy to cultivate and process medical cannabis, and to dispense and deliver CBD oil and THC-A oil extracts in Virginia. Dalitso's conditional approval is for the northeast region of Virginia, covering approximately 28.2% of the commonwealth's total population.
- **New York:** In October, Jushi closed the sale of its 16.5% ownership interest in Gloucester Street Capital, the parent company of Valley Agriceuticals, LLC, which holds one of ten New York medical cannabis licenses, to Cresco Labs Inc. (CSE: CL) (OTCQX: CRLBF). The approximate total market value of cash, short-term notes and securities received by Jushi for the sale of its 16.5% interest is approximately $15 million to $20 million (depending on the contingency payouts).
- **Applications:** In July, Jushi's wholly-owned subsidiary received approval from Culver City to move forward with submitting a CUP application for a retail and delivery permit. The Company has ten pending applications and has a planned pipeline of over 30 application submissions for 2020.
- **Significant Settlement:** In October, the Company received $5 million cash pursuant to a confidential legal settlement.

Third Quarter 2019 Financial Highlights

	Q3 2019	Q3 2018	% change
Revenue	$3,588,233	$120,792	2871%
Gross profit	$1,548,199	$120,792	1182%
Net income (loss)	$4,156,317	$(2,329,915)	278%
Net income (loss) per share – basic	$0.05	$(0.05)	190%
Net income (loss) per share - diluted	$0.04	$(0.05)	176%

Financial Results for the Third Quarter Ended September 30, 2019

Revenue for the third quarter of 2019 increased 2871% to $3.6 million, compared to $0.1 million in the third quarter of 2018 due to revenue from operations.

Gross profit for the third quarter of 2019 was $1.5 million, resulting in gross margin of 43%, compared to $0.1 million for the third quarter of 2018. The increase over the prior year was primarily due to the increase in retail sales.

Net income for the third quarter of 2019 was $4.2 million, or $0.04 per diluted share, compared to a net loss of $2.3 million, or $0.05 per share, in the third quarter of 2018. During the quarter, the Company reported a gain on a financial asset of approximately $9.2 million and one-time other income of approximately $5 million.

Balance Sheet and Liquidity

The Company had cash of $26.8 million, short term investments of $1.3 million, total current assets of $59.5 million and current liabilities of $22.9 million as of September 30, 2019. The Company had net working capital of $36.6 million.

In addition, Jushi expects to receive an additional $15 million - $20 million in cash, securities and cash earn-out from the sale of its 16.5% ownership interest in Gloucester Street Capital.

Outlook

Through combination of signed and closed acquisitions, as well as application victories, Jushi expects its projected revenue on a pro forma consolidated basis to be approximately $175 - $200 million run-rate at year-end 2020.

Conference Call and Webcast Information

Management will host a conference call and audio webcast on Friday, November 15th at 8:30 a.m. ET to answer questions about the Company's operational and financial highlights. The dial-in numbers for the conference call are +1-877-407-0792 (U.S. Toll-Free) or +1-201-689-8263 (International). Please dial-in 10 to 15 minutes prior to the start time of the conference call and an operator will register your name and organization.

The conference call will also be available via webcast, which can be accessed through the Investor Relations section of Jushi's website, http://ir.jushico.com/.

For interested individuals unable to join the conference call, a dial-in replay of the call will be available until November 29, 2019 and can be accessed by dialing +1-844-512-2921 (U.S. Toll Free) or +1-412-317-6671 (International) and entering replay pin number: 13695679.

About Jushi Holdings Inc.

We are a globally focused cannabis and hemp company led by an industry leading management team. In the United States Jushi is focused on building a multi-state portfolio of branded cannabis and hemp-derived assets through opportunistic acquisitions, distressed workouts and competitive applications. Jushi strives to maximize shareholder value while delivering high quality products across all levels of the cannabis and hemp ecosystem. For more information please visit www.jushico.com or our social media channels, Instagram, Facebook, Twitter and LinkedIn.

Non-IFRS Financial Measures
The Company has provided unaudited pro forma financial information, which assumes that closed and pending mergers and acquisitions in 2018 are included in the Company's financial results as of the beginning of the quarterly and annual periods in 2018 and that closed and pending mergers and acquisitions in 2019 are included in the Company's financial results as of the beginning of the quarterly and annual periods in 2019. The Company has provided the non-IFRS financial measures, which are not calculated or presented in accordance with IFRS, as supplemental information and in addition to the financial measures that are calculated and presented in accordance with IFRS. These supplemental non-IFRS financial measures are presented because management has evaluated the financial results both including and excluding the adjusted items and believe that the supplemental non-IFRS financial measures presented provide additional perspective and insights when analyzing the core operating performance of the business. These supplemental non-IFRS financial measures should not be considered superior to, as a substitute for or as an alternative to, and should only be considered in conjunction with, the IFRS financial measures presented herein.

Forward-Looking Information and Statements
This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans," "expects" or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases or may contain statements that certain actions, events or results "may," "could," "would," "might" or "will be taken," "will continue," "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein may include, but are not limited to, information concerning the expectations regarding Jushi, or the ability of Jushi to successfully achieve business objectives, and expectations for other economic, business, and/or competitive factors.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and 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 information and statements. In addition, in connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: the ability of Jushi to successfully achieve business objectives, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; and compliance with extensive government regulation, as well as other risks and uncertainties which are more fully described in the Company's

Filing Statement dated May 31, 2019 and other filings with securities and regulatory authorities which are available at www.sedar.com. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

Not for distribution to United States newswire services or for dissemination in the United States.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

JUSHI HOLDINGS INC. AND SUBSIDIAIRIES
CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

	Three Months Ended September 30, 2019 (unaudited)	Three Months Ended September 30, 2018 (unaudited)	Nine Months Ended September 30, 2019 (unaudited)	Period from January 23, 2018 (inception date) to September 30, 2018 (unaudited)
Revenue	$ 3,588,233	$ 120,792	$ 4,195,311	$ 250,363
Cost of goods sold	2,066,153	-	2,078,586	-
Gross profit before fair value adjustments	$ 1,522,080	$ 120,792	$ 2,116,725	$ 250,363
Fair value adjustment on sale of inventory	-	-	-	-
Fair value adjustment on biological assets	26,119	-	26,119	-
Gross profit	$ 1,548,199	$ 120,792	$ 2,142,844	$ 250,363
Operating expenses:				
General and administrative expenses	$ 3,598,900	$ 1,710,369	$ 10,085,762	$ 2,989,650
Salaries, wages and employee benefits	3,995,377	561,708	9,441,982	1,081,660
Share-based compensation expense	1,821,285	238,447	3,752,076	2,083,049
Acquisition and deal costs	29,618	30,299	2,509,528	144,099
Depreciation and amortization expense	786,511	64,677	1,199,927	137,087
Total operating expenses	$ 10,231,691	$ 2,605,500	$ 26,989,275	$ 6,435,545
Loss from operations before other income (expense)	$ (8,683,492)	$ (2,484,708)	$ (24,846,431)	$ (6,185,182)
Other income (expense):				
Impairment of goodwill	$ -	$ -	$ -	$ (8,990,000)
Listing expense	-	-	(1,359,971)	-
Interest income	59,643	210,043	166,135	685,843
Gain on financial asset	9,222,200	-	9,222,200	-
Bad debt expense	-	-	(172,408)	-
Interest expense and finance charges	(1,039,196)	(55,250)	(1,243,796)	(55,250)
Other income (expense)	4,986,333	-	4,982,102	-
Total other income (expense)	$ 13,228,980	$ 154,793	$ 11,594,262	$ (8,359,407)
Net income (loss) and comprehensive income (loss) before tax	$ 4,545,488	$ (2,329,915)	$ (13,252,169)	$ (14,544,589)
Income tax expense	(389,171)	-	(389,171)	-
Net income (loss) and comprehensive income (loss) after tax	$ 4,156,317	$ (2,329,915)	$ (13,641,340)	$ (14,544,589)
Net loss attributable to non-controlling interests	(70,545)	-	(70,545)	-
Net income (loss) and comprehensive income (loss) attributable to Jushi stockholders - basic and diluted	$ 4,226,862	$ (2,329,915)	$ (13,570,795)	$ (14,544,589)
Income (loss) and comprehensive income (loss) per share - basic	$ 0.05	$ (0.05)	$ (0.18)	$ (0.56)
Weighted average shares outstanding - basic	$ 93,238,354	$ 46,243,281	$ 75,598,787	$ 25,991,805
Income (loss) and comprehensive income (loss) per share - diluted	$ 0.04	$ (0.05)	$ (0.18)	$ (0.56)
Weighted average shares outstanding - diluted	$ 110,039,102	$ 46,243,281	$ 75,598,787	$ 25,991,805

JUSHI HOLDINGS INC. AND SUBSIDIAIRIES
CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 26,781,331	$ 38,113,861
Investment in trading securities	1,263,167	1,233,228
Accounts receivable	156,338	261,748
Due from related party	68,500	263,729
Prepaid expenses and other current assets	7,530,173	353,494
Inventory	2,548,283	-
Biological assets	660,050	-
Short-term financial assets	14,676,452	-
Deferred acquisition costs	5,820,000	-
Total current assets	$ 59,504,294	$ 40,226,060
NON-CURRENT ASSETS:		
Long-term financial asset	$ -	$ 5,454,252
Property, plant and equipment	20,258,071	-
Other assets	1,202,128	413,250
Other intangible assets, net	90,593,099	3,917,232
Goodwill, net	13,812,253	170,000
Total other assets	$ 125,865,551	$ 9,954,734
Total assets	$ 185,369,845	$ 50,180,794
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,004,263	$ 404,260
Accrued expenses	4,095,650	871,822
Short-term notes payable	15,654,065	-
Short-term lease obligations	1,153,178	-
Total current liabilities	$ 22,907,156	$ 1,276,082
LONG-TERM LIABILITIES:		
Other liabilities	173,908	$ -
Long-term notes payable	10,021,685	-
Long-term lease obligations	5,543,639	-
Redemption liability	7,610,220	7,388,547
Total liabilities	$ 46,256,608	$ 8,664,629
COMMITMENTS AND CONTINGENCIES		
EQUITY:		
Share capital and share reserves	$ 160,999,955	$ 59,572,141
Accumulated deficit	(31,626,771)	(18,055,976)
Total Jushi stockholders' equity	$ 129,373,184	$ 41,516,165
Non-controlling interests	$ 9,740,053	-
Total equity	$ 139,113,237	$ 41,516,165
Total liabilities and equity	$ 185,369,845	$ 50,180,794

JUSHI HOLDINGS, INC. AND SUBSIDIAIRIES
CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,2019 (unaudited)	For the Period from January 23, 2018 (inception date) to September 30, 2018 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (13,641,340)	$ (14,544,589)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	$ 1,199,927	$ 137,087
Share-based payments	3,752,076	2,083,049
Non-cash listing expense	1,361,211	-
Gain on financial assets	(9,222,200)	
Impairment of goodwill	-	8,990,000
Finance charge on lease liabilities	299,035	-
Non-cash interest	96,589	(271,841)
Change in present value of redemption liability	221,673	41,038
Change in fair value of biological assets	(26,119)	-
Change in fair value of investments	(29,939)	-
Bad debt expense	172,408	-
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	$ 105,410	$ (332,688)
Due from related party	22,821	93,899
Prepaid expenses and other current assets	(6,919,782)	(29,505)
Inventory and biological assets	(1,758,513)	-
Other assets	(646,171)	-
Other long term liabilities	(380,227)	-
Accounts payable and accrued expenses	3,294,324	1,223,825
Net cash flows used in operating activities	$ (22,098,817)	$ (2,609,725)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for acquisitions, net of cash acquired	$ (46,966,796)	$ -
Payments for deferred acquisition costs	(4,270,000)	-
Purchases of property, plant and equipment	(6,949,173)	-
Cash acquired in acquisition of TGSNH	-	12,568
Investment in trading securities	-	(226,589)
Investment in financial asset	-	(5,004,251)
Proceeds from notes receivable	-	5,728,034
Investment in notes receivable	(100,000)	(3,953,522)
Net cash flows used in investing activities	$ (58,285,969)	$ (3,443,760)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of Class B Common Stock for cash, net	79,518,673	39,071,634
Issuance of Common Stock for cash, net	-	7,289,753
Payments on note payable	(10,602,498)	(1,989,000)
Payments on lease obligations	(433,271)	-
Proceeds from exercise of share-based compensation	569,352	-
Net cash flows provided by financing activities	$ 69,052,256	$ 44,372,387
NET CHANGE IN CASH	$ (11,332,530)	$ 38,318,902
CASH, BEGINNING OF PERIOD	38,113,861	-
CASH, END OF PERIOD	$ 26,781,331	$ 38,318,902
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 625,183	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Right of use assets from lease liabilities upon adoption of IFRS 16	$ 614,074	$ -
Right of use assets from lease liabilities	$ 3,151,676	$ -
Accrual for development of intangible assets	$ 439,552	$ -
Accrued capital expenditures	$ 278,016	$ -
Note obligations incurred for acquisitions	$ 36,278,248	$ -
Redemption liability incurred from acquisition	$ -	$ 7,296,568
Exchange of due from related party for note receivable	$ -	$ 1,992,550
License acquired, non-controlling interest	$ 9,747,228	$ -

SOURCE Jushi Holdings Inc.