

June 28, 2022



Medical Cannabis Innovator Khiron Continues Global Expansion as Industry Leader Throughout Europe and Latin America

Khiron Serves Record Number of Patients With Khiron Products Globally in Its Medical Treatment Clinics

TORONTO, June 28, 2022 /CNW/ - Khiron Life Sciences Corp. (TSXV: KHRN) (OTCQX: KHRNF) (Frankfurt: A2JMZC) the global medical cannabis leader, continues expansion of the Khiron end-to-end solution throughout Latin America and Europe. Khiron's growth aligns with its mission to improve consumers' quality of life through its global network of medical cannabis treatments clinics.



Khiron is serving a record number of patients who are being treated with Khiron products globally. The company has recently reached a cumulative stock of more than 100,000 bottles of medical cannabis sold. This network of medical treatment clinics allows Khiron to collect evidence and conduct studies on the usage of medical cannabis. The groundbreaking analysis of the benefits of medical cannabis sets Khiron apart from any other cannabis

companies in today's marketplace

Khiron has posted record 2022 Q1 numbers that included revenue of \$4.6 million, a 65% increase from Q1 2021, as well as record revenue in medical cannabis of over \$2.6 million in Q1 2022, a 470% increase from the prior year. Q1 2022 showed an operating cash outflow of 2.8 million against a total receivable of 4.4 million. Khiron continues to grow thanks to the infrastructure that the company has built and some of the newer operations are already becoming profitable and EBITDA positive. Khiron is reducing expenses, selling high margin products, and being disciplined in the expansion approach.

In countries such as Colombia and Germany, Khiron is benefiting from patients' ability to utilize their health insurance for treatment in its medical cannabis clinics. This exemplifies the opportunity on the path forward for a global cannabis company such as Khiron to leverage the health insurance expansion that will continue to cover more and more markets.

Below is a status on Khiron's 2022 business developments, marking is a growth year for Khiron expansion throughout both Europe and Latin America:

Status on Europe (the UK and Germany):

- Khiron has established market leadership in the UK with its first two products on the market, and its KHIRON 20/1 THC-predominant strain is one of the best-selling medically prescribed products in the UK market.
- Europe, where Khiron is currently expanding through an asset light strategy, poses a large market opportunity for Khiron as additional countries beyond the UK are legalizing medical cannabis. The UK has a potential of at least 1 million medical cannabis patients and Germany has the potential of over a million patients by 2024. Additionally, Germany offers full coverage of insurance for medical cannabis.
- Khiron has acquired Pharmadrug GmbH. The acquisition provides Khiron with a European manufacturing and distribution center for cannabinoid-based medicines with EU-GMP certification. This will have a direct positive impact on revenues and higher gross margins allowing Khiron to keep wholesale fees in-house. These fees range between 20-30%. The long-established German company will be instrumental in expanding Khiron's product portfolio with new dosage formats and bringing Khiron's full-spectrum extracts to Germany and the United Kingdom to grow the patient base
- In Q1 2022, Europe (the UK and Germany) represented 53% of all medical cannabis revenue, compared to 10% in Q1 2021.
- Europe accounted for 33% of Khiron's medical cannabis revenues, at more than 1.5 million CAD during 2021.
- Khiron also announced a new product, the THC-dominant full-spectrum extract KHIRIOX 25/1, which will be available to pharmacies and patients in Germany and the UK in the near future. KHIRIOX 25/1 combines the medicinal properties and areas of application of the established THC isolate formulations (dronabinol) with the specific advantages of a full-spectrum extract, which may have fewer side effects and are better tolerated by patients.

Status on Latin America:

Colombia

- Khiron foresees a positive environment with the election of the new president of Colombia, Gustavo Petro, who has reiterated his commitment to the consolidation of the medical cannabis industry and recognizes the potential of medical cannabis to reduce high-cost therapies that are already in place.
- Khiron is the leader in medical cannabis in Latin America with its unique vertically integrated approach and leverage of insurance coverage on its clinics.
- Colombia is the only country in Latin America with universal health insurance coverage for medical cannabis. Over 82% of Khiron sales were sold through insurance coverage, and over 84% of the sales were sold to returning patients.
- On May 31 2022, Khiron broke the record of 10.000 cannabis units per month, achieving positive net profit in its Colombian clinic operations.
- Khiron owns and operates 6 Zerenia Clinics in Colombia that have the capacity to attend more than 1,000 patients daily through physical and virtual appointments.
- In June 2022, Khiron opened its first retail pharmacy, fully licensed to dispense medical cannabis products to patients outside the Company's own clinic network. Three weeks since its opening, it has sold 197 prescriptions.

Peru

- Khiron owns and operates two Zerenia Clinics in Peru and by the end of July 2022, Khiron will open two additional clinics.
- Sales of Khiron products in Peru have grown consistently and Khiron is expanding the access of Khiron products into drugstores and pharmacies. Sales have grown more than 75 percent from Q4 in 2021 to Q1 in 2022.
- Khiron obtained the sanitary registries for Khiriox, THC-rich products that will be launched on the market soon. These products will be available on pharmacies shelves across the country, allowing fast and safe access to all patients.
- With the soon to be launched CBD ointment, Khiron positions itself in Peru by offering the broadest and most complete portfolio of registered products with CBD and THC derived from a Full Spectrum extract.

Mexico

- In March 2022, Khiron signed a partnership with Teleton, allowing it to establish its medical cannabis clinics, Zerenia, within Teleton's network across Mexico and to distribute Khiron products in Teleton's pharmacies. Teleton has 24 Medical Centers (22 rehabilitation centers, 1 autism center and 1 Children's Hospital for Cancer) located across the country, and around 600,000 patients with disability, cancer and autism conditions.
- Khiron also has a partnership with Mexico's top university, Tecnológico de Monterrey, where Khiron provides medical education for ethical and safe prescribing of medical cannabis, launching its third course this year. To date, almost 1.000 physicians have been trained through this partnership.

Brazil

- Brazil is the most recent market for Khiron's Latin American expansion. Between late Q2 and early Q3 2022, Khiron will open its first Zerenia Clinic in Rio de Janeiro.
- The Company also expects to achieve its first import of high THC in Q3 2022.

About Khiron Life Sciences Corp.


Khiron is a leading global medical cannabis company with expanding operations in Latin America and Europe. Leveraging wholly-owned medical health clinics and proprietary telemedicine platforms, Khiron delivers an end to end solution combined with a patient-oriented approach, physician education programs, scientific expertise, and product innovation. Focusing on creating access to drive prescriptions, brand loyalty with patients worldwide, Khiron is growing its business throughout Colombia, Germany, UK, Peru, and Brazil, and is positioned to begin operations in Mexico. Khiron is led by Co-founder and Chief Executive Officer, Alvaro Torres, together with an experienced and diverse executive team and Board of Directors, with headquarters in Bogata, Colombia.

Visit Khiron online at <https://investors.khiron.ca>

Linkedin <https://www.linkedin.com/company/khiron-life-sciences-corp/>

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain "forward-looking information" within the meaning of applicable securities legislation. All information contained herein that is not historical in nature constitutes forward-looking information. Forward-looking information and statements contained herein reflect management's current beliefs and is based on information currently available and on assumptions that management believes to be reasonable. These assumptions include, but are not limited to, assumptions regarding the future regulatory developments and economic conditions, the Company's ability to continue its growth and reduce costs. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

 View original content to download multimedia <https://www.prnewswire.com/news-releases/medical-cannabis-innovator-khiron-continues-global-expansion-as-industry-leader-throughout-europe-and-latin-america-301576807.html>

SOURCE Khiron Life Sciences Corp.