



Medicine Man Technologies Releases Record First Quarter 2019 Financial Results

May 21, 2019

First Quarter Highlighted by 65% Yearly Growth in Total Revenue and 236% Yearly Product Revenue Growth

DENVER, May 21, 2019 /PRNewswire/ -- Medicine Man Technologies, Inc. (OTCQX: MDCL) ("Medicine Man Technologies" or "Company"), a rapidly growing, vertically integrated cannabis operator, today provided financial results for its first quarter of 2019.



During the three months ended March 31, 2019, the Company generated operating revenues of \$2,003,476, an increase of approximately 65%, as compared to revenues of \$1,211,037 in the three months ending March 31, 2018. Product sales were exceptionally strong over this period and grew 236%, from \$459,335 to \$1,544,300.

The Company reported cost of goods and services totaling \$1,598,712 during the three months ended March 31, 2019. This is compared to \$373,518 during the same time period in 2018. The increase is primarily due to a rise overall product sales volume as well as increased marketing and business expenses and salaries to drive revenue growth.

Operating expenses during the three months ended March 31, 2019 were \$2,632,791, as compared to \$819,492 for the same period prior year. Increased operating expenses during this three-month period were primarily due to salaries and related expenses, professional fees, as well as the cost to acquire the additional staff needed to service the Company's expanding client base.

The Company reported net loss income related to the three months ending March 31, 2019 of \$2,911,818 or equivalent to (\$0.10) per share as compared to a net income of \$25,424 or \$0.00 per share for the first three months ending March 31, 2018. Despite the larger net income loss on a year-over-year basis, cash flow from operations improved from (\$298,814) during the period ending March 31, 2018 to \$373,551 during the period ending March 31, 2019, helping the Company's cash balance grow to \$699,979 as of March 31, 2019 from \$321,788 as of December 31, 2018.

"With the recent progress of HB19-1090 and the strong overall momentum within the cannabis industry, we came in this quarter with record revenues and strong sales from our products division," said Mr. Andy Williams, Co-Founder and Chief Executive Officer of Medicine Man Technologies. "Looking ahead, we have several significant events that include our pending acquisitions of Medicine Man Denver and MedPharm Holdings, LLC, which will put us on a major growth trajectory and create compelling value add for our shareholders."

The Company recently hosted its 2018 Year-End Financial Results and Business Update Conference Call on Tuesday, April 30, 2019 with the filing of its 10-K, and plans to host another call for its shareholders and prospective investors during the filing for its second quarter of 2019.

For more information about Medicine Man Technologies, please visit <https://www.medicinemantechnologies.com/>.

About Medicine Man Technologies

Medicine Man Technologies is a fully integrated operator in the cannabis industry, offering consulting, retail pharma-grade products, and turnkey solutions for cannabis cultivators for over a decade. Medicine Man Technologies is leveraging its expertise and intellectual property to vertically integrate retail, cultivation, formulation, and distribution operations. The Company's client portfolio includes active and past clients in 18 states and seven countries.

Forward-looking Statements

This press release contains "forward-looking statements." Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential," or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified. Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) our inability to manufacture our products and product candidates on a commercial scale on our own, or in collaboration with third parties; (ii) difficulties in obtaining financing on commercially reasonable terms; (iii) changes in the size and nature of our competition; (iv) loss of one or more key executives or scientists; and (v) difficulties in securing regulatory approval to market our products and product candidates. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC's website at <http://www.sec.gov>. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events, or otherwise.

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