NEWS RELEASE

cb2insights

CB2 Insights Announces FY2018 Financial Results After Transformative Year

CB2 Insights to Host Conference Call Wednesday, May 1 at 4pm Eastern

TORONTO, ON – April 30, 2019 **–** CB2 Insights (CSE:CBII; OTCQB:CBTOF) ("**CB2**" or the "**Company**"), a leading data-analytics company focused on bringing real-world evidence driven from the point-of-care to the medical cannabis community, today reported its results for the fiscal year ending December 31, 2018. Additional information concerning the Company, including its unaudited condensed consolidated interim financial statements and related management's discussion and analysis ("MD&A") for the year ended December 31, 2018, can be found at www.sedar.com and on the Company's website. All amounts are expressed in Canadian dollars unless otherwise noted.

FY2018 Financial Highlights

- Total revenue for FY2018 was $10.8 million, up from $280 thousand from the prior year; the increase was driven primarily from the December 2017 acquisition of Canna Care Docs and when normalized, including 2017 full year of revenue from Canna Care Docs, would illustrate a 2018 revenue increase of 23.0% YoY;
- Gross profit of $7.9 million in FY2018 compared to $218 thousand from the year prior; and
- Adjusted EBITDA[1] loss of $1.1 million in FY2018* versus adjusted EBITDA loss of $718 thousand in FY2017.

*Note: 2018 Adjusted EBITDA[1] from US clinical operations resulted in $1.7 million, which was an increase of 122% from 2017. CB2 uses this surplus in cash flow to fuel its Data and Analytics business which includes but is not limited to software development, product development, analytical and commercialization teams.

"Fiscal 2018 was a pivotal year for our company, as we executed on our strategy to build the world's most comprehensive source of clinically-validated Real-World Data focused on medical cannabis," said Prad Sekar, CEO, CB2 Insights. "Through our growing portfolio of 34 medical clinics, we are now providing services to 85,000 medical cannabis patients across the US on an annual basis. We believe that the future direction of medical cannabis will be driven by reliable data sets that provide the basis for understanding real patient outcomes. At CB2 Insights, our business model is to profitably operate a large portfolio of medical clinics, which will in turn feed our data asset. That data asset, we believe, will be a critical resource to key stakeholders such as pharmaceutical companies, government agencies and insurance companies as they focus their attention to Real World Evidence when making critical decisions about the future direction cannabis-based medicines."

2018 Operational and Strategic Highlights

- Successful oversubscribed non-brokered private placement of $4.3 million closing in Fall of 2018 with investments by Cannabis Growth Opportunity Corp (CGOC), Quinsam Capital and Phyto Partners
- Successful rebranding from MVC Technologies to CB2 Insights in Fall of 2018

CB2 Insights operates 3 primary divisions in the generation of health outcome data. These divisions are:

Clinical Operations: CB2 currently operates the largest network of physician-staffed medical centers in the US specializing in qualifying and supporting patients who are treating their indications with medical cannabis.

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[1] Please refer to "Non-GAAP Financial Measures" in this press release.

- Successful acquisition of Canna Care Docs (December 2017) and integration clinical operations into organization
- Improvement in overall Canna Care Docs Revenue by 23%, significant improvement in profits by 122% and an improvement in patient retention rate by 22%
- Opening of 6 new locations in 2018 under Canna Care Docs brand including 4 new states
- Subsequent to year-end, successful acquisition of Colorado-based Relaxed Clarity with an estimated annualized revenue contribution of US$1.1 million
- Subsequent to year-end, acquisition of Colorado and Arizona-based MedEval Clinics LLC with an estimated annualized revenue contribution of C$1 million

Technology: CB2 has developed and deployed its proprietary cannabis-specific Electronic Health Record (EHR) technology platform to standardize the patient and clinical workflows within its clinics ensuring valid and structured anonymized and aggregate data collection protocols to support Real-World Data collection.

- Successful integration of proprietary Sail EHR platform into Clinical Operations (Canna Care Docs) enabling collection of clinically-validated patient data from 12 US states
- Acquisition of loyalty and consumer engagement platform, TokeIn to assess medical cannabis point-of-purchase data
- Successful adaptation and preparation of the EHR platform for the European, Australian and South American markets
- Significant advancements and improvements in User Experience and Design leading to increased adoption by clinicians and patients
- Subsequent to year end, announcement of pending integration with large EMR platform, Premier Health Group to provide access of our CDS tool to nearly 5,000 physicians

Data Insights: Applies analytical, machine learning and artificial intelligence (AI) technologies to the data the Company generates to derive insights that support stakeholders within the Life Sciences industry including drug manufacturers, patients, doctors/HCPs, regulators and payors.

- Development and launch of the first demo version of the Sail Clinical Decision Support Tool (CDS) designed to support a clinician's decision at the point of care with validated data to make an informed decision
- Development and launch within the Sail technology platform of the Knowledge Base tool – a collection, summary and analysis of over 400 published studies and clinical trials in medical cannabis
- Development and launch within the Sail technology platform of the Strain Finder tool – a data driven module to support patients and clinicians in the identification of the ideal cannabinoid profiles for patients with various health determinant factors
- Subsequent to year-end, Artificial Intelligence expert, Dr. Randy Goebel joins CB2 Insights as Sr. Advisor to Data Insights Division

Mr. Sekar continued, "What we have brought to the Canna Care Docs business from management's experience in running successful and profitable medical clinics resulted not only in improvements in our financial metrics, but the development of a leading infrastructure that will support future clinical acquisitions and the scalability that will be brought through this strong M&A pipeline. This, paired with the data that is driven from these operations is key to maximizing both our industry and shareholder value."

	Year ended December 31, 2018	Year ended December 31, 2017
Revenue	$10,768,011	$280,059
Cost of sales	$2,862,749	$61,349

Gross Profit	$7,905,262	$218,710
Gross Margin	73.4%	78.0%
Adjusted EBITDA[1]	$(1,129,349)	$(717,940)
Net Income (Loss)	$(3,656,744)	$(1,256,903)
Basic and diluted net loss per share	$(0.065)	$(0.028)

Subsequent to Year-End Highlights

- Closed oversubscribed non-brokered private placement of $5.74 million with lead order from New York-based Merida Capital Partners
- Successful RTO transaction with 10557404 Canada Corp. and successful listing on the Canadian Securities Exchange under the name CB2 Insights (Symbol CSE:CBII)
- Closed acquisition of Relaxed Clarity, a Colorado-based medical cannabis group
- Closed acquisition of MedEval Clinic LLC, a multi-state medical cannabis clinic group with operations in Arizona and Colorado

Earnings Conference Call

CB2 Insights' management team will hold a conference call to discuss our 2018 Year End Earnings on May 1, 2019 at 4:00pm ET. An archived replay of the conference call will be available following the conclusion of the call. Call details can be found on the Company's website by clicking here.

Non-GAAP Financial Measures

This Press Release contains references to Adjusted EBITDA and Gross Margin. These financial measures are not measures that have any standardized meaning prescribed by IFRS and are therefore referred to as non-GAAP measures. The non-GAAP measures used by the corporation may not be comparable to similar measures used by other companies. Adjusted EBITDA is defined as "income (loss) before interest expenses, taxes, expenses related to listing on the Canadian Securities Exchange, depreciation, foreign exchange and financial expenses.

The Company uses these non-GAAP measures because they provide additional information on the performance of its commercial operations. Such tools are frequently used in the business world to analyze and compare the performance of businesses; however, the Company's definition of these metrics may differ from those of other businesses. CB2 Insights will, at times, use certain non-GAAP financial measures to provide readers with additional information in order to assist investors in understanding our financial and operating performance. CB2 Insights believes that these non-GAAP measures provide readers with useful information about the Company's operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making.

Adjusted EBITDA excludes the effect of share-based compensation expenses and related payroll taxes as well as removes substantial one-time costs for unusual business activities. Within the 2018 reporting period, one-time costs associated with fees pertaining to the Company's public listing are excluded from this figure.   Additional discussion on this can be found in CB2 Insights' Management Discussion and Analysis filed on SEDAR.

Such non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, the corresponding measures calculated in accordance with IFRS. See the Company's audited Financial Statements for a reconciliation of the non-GAAP measures.

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About CB2 Insights

CB2 Insights has a mission to mainstream medical cannabis into traditional healthcare. We do so by gathering data and creating objective real-world evidence through our proprietary software and service brands. Using clinical management and data collection software at the point-of-care, CB2 Insights and its group of sub-brands has become a leading force behind bringing traditional healthcare protocols to the rapidly evolving global cannabis industry.

For more information please visit www.cb2insights.com.

Primary Contact:
Dan Thompson
Chief Marketing Officer
1.416.670.9316
dan.thompson@cb2insights.com

For Investor Inquiries:
Sean Peasgood
+1.647.362.8286
investors@cb2insights.com

For Media Inquiries:
KCSA Strategic Communications
cb2@kcsa.com