



Village Farms International Commences Shipping Cannabis to Israel

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-- Sales to Israel via Pure Sunfarms Further Expand Village Farms' International Cannabis Presence --

VANCOUVER, BC, Jan. 3, 2023 /CNW/ - Village Farms International, Inc. ("Village Farms" or the "Company") (NASDAQ: VFF) today announced further progress on its international cannabis strategy, and commented that the lack of cannabis legislative action by the United States Senate (in direct contrast to the 39 States / the District of Columbia with legally sanctioned medical-use and/or adult-use THC, as well as the vast majority of United States' citizens) while disappointing, does not impact Village Farms' plans to leverage its considerable success in Canada into other cannabis markets with greater regulatory support. Recently, the Company's Canadian Cannabis business, through its subsidiary, Pure Sunfarms, commenced shipping cannabis products for the Israeli medical market under an exclusive three-year supply agreement with Israel-based Dr. Samuelov Importing and Marketing Ltd., doing business as [Better Pharma](#).

Founded in the early 1990s, Better Pharma is a highly respected importer of pharmaceuticals and related products for the Israeli market with longstanding relationships with Israel's retail pharmacies and an extensive sales force and distribution capabilities, covering over 95% of Israeli independent pharmacies, as well as retail drug stores.

"Commencing shipments to Israel is another milestone in our global cannabis strategy, building on our successes in Canada and Australia," said Michael DeGiglio, Chief Executive Officer, Village Farms. "We are proud and privileged to partner exclusively with Better Pharma for the significant medical cannabis opportunity in Israel and are confident that Pure Sunfarms unique "Everyday Premium" positioning, which has proven so successful in Canada and Australia, will be differentiated in the Israeli market, and well-received by patients."

"Our agreement with Better Pharma marks the first time Pure Sunfarms branded flower, inclusive of Canada's top-selling Pink Kush, makes its way to consumers internationally," said Mandesh Dosanjh, President and CEO, Pure Sunfarms. "We're confident that Better Pharma, an organization that shares our belief in a brand-led consumer approach, will help patients in Israel come to know and appreciate Pure Sunfarms high-quality, BC grown strains as much as Canadians have."

"We are proud and honoured to exclusively partner with Pure Sunfarms, Canada's No.1 flower brand and market leader, for medical cannabis products," said Ran Samuelov, Chief Executive Officer, Better Pharma. "We are confident we will be able to leverage our knowledge and expertise in international brand management for Pure Sunfarms to become one of the leading medical cannabis brands in Israel. We are looking forward to delivering Pure Sunfarms unique and differentiated "Everyday Premium" brand proposition to Israeli medical patients and pharmacists."

Sales of Pure Sunfarms product to patients in Israel are expected to commence later this month. Initial strains offered will include Pink Kush, Jet Fuel Gelato, and Sakura Punch (sold as Black Cherry Punch in Canada).

Village Farms continues to execute on its global cannabis strategy, which includes accelerated sales to the Australian medical market and plans to launch in the German medical market.

About Better Pharma

Dr. Samuelov Importing & Marketing Ltd, doing business as Better Pharma, was founded in the early 1990's. The company imports, markets and distributes international brands to the Israeli pharmaceutical market.

Better Pharma stands for the company's quest and vision of providing better, highest quality, and safer product alternatives to the Israeli consumers.

Better Pharma is the exclusive Israeli distributor of Weleda, the world's leading manufacturer of natural-organic cosmetics, Dr. Wolff group, known for the brands Alpecin, Plantur, and Vagisan, and Dr. Reckeweg homeopathic products from Bensheim, Germany.

In 2014, the company established the pharma unit specializing in herbal medicinal products and is the Israeli exclusive distributor of the world's leading manufacturers in the industry: Dr. Willmar Schwabe GmbH & Co. KG and Bionorica SE.

In 2020, the company established the Cannabinoids unit, specializing in importing and distribution and marketing of medical grade cannabis product to the Israeli medical market.

About Village Farms International, Inc.

Village Farms leverages decades of experience as a large-scale, Controlled Environment Agriculture-based, vertically integrated supplier for high-value, high-growth plant-based Consumer Packaged Goods opportunities, with a strong foundation as a leading fresh produce supplier to grocery and large-format retailers throughout the US and Canada, and new high-growth opportunities in the cannabis and CBD categories in North America and selected markets internationally.

In Canada, the Company's wholly-owned Canadian subsidiary, Pure Sunfarms, is one of the single largest cannabis operations in the world, the lowest-cost greenhouse producer and one of Canada's best-selling brands. The Company also owns 70% of Québec-based, Rose LifeScience, a leading third-party cannabis products commercialization expert in the Province of Québec.

In the US, wholly-owned Balanced Health Botanicals is one of the leading CBD brands and e-commerce platforms in the country. Subject to compliance with all applicable US federal and state laws and stock exchange rules, Village Farms plans to enter the US high-THC cannabis market via multiple strategies, leveraging one of the largest greenhouse operations in the country (more than 5.5 million square feet in West Texas), as well as the operational and product expertise gained through Pure Sunfarms' cannabis success in Canada.

Internationally, Village Farms is targeting selected, nascent, legal cannabis and CBD opportunities with significant medium- and long-term potential, with an initial focus on the Asia-Pacific region, Israel and Europe.

Cautionary Statement Regarding Forward-Looking Information

As used in this Press Release, the terms "Village Farms", "Village Farms International", the "Company", "we", "us", "our" and similar references refer to Village Farms International, Inc. and our consolidated subsidiaries, and the term "Common Shares" refers to our common shares, no par value. Our financial information is presented in U.S. dollars and all references in this Press Release to "\$" means U.S. dollars and all references to "C\$" means Canadian dollars.

This Press Release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the U.S. Securities Act of 1933, as amended, (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is subject to the safe harbor created by those sections. This Press Release also contains "forward-looking information" within the meaning of applicable Canadian securities laws. We refer to such forward-looking statements and forward-looking information collectively as "forward-looking statements". Forward-looking statements may relate to the Company's future outlook or financial position and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, expansion plans, litigation, projected production, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the Company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the Company, the greenhouse vegetable or produce industry or the cannabis industry are forward-looking statements. In some cases, forward-looking information can be identified by such terms as "can", "outlook", "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "try", "estimate", "predict", "potential", "continue", "likely", "schedule", "objectives", or the negative or grammatical variation thereof or other similar expressions concerning matters that are not historical facts. The forward-looking statements in this Press Release are subject to risks that may include, but are not limited to: our limited operating history in the cannabis and cannabinoids industry, including that of Pure Sunfarms, Inc. ("Pure Sunfarms"), Rose LifeScience Inc. ("Rose" or "Rose LifeScience") and Balanced Health Botanicals, LLC ("Balanced Health"); the legal status of the cannabis business of Pure Sunfarms and Rose and the hemp business of Balanced Health; risks relating to the integration of Balanced Health and Rose into our consolidated business; risks relating to obtaining additional financing, including our dependence upon credit facilities; potential difficulties in achieving and/or maintaining profitability; variability of product pricing; risks inherent in the cannabis, hemp, CBD, cannabinoids, and agricultural businesses; market position; ability to leverage current business relationships for future business involving hemp and cannabinoids; the ability of Pure Sunfarms and Rose to cultivate and distribute cannabis in Canada; existing and new governmental regulations, including risks related to regulatory compliance and regarding obtaining and maintaining licenses; legal and operational risks relating to expected conversion of our greenhouses to cannabis production in Canada and in the United States; risks related to rules and regulations at the US federal (Food and Drug Administration and United States Department of Agriculture), state and municipal rules and regulations with respect to produce and hemp, cannabidiol-based products commercialization; retail consolidation, technological advances and other forms of competition; transportation disruptions; product liability and other potential litigation; retention of key executives; labor issues; uninsured and underinsured losses; vulnerability to rising energy costs; inflationary effects on costs of cultivation and transportation; recessionary effects on demand of our products; environmental, health and safety risks, foreign exchange exposure, risks associated with cross-border trade; difficulties in managing our growth; restrictive covenants under our credit facilities; natural catastrophes; the ongoing COVID-19 pandemic; and tax risks.

The Company has based these forward-looking statements on factors and assumptions about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. Although the forward-looking statements contained in this Press Release are based upon assumptions that management believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the Company's control, which may cause the Company's or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the factors contained in the Company's filings with securities regulators, including this Press Release. In particular, we caution you that our forward-looking statements are subject to the ongoing and developing circumstances related to the COVID-19 pandemic, which may have a material adverse effect on our business, operations and future financial results.

When relying on forward-looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future results, performance, achievements, prospects and opportunities. The forward-looking statements made in this Press Release relate only to events or information as of the date on which the statements are made in this Press Release. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

SOURCE Village Farms International, Inc.

For further information: Lawrence Chamberlain, Investor Relations, (416) 519-4196, lawrence.chamberlain@loderockadvisors.com