

MedMira Reports First Quarter Results FY2021

Halifax, Nova Scotia, December 24, 2020 – MedMira Inc. (MedMira) (TSXV: MIR), reported today on its financial results for the quarter ended October 31, 2020.

Profit and Loss Highlights

- **Revenue:** The Company recorded revenues in Q1 FY2021 of \$1,602,823 compared to \$89,132 in Q1 FY2020. The increase in revenue was due to the Company's revenues generated from sales of the REVEALCOVID-19™ Total Antibody Test and associated products and services.
- **Gross Profit:** The Company recorded a gross profit in Q1 FY2020 of \$1,362,271 compared to \$71,688 for the same period last year. The overall gross margin percentage on sales decreased by 5% from 80% in Q1 FY2020 to 75% in this financial quarter. This decrease was due to the higher supplier pricing and approximately 5 times higher shipping costs during the lock downs and various restrictions caused by the COVID-19 pandemic
- **Operating expenses:** The Company recorded for this quarter operating expenses of \$478,921 compared to \$354,997 in Q1 FY2020. The increase of 35% in operating expenses was primarily due to additional research and development costs and other direct costs associated with sales such as logistic costs during the COVID-19 pandemic.
- **Net (loss) income:** The Company recorded a net income of \$715,172 compared to a net loss of \$468,673 in Q1 FY2020.

Balance Sheet Highlights

- **Assets:** The Company had an increase of its assets by \$1,164,301 between Q4 FY2020 and Q1 FY2021 which was mainly due to an increase in cash, trade receivables and inventories.
- **Liabilities:** The Company's liabilities increased by \$449,129 between Q4 FY2019 and Q1 FY2020. The Company's current liabilities increased by \$497,417 or 3% was mainly due to increases in deferred revenue and accounts payable.
- **Loans in default decreased** by \$38,850 or 1% compared to last quarter. All long and short terms debts are currently under negotiation to restructure terms and conditions of repayment.
- **Working Capital deficit:** As a result of the changes noted above, the Company recorded a lower working capital deficit of \$718,539 or 5% compared to last quarter.

The majority of current revenue is generated from the REVEALCOVID-19™ Total Antibody Test as well as associated products and services. Such disproportionate contribution to the revenue may expose the Company to certain financial risks. To mitigate such risks, the Company does not solely rely on the marketing and sale of REVEALCOVID-19™ Total Antibody Test, and, therefore, is continuously working on the development, validation, and regulatory approval of a number of high-demand products. The aim of this product diversification strategy is to counter act any macro economical changes and other non-economic factors.

Regulatory Status

MedMira has applied to the US FDA to obtain FDA Emergency Use Authorization (EUA) for the REVEALCOVID-19™ Total Antibody Test, and its application is under review. However, while awaiting the authorization, REVEALCOVID-19™ Total Antibody Test can be distributed in the U.S. according to Section IV.D of the Policy for Coronavirus Disease-2019 Test. In addition, MedMira received on the 21st of May 2020 the right to sell in all countries accepting CE mark. In Canada, the Company has re-submitted, based on the new template issued by Health Canada, its application for an interim order permitting sales on the 29th of October 2020. No sales can be made in Canada prior to receipt of the interim order from Health Canada. There can be no assurance when or if the interim order will be granted.

The Company's financial statements and management's discussion and analysis are available on the Company's profile on SEDAR at www.sedar.com. For matters of going concern, reference is made to the Auditor's Emphasis of Matter statement in the fiscal year ended 2020 Auditors Report and note 2b in the audited financial statements which are also available on SEDAR.

About MedMira

MedMira is the developer and owner of Rapid Vertical Flow (RVF)[®] Technology. The Company's rapid test applications built on RVF Technology provide hospitals, labs, clinics and individuals with instant diagnosis for diseases such as HIV and hepatitis C in just three easy steps. The Company's tests are sold under the Reveal[®], Multiplo[®] and Miriad[®] brands in global markets. MedMira's corporate offices and manufacturing facilities are located in Halifax, Nova Scotia, Canada and the Company has a sales and customer service office located in the United States. For more information visit medmira.com. Follow us on [Twitter](#) and [LinkedIn](#).

This news release contains forward-looking statements, which involve risk and uncertainties and reflect the Company's current expectation regarding future events, including statements regarding possible regulatory approval and sales of new products, future growth, and new business opportunities. Actual events could materially differ from those projected herein and depend on a number of factors including, but not limited to, changing market conditions, successful and timely completion of clinical studies, uncertainties related to the regulatory approval process, establishment of corporate alliances, the ability of distributors and other partners to fulfil obligations and deliver sales and other risks detailed from time to time in the company's annual and quarterly filings available at www.sedar.com.

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