



For Immediate Release

**Leading Independent Proxy Advisor ISS Recommends that Shareholders
Vote the GREEN proxy FOR ALL MediPharm Director Nominees;
REJECTS Apollo's Arguments and Director Slate**

ISS concludes that Apollo "has not presented a compelling case for change"

Toronto, Ontario – June 2, 2025 – MediPharm Labs Corp. (TSX: LABS) (OTCQB: MEDIF) (FSE: MLZ) ("**MediPharm**" or the "**Company**"), a pharmaceutical company specialized in precision-based cannabinoids, today announced that Institutional Shareholder Services ("**ISS**") published a report on May 30, 2025 (the "**ISS Report**") recommending that MediPharm shareholders vote the **GREEN Proxy** or voting instruction form **FOR** the Company's nominees for the Board of Directors (the "**Board**") at the upcoming Annual and Special Meeting of Shareholders on June 16, 2025 (the "**Meeting**").

ISS is a leading independent proxy voting and corporate governance advisory firm whose recommendations are trusted by pension funds, investment managers, mutual funds, and other institutional shareholders. The ISS Report concludes:

"As the dissident has not presented a compelling case for change, shareholders are recommended to vote FOR all management nominees."

The ISS Report further recommended that MediPharm shareholders DO NOT VOTE on the gold dissident proxy card as Apollo did not provide a compelling case for change.

Chris Taves, Chair of MediPharm, commented, "We are very pleased that an independent proxy advisory firm has taken the time to meet with both parties to hear our respective arguments, and has recommended voting in favour of management's director nominees. Shareholders have been subjected to a large volume of information from both the Company and the dissident in recent weeks, and we believe the ISS Report reinforces our consistent position that Apollo has been flooding the market with misinformation and unsupportable statements. It is also encouraging that ISS has recognized the turnaround of our business that has been facilitated under the leadership of CEO David Pidduck. The Board truly believes that there is momentum in our business and that once we can overcome the costly distraction of this proxy contest, we can return our complete focus to strategic growth opportunities."



Key Conclusions in the ISS Report

In explaining the reasons for its recommendation, the ISS Report reviews each of Apollo's major claims and concludes that there is insufficient evidence to support any of them. Statements in the ISS Report that refute Apollo's claims include the following:

- “Since Q2 2022, quarterly revenues have more than doubled, adjusted EBITDA has swung from a \$6.3 million loss to a \$0.1 million gain, gross margins have expanded 50.9 percentage points over Q2 2022, and the company's SG&A has remained fairly stable. Against this backdrop, it is challenging to validate the dissident's claims that the company's costs have ‘ballooned’ or that revenue is ‘imploding’. In particular, it also seems incorrect to suggest the company has experienced poor post-acquisition integration over a period where revenues and gross margins have risen dramatically while SG&A expenses have remained relatively flat.”
- “LABS has experienced multiple years of improving financial results, which overlap with Pidduck's tenure as CEO as well as a series of acquisitions and non-core asset divestitures. Management has communicated a logical strategy that focuses on higher margin, international markets where the company can leverage a competitive advantage. Moreover, there does not appear to be sufficient evidence that the company is in imminent danger of running out of cash.”
- “... the company has generally outperformed peers and experienced a clear operational turnaround. Meanwhile, the dissident's assertions about the company's peril are not able to be sufficiently validated with available information. As such, the dissident has not presented a case for board change.”
- “... a review of [Total Shareholder Return] over [Pidduck's] tenure shows that the company has outperformed its peer group and [the Global X Marijuana Life Sciences Index ETF HMMJ] ... There is limited utility focusing on absolute performance as the entire sector has suffered tremendous losses. In this context, it can be recognized that since 2022, LABS has managed to reverse course and separate itself positively from most peers.”
- “Based on the company's improving financial performance since the VIVO acquisition and the manner in which redundant assets are being monetized to improve balance sheet strength, it is difficult to conclude that the company has engaged in reckless M&A.”
- “The dissident has presented serious claims about concerns with the board's management oversight capabilities and executive compensation practices. At this time, there does not appear to be a conclusive deficiency in corporate governance and the company has provided valid explanations for its compensation practices.”



The ISS Report summarizes the high standard required of any dissident seeking to replace an entire board of directors:

- “When analyzing proxy contests, ISS focuses on two central questions:
 1. Has the dissident made a compelling case that change is warranted?
 2. If so, are the dissident nominees more likely to effect that change than the incumbent directors?”
- “When the dissident is seeking board control, ISS looks for a well-reasoned and detailed business plan (including the dissident's strategic initiatives), a transition plan that describes how the change in control of the company will be effected, and where management continuity may be an issue, the identification of a qualified and credible new management team.”

The ISS Report then reaches a clear conclusion on its recommendation for the election of directors:

- “As there is no case for change at this time, shareholders are recommended to vote FOR all management nominees.”

The ISS Report further recommends that shareholders vote for the resolution to fix the number of directors at seven, and vote for the resolution to approve MNP LLP as auditors and authorize the Board to fix their remuneration. The ISS Report also recommends that shareholders vote against the resolution to approve all unallocated awards under the Company's equity incentive plan. The independent Compensation Committee of the Board will continue to regularly review the Company's compensation policies.

Vote for the Highly Qualified MediPharm Nominees

MediPharm urges shareholders to vote only using the **GREEN** proxy or GREEN voting instruction form in support of all of the Company's nominees and resolutions.

To ensure your vote is counted, shareholders are encouraged to proactively contact their broker to obtain their 16-digit control number associated with the GREEN management proxy. Once received, you can cast your vote by visiting www.medipharmlabsagm.com.

You may receive materials or outreach from the dissident — please disregard any such communications and vote only using the GREEN proxy in support of the Company's nominees.



About MediPharm Labs

Founded in 2015, MediPharm Labs specializes in the development and manufacture of purified, pharmaceutical-quality cannabis concentrates, active pharmaceutical ingredients (API) and advanced derivative products utilizing a Good Manufacturing Practices certified facility with ISO standard-built clean rooms. MediPharm Labs has invested in an expert, research driven team, state-of-the-art technology, downstream purification methodologies and purpose-built facilities for delivery of pure, trusted and precision-dosed cannabis products for its customers. MediPharm Labs develops, formulates, processes, packages and distributes cannabis and advanced cannabinoid-based products to domestic and international medical markets.

In 2021, MediPharm Labs received a Pharmaceutical Drug Establishment License from Health Canada, becoming the only company in North America to hold a commercial-scale domestic Good Manufacturing Practices License for the extraction of multiple natural cannabinoids. This GMP license was the first step in the Company's current foreign drug manufacturing site registration with the US FDA.

In 2023, MediPharm acquired VIVO Cannabis Inc., which expanded MediPharm's reach to medical patients in Canada via Canna Farms medical ecommerce platform, and in Australia and Germany through Beacon Medical Australia PTY Ltd. and Beacon Medical Germany GMBH. This acquisition also included Harvest Medical Clinics in Canada which provides medical cannabis patients with Physician consultations for medical cannabis education and prescriptions.

The Company carries out its operations in compliance with all applicable laws in the countries in which it operates.

Shareholder Voting Assistance:

If you have any questions or require any assistance in executing your **GREEN** proxy or voting instruction form, please call **Sodali & Co** at:

North American Toll-Free Number: 1.888.777.2059

Outside North America, Banks, Brokers and Collect Calls: 1.289.695.3075

Email: assistance@investor.sodali.com

North American Toll-Free Facsimile: 1.877.218.5372

For up-to-date information and assistance in voting please visit: www.medipharmlabsagm.com

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Cautionary Note Regarding Forward-Looking Information:

This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate to, among other things: timing of the Annual and Special Meeting, any potential momentum in the Company’s business, the ability of the Company to capitalize on strategic growth opportunities, and any outcomes resulting from the circumstances and information cited herein. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the inability of MediPharm Labs to obtain adequate financing; the delay or failure to receive regulatory approvals; and other factors discussed in MediPharm Labs’ continuous disclosure filings, available on the SEDAR+ website at www.sedarplus.ca. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, MediPharm Labs assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.