

RUM Reports Q3 2022 Consolidated Financial Results and Positive Retained Earnings

EDMONTON, November 21, 2022 – Rocky Mountain Liquor Inc. (TSX-V: **RUM**) (the “Company” or “Rocky Mountain”), listed on the TSX Venture Exchange (the “Exchange”), today reported its financial results for the three month and nine month periods ending September 30, 2022.

KEY OPERATING AND FINANCIAL METRICS

The following table summarizes key operating and financial metrics of the Company’s financial performance for the three and nine month periods ending September 30, 2022 and 2021.

	3 months ended		9 months ended	
	Sep 2022	Sep 2021	Sep 2022	Sep 2021
Sales	\$ 11,867,942	\$ 11,778,727	\$ 31,564,891	\$ 33,751,721
Gross Margin	22.4%	23.1%	22.5%	22.7%
EBITDAR	\$ 884,749	\$ 992,588	\$ 1,990,454	\$ 2,573,485
Net Income	\$ 270,303	\$ 459,320	\$ 288,821	\$ 919,076

Net income for the 3 month period ended September 30, 2022 of \$270,303 has moved the Company into a position of positive retained earnings on its statement of financial position from its accumulated deficit position. This is the first period since December 31, 2016, that the Company has been in a positive retained earnings position.

Sales for the three month period ended September 30, 2022 increased \$89,215 over the same period in 2021 as a result of promotional events in the quarter and favorable weather.

Margins are 22.4% for the three month period ended September 30, 2022 compared to 23.1% for the same period in 2021. The change in margin is partially due to an increase in the number of promotional events held in the quarter.

Sales for the nine month period ending September 30, 2022 are \$2.2M lower than the same period in 2021. For the nine month period 2021, restrictions were in place to on-site liquor consumption establishments resulting in a positive effect on retail liquor sales in that period. As restrictions were removed February 2022, there was a subsequent decrease to retail liquor sales in 2022. The Company has previously advised stakeholders to expect reductions in sales in 2022 versus 2021 as restrictions to on-premise liquor consumption sites have been lifted.

Margins are 22.5% for the nine month period ended September 30, 2022 compared to 22.7% for the same period in 2021. The Company continues to refine its marketing, pricing and promotional strategies along with timing of limited time offer purchasing to maximize gross margins. It uses competitive pricing strategies to optimize market share while balancing costs and customer experience.

Management’s focus remains on the improvement of the in-store experience for our consumers. The Company is continually evaluating its marketing strategies to ensure that our strategies are generating and maintaining brand awareness and brand engagement as well as driving customer traffic to our stores. The goal is to ensure the customer is provided with an exceptional experience in-store. Management will continue focusing on improving category management through standardization of store layouts, pricing strategies and a strong promotional focus.

Detailed information in the form of the Company's interim consolidated financial statements and Management Discussion and Analysis are available under the Company's profile on SEDAR at www.sedar.com and also on the Company's website at www.ruminvestor.com. After accessing the website, please choose the "Investor Relations" tab to view Quarterly Reports.

About Rocky Mountain

Rocky Mountain owns 100% of Andersons Liquor Inc. ("Andersons"), headquartered in Edmonton, Alberta, which now owns and operates 25 private liquor stores in that province, up from 18 stores since the Common Shares began trading in December 2008. It is listed on the TSX Venture Exchange (TSX-V:RUM).

Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. Forward-looking statements and information are often, but not always, identified by the use of words such as "appear", "seek", "anticipate", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as investment decisions. In particular, results achieved in 2022 and previous periods might not be a certain indication of future performance, which is subject to other risks, including but not limited to changes in operational policies, changes in management, changes in strategic focus, market conditions and customer preferences, the impact from COVID-19 pandemic on our operations and third party suppliers. Since forward-looking statements and information address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, the risks that these events may not materialize as well as those additional factors discussed in the section entitled "Risk Factors" in RUM's Management Discussion and Analysis, which can be obtained at www.sedar.com. If they do materialize, there remains a risk of non-execution for any reason. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release.

The forward-looking statements and information contained in this news release are made as of the date hereof, and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the TSX-V. This cautionary statement expressly qualifies the forward-looking statements or information contained in this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.

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