

FOR IMMEDIATE RELEASE

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HealthWarehouse.com Reports Results for First Quarter 2022

**Reports 13% increase in revenues and positive cash flow
Recognized again by Consumer Reports**

CINCINNATI – (BUSINESS WIRE) -- HealthWarehouse.com, Inc. (OTC:HEWA) announced today net sales for the first quarter of 2022 totaled \$4,314,980, a 13% increase over the same period in 2021, resulting from strong growth in partner services revenue and an increase in direct-to-consumer sales. The Company reported a loss from operations of \$213,988 for the quarter while generating positive cash flow of \$64,047, as reflected by Adjusted EBITDA (the Company's non-GAAP internal measure).

HealthWarehouse.com, a technology company with a focus on healthcare e-commerce, sells and delivers prescription medications to all 50 states as an Approved Digital Pharmacy through the National Association of Boards of Pharmacy (NABP). HealthWarehouse.com provides a platform focused on increasing access and reducing costs of healthcare products for consumers nationwide."

Joseph Peters, President and CEO, commented, "We are happy to report revenue growth for the quarter in both our partner services and direct-to-consumer businesses. We continue to expand our healthcare partner offerings, customize our platform, develop APIs, and add resources to grow and support our partner services business. At the same time, we are developing better technology tools to attract and retain traditional customers.

"In April," Mr. Peters continued, "we were honored as Consumer Reports named Healthwarehouse.com as a leader in the direct-to-consumer online pharmacy business. We are the only provider that Consumer Reports listed that carries a full line of prescription medications, maintains licenses to ship to all 50 states, and accepts payment from health savings accounts. "

HealthWarehouse.com continues to invest in proprietary technology to remain at the forefront of new developments and offerings in the world of healthcare, maintaining a focus on customer experience, operational efficiency, and scalability.

"We plan to launch a proprietary e-commerce platform and pharmacy technology in 2022 that will enhance our customers' experiences, and as a result improve customer acquisition and retention in our direct-to-consumer business. We are developing an outstanding technology team, and plan to expand it to accelerate progress against our company initiatives. In addition, our new technology will facilitate and expand the services provided to our healthcare partner customers to support our growth initiatives. We are well positioned to be a technological leader in the industry, providing transparent and affordable healthcare solutions while maintaining world-class service levels," added Mr. Peters.

2022 First Quarter Overview:

Net Sales: Net sales for the first quarter of 2022 increased to \$4,314,980 from \$3,818,285 for the first quarter of 2021, an increase of \$496,695, or 13.0%. Prescription sales were \$3,435,123 for the three months ended March 31, 2022, compared to \$3,163,793 for the three months ended March 31, 2021, an increase of \$271,329, or 8.6%. These increases were primarily due to growth in partner services revenue, offset by a reduction in our direct-to-consumer (B2C) business. Net sales of over-the-counter products increased by 37.0% to \$793,729 in the three months ended March 31, 2022, from \$579,145 in the three months ended March 31, 2021, primarily due to sales of test kits and supplements related to COVID-19.

Gross Profit: Gross profit was \$2,850,335 for the first quarter of 2022, an increase of \$198,460, or 7.5%, compared with the first quarter of 2021. Gross margin percentage decreased from 69.5% for the first quarter of 2021 to 66.1% for the first quarter of 2022, primarily due to lower margins on the mix of products sold in our over-the-counter and partner services businesses.

Operating Expenses: Operating expenses totaled \$3,022,021 for the first quarter of 2022 compared with \$2,739,576 for the first quarter of 2021, an increase of \$282,445, or 10.3%. Expenses increased for salaries and related expenses, shipping and shipping supplies, stock-based compensation, advertising and marketing, software, and accounting expenses. The increases were partially offset by a decrease in legal expenses.

Net Loss and Adjusted EBITDA: The Company reported a net loss of \$213,988 for the first quarter of 2022, compared with a net loss of \$131,025 during the same period in 2021. Adjusted EBITDA was \$64,047 in the first quarter of 2022, compared with \$124,114 in the year-earlier quarter.

HEALTHWAREHOUSE.COM, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	(Unaudited)	
	For the Three Months Ended	
	March 31,	
	<u>2022</u>	<u>2021</u>
Net sales	\$ 4,314,980	\$ 3,818,285
Cost of sales	<u>1,464,645</u>	<u>1,166,410</u>
Gross profit	2,850,335	2,651,875
Operating expenses	<u>3,022,021</u>	2,739,576
Net loss from operations	(171,686)	(87,701)
Interest expense	<u>(42,302)</u>	<u>(43,324)</u>
Net loss	(213,988)	(131,025)
Preferred stock:		
Series B convertible contractual dividends	<u>(85,558)</u>	<u>(85,558)</u>
Net loss attributable to common stockholders	<u>\$ (299,546)</u>	<u>\$ (216,583)</u>
Per share data:		
Net loss - basic and diluted	\$ (0.00)	\$ (0.00)
Series B convertible contractual dividends	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Net loss attributable to common stockholders - basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average common shares outstanding - Basic and diluted	<u>52,150,142</u>	<u>51,632,399</u>

Use of Non-GAAP Financial Measures

HealthWarehouse.com, Inc. (the "Company") prepares its consolidated financial statements in accordance with the United States' Generally Accepted Accounting Principles (GAAP). In addition to disclosing financial results prepared in accordance with GAAP, the Company discloses information regarding EBITDA and Adjusted EBITDA, which are commonly used. In addition to adjusting net income or net loss to exclude interest, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA also excludes stock-based compensation, and certain nonrecurring charges. EBITDA and Adjusted EBITDA are not measures of performance defined in accordance with GAAP. However, Adjusted EBITDA is used internally in planning and evaluating the Company's performance. Accordingly, management believes that disclosure of this metric offers lenders and other investors an additional view of the Company's operations that, when coupled with GAAP results, provides a more complete understanding of the Company's financial performance.

Adjusted EBITDA should not be considered as an alternative to net income, net loss or to net cash provided by or used in operating activities as a measure of operating results or of liquidity. It may not be comparable to similarly titled measures used by other companies, and it excludes financial information that some may consider important in evaluating the Company's performance.

Reconciliation of Net Loss (GAAP) to Adjusted EBITDA (Non-GAAP)

	Three Months Ended	
	March 31,	
	2021	2020
Net loss	\$ (213,988)	\$ (131,025)
Interest expense	42,302	43,324
Depreciation and amortization	32,842	33,280
EBITDA (non-GAAP)	(138,844)	(54,421)
Adjustments to EBITDA:		
Stock-based compensation	202,891	178,535
Adjusted EBITDA	\$ 64,047	\$ 124,114

About HealthWarehouse.com

HealthWarehouse.com, Inc. (OTCQB: HEWA), a technology company with a focus on healthcare e-commerce, sells and delivers prescription medications to all 50 states as an Approved Digital Pharmacy through the National Association of Boards of Pharmacy (NABP). HealthWarehouse.com provides a platform focused on increasing access and reducing costs of healthcare products for consumers nationwide. Based in Florence, Kentucky, the Company operates America's Leading Online Pharmacy and a pioneer in affordable healthcare. As one of the first National Association of Boards of Pharmacy ("NABP") Approved Digital Pharmacies, HealthWarehouse.com

services the mission of providing affordable healthcare and incredible patient services to help Americans. Learn more at www.HealthWarehouse.com.

Forward-Looking Statements

This announcement and the information incorporated by reference herein contain “forward –looking statements” as defined in federal securities laws, including but not limited to Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995, which statements are based on our current expectations, estimates, forecasts and projections. Statements that are not historical facts, including statements about the beliefs, expectations and future plans and strategies of the Company, are forward-looking statements. Actual results may differ materially from those expressed in forward looking statements or in management's expectations. Important factors which could cause or contribute to actual results being materially and adversely different from those described or implied by forward looking statements include, among others, risks related to competition, management of growth, access to sufficient capital to fund our business and our growth, new products, services and technologies, potential fluctuations in operating results, international expansion, outcomes of legal proceedings and claims, fulfillment center optimization, seasonality, commercial agreements, acquisitions and strategic transactions, foreign exchange rates, system interruption, cyber-attacks, access to sufficient inventory, government regulation and taxation, payments, and fraud. More information about factors that potentially could affect HealthWarehouse.com's financial results is included in HealthWarehouse.com's audited Annual Reports and Quarterly Reports available at otcm Markets.com and in prior filings with the U.S. Securities and Exchange Commission.

Contact: Joseph Peters, President and CEO, (800) 748-7001