



AYURCANN

## ***AYURCANN REPORTS ANOTHER RECORD SALES GROWTH IN Q2 2025 OF \$13,363,509***

Toronto, Ontario, February 27, 2025 – Ayurcann Holdings Corp. (CSE: AYUR, OTCQB: AYURF) (“**Ayurcann**” or the “**Company**”) is excited to announce record-breaking financial results for the three months ended December 31, 2024, the highlights of which are included in this news release. As a leading player in the rapidly growing cannabis industry, Ayurcann continues to demonstrate exceptional growth and operational excellence, positioning itself for long-term success. All figures are reported in Canadian dollars. The Company’s full set of consolidated financial statements for the three months ended December 31, 2024 and accompanying management’s discussion and analysis can be accessed by visiting the Company’s website at [www.ayurcann.com](http://www.ayurcann.com) and its profile page on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **FINANCIAL HIGHLIGHTS FOR THE THREE MONTHS ENDING DECEMBER 31, 2024**

Ayurcann’s Q2 2025 results reflect the strategic execution of our growth plan and solidify our position as a market leader in the Canadian cannabis space. Key highlights for the three-month period include:

**Revenue Growth:** Ayurcann delivered a stellar **\$13,363,509** in gross revenue, marking another **25% increase** year-over-year (compared to \$10,740,248 million for the same period last year). This growth is a testament to our unwavering focus on quality, innovation, and customer demand.

**Profitability:** With a **43% gross margin** and an **adjusted positive EBITDA<sup>1</sup> of \$815,085** in Ayurcann Inc., the Company’s wholly owned operating subsidiary, and **\$356,828** on a fully consolidated basis of adjusted positive EBITDA, Ayurcann continues to prove that it’s not just about top-line growth but also about building a sustainable, profitable business.

**Industry Leadership:** Ayurcann stands in as a **Top 3 producer of vapes** in Ontario by volume<sup>2</sup>. We now hold **6% of the Canadian vape market<sup>2</sup>** and **12% of the Ontario market<sup>2</sup>** – a clear indication of our strong competitive position in a rapidly expanding market.

### **Persistent Growth and Strong Momentum Heading into Calendar 2025**

As we look ahead, Ayurcann is on track for another record-breaking year, with a **projected over \$50 million in revenue<sup>3</sup>** and continued **positive EBITDA** for fiscal 2025. The cannabis industry is evolving rapidly, and Ayurcann is positioned to capitalize on this growth with a robust portfolio of innovative products and a proven track record of success.

### **Why Ayurcann and why NOW:**

**Explosive Revenue Growth:** We’re not just growing, we’re *accelerating*—with our strategic expansion across the vape, pre-roll, and concentrate categories, Ayurcann is on its way to achieving over \$50 million in sales for fiscal 2025, which would be a 300% increase over the past three years (compared to \$11 million in fiscal 2022, \$22 million in fiscal 2023 and \$45 million in fiscal 2024).

**A Proven Market Leader:** With **6% of the Canadian vape market** and **12% in Ontario**, Ayurcann is already a dominant player in key markets. This strong position, backed by innovation, efficiency, and product diversification, makes us an exciting player in the cannabis industry.

**A Robust Product Portfolio:** Ayurcann’s diverse range of products—spanning vapes, pre-rolls, concentrates, and more—caters to the growing demand for quality cannabis products. Our **30 new stock keeping units** launched in the last six months are already expanding our reach across Canada.

### **Why Ayurcann is Poised for Growth:**

**The Future of Cannabis:** The cannabis market in Canada is still in its growth phase, with an expanding consumer base, increasing product demand, and new opportunities on the horizon. Ayurcann is ahead of the curve with its forward-thinking approach to product development, operational efficiency, and brand recognition.

**Strong Profitability and Market Share:** Ayurcann’s impressive margins and strong financial foundation create a platform for future profitability and shareholder returns. We’ve achieved **25%** revenue growth in the face of market challenges, and this momentum should continue as we proceed to capture larger market shares across key product categories.

**Expanding Presence:** Ayurcann is expanding not only in its core markets but into new provinces and markets across Canada. This continued geographic expansion, combined with an increasing product lineup, means we anticipate gaining **more consumers** and **generating higher revenue** in the coming quarters.

With a clear growth trajectory and the strategic expansion of our footprint across the country, Ayurcann is projecting **\$50 million in revenue** while maintaining **positive EBITDA** in fiscal 2025. By staying focused on innovation, quality, and expanding our market presence, we are positioned for long-term success.

Ayurcann represents a dynamic growth opportunity in the cannabis space as a company that has a proven success, leadership, and bright future ahead. With a **strong market position, sustained profitability, and expanding product lines**, we look to deliver value to our shareholders.

<sup>1</sup> Earnings before interest, taxes, depreciation, and amortization (“**EBITDA**”) and adjusted EBITDA. These measures do not have a standardized meaning prescribed by International Financial Reporting Standards (“**IFRS**”) and are, therefore, unlikely to be comparable to similar measures presented by other issuers. Non-IFRS measures provide investors with a supplemental measure of the Company’s operating performance and, therefore, highlight trends in the Company’s core business that may not otherwise be apparent when relying solely on IFRS measures. Management uses non-IFRS measures in measuring the financial performance of the Company.

<sup>2</sup> Based on reporting by Hifyre IQ™, as of December 31, 2024.

<sup>3</sup> Based on gross revenue of \$14,760,268 in Q1 2025 and \$13,363,509 in Q2 2025 and such revenues continuing at the same pace for the remaining quarters.

### **For further information, please contact:**

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### **About Ayurcann:**

Ayurcann is a leading cannabis licenced producer concentrating on the recreational market in Canada with proprietary products and formulations including Vape Carts, Pre-rolls, Concentrates and Extracts.

For more information about Ayurcann, please visit [www.ayurcann.com](http://www.ayurcann.com) and its profile page on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Cautionary Note Regarding Forward-Looking Statements**

*This press release contains “forward-looking statements” within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “strategy”, “expects” or “does not expect”, “intends”,*

“continues”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “will be taken”, “will launch” or “will be launching”, “will include”, “will allow”, “will be made” “will continue”, “will occur” or “will be achieved”. The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the Company meeting its goals and strategic focuses as set out herein; the Company continuing to grow, expand and capitalize on its revenue, sales and growth trajectory; the future growth of the cannabis industry; the Company being well-positioned for long-term growth, profitability, success and providing shareholder returns; and the Company continuing to be a leading player in the cannabis industry.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company will focus on custom processes and pharma grade products for the adult use and medical cannabis industry in Canada; the Company will have the ability to meet its goals and strategic focuses as set out herein; the Company will have the ability to continue to grow, expand and capitalize on its revenue, sales and growth trajectory; cannabis industry will continue to grow; the Company's will continue to have long-term growth, profitability, success and provide shareholder returns; and the Company will continue to be a leading player in the cannabis industry.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company's inability to meet its goals and strategic focuses as set out herein; the Company's inability to continue to grow and capitalize on its revenue and growth trajectory; the Company inability to continue to grow, expand and/or capitalize on its revenue, sales and/or growth trajectory; growth of the cannabis industry declining and/or plateauing; Company growth, profitability and/or shareholder returns declining and/or plateauing; and the Company not being a leading player in the cannabis industry.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions, or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. Although the Company believes that the expectations reflected in these statements are reasonable, such statements are based on expectations, factors, and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond the Company's control, including but not limited to the risk factors discussed under the heading “Risk Factors” in the Company's public disclosure, and elsewhere in this press release, as such factors may be further updated from time to time in our periodic filings, available at [www.sedarplus.ca](http://www.sedarplus.ca), which factors are incorporated herein by reference. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results, or otherwise, or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

#### **CAUTIONARY NOTE REGARDING FUTURE ORIENTED FINANCIAL INFORMATION**

This press release may contain future oriented financial information (“FOFI”) within the meaning of applicable securities legislation about prospective results of operations, financial position or cash flows, which is subject to the same assumptions, risk factors, limitations, and qualifications as set out in the above “Cautionary Note Regarding Forward-Looking Statements”. FOFI is not presented in the format of a historical balance sheet, income statement or cash flow statement. FOFI does not purport to present the Company's financial condition in accordance with IFRS as issued by the International Accounting Standards Board, and there can be no assurance that the assumptions made in preparing the FOFI will prove accurate. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented, and such variation may be material (including due to the occurrence of unforeseen events occurring subsequent to the preparation of the FOFI). The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments as of the applicable date. However, because this information is highly subjective and subject to numerous risks, readers are cautioned not to place undue reliance on the FOFI as necessarily indicative of future results. Except as required by applicable securities laws, the Company undertakes no obligation to update such FOFI.

Importantly, the FOFI contained in this press release are, or may be, based upon certain additional assumptions that management believes to be reasonable based on the information currently available to management, including, but not limited to, assumptions about: (i) the future pricing for the Company's products, (ii) the future market demand and trends within the jurisdictions in which the Company may from time to time conduct the Company's business, (iii) the Company's ongoing inventory levels, and operating cost estimates, (iv) the Company's net proceeds from future financings, and (v) revenues continuing at the same pace for the remaining quarters. The FOFI or financial outlook contained in this press release do not purport to present the Company's financial condition in accordance with IFRS as issued by the International Accounting Standards Board, and there can be no assurance that the assumptions made in preparing the FOFI will prove accurate. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented in any such document, and such variation may be material (including due to the occurrence of unforeseen events occurring subsequent to the preparation of the FOFI). The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments as at the applicable date. However, because this information is highly subjective and subject to numerous risks including the risks discussed under the heading above entitled “Cautionary Note Regarding Forward-Looking Statements” and under the heading “Risk Factors” in the Company's public disclosures, FOFI or financial outlook within this press release should not be relied on as necessarily indicative of future results.

Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.