



# Ayurcann Holdings Corp. Reports Record 2021 Revenues and Profits

## *Revenues Increase More than TEN-FOLD*

TORONTO, Oct. 29, 2021 /CNW/ - **Ayurcann Holdings Corp.** (CSE: AYUR) (FSE: 3ZQ0) (the "**Company**" or "**Ayurcann**"), a Canadian cannabis extraction company specializing in the processing of cannabis and hemp to produce oils and various derivative products reported today financial and operating results for the year ending June 30, 2021. All figures are reported in Canadian dollars.

### **Key Financial Highlights for the Fiscal Year Ending June 30, 2021**

- Ayurcann reported record revenues of \$7,633,656 for the fiscal year ending June 30, 2021, an increase of 1,149% over fiscal year 2020.
- Ayurcann reported substantial growth in Operating Income of \$2,159,309, an increase of 440% over fiscal year 2020 and representing gross margins of approximately 60%.
- Ayurcann sold THC and CBD distillate containing over 1 billion milligrams of Cannabinoids into the Canadian market
- Ayurcann finished the built out of Phase 2 expansion in the Pickering facility, increasing production capacity up to 300,000kg of processing and up to 3 million fill product co-manufacturing for vapes, tinctures and topical per year, further cementing themselves as a one-stop shop for Canadian LP's seeking a branded product solution.
- Ayurcann Holdings Corp. became publicly listed on the Canadian Securities Exchange ("CSE") in April 2021 and listed on the Frankfurt Exchange in August 2021.

Mr. Igal Sudman, CEO of Ayurcann, added: "We are thrilled to see our revenues growing consistently. Our Margins are robust, and we are increasingly profitable. We are proud to be one of the very few in our peer group showing growing revenues and a positive operating income with a consistent path of profitability. We the one time share only cost behind us associated with our going public listing, we can confidently say that we fully expect to show continued profits going forward while building on our momentum."

### **Operational Highlights**

- Signed multiple international brands to manufacture and distribution agreements including

Innocan Pharma from Israel, Green Bee Botanicals from California, and Her Highness from New York.

- Signed a supply agreement into Saskatchewan with NDC and have shipped its Fuego vapes and Vida tinctures into retailers
- Entered into licence agreements with Alberta AGLC for the Fuego vapes
- Entered into supply agreement into Ontario for the Fuego vapes and its topicals GLOW
- Signed a supply agreement into Manitoba for its Fuego vapes and Vida tinctures
- Launched Ayurcann Marketplace, the marketplace for medical cannabis access in Canada
- Signed medical education agreement with multiple clinics to engage with over 10000 patients

Mr. Sudman further commented on operational growth and entry into 5 new markets; "With the phase 2 build out completed, we have increased bulk production capacity up to 300,000 kilograms per year and have the ability to co-pack up to 3 million production products for the medicinal and recreational markets. We are confident that we will continue securing additional, supply and manufacturing agreements with top-tier customers across the country, thereby helping grow our top line revenues while maintain healthy margins."

### **About Ayurcann Holdings Corp.:**

Ayurcann is a leading post-harvest solution provider with a focus on providing and creating custom processes and pharma grade products for the adult use and medical cannabis industry in Canada. Ayurcann is striving to become a partner of choice for leading Canadian cannabis brands by providing best-in-class, proprietary services including ethanol extraction, formulation, product development and custom manufacturing.

Please see the Financial Statement section below, and the Company's Fiscal year 2021 audited Financial Statements and Management Discussion and Analysis ("MD&A"), available under the Company's SEDAR profile, for more information.

### **Selected Financial Information for Fiscal 2021**

*All amounts are expressed in Canadian dollars*

	Year Ended June 30, 2021	Year Ended June 30, 2020
Revenue	7,633,656	611,829
Net comprehensive loss	(404,848)	(604,560)
Basic and diluted loss per share	(0.005)	(0.01)
Total assets	6,677,006	1,526,153
Total liabilities	1,927,784	861,186
Cash and cash equivalents on hand	725,016	22,444

**Non IFRS Measures Adjusted EBITDA** Adjusted EBITDA is a non-IFRS measure, and the Company calculates Adjusted EBITDA as a sum of net revenue, other income, cost of goods sold, expenses, less recapitalization costs, depreciation and share based payments, as determined by management. Adjusted EBITDA is not intended to be considered as an alternative to net earnings, cash flow from operations, or any other measure of performance prescribed by IFRS. The Company's Adjusted EBITDA may also not be comparable to Adjusted EBITDA used by other companies, which may be calculated differently. The Company considers Adjusted EBITDA to a meaningful measure and is provided to assist readers to assess its operating performance in addition to IFRS measures. It is included because the Company believes it can be useful in measuring its ability to expand its business. Fiscal year to June 30, 2021, revenues \$ 7,633,656 2020 \$611,829 Cost of goods sold \$ 3,006,939 2020 \$240,429 Gross margin \$4,626,717 2020 at \$371,400 Ayurcann Holdings Corp. Management's Discussion and Analysis of Financial Condition and Results of Operations Operating expenses 2,346,466 compared to 2020 at 429,621 Operating income \$2,280,251 compared to 2020 at (58,221).

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


Certain statements included in this press release constitute forward-looking information or statements (collectively, "forward-looking statements"), including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements, including but not limited to statements relating to the Company's expansion plans and future production capacity. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause the actual results to differ materially from those in forward-looking statements include, but are not limited to, failure to obtain regulatory approval, ability to increase production at the Company's facilities, the continued availability of capital and financing, and general economic, market or business conditions. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the statements will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, Further, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. Public health crises, including the ongoing novel coronavirus (COVID-19) pandemic, could have significant economic and geopolitical impacts that may adversely affect the Company's business, financial condition and/or results of operations. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.

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