



AYURCANN

**AYURCANN REPORTS RECORD SALES OF \$5,893,351 FOR Q3 2023,
AN INCREASE OF 114% OVER Q3 2022**

Toronto, Ontario, May 29, 2023 – Ayurcann Holdings Corp. (CSE: AYUR, OTCQB: AYURF, FSE: 3ZQ0) (“Ayurcann” or the “Company”), a leading Canadian cannabis company specializing in the processing and manufacturing of cannabis 2.0 and 3.0 products in the recreational market, is pleased to announce its financial and operational results for the three- and nine-months ended March 31, 2023, the highlights of which are included in this news release. All figures are reported in Canadian dollars. The Company’s full set of consolidated interim financial statements for the three- and nine-months ended March 31, 2023 and accompanying management’s discussion and analysis can be accessed by visiting the Company’s website at www.ayurcann.com and its profile page on SEDAR at www.sedar.com.

FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED MARCH 31, 2023

- Gross revenues increased to \$5,893,351 for the quarter (compared to \$2,757,264 for the same period last year), representing an increase of 114%
- Gross revenues increased to \$13,660,561 for the nine-months (compared to \$7,834,386 for the same period last year), representing an increase of 74% year-over-year.
- Successfully grew product offerings to 60 stock keeping units (“SKUs”) across the country and became a top seller of products, including¹:
 - **In the 1x0.5G Pre-Roll Category:**
 - ACROSS CANADA #2
 - ONTARIO #1, ALBERTA #3, MANITOBA #3, SASKATCHEWAN #3
 - **In the 1g Vape Category:**
 - ACROSS CANADA #4
 - ONTARIO #5, ALBERTA #6, MANITOBA #1, SASKATCHEWAN #2
 - **In the 2x1G Pre-Roll Category:**
 - ACROSS CANADA #2
 - ONTARIO #2, ALBERTA #2, MANITOBA #2, SASKATCHEWAN #1

¹ Based on reporting by Hyfyre IQ™ as of March 31, 2023.

OPERATIONAL HIGHLIGHTS FOR THE QUARTER ENDED MARCH 31, 2023

- Canadian retail penetration of over 65%, with Ontario at over 75%²
- Consistently offered new SKUs to the market, reflecting the innovation, reliability, and value that Ayurcann has brought to the recreational cannabis market in Canada, with over 40 new SKUs being launched over the next three to six months.
- Top Company brands: Fuego, H&S, and XPLOR, are consistent performers.
- Focused on top selling categories, using, and improving existing efficiencies to enhance production and market share while addressing SKU rationalization and price compression.

“As we continue to expand to more markets across the country with our offerings, we are thrilled to report consistent growth in our revenue and market share despite the price compression that continues to impact the cannabis industry. Ayurcann is proud to have generated an increase in revenue from its business-to-consumer strategy. With the increase in revenue, combined with the growth of our in-house brands we are thrilled with the growth of Ayurcann and its brands, Fuego, H&S, XPLOR and Joints within the Canadian marketplace. With our products being embraced by cannabis consumers, which offer value and innovation, we are very optimistic about our growth, and the potential of becoming an industry leader. We have been successfully selling throughout various Provinces within Canada, including Ontario, British Columbia, Alberta, Yukon, New Brunswick, Manitoba, and Saskatchewan, and believe that continued interest from consumers and retailers will help elevate Ayurcann within the industry”, said Igal Sudman, Chief Executive Officer of Ayurcann.

“With our laser focus on growth, market share and innovation, combined with our current product offerings, we are confident that we can continue to bring offerings to market, grow market share and sales across the country, increasing our top line revenues,” further added Mr. Sudman.

For further information, please contact:

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About Ayurcann:

Ayurcann is a leading post-harvest cannabis product manufacturer with a focus on providing and creating new innovations in the adult use cannabis industry in Canada. Ayurcann is striving to become a top supplier of Canadian cannabis brands.

² Based on reporting by Trellis as of March 31, 2023.

For more information about Ayurcann, please visit www.ayurcann.com and its profile page on SEDAR at www.sedar.com.

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

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 growth trajectory of the Company’s revenue and in-house brands having a positive impact on the Company’s future development; the Company launching new SKUs upon the timelines disclosed herein; the Company bringing offerings to market, gaining market share and sales across the country, allowing the Company to grow its revenue; and the ability of the Company to elevate within the industry and become an industry leader.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company will expand and be able to maintain production capacity; continued approval of the Company’s activities by the relevant governmental and regulatory authorities; the continued growth of the Company, including its in-house brands and top-line revenue; the Company’s successful implementation of its strategy to expand market share and sales in the cannabis industry; the Company’s continuing ability to meet the requirements necessary to remain listed on the Canadian Securities Exchange and alternative exchanges; the Company selling its products in compliance with applicable laws and regulations; the Company successfully launching and distributing the new SKUs; the Company growing its exposure, consumer and retail partnerships and securing additional product listings and market share throughout the country; the Company maintaining a continuous path of growth; the Company’s in-house brands and revenue having a positive impact on the Company’s future development; the Company maintaining and creating new relationships with retail distributors; and the Company elevating within the industry and becoming an industry leader.

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 expand and/or maintain production capacity; the potential inability of the Company to continue as a going concern; the risks associated with the cannabis industry in general; increased competition in the cannabis extraction market; the potential future unviability of the cannabis market; risks associated with potential governmental and/or regulatory action with respect to the cannabis industry; the Company’s inability to obtain continued regulatory approvals; the Company’s inability to meet the requirements necessary to remain listed on the Canadian Securities Exchange and alternative exchanges; the Company’s inability to sell its cannabis flower products pursuant to applicable laws and regulations; the Company’s inability to grow and/or increase sales and/or revenue and/or its in-house brands; the Company’s inability to secure funds for the integration, development and distribution of new and existing SKUs; the Company’s inability to secure additional product listings for its new SKUs and grow its market share across the country; the Company’s inability to secure additional partnerships; the Company’s inability to innovate, increase workflows and/or create efficiencies; and the Company’s inability to elevate within the industry and/or become an industry leader.

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.

Forward-looking statements contained in this news 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.