



AYURCANN

AYURCANN REPORTS RECORD SALES IN Q3 2024 OF \$11,655,360 FEATURING A 97% INCREASE IN GROSS REVENUE

Toronto, Ontario, May 27, 2024 – Ayurcann Holdings Corp. (CSE: AYUR, OTCQB: AYURF, FSE: 3ZQ0) (“Ayurcann” or the “Company”), a leading Canadian cannabis extraction company specializing in the processing and manufacturing of various 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, 2024, the highlights of which are included in this news release. All figures are reported in Canadian dollars. The Company’s full set of consolidated financial statements for the three and nine months ended March 31, 2024 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.sedarplus.ca.

FINANCIAL HIGHLIGHTS FOR THE THREE- AND NINE-MONTHS ENDING MARCH 31, 2024

- Gross revenue increased to \$11,655,360 for the three-month period (compared to \$5,893,351 for the same period last year), representing an increase of 97%.
- Gross revenue increased to \$34,186,524 for the nine-month period (compared to \$13,660,561 for the same period last year), representing an increase of 150%.
- Gross margin, calculated based on net revenue, was 37%.
- Adjusted EBITDA¹ was \$271,813 for the three-month period (compared to -\$744,328 an increase of \$1,016,141) and \$763,628 for the nine-month period (compared to -\$1,158,377 an increase of \$1,922,005) respectively, for the same periods last year.
- The #1 producer of Vapes in Ontario², and Top 5 pre-roll manufacturer by volume in Ontario³ during the period.

Corporate Update

Focus.

Ayurcann is focused on its operational expertise and gaining market share in every product category, and we believe that our strong market share capture is driven by the quality and reputation of our brands. By continuously providing high-quality products, innovations and value that complement our current market offerings, we continue to look for opportunities to increase revenue.

Ayurcann is pleased to announce that during the last 6 months it has secured 24 new stock keeping units (“SKUs”) in the vape, pre-roll and concentrate categories in Ontario, Alberta, Manitoba, Saskatchewan and British Columbia, and has begun selling in Newfoundland and Yukon. The Company’s ability to consistently produce innovative, value driven, and high-quality products has been a successful pathway to its growth.

Efficiency.

Ayurcann continuously looks at its operation, creating better partnerships and efficiencies in our systems, including better manufacturing capacities and supply chain management. Ayurcann has implemented new systems to improve the efficiency of the existing business to position Ayurcann for further growth.

Team.

Ayurcann's incredible team, both internal and external, make the company. We set short- and long-term goals and objectives that are directly linked to the success of the Company and understand that reward and recognition is what makes the team meet and exceed those objectives.

Ayurcann drives growth through our quality, brands, and product offerings. The on-going instability in the marketplace and price compression has affected all categories in the industry, however, demand for our products has remained consistent and the cannabis industry remains strong and growing. As a business focused on quality and value, we have seen market growth and demand for our products translate into a strong competitive position.

¹ 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.

² Based on reporting by Hyfyre IQ™, as at March 30, 2024.

³ Based on Ontario Cannabis Store Data, as at March 30, 2024.

For further information, please contact:

Igal Sudman, Chief Executive Officer
Ayurcann Holdings Corp.
Tel: 905-492-3322
Email: info@ayurcann.com

Investor Relations:

Email: ir@ayurcann.com

About Ayurcann:

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.

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

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 Company’s plans to produce various derivative cannabis products; the Company’s focus on custom processes and pharma grade products for the adult use and medical cannabis industry in Canada; the Company’s focus on maximizing its margins and market share; the Company continued search for new opportunities to increase its revenues through launches of new products under its existing brands; the Company’s securing of the stated SKUs and number of anticipated SKUs launches under the provided timelines; the Company’s stated plans to sustain and grow its market share, including, the increasing of the awareness the Company’s brands, the quality and flavour profile of its products, offering value and potency; and the Company’s plans to enhance its product development capabilities by differentiating its products with its competitors.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company has the ability to produce various derivative cannabis products; the Company will focus on custom processes and pharma grade products for the adult use and medical cannabis industry in Canada; the Company will focus on maximizing its margins and market share; the Company will continue its search for new opportunities to increase its revenues; the Company has the ability to carry out its anticipated SKUs launches under the provided timelines; the Company has the ability to reduce cost through increased efficiency in its internal processes and partnerships; the Company has the ability to reward and retain its personnel; the Company has the ability to carry out its stated plans to sustain and grow its market share; and the Company has the ability to enhance its product development capabilities by differentiating its products with its competitors.

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 produce various derivative cannabis products; the Company’s inability to focus on custom processes and pharma grade products for the adult use and medical cannabis industry in Canada; the Company’s inability to focus on maximizing its margins and market share; the Company’s inability to continue its search for new opportunities to increase its revenues; the Company’s inability to carry out its anticipated SKUs launches under the provided timelines; the Company’s inability to reduce cost through increased efficiency in its internal processes and partnerships; the Company’s inability to reward and retain its personnel; the Company’s inability to carry out its stated plans to sustain and grow its market share; and the Company’s inability to enhance its product development capabilities by differentiating its products with its competitors.

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 because 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.