

FORM 62-103F3
ALTERNATIVE MONTHLY REPORT
PURSUANT TO PART 4 OF NATIONAL INSTRUMENT 62-103

Item 1-- Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Reporting Issuer: AYR Wellness Inc. (formerly, AYR Strategies Inc.) (the “**Issuer**”)

Head Office: 590 Madison Avenue
26th Floor
New York, New York 10022

Securities: Subordinate voting shares (“**Shares**”) and warrants to acquire Shares (the “**Warrants**”) of the Issuer

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Canadian Securities Exchange (“**CSE**”).

Item 2 -- Identity of the Eligible Institutional Investor

2.1 State the name and address of the eligible institutional investor.

Name: Senvest Management, LLC (“**Senvest**”)

Address: 540 Madison Avenue
32nd Floor
New York, New York 10022

Senvest, a Delaware limited liability company, is an investment advisor that furnishes investment advice to and manages certain investment funds, including Senvest Master Fund, LP (the “**Fund**”). In its role as investment advisor or manager to the Fund, Senvest exercises control or direction over the securities of the Issuer described in this report. All of the securities of the Issuer described in this report are registered in the name of the Fund and are held by the Fund for the benefit of its investors.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

The requirement to file this report was triggered by the acquisition by the Fund of Shares and a disposition of Warrants in April 2021.

2.3 State the name of any joint actors.

Senvest Master Fund, LP

2.4 State that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer.

Senvest is eligible to file reports under Part 4 in respect of the Issuer's securities.

Item 3 -- Interest in Securities of the Reporting Issuer

3.1 State the designation and the net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements.

Not applicable as this is the first report filed by Senvest with respect to the Issuer.

3.2 State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made.

As at the date hereof, the Fund owned 2,267,211 Shares (approximately 4.81% of the total Shares outstanding as of such date) and 1,777,756 Warrants which are exercisable under the terms thereof for 1,777,756 Shares, representing an aggregate of approximately 8.27% of the total number of Shares outstanding as of such date (assuming the exchange of all of the Warrants held by the Fund into an additional 1,777,756 Shares and without taking into account any of the other Warrants that are also currently issued and outstanding and held by investors other than Senvest).

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities to which this report relates and over which

(a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control,

Not applicable.

(b) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor, and

Not applicable.

- (c) **the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Senvest, as investment advisor or manager of the Fund, has exclusive control over all of the securities of the Issuer referred to in paragraph 3.2 of this report. All such securities are registered in the name of the Fund and are held by the Fund for the benefit of its investors.

- 3.5 If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.**

Not applicable.

- 3.6 If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

- 3.7 If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 -- Purpose of the Transaction

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) **the acquisition of additional securities of the reporting issuer, or the disposition of securities of the issuer;**
- (b) **a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**

- (c) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (d) a material change in the present capitalization or dividend policy of the reporting issuer;
- (e) a material change in the reporting issuer's business or corporate structure;
- (f) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;
- (g) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (h) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (i) a solicitation of proxies from securityholders;
- (j) an action similar to any of those enumerated above.

Senvest exercises control or direction over all of the securities of the Issuer referred to in paragraph 3.2 of this report on behalf of the Fund for investment purposes. Depending on market conditions and other factors that Senvest may deem material to its investment decisions, Senvest may, on behalf of the Fund or any other fund it acts as investment advisor or manager to, from time to time in the future increase or decrease its ownership of, or control or direction over, the Shares, Warrants or other securities of the Issuer, through market transactions, private agreements or otherwise, subject to the terms of such securities and applicable law.

Item 5-- Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Senvest has entered into investment management or other agreements with the Fund which beneficially owns the Shares and Warrants referred to in this report, pursuant to which Senvest has been appointed to manage the investment portfolio of such entities, including making investment

decisions regarding the acquisition, holding, disposition, exercise and voting of the Shares and Warrants, as applicable.

Item 6-- Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 7-- Certification

Certificate

The undersigned eligible institutional investor certifies, to the best of its knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this 5th day of May, 2021.

SENVEST MANAGEMENT, LLC

Per: "Bobby Trahanas"

Name: Bobby Trahanas

**Title: Chief Compliance Officer &
Counsel**