



Avicanna Reports Q3 2024

9-month revenue of \$18.8 million, representing a 75% increase from 2023.

Consolidated Gross Margins of 57%, during Q3 2024.

TORONTO, Nov. 14, 2024 -- Avicanna Inc. (“**Avicanna**” or the “**Company**”) (TSX: AVCN) (OTCQX: AVCNF) (FSE: 0NN), a commercial stage, international biopharmaceutical company focused on the commercialization of evidence-based, cannabinoid-based products, is pleased to announce results Q3 2024.

“We are pleased to report the results of another quarter showing progressive improvements across our four business pillars. Our continuous optimization efforts contributed to improvements in our overall financial performance, consolidated gross margins, and balance sheet. We are now better positioned to turn our attention towards our international growth initiatives and take further steps towards advancing our long-term business model.” stated Aras Azadian, CEO at Avicanna Inc.



Financial highlights:

- Revenue of \$6.3 million and \$18.8 million for the three- and nine-month period ending September 30, 2024, representing a 0.34% and 75% increase over the three- and nine-month period ended September 30, 2023, respectively.
- Improved consolidated gross margin percentage to 57% during Q3 2024, from 46% for the same period in 2023.
- Growth in gross profit of \$3.7 million and \$9.5 million, respectively, for the three- and nine month period ended September 30, 2024, compared to \$2.9 million and \$4.9 million for the same periods in 2023, an increase of 25% and 91%, respectively.
- Narrowed adjusted EBITDA loss for the three- and nine-month period ended September 30, 2024, narrowed to \$293,931 and \$719,347, respectively, a 38% and 76% decrease from an adjusted EBITDA loss of \$473,650 and \$3 million, respectively, in the corresponding periods last year.
- Fully repaid outstanding principle balance of approximately \$1,300,000 owed under non-convertible debenture.

Other highlights:

- The United States Patent and Trademark Office granted the Company a Patent, Patent No. US 20230025693A1, covering deep penetrating topical cannabinoid composition and methods for treating musculoskeletal inflammation and pain.
- The Company completed Q3 2024 with 35 commercial SKUs and 136 commercial listings. The Company sold approximately 45,126 and 144,756 units, for the three- and nine-month period ended September 30, 2024, respectively,

compared to 31,887 and 118,265 compared to the same periods in 2023. This represents an increase of 42% and 22% growth in total finished goods sold, respectively.

About Avicanna:

Avicanna is a commercial-stage international biopharmaceutical company focused on the advancement and commercialization of cannabinoid-based products and formulations for the global medical and pharmaceutical market segments. Avicanna has an established scientific platform including R&D and clinical development leading to the commercialization of more than thirty proprietary, evidence-based finished products and supporting four commercial stage business pillars.

- **Medical Cannabis formulary (RHO Phyto™):** The formulary offers a diverse range of proprietary products including oral, sublingual, topical, and transdermal deliveries with varying ratios of cannabinoids, supported by ongoing patient and medical community education. RHO Phyto is an established brand in Canada currently available nationwide across several channels and expanding into new international markets.
- **Medical cannabis care platform (MyMedi.ca):** MyMedi.ca is a medical cannabis care platform formed with the aim to better serve medical cannabis patients' needs and enhance the medical cannabis patients' journey. MyMedi.ca is operated by Northern Green Canada Inc. and features a diverse portfolio of products and bilingual pharmacist-led patient support programs. MyMedi.ca also provides specialty services to distinct patient groups such as veterans and collaborates with public and private payers for adjudication and reimbursement. MyMedi.ca provides educational resources to the medical community to facilitate the incorporation of medical cannabis into health care regimens.
- **Pharmaceutical pipeline:** Leveraging Avicanna's scientific platform, vertical integration, and real-world evidence, Avicanna has developed a pipeline of proprietary, indication-specific cannabinoid-based candidates that are in various stages of clinical development. These cannabinoid-based drug candidates aim to address unmet medical needs in the areas of dermatology, chronic pain, and various neurological disorders.
- **Active pharmaceutical ingredients (Aureus Santa Marta™):** Active pharmaceutical ingredients ("API") supplied by the Company's majority owned subsidiary Santa Marta Golden Hemp SAS ("SMGH") is a commercial-stage business dedicated to providing a various forms high-quality CBD, THC and CBG to the Company's international partners for use in the development and production of food, cosmetics, medical, and pharmaceutical products. The business unit also forms part of the Company's supply chain and is a source of reliable input products for its consumer retail, medical cannabis, and pharmaceutical products globally.

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For more information about Avicanna, visit [our website](#) or contact Ivana Maric by email at info@avicanna.com.

Cautionary Note Regarding Forward-Looking Information and Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information contained in this news release may be identified by the use of words such as, "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook" and other similar expressions. Forward-looking information contained in this news release includes, without limitation, statements related to the Offering, the use of proceeds of the Offering, the receipt of all approvals of the Toronto Stock Exchange in connection with the Offering, statements with respect to the Company's future business operations, the opinions or beliefs of management and future business goals. Although the Company believes that the expectations and assumptions on which such forward looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to current and future market conditions, including the market price of the common shares of the Company, and the risk factors set out in the Company's annual information form dated April 1, 2024, filed with the Canadian securities regulators and available under the Company's profile on SEDAR+ at www.sedarplus.ca. The statements in this news release are made as of the date of this release. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/a1191556-7e71-4d8d-b5d7-4bc0f5db4d6a>