



## Avicanna Announces Filing of Annual Financial Statements for Year Ended December 31, 2022

*92% Y-Y increase in Canadian product sales, driven by increased number of commercial SKUs and listings.*

*\$4M in revenue, representing 24% Y-Y growth coupled with reduction in SG&A and 35% in EBITA improvements.*

TORONTO, April 03, 2023 -- Avicanna Inc. ("Avicanna" or the "Company ") (TSX: AVCN) (OTCQX: AVCNF) (FSE: ONN), a biopharmaceutical company focused on the development, manufacturing, and commercialization of plant-derived cannabinoid-based products, is pleased announce the filing of its annual financial statements for the year ended December 31<sup>st</sup>, 2022.

Aras Azadian, CEO stated, "During 2022, we continued to successfully demonstrate the scalable potential of our business model and differentiated value of our proprietary products in Canada. In parallel, we expanded our global reach into the 19<sup>th</sup> international market. We are pleased to demonstrate our ongoing advancements in research and our pipeline including our first pharmaceutical partnership and several drug submissions. We have established a leadership position for Avicanna's scientific platform and intellectual property portfolio through our dedicated focus on medical and pharmaceutical applications of cannabinoids. We believe that 2023 will be a transformational year for us as we expect to scale commercialization efforts and address significant market opportunities both in Canada and internationally."

### 2022 corporate highlights

- Total fiscal 2022 revenue of \$4M representing growth of 24% from fiscal 2021, cost reduction initiatives that resulted in 23% decrease in SG&A which combined, yielded 35% improvements in EBITA Y-Y.
- Canadian revenue growth driven by 92% increase product sales, extension to 23 commercial SKUs and expansion to 78 commercial listings across Canada.
- International revenue growth from licensing agreements with pharmaceutical industry companies and opening of the company's 19<sup>th</sup> international market.
- Advancement of the scientific platform and pharmaceutical pipeline including the initiation of musculoskeletal pain and inflammation real world evidence study on RHO Phyto™ topical product.
- Advancement of epilepsy research programs with the University of Toronto and University Health Network resulting in the filing of a complete patent on a novel formulation for reducing seizures.

### Other highlights subsequent to Q4 2022

Shoppers Drug Mart and Avicanna announced that Shoppers Drug Mart will transition the Medical Cannabis by Shoppers business to Avicanna. As part of the transition, Avicanna will introduce MyMedi.ca, a new medical cannabis care platform.

With initial transitional support from the Medical Cannabis by Shoppers team, MyMedi.ca will provide a scientifically curated and diverse formulary of products in collaboration with Canadian licensed producers, and comprehensive training programs for the medical community.

### About Avicanna Inc.

Avicanna is a commercial-stage international biopharmaceutical company focused on the advancement and commercialization of evidence-based cannabinoid-based products for the global medical and pharmaceutical market segments. Avicanna has an established scientific platform including R&D and clinical development that has led to the commercialization of more than thirty products across various market segments:

**Medical Cannabis & Wellness Products:** Marketed under the RHO Phyto™ brand these medical and wellness products are a line of pharmaceutical-grade cannabinoid products containing varying ratios of cannabidiol ("CBD") and tetrahydrocannabinol ("THC"). The product portfolio contains a full formulary of products including oral, sublingual, topical, and transdermal deliveries that have controlled dosing, enhanced absorption and stability studies supported by pre-clinical data. The formulary is marketed with consumer, patient and medical-community education and training.

Pharmaceutical Pipeline: Leveraging Avicanna's scientific platform, vertical integration, and real-world evidence, Avicanna has created a pipeline of patent-pending drug candidates that are indication-specific and in various stages of clinical development and commercialization. These cannabinoid-based drug candidates look to address unmet medical needs in the areas of dermatology, chronic pain, and various neurological disorders. Avicanna's first pharmaceutical preparation (Trunerox™) is in the drug registration stage in South America.

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### **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 the proceeds of the Offering, the receipt of all approvals of the Toronto Stock Exchange in connection with the Offering, any forward looking statement that may be contained in the corporate update., 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 March 31, 2022 filed with the Canadian securities regulators and available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). 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.