



Avicanna Provides Corporate Update and Preliminary Q2 Results

TORONTO, June 28, 2023 -- Avicanna Inc. (“**Avicanna**” or the “**Company**”) (TSX: AVCN) (OTCQX: AVCNF) (FSE: 0NN) a biopharmaceutical company focused on the development, manufacturing and commercialisation of plant-derived cannabinoid-based products is pleased to announce a corporate update and preliminary financial results of Q2-2023.

The update includes:

- **Q2-2023 Revenues:** Q2-2023 revenues of approximately \$3.3M representing an approximately 200% increase over Q1-2023 revenues of \$1.2M, this includes approximately \$2.5M in sales arising from the Medical Cannabis by Shoppers platform since May 29, 2023.
- **Medical Cannabis By Shoppers:** On May 29, 2023, the Company announced that the definitive Asset Purchase Agreement with Shoppers Drug Mart Inc. for Avicanna to acquire the Medical Cannabis By Shoppers business was fully executed. On May 4, 2023, Avicanna announced the execution of the definitive Master Service Agreement with Northern Green Canada (“NGC”). NGC is a Canadian licensed producer that is tasked with providing logistics and fulfilment services for Avicanna’s online cannabis care platform (MyMedi.ca). On May 29, 2023, NGC and Avicanna successfully transitioned the Medical Cannabis by Shoppers inventory and fulfilment services to NGC.
- **MyMedi.ca:** MyMedi.ca is Avicanna’s medical cannabis care platform that will be made available nationwide on August 1, 2023. MyMedi.ca will be offering a portfolio of 200+ product SKUs from 20+ selected brands, including four of Avicanna’s brands and 25+ of Avicanna’s product SKUs, as well as pharmacist led, bi-lingual services and patient support programs. Additionally, MyMedi.ca will be providing adjudication and reimbursement services from public and private payers to a significant proportion of the current active patients.
- **Commercial Priority:** The Canadian market continues to be the Company’s focus, where Avicanna has commercialized 25+ product SKUs through four different brands. Currently, Avicanna has 113 commercial listings as we near the end of Q2-2023; with 61 commercial listings on four national medical cannabis channels and 52 product listings on six provincial adult use channels. This represents a 34% increase over the 84 commercial listings in Q4-2022.
- **Proprietary SEDDS Capsules:** On June 25, 2023, Avicanna announced the expansion of the Strategic Manufacturing Agreement with MediPharm Labs Corp. (“MediPharm”), adding the manufacturing and commercialization of Company’s proprietary SEDDS capsules. Avicanna’s proprietary SEDDS capsules are to be manufactured by MediPharm to GPP and GMP standards to meet product channel requirements in Canadian and international markets. The capsules are expected to be launched under the RHO Phyto brand in Canadian medical cannabis channels during the second half of 2023.
- **Global Cost Reduction Initiatives:** In 2021, the Company initiated optimization efforts to actively decrease operating costs including; rationalization of redundancies in human resources, divestment of non-core underperforming assets, and reduction of outside service fees. These combined efforts resulted in the Company’s lowest Q1-2023 operating expenses since 2019. Management continue to take steps to further improve the Company’s working capital and financial position.

Join Avicanna’s management who are providing a corporate update on June 28th at 12 p.m. ET.

[Click Here to Register](#)
for Avicanna’s Corporate Update Webinar

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 \(RHO Phyto™\)](#):** The formulary offers a diverse range of proprietary formulations including oral, sublingual, topical, and transdermal deliveries with varying ratios of cannabinoids and is

supported with ongoing patient, and medical community education. RHO Phyto has been established as a leading medical brand in Canada and is currently available nationwide to patients across several medical channels and continues to expand into new international markets.

- **[Pharmaceutical Preparations and Pipeline](#)**: Leveraging Avicanna's scientific platform, vertical integration, and real-world evidence, Avicanna has developed an extensive 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.
- **[MyMedi.ca Medical Cannabis Care Portal](#)**: MyMedi.ca is Avicanna's medical cannabis care platform that is formed with the aim to better serve medical cannabis patients' needs and enhance the patient journey. MyMedi.ca is expected to launch during August 2023 and will feature diverse and scientifically curated products from leading Canadian licensed producers in addition to pharmacist led patient support programs and educational resources to facilitate the incorporation of medical cannabis into health care regimens. MyMedi.ca also provides specialty services to distinct patient groups such as veterans and collaborating with public and private providers for adjudication and reimbursement.

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The Company posts updates through videos from the Company [YouTube](#) channel.

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 using 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 services to be provided by MyMedi.ca, the production of Avicanna's proprietary SEDDS capsules, 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, 2023 filed with the Canadian securities regulators and available under the Company's profile on SEDAR at 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.

This news release contained future-oriented financial information ("**FOFI**") about Avicanna's projected Q2-2023 revenue, which is subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. The actual results of Avicanna and the resulting financial results will likely vary from the amounts set forth herein and such variation may be material. Avicanna and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Avicanna undertakes no obligation to update such FOFI. FOFI contained in this news release was made as of the date of this news release and was provided for purposes of providing further information about Avicanna's anticipated future business operations. Readers are cautioned that the FOFI contained in this news release should not be used for purposes other than for which it is disclosed herein.