



Investor Presentation March 2024

CSE:AYR.A | OTC:AYRWF

safe harbor

Disclaimer

The following investor deck constitutes management's review of the factors that affected the Company's financial and operating performance for the years ended December 31, 2023, and 2022. This discussion should be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2023 and 2022 (the "financial statements"). Results are reported in United States dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the financial information contained herein is derived from the financial statements. Further information about the Company and its operations, including its Annual Information Form dated March 13, 2024 (the "Annual Information Form") can be obtained on ir.ayrwellness.com, www.sec.gov/edgar, and www.sedarplus.ca. The information contained on such websites are not a part of, nor is it incorporated by reference into, this Annual Report (or equivalent thereof).

Forward-Looking Statements

Certain information contained in this document are forward-looking statements and contain forward-looking information within the meaning of applicable securities laws, including, but not limited to, those statements relating to the Company and its financial capacity and availability of capital and other statements that are not historical facts. These statements are based upon certain material factors, assumptions, and analyses that were applied in drawing a conclusion or making a forecast or projection, including experience of the Company, as applicable, and perception of historical trends, current conditions, and expected future developments, as well as other factors that are believed to be reasonable in the circumstances. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies, and outlook of the Company. Forward-looking statements are often identified by the words "may", "would", "could", "should", "will", "assume", "intend", "plan", "anticipate", "believe", "estimate", "project", "expect", "target", "continue", "forecast", "design", "goal" or negative versions thereof and other similar expressions.

Cautionary Note Regarding Securities Laws

This presentation does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities of AYR, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Definition & Reconciliation of Non-GAAP Measures

AYR reports certain non-GAAP measures that are used to evaluate its performance and the performance of its business segments, as well as to manage its capital structure. As non-GAAP measures generally do not have a standardized meaning, they may not be comparable to similar measures presented by other issuers. Securities regulators require such measures to be clearly defined and reconciled with their most directly comparable GAAP measure.

Adjusted EBITDA

Adjusted EBITDA represents (loss) income from continuing operations, as reported under GAAP, before interest and tax, adjusted to exclude non-core costs, other non-cash items, including depreciation and amortization and further adjusted to remove non-cash stock-based compensation, impairment expense, the accounting for the incremental costs to acquire cannabis inventory in a business combination, acquisition and transaction related costs, and start-up costs.

Please see Appendix for an illustration of AYR's calculation of Adjusted EBITDA and a reconciliation to GAAP figures.

Adjusted Gross Profit

Adjusted Gross Profit represents gross profit, as reported, adjusted to exclude the accounting for the incremental costs to acquire cannabis inventory in a business combination, interest, depreciation and amortization, start-up costs, and other non-core costs.

Please see Appendix for an illustration of AYR's calculation of Adjusted Gross Profit and a reconciliation to GAAP figures.

Assumptions & Risks

Forward-looking information in this presentation is subject to the assumptions and risks as described in our MD&A for the three and twelve months ended December 31, 2023, and our news release dated March 13, 2024.

We are a **leading, vertically integrated cannabis operator**

Driven by the quality of our products, equity in our brands, and loyalty of our customers, we are positioning ourselves as both a **retailer of choice** and **house of CPG brands**



Grown in Milford, MA

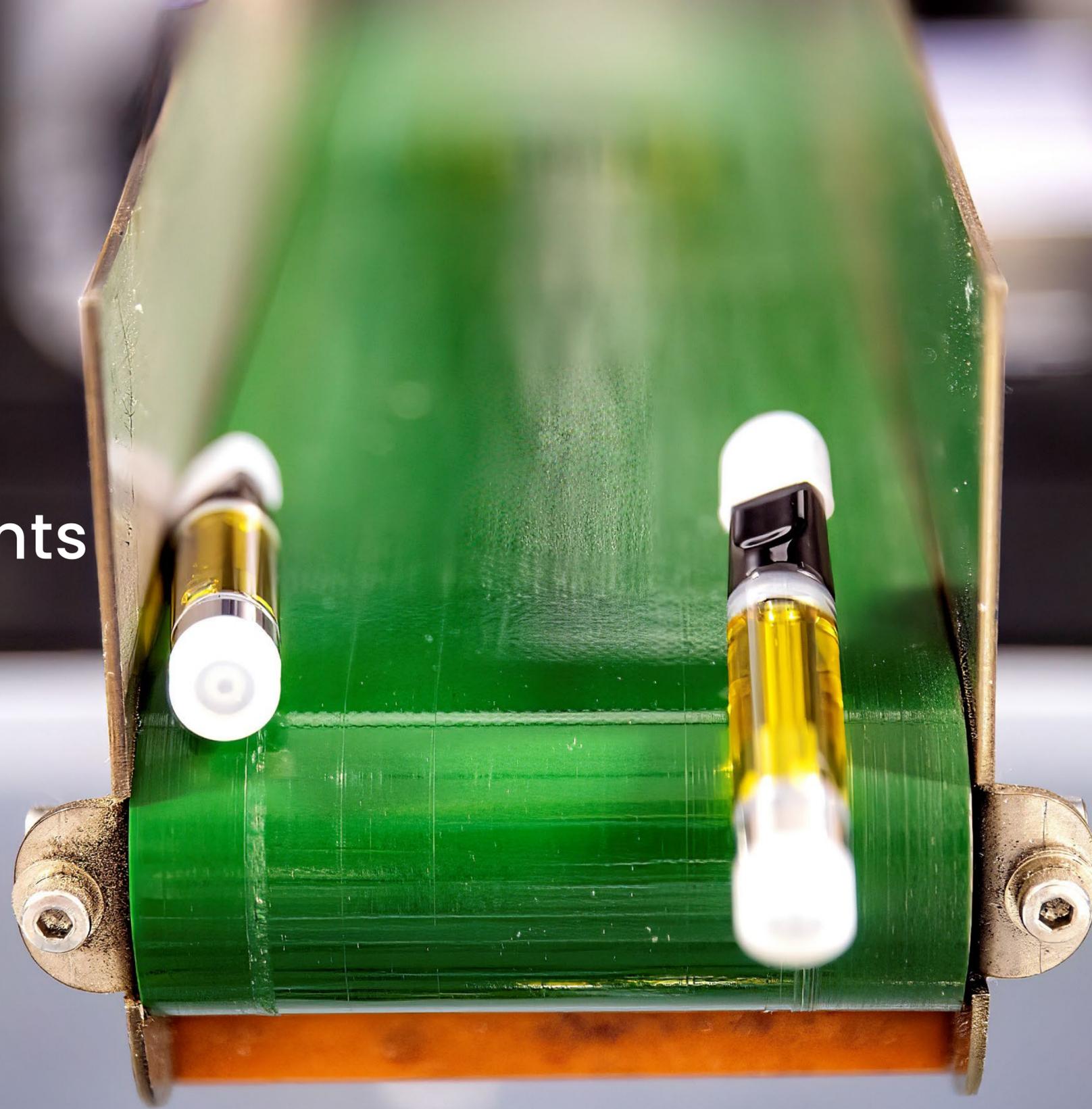
company overview

1. Highly strategic footprint in 8 states, focused on achieving meaningful depth and vertical integration
2. AYR owns and operates 91 retail locations processing roughly 6m transactions per year
3. Our 18 cultivation and production facilities span 1.3m sq. ft.
4. Major growth catalysts on our horizon, with 76 of AYR's 91 dispensaries located in states anticipated to legalize adult-use cannabis in the coming years
5. Outperforming competition through execution with existing assets. AYR achieved amongst the highest Adj. EBITDA growth rates of peer US Multi-State Operators in 2023
6. 2023 results reflect 10% Y/Y revenue growth and more than 51% adjusted EBITDA expansion, an adjusted EBITDA margin of 25% and positive cash flow from operations
7. AYR deferred or retired nearly \$400M in debt maturities in the past year and has no meaningful debt maturities until 2026



Made in Reno, NV

Q4 2023 Highlights



Made in Gainesville, FL

fourth quarter highlights¹

\$114.8m

Revenue

54%

Adj. Gross Margin¹

\$29.8m

AEBITDA¹

26%

AEBITDA Margin¹

4

Dispensary
Openings²

\$50.8m

Cash Balance³

64%

Internalization Rate⁴

\$24.4m

FY Operating Cash
Flow Continuing
Operations

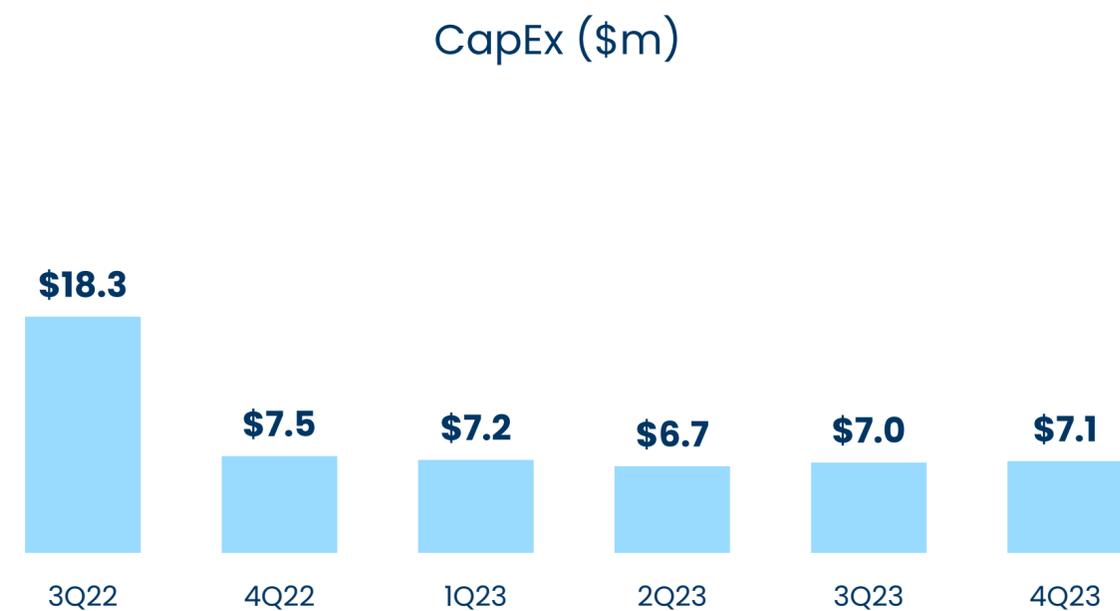
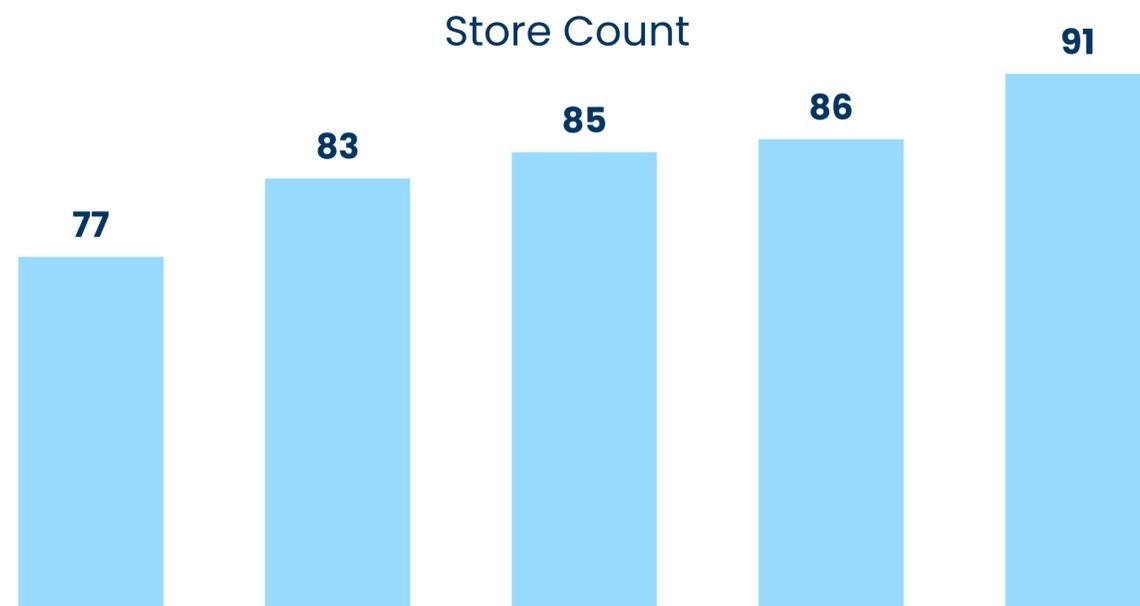
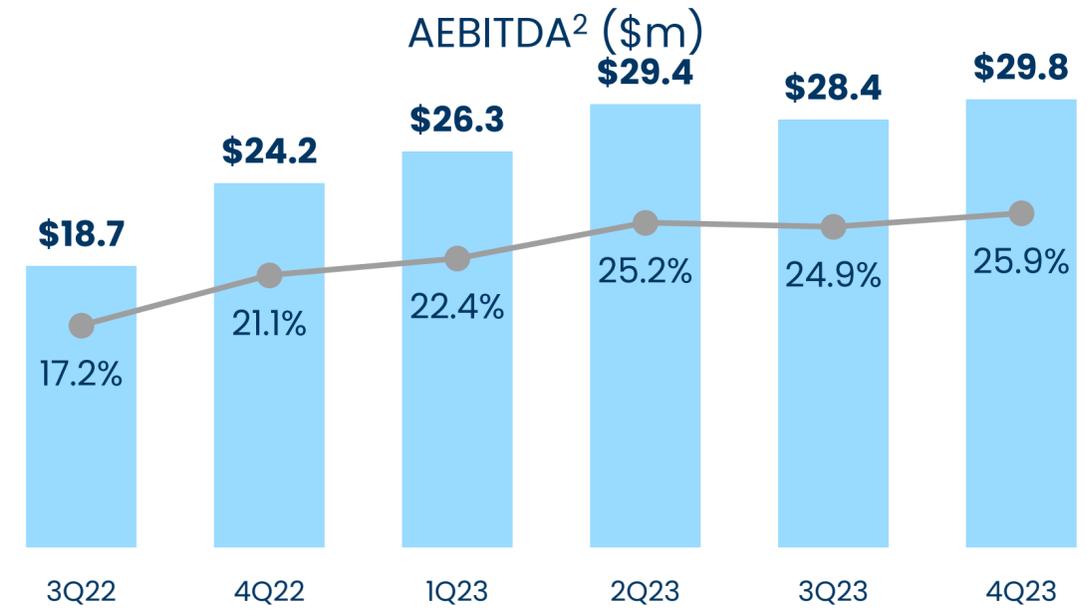
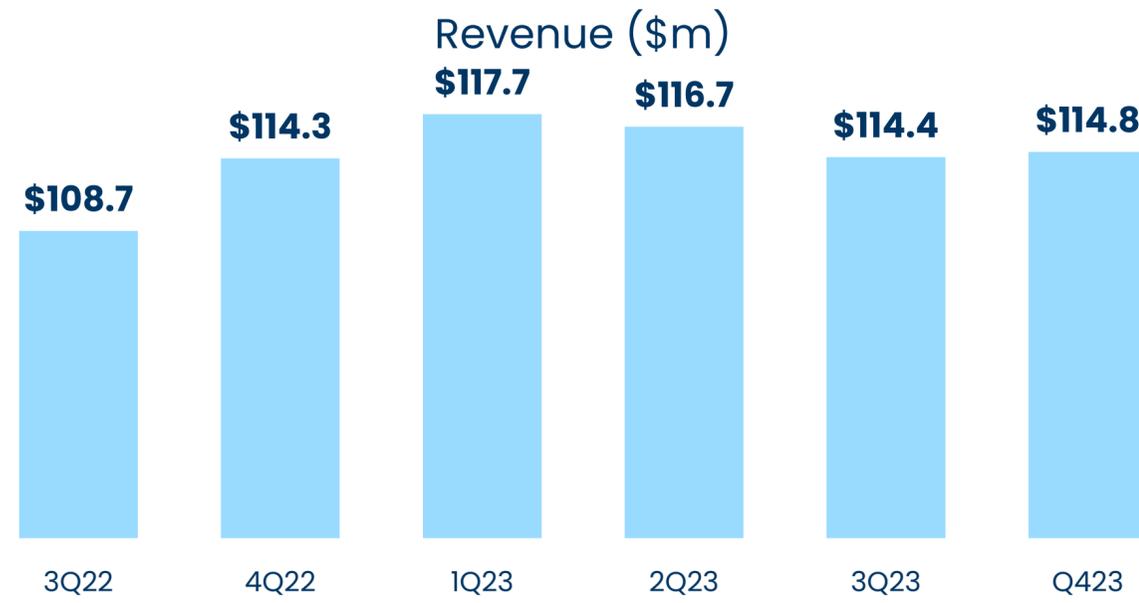
1) See Appendix for calculation of Adjusted Gross Profit & Adjusted EBITDA and reconciliations to GAAP figures

2) Three stores in Ohio and one in Florida opened in Q4

3) Q4 cash balance excludes proceeds from completed Senior Notes upsizing (\$40M of gross proceeds), excludes recent warrant issuance (up to ~\$50M in gross proceeds are currently anticipated)

4) Percent of products produced by AYR sold at own-retail; 44% without FL contribution

quarterly financial details¹



1) Activity relating to Arizona omitted as discontinued operations. Accordingly, the presentation of prior period balances may not agree to prior issued financial statements
 2) See following slides for calculation of Adjusted Gross Profit & Adjusted EBITDA and reconciliations to GAAP figures

footprint and market summary¹

	FL	IL	MA	PA	NJ	NV	OH	CT	AYR
Market Launch ²	MED AU 2017	2013 2020	2012 2018	2018	2012 2022	2015 2017	2019	2013 2023	2019
2024 Est. Total State Revenues ³	\$2.8b	\$2.0b	\$1.8b	\$1.2b	\$1.3b	\$856m	\$692m	\$396m	\$11.0b
21+ Population ³	17.3m	9.4m	5.3m	9.8m	6.8m	2.4m	8.8m	2.7m	62.5m
Total Stores ⁴	625	177	363	162	112	99	120	19	1,677
21+ Population per Store	30k	75k	18k	56k	61k	25k	113k	142k	37k
AYR Stores Open (as of March '24)	64	2	4 ⁵	9	3	6	3	-	91
Employees ^{6,7}	913	21	232	264	235	424	89	-	~2,300
Cultivation & Production Facility sq. ft.	745k	-	148k	83k	110k	110k	69k	-	~1.3m

1) All numbers as of Q2 2023 unless otherwise noted

2) Marijuana Policy Project, State Policy; defined as first date of program sales

3) BDSA Market Dashboards

4) Source: OMMU approved dispensing locations as of 3/8/2024; IDFPR issued dispensary licenses 1/11/2024; CCC issued commence operations of retail licensure 1/24/2024; DOH licensed dispensaries with product 3/11/2024; CRC licensed dispensaries 3/8/2024; CCB issued adult use retail licenses 3/10/2024; MMCP issued dispensary licenses 2/28/2024; DCP issued dispensary licenses 2/24/2024

5) One store is medical only

6) Employees as of 12/31/2023, Florida employee count includes corporate employees

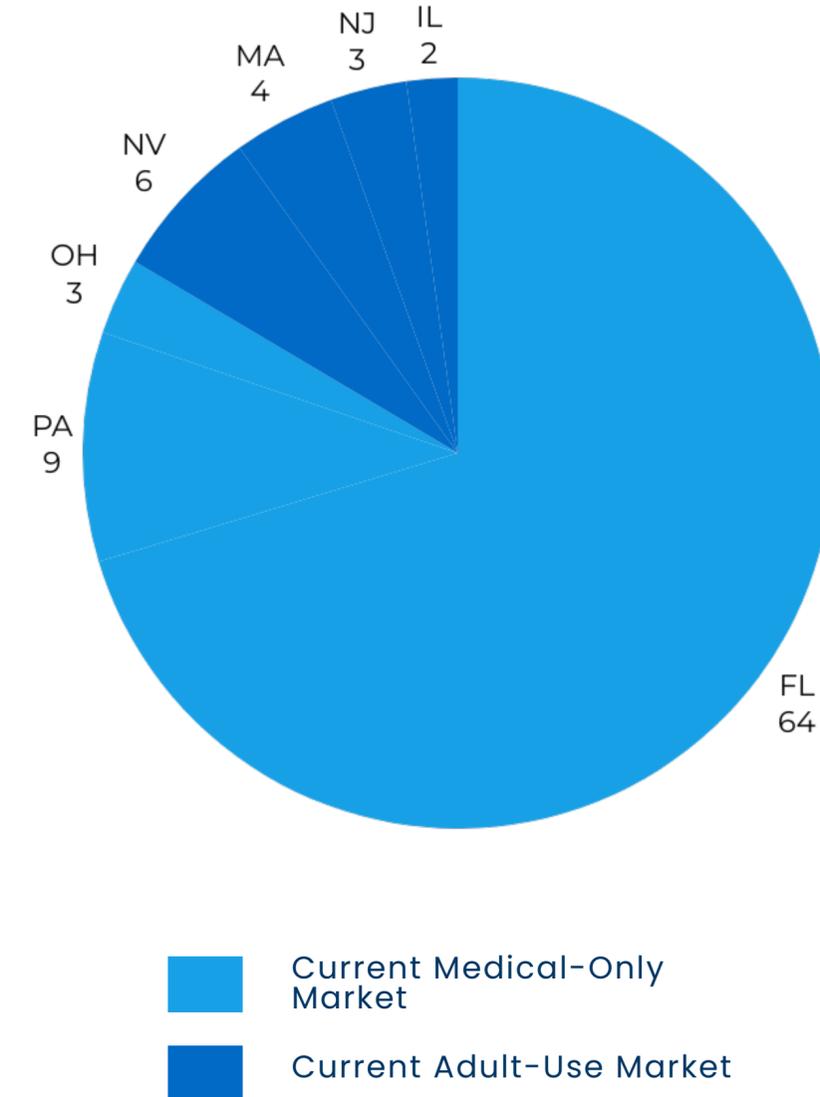
state-level catalysts

Well-positioned in Florida, Pennsylvania and Ohio

AYR has the highest relative retail exposure of any MSO to anticipated growth opportunities on the conversion of Florida, Pennsylvania and Ohio medical markets to adult-use in the years ahead

- AYR is vertically integrated in these states with 76 dispensaries open today (84% of total store count)
- Adult-use market openings in these states are forecasted to drive substantial sales growth of existing medical markets and enhanced profitability in the coming years on favorable pricing dynamics
- Further expansion initiatives come without materially increasing fixed cost base permitting significant operating leverage as revenue growth accelerates
- In Ohio, AYR became vertically integrated in Q4/23 (three retail stores opened) and the 58,000 square foot Ohio cultivation facility is operational and equipped to produce over 40 thousand pounds of biomass to meet future adult-use demand in the state

AYR Open Dispensaries by State



key initiatives

2024 Operational Goals

Continuing to execute and improve upon 2023 Optimization Plan to drive long term success:

1. Improving Product Quality, Consistency and Variety

- Structural changes enable faster execution, stronger SOPs and enhanced productivity
- Optimizing genetics across cultivation facilities with the goal of increasing yields and commercial viability

2. Further Streamlining Supply Chain

- Implementing process efficiencies and SKU rationalization
- Scaling kitchen space across facilities to enable greater production levels and innovation

3. Rationalizing & Strengthen CPG Brand Portfolio

- Prioritizing Kynd and HAZE as core brands and complementing these with regional sub-brands
- Launch plans aligned with retail and wholesale activations

4. Further Establishing Retail Brand and Customer Loyalty

- Leveraging a single retail brand across state markets and enabling greater customer recognition
- Launching a new customer loyalty program "AYR Buds"
- Greater training for budtenders



creating deep customer relationships

Creating a customer-obsessed organization to drive loyalty and engagement



Developing a sizeable and loyal customer base – our key asset as a retailer. Aiming to be a neighborhood retailer... at scale



Refining the quality and consistency of our products and the power of our brands – our key assets as a house of brands



Creating a new level of digital engagement to increase customer acquisition, retention, loyalty and purchase frequency



Utilizing data-driven insights & detailed customer feedback to create exceptional customer experiences



Watertown, MA



Kynd Flower



Dania Beach, FL

a force for good in the communities we serve

Building deep connections between our teams, customers, and the communities in which we operate



Restorative Justice



Equity & Inclusion



Hyperlocal Service



Combatting the lasting negative consequences of cannabis prohibition



Promoting an equitable cannabis industry through education & empowerment



Supporting community needs in both current & emerging markets

Appendix

Contact Information

Robert Vanisko

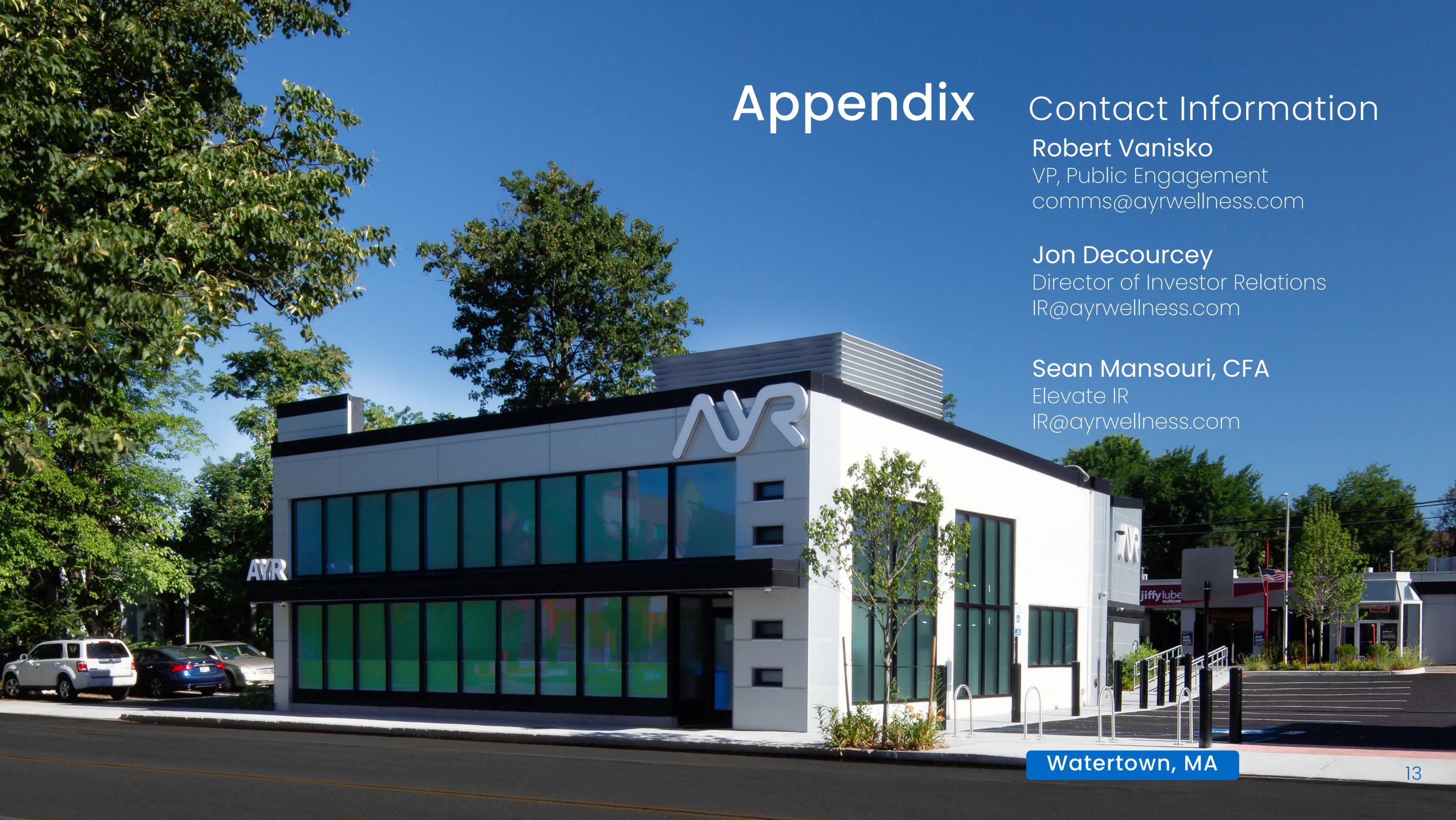
VP, Public Engagement
comms@ayrwellness.com

Jon Decourcey

Director of Investor Relations
IR@ayrwellness.com

Sean Mansouri, CFA

Elevate IR
IR@ayrwellness.com



Watertown, MA

capitalization

pro forma share count (in millions, treasury method)

Subordinate Voting Shares ¹	99.6
Multiple Voting Shares	3.7
Warrants - \$9.07	2.9
Warrants - \$2.12	23.1
Exchangeable Shares ²	9.6
Treasury Method Shares (pro forma)³	138.9

pro forma net debt outstanding (as of 12/31/2023)

(USD millions)	
Debts Payable current (12/31/2023)	23.2
Debts Payable non-current (12/31/2023)	205.6
Senior Secured Debt (Due 12/2026) ⁴	293.6
Total Debt	\$522.4
Cash on Balance Sheet (12/31/2023) ^{5,6}	90.8
Net Debt	\$431.6

1) Includes all subordinate voting shares, limited voting shares and restricted shares

2) Exchangeable into an equivalent number of subordinate voting shares

3) Excludes AYR granted but unvested service-based LTIP shares totaling 4.8 million

4) Includes \$50M senior debt upsizing closed Feb 2024. Debt maturity is December 2026

5) Includes \$40M proceeds from debt upsizing closed Feb 2024.

6) Excludes anticipated warrant conversion proceeds (~\$50M from full exercise). Warrants expire in February 2026

adj. ebitda reconciliation

	three months ended December 31		twelve months ended December 31	
	2023	2022	2023	2022
	<i>all amounts in USD, in thousands</i>			
Loss from operations (GAAP)	(9,544)	(143,094)	(37,213)	(207,288)
Incremental costs to acquire cannabis inventory in a business combination	-	-	-	6,217
Interest (within COGS)	727	1,196	3,017	4,094
Depreciation and amortization	22,137	21,074	90,949	76,150
Acquisition and transaction costs	619	852	4,080	5,985
Stock-based compensation, non-cash	3,074	17,375	16,491	46,822
Impairment of goodwill and other assets	6,320	117,950	6,320	117,950
Start-up costs ¹	2,915	3,016	11,786	13,052
Loss (Gain) on sale of assets	25	182	91	(8)
Other ²	3,489	5,616	18,450	12,419
	39,306	167,261	149,688	282,681
Adjusted EBITDA (non-GAAP)	29,762	24,167	113,971	75,393

1) Includes costs to prepare a location for its intended use, including facilities not yet operating at scale. Start-up costs are expensed as incurred and are not indicative of ongoing operations.

2) Other non-core costs including non-operating adjustments, severance costs and non-cash inventory write-downs

adj. gross profit reconciliation

<i>all amounts in USD, in thousands</i>	three months ended December 31		twelve months ended December 31	
	2023	2022	2023	2022
Gross Profit (GAAP)	49,382	53,011	202,442	174,966
Incremental costs to acquire cannabis inventory in a business combination	-	-	-	6,217
Interest (within COGS)	727	1,196	3,017	4,094
Depreciation and amortization (within COGS)	10,163	9,064	39,585	30,349
Start-up costs (within COGS)	1,164	747	5,469	4,519
Other (within COGS)	565	2,541	6,337	7,423
Adjusted Gross Profit (non-GAAP)	62,001	66,559	256,850	227,568

