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Ayr Strategies Completes Acquisition of CannTech in Pennsylvania

TORONTO, Dec. 23, 2020 (GLOBE NEWSWIRE) -- Ayr Strategies (CSE: AYR.A, OTCQX: AYRWF, "Ayr" or "the Company"), a leading vertically integrated cannabis multi-state operator, today announced it has closed on the purchase of 100% of the membership interests of CannTech PA ("CannTech").

As previously announced, the total purchase consideration of US\$57.4 million consisted of US\$27.2 million in cash, US\$15.0 million in exchangeable shares, each of which would be exchangeable for a subordinate voting share, and US\$15.2 million in seller's notes.

This acquisition includes a 143,000 sq. ft. cultivation and processing facility on 13 acres. The first phase of the planned build-out of the facility is complete and approved for cultivation. CannTech's license permits up to six dispensary locations in Pennsylvania, including the recently announced opening of its first dispensary in New Castle, PA. CannTech plans to open two additional stores in the first quarter, with three further PA dispensary openings planned for the second half of 2021. Four of these additional dispensaries will be clustered in the Pittsburgh and Philadelphia metropolitan areas, while one will be in Erie, PA.

Speaking on the CannTech acquisition, Ayr's CEO Jonathan Sandelman commented, "We are thrilled to have completed our second acquisition and solidified our entry into Pennsylvania. It is a rapidly growing, but under-supplied medical market, and we look forward to bringing our cultivation, processing and retail expertise to the Commonwealth to improve patients' access to quality cannabis. With adult-use possible in the foreseeable future, we are well positioned with large-scale cultivation and processing capabilities to lead in both the retail and wholesale markets, as we have done in Nevada and Massachusetts. We are looking forward to welcoming the Pennsylvania team to the Ayr family and to the exciting opportunities ahead in 2021 and beyond."

Forward-Looking Statements

Certain information contained in this news release may be forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "target", "expect", "anticipate", "believe", "foresee", "could", "would", "estimate", "goal", "outlook", "intend", "plan", "seek", "will", "may", "tracking", "pacing" and "should" and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to, among other things, Ayr's future growth plans. Numerous risks and

uncertainties could cause the actual events and results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: anticipated strategic, operational and competitive benefits may not be realized; events or series of events, including in connection with COVID-19, may cause business interruptions; required regulatory approvals may not be obtained; acquisitions may not be able to be completed on satisfactory terms or at all; and Ayr may not be able to raise additional debt or equity capital. Among other things, Ayr has assumed that its businesses will operate as anticipated, that it will be able to complete acquisitions on reasonable terms, and that all required regulatory approvals will be obtained on satisfactory terms and within expected time frames. In particular, there can be no assurance that we will complete the pending acquisitions in or enter into agreements with respect to other acquisitions.

About Ayr Strategies Inc.

Ayr Strategies (“Ayr”) is an expanding vertically integrated, U.S. multi-state cannabis operator, focusing on high-growth markets. The Company cultivates and manufactures branded cannabis products for distribution through its network of retail outlets and through third-party stores. Ayr strives to enrich consumers’ experience every day – helping them to live their best lives, elevated.

Ayr’s leadership team brings proven expertise in growing successful businesses through disciplined operational and financial management, and is committed to driving positive impact for customers, employees and the communities they touch. For more information, please visit ir.ayrstrategies.com.

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