Tilray Brands Announces Strategy to Strengthen Canadian Cannabis Operations and Drive Profitable Growth

Nov 2, 2026

Consolidation of Foss Cultivation and Pre-roll Production into Optimized Masson and Cayuga Facilities Expected to Generate Approximately US$10 Million in Annualized Cost Savings

Higher Cultivation Yields and Expected Reestablishment of EU-GMP Certification Strengthen Tilray's Canadian Cannabis Platform and Position the Business for Continued Growth in Canada, International Markets, and Future U.S. Medical Cannabis Markets When Permissible

Tilray Raises Fiscal 2027 Adjusted EBITDA Guidance to $70 Million–$75 Million, Increasing the Lower End of the Range

NEW YORK and LONDON and LEAMINGTON, Ontario, Nov. 02, 2026 (GLOBE NEWSWIRE) -- Tilray Brands, Inc. ("Tilray" or the "Company") (Nasdaq: TLRY; TSX: TLRY), a global lifestyle and consumer packaged goods company with leading positions across cannabis, beverage, hospitality and wellness, today announced plans to consolidate its Canadian cannabis operations, transitioning cultivation and pre-roll production from its Foss facility in Fenwick, Ontario to its Masson, Quebec and Cayuga, Ontario facilities. This strategic initiative is expected to generate approximately US$10 million in annualized cost savings by the end of fiscal 2028. The transition of cultivation to Masson, a state-of-the-art cannabis cultivation facility with higher yields and lower operating costs, is expected to further improve operating efficiency and increase profitability.

Irwin D. Simon, Chairman and Chief Executive Officer of Tilray Brands, stated: "We have built one of the largest and most sophisticated cannabis operating platforms in Canada. Now, our focus is on unlocking its full value. These actions reflect our commitment to operating with greater efficiency, financial discipline and a clear focus on profitability. By leveraging the scale and infrastructure we have already established, we expect to lower our cost structure, expand margins and generate stronger cash flow, while maintaining the capacity and quality to serve the growing demand in Canada and international markets. We are making deliberate decisions to strengthen our competitive position, maximize returns on our investments and deliver sustainable long-term value for our shareholders."

Blair MacNeil, President of Tilray Canada, stated: "We are taking decisive steps to build a more efficient, competitive and profitable Canadian cannabis business. Greater-than-expected yields at Masson, together with increased yields across the rest of our Canadian cultivation operations, give us greater flexibility to optimize production, reduce costs and invest behind the growth of our leading brands. This stronger operating platform positions us to respond to evolving consumer demand and capture growth opportunities in Canada and internationally where we expect to ship more than 8 metric tonnes of cannabis this fiscal year. The size of the Foss facility limited the number of strains we could efficiently manage. Transitioning cultivation to Masson gives us greater expected flexibility to expand our strain offerings and drive greater innovation across the Redecan portfolio."

Mr. MacNeil continued, "Redecan remains an important part of our brand portfolio, and we are focused on driving its continued growth while maintaining the product quality and reliable supply that our consumers, retailers and provincial partners expect. We have also offered affected Foss employees opportunities at other Tilray facilities. This transition strengthens our business for the long term while supporting our brands, our customers and our people."

Strengthening Tilray's Canadian Cannabis Platform

Tilray continues to operate one of Canada's largest and most advanced cannabis cultivation and manufacturing platforms, with increased yields across its Canadian operations driving greater asset utilization and operational efficiency while supporting domestic demand and international growth opportunities.

The Company's extensive Canadian footprint spans 4.2 million square feet of cultivation capacity across its flagship Aphria One and Aphria Diamond facilities in Leamington, Ontario, outdoor cultivation operations in Cayuga, Ontario, its Masson facility in Quebec, and Broken Coast operations in British Columbia. Together, these facilities provide significant production scale, advanced cultivation capabilities and the flexibility to serve multiple markets.

Building on prior investments in cultivation capacity and infrastructure, Tilray will consolidate cultivation operations from Foss into Masson and pre-roll production into Cayuga. Through further optimization and greater than expected yields, Masson can increase annual cultivation capacity from approximately 32.5 to 50 metric tonnes, providing added flexibility to meet demand. Masson is expected to reestablish its prior EU-GMP certification in calendar 2027, expanding its ability to serve international medical cannabis markets. As regulatory frameworks evolve, the Masson facility's increased capacity and capabilities also provide Tilray with the flexibility to serve potential future demand in the U.S. and other markets.

This consolidation is designed to eliminate redundant costs, improve capacity utilization and strengthen margins while preserving Tilray's production capabilities, product quality and reliable supply. The initiative reinforces Tilray's strategy of leveraging its established infrastructure to drive stronger financial performance and capitalize on opportunities across Canadian and international cannabis markets.

Pre-rolls represent approximately one-third of Tilray's Canadian adult-use sales and grew 28% in fiscal 2026. Consolidating production at Cayuga will further leverage existing infrastructure, improve operating efficiencies and provide scalable capacity to support continued demand in this important category.

The transition will be implemented in phases to complete current cultivation and harvest cycles, with Foss operations expected to conclude by January 31, 2027. Tilray expects uninterrupted supply across its brand portfolio throughout the transition, including continued availability of Redecan products, while evaluating opportunities to maximize the value of the Foss asset.

Raising Fiscal 2027 Adjusted EBITDA Guidance

Tilray is raising the lower end of its fiscal 2027 Adjusted EBITDA guidance and now expects Adjusted EBITDA of $70 million to $75 million, compared

to its previous guidance of $68 million to $75 million. The increased outlook reflects the Company's continued focus on operational efficiency and profitability, including anticipated benefits from cost-reduction initiatives currently underway. The Company expects to achieve the full US$10 million annualized savings run rate from its Canadian cannabis consolidation initiative beginning in fiscal 2028.

About Tilray Brands

Tilray Brands, Inc. ("Tilray") (Nasdaq: TLRY; TSX: TLRY), is a leading global lifestyle and consumer packaged goods company with operations in Canada, the United States, Europe, Australia and Latin America that is leading as a transformative force at the nexus of cannabis, beverage, wellness, and entertainment elevating lives through moments of connection. Tilray's mission is to be a leading premium lifestyle company with a house of brands and innovative products that inspire joy and create memorable experiences. Tilray's unprecedented platform supports over 40 brands in over 20 countries, including comprehensive cannabis offerings, hemp-based foods, and craft beverages.

For more information on how we are elevating lives through moments of connection, visit Tilray.com and follow @Tilray on all social platforms.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements in this press release constitute forward-looking information or forward-looking statements (together, "forward-looking statements") under Canadian securities laws and within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be subject to the "safe harbor" created by those sections and other applicable laws. Forward-looking statements can be identified by words such as "forecast," "future," "should," "could," "enable," "potential," "contemplate," "believe," "anticipate," "estimate," "plan," "expect," "intend," "position," "may," "project," "will," "would" and the negative of these terms or similar expressions, although not all forward-looking statements contain these identifying words. Certain material factors, estimates, goals, projections, or assumptions were used in drawing the conclusions contained in the forward-looking statements throughout this communication.

Forward-looking statements include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things: the Company's plans to consolidate its Canadian cannabis operations, including the transfer of cultivation operations from Foss to Masson and pre-roll production from Foss to Cayuga; the expected operational and financial benefits of the consolidation, including the elimination of redundant costs, improved capacity utilization, production and supply chain efficiencies, a lower cost structure, margin improvement, stronger cash flow and approximately US$10 million in annualized cost savings by the end of fiscal 2028, with the full annualized savings run rate expected beginning in fiscal 2028; the Company's ability to maintain product quality and reliable, uninterrupted supply across its brand portfolio during and after the transition, preserve sufficient production capacity and operational flexibility, respond to evolving consumer demand and capitalize on growth opportunities in Canadian and international cannabis markets; the Company's revised fiscal 2027 financial guidance, including the increase in the lower end of its expected Adjusted EBITDA range to $70 million to $75 million, and the Company's ability to achieve such guidance; and the Company's ability to realize the anticipated benefits of cost-reduction initiatives currently underway.

Many factors could cause actual results, performance or achievement to be materially different from any forward-looking statements, and other risks and uncertainties not presently known to the Company or that the Company deems immaterial could also cause actual results or events to differ materially from those expressed in the forward-looking statements contained herein. For a more detailed discussion of these risks and other factors, see the most recently filed annual information form of the Company and the Annual Report on Form 10-K (and other periodic reports filed with the SEC) of the Company made with the SEC and available on EDGAR. The forward-looking statements included in this communication are made as of the date of this communication and the Company does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

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