

FLUENT

C A N N A B I S C A R E

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USE OF NON-IFRS MEASURES

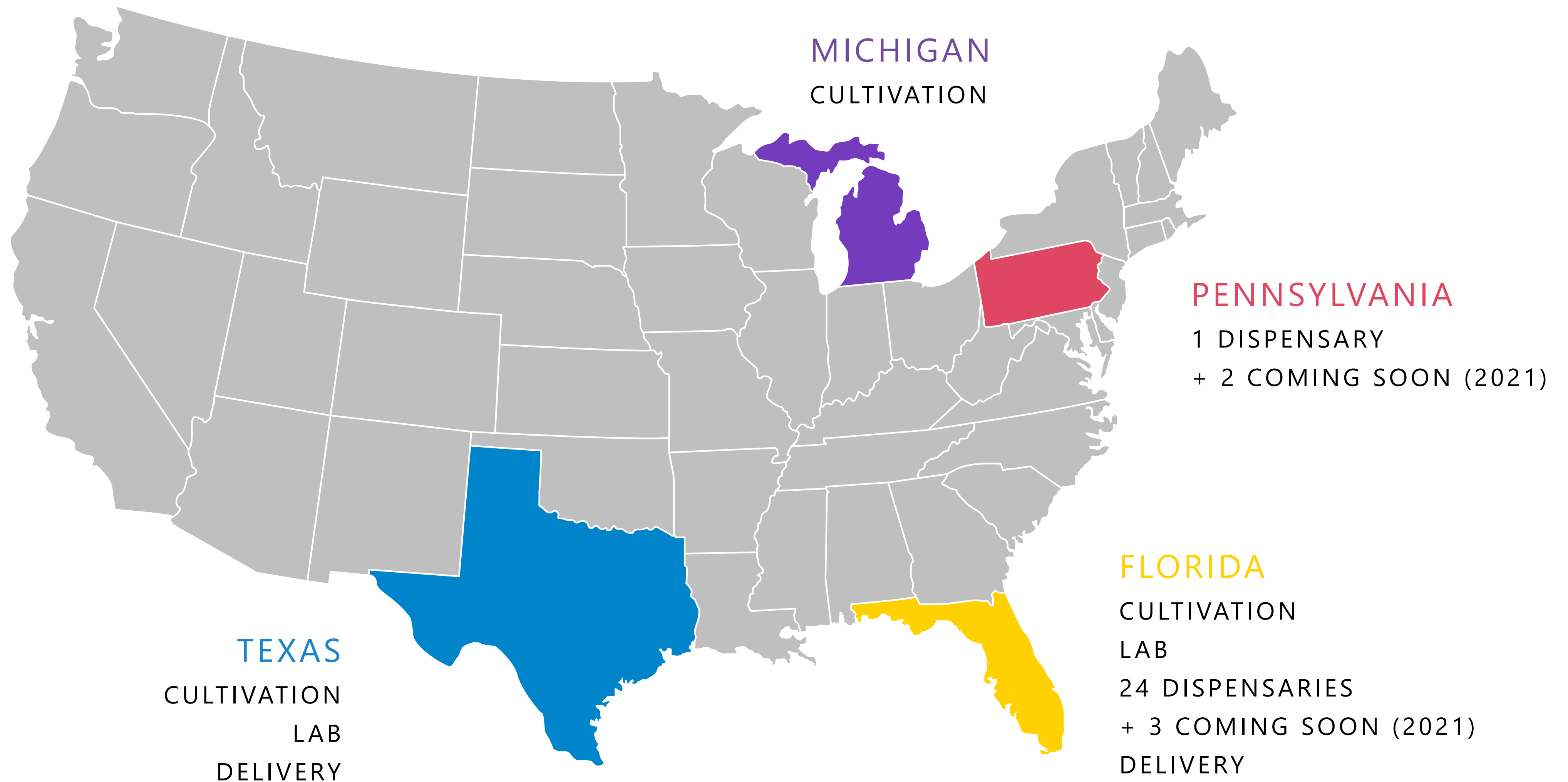
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CANSORTIUM INC IS A VERTICALLY-INTEGRATED
CULTIVATOR, PROCESSOR, FORMULATOR, AND
RETAILER OF **PREMIUM CANNABIS PRODUCTS**
CURRENTLY OPERATING IN FLORIDA,
PENNSYLVANIA AND TEXAS AS **FLUENT CANNABIS**,
AS WELL AS IN MICHIGAN THROUGH ITS
IN-MARKET PARTNER

Operational Footprint

Valuable Assets in Attractive U.S. Markets



Financial Highlights

2020-2021

+49%

Revenue growth in Q1 2021
vs. prior year

\$90M - \$100M

Projected Revenue
2021

\$30M - \$35M

Projected Adj. EBITDA
2021

	Q1 2020	Q1 2021	YoY%
Total revenue	\$ 10.2	\$ 15.1	49%
Adjusted gross profit ⁽²⁾	\$ 6.5	\$ 9.7	49%
Adjusted gross margin ⁽²⁾	64.0%	64.2%	20 bps
Adjusted EBITDA ⁽²⁾	\$ 0.7	\$ 4.4	6x

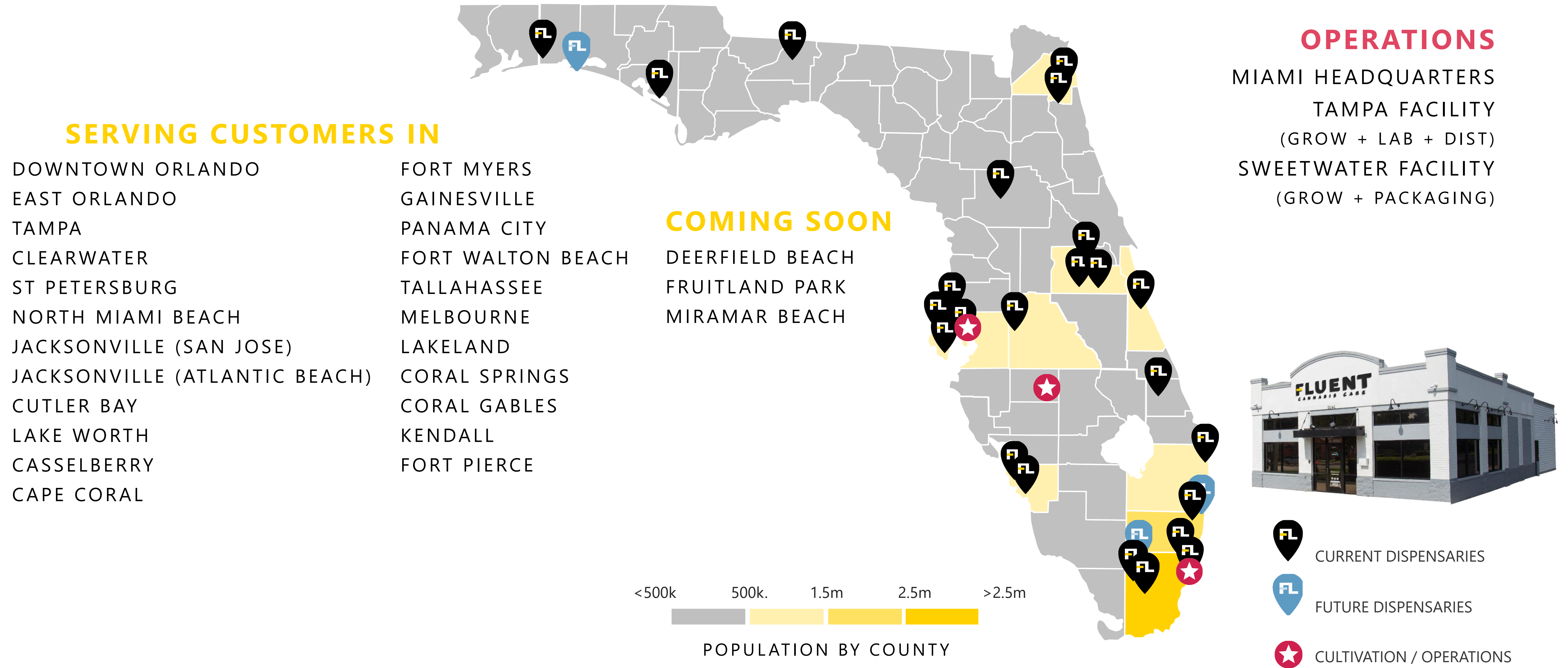
⁽¹⁾ Pro-forma measures reflect the consolidation of Knox Servicing, which was accounted for as an equity method investment until August 15, 2018, the date on which the Company acquired the remaining interest in Knox Servicing and became the sole member, and are non-IFRS financial measures that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

⁽²⁾ Adjusted gross profit, adjusted gross margin, EBITDA and Adjusted EBITDA are non-IFRS financial measures that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

Florida



Deep Vertical Footprint



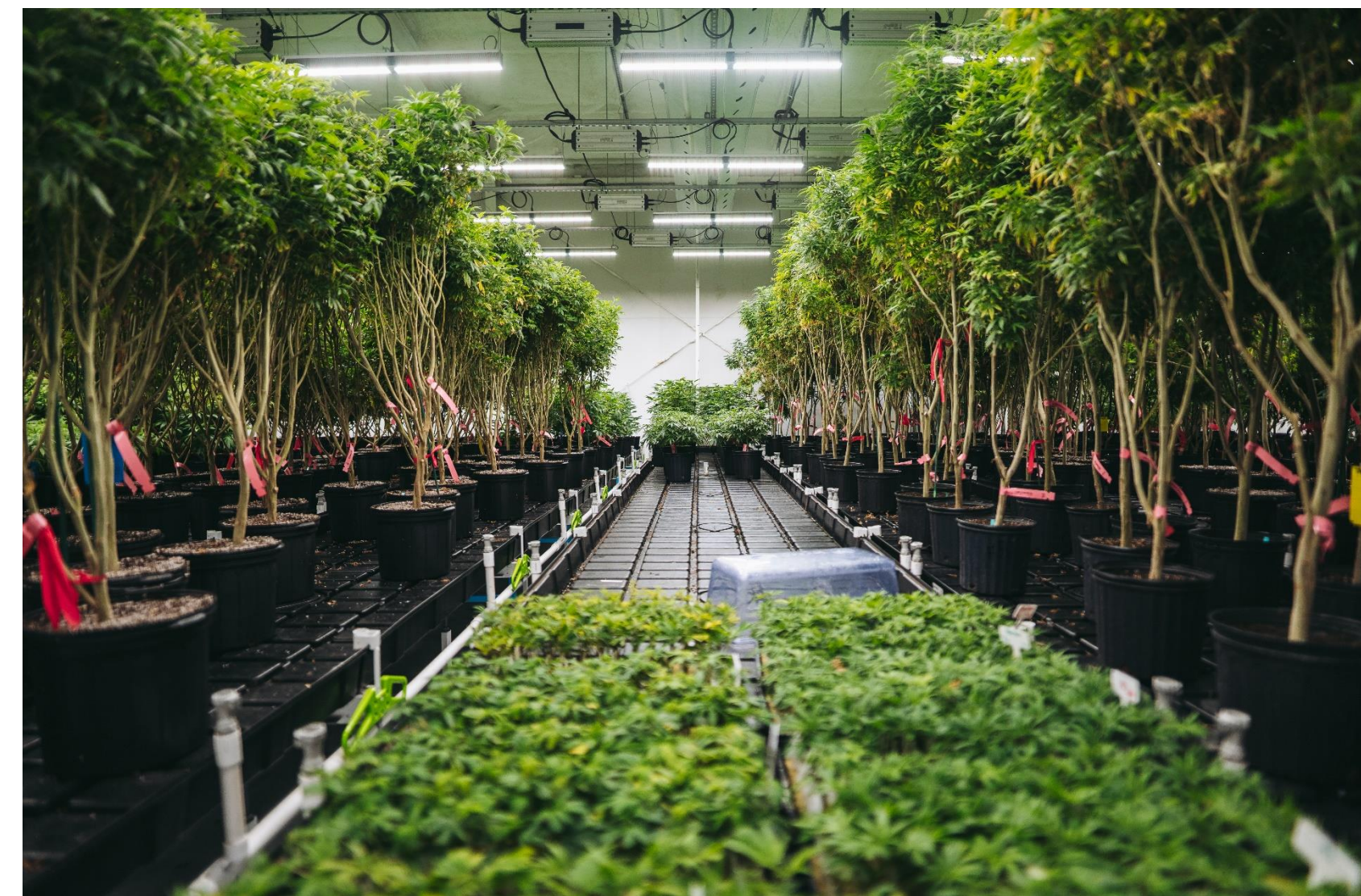
Cultivation and Processing

Tampa Cultivation and Processing Facility

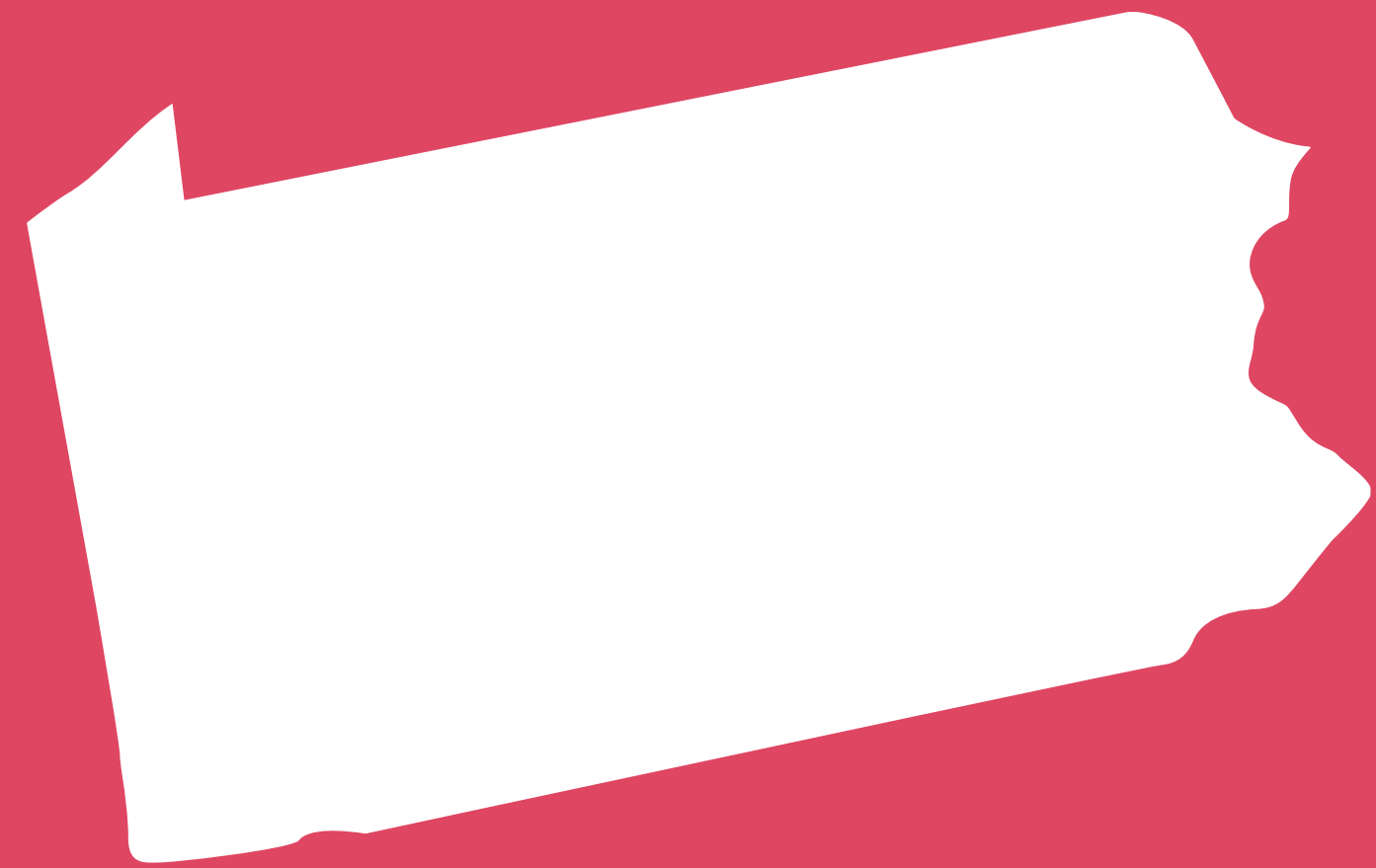
- 22,000 sq. ft. of indoor cultivation and 7,000 sq. ft. of production and administrative space
- Includes 20,160 sq. ft. of flowering canopy over six levels
- Newly added:
 - Mother building: 2,436 sq. ft
 - Grow Trailers: 3,200 sq. ft
- Additional 20,000 sq. ft facility under construction and will include ~4,000 sq. ft. of flowering canopy

Sweetwater Cultivation Facility

- 26,000 sq. ft. indoor cultivation, production and administrative space with initial 6,000 sq. ft. indoor flowering canopy across six grow rooms. Expanding to 11 grow rooms by YE 2021.
- Building out additional ~40,000 sq. ft. greenhouse expansion with first harvest in August 2021



Pennsylvania



Pennsylvania

Summary

Key Market Figures

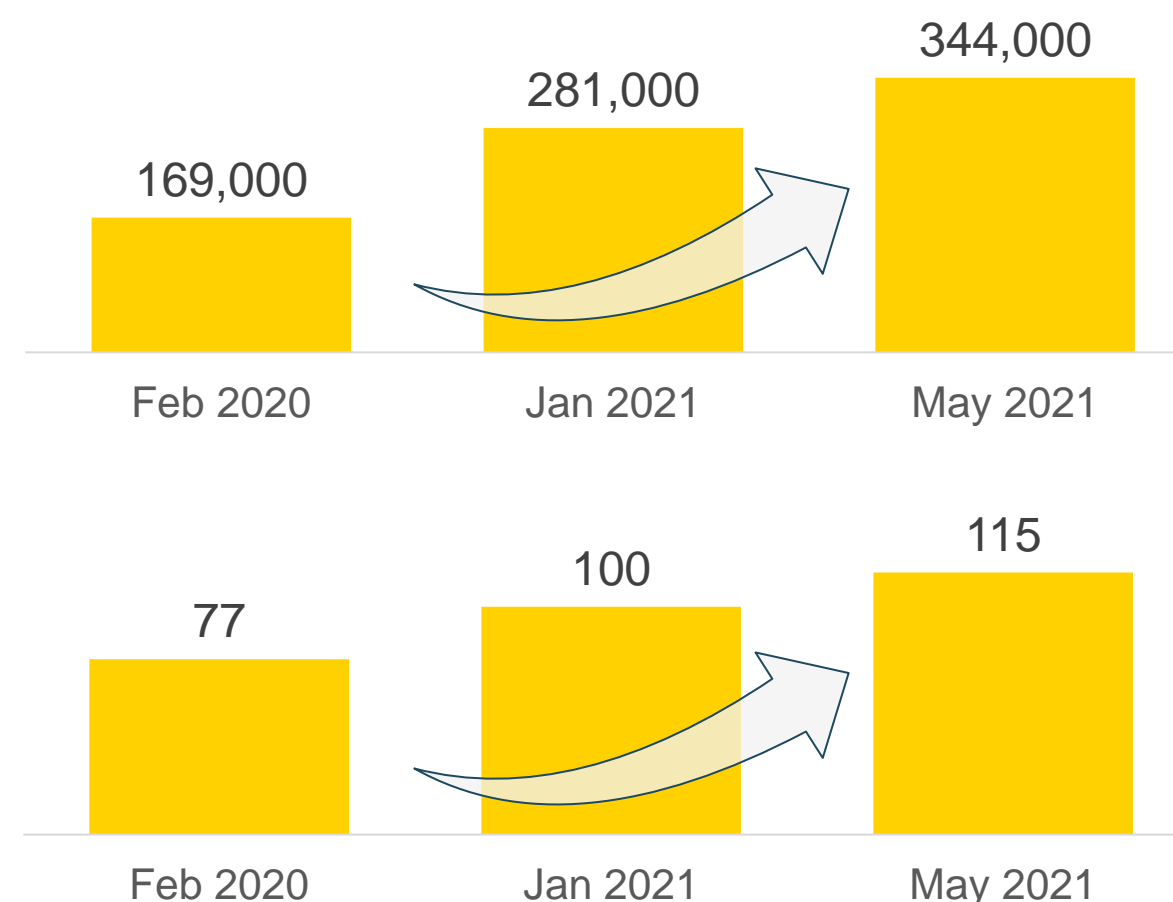
12.8mm
Population

Pennsylvania is the 5th most populous state with 12.8mm people and is one of the largest and fastest growing medical markets in the country

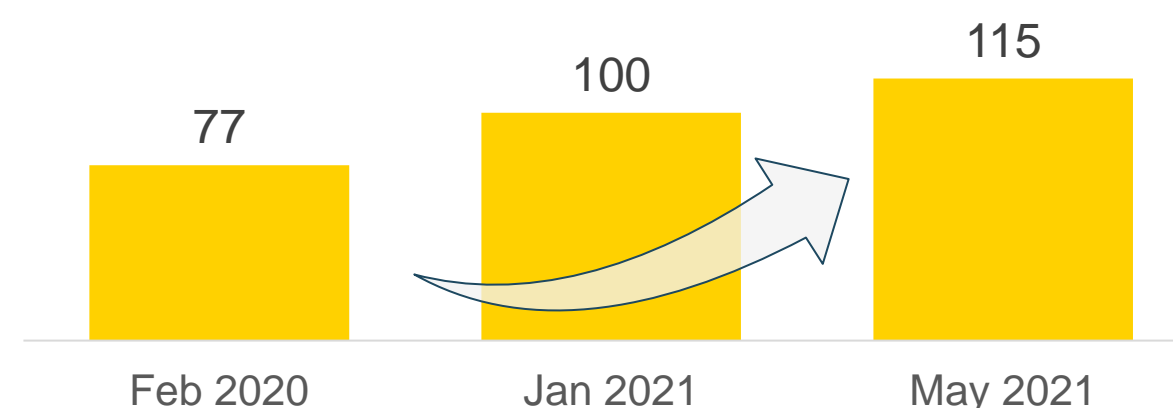
\$1.8B
2020 Sales

2020 program sales exceeded \$1.8B, with \$1.1B of that from dispensaries to patients⁽¹⁾

~2x Increase
In Patient Count⁽¹⁾



~49% Increase
In Open Dispensaries⁽¹⁾



(1) Source: www.mpp.org

Regulatory Overview

- 50 dispensary permits exist and each permit allows up to 3 locations per region (150 total) with a maximum of 5 permits per single owner (15 total)
- In May 2020, Harper Polling found that 62% of Pennsylvanian likely voters favor legalizing marijuana
- Pennsylvanian Governor Tom Wolf and Lieutenant Governor John Fetterman have been outspoken in their support for legalizing marijuana to reduce the budget deficit resulting from the Covid-19 pandemic

Cansortium in Pennsylvania

- Cansortium holds one dispensary permit to operate in the south-central region of the state with an existing dispensary in Hanover
- Second dispensary expected to open July 2021, with a third location opening by YE 2021



Michigan



Michigan

Summary

Approximately 250,000 registered patients in Michigan

4 Class C Medical Cultivation Licenses and 2 Class C Adult Cultivation Licenses in Michigan – allows for cultivation of 5,500 plants

Current outdoor facility is an 8.5-acre parcel in Arlington Township which includes a 3,500 sq. ft drying and packaging facility

2,600 lbs. of biomass and 900 lbs. of flower are currently prepped for sale and expected to be sold by July 2021

Acquired an additional neighboring 8.5 acres that will be planted in 2021 – 5,500 seedlings to be planted June 2021



Texas



Texas

Summary

WE ARE ONE OF ONLY THREE VERTICAL LICENSE HOLDERS IN THE SECOND MOST POPULOUS STATE IN THE COUNTRY – SIGNIFICANT POTENTIAL FOR 1ST MOVER ADVANTAGE

Market dynamics are similar to Florida in 2016

Medicinal uses for cannabis include epilepsy, terminal cancer, autism seizures and multiple sclerosis. Recent proposed Texas legislation would add PTSD to the list of qualifying conditions, enable DPS to expand the medical cannabis program, and raise THC levels to 1%

Existing cultivation facility in Schulenburg, TX with the right to expand up to 400,000 sq. ft.

- 1,300 sq. ft. of cultivation space in climate and humidity-controlled C-containers
- Includes 1,920 sq. ft. of flowering canopy over 2 levels

Investment Highlights

OPERATIONAL IMPROVEMENTS HAVE TRANSLATED TO DRAMATICALLY IMPROVED FINANCIAL PERFORMANCE

<i>In million of dollars</i>	ACTUAL 2019	ACTUAL 2020	YoY%	FORECAST 2021
Total Revenue	\$28.5	\$52.4	84%	\$90-100
Adjusted EBITDA ⁽¹⁾	\$(6.9)	\$10.3	NA	\$30-35

⁽¹⁾ Adjusted EBITDA is a non-IFRS financial measures that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

CANSORTIUM IS CAPITALIZING ON THIS SUCCESS AND PLAYING OFFENSE

- Recent debt and equity raise fortifies the balance sheet and provides additional growth capital
- Sixth largest footprint in Florida, which has one of the country's largest state medical cannabis programs
- Investing over \$20 million through 2022 to expand Florida's cultivation and dispensary network and increase operations in Michigan and Pennsylvania
- First-mover advantage in Texas provides high-value optionality

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we **speak** cannabis

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