



# Jushi

OTCMKTS: JUSHF | CSE: JUSH

May 2021



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## **CAUTIONARY NOTE REGARDING FUTURE-ORIENTED FINANCIAL INFORMATION**

To the extent any forward-looking statement in this presentation constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated market penetration and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking statements generally, are, without limitation, based on the assumptions and subject to risks as set out above under the heading “Forward Looking Statements”. The Company’s actual financial position and results of operations may differ materially from management’s current expectations and, as a result, the Company’s revenue and expenses may differ materially from the revenue and expenses profiles provided in this presentation. Such information is presented for illustrative purposes only and may not be an indication of the Company’s actual financial position or results of operations.



## Disclaimers

### Non-IFRS Measures

We define EBITDA as net income (loss), or “earnings”, before interest, income taxes, depreciation, and amortization. We define Adjusted EBITDA as EBITDA before: (i) fair value adjustments on biological assets and fair value adjustments on sale of inventory; (ii) share-based compensation expense; (iii) fair value changes in derivative warrants; (iv) net gain on business combination; (v) gains and losses on investments and financial assets; and (vi) pre-acquisition expense.

These non-IFRS measures are not recognized measures under International Financial Reporting Standards (“IFRS”) and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies.

Adjusted EBITDA is included as a supplemental disclosure because we believe that such measurement provides a better assessment of the Company's operations on a continuing basis by eliminating certain material non-cash items and certain other adjustments we believe are not reflective of the Company's ongoing operations and performance. Adjusted EBITDA has limitations as an analytical tool as it excludes from net income as reported interest, tax, depreciation, non-cash expenses, RTO expense, other income, grow cost expensed for biological assets and unsold inventory, and the non-cash fair value effects of accounting for biological assets and inventories. Because of these limitations, Adjusted EBITDA should not be considered as the sole measure of the Company's performance and should not be considered in isolation from, or as a substitute for, analysis of the Company's results as reported under IFRS. The most directly comparable measure to Adjusted EBITDA calculated in accordance with IFRS is operating income (loss).

### NO OFFERS

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

The securities of the Company described herein have not been and will not be registered under the United States federal or state securities laws and may not be offered or sold in the United States, or to, or for the account or benefit of, “U.S. Persons” as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), unless an exemption from registration is available. Prospective investors will be required to represent, among other things, that they meet the requirements of an available exemption from the registration requirements of the U.S. Securities Act and are familiar with and understand the terms of the offering and have all requisite authority to make such investment.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN PROVINCIAL SECURITIES REGULATOR PASSED ON THE ACCURACY OR ADEQUACY OF THIS PRESENTATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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## **Disclaimers**

### REGULATORY

Potential investors are aware that the cannabis market is highly regulated, and that various permits and authorizations are necessary for the import, distribution, sale or other business activities related to medicinal cannabis. The respective regulations can be subject to change, which might affect the permits required. This presentation does not intend to advertise the products of the Company. Any reference to the products serves only the information of potential investors and shall not incite the purchase of the products.

### TAXATION

Prospective investors should be aware that the purchase of securities of the Company or any entity related thereto may have tax consequences both in Canada and the United States. Each prospective investor is strongly encouraged to consult its own tax advisor concerning any purchase of securities of the Company or any entity related thereto and the holding and disposition of any such securities. This presentation does not address the tax consequences of the purchase, ownership or disposition of any such securities.

### MANAGEMENT CEASE TRADE ORDER

On April 21, 2021 Jushi announced that due to Jushi's auditor being unable to complete its audit procedures in advance of April 30, 2021, it will not be in a position to file its audited annual financial statements for the year ended December 31, 2020, the related management's discussion and analysis, related CEO and CFO certificates, and annual information form for the year ended December 31, 2020 (collectively, the "Required Filings") before the required deadline of April 30, 2021 (the "Filing Deadline"). The Company intends to work with its auditors to complete the audit and make these filings at the earliest possible date.

In light of these circumstances, the Company has applied for and obtained from the Ontario Securities Commission, as principal regulator for the Company, for the imposition of a management cease trade order ("MCTO") under National Policy 12-203 – Management Cease Trade Orders throughout the duration of the default. The management cease trade order will generally not affect the ability of persons who are not or have not been management of the Company to trade in its securities.

There can be no certainty when the Required Filing will be made. If the Required Filings are not made within 60 days of the Filing Deadline or if Jushi fails to satisfy the ongoing conditions applicable to the MCTO, the Canadian securities regulatory authorities may impose a cease trade order on the securities of Jushi, which would restrict all trading in securities of Jushi and which could materially impact the Company.

### COPYRIGHT

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### CURRENCY

All references to \$ or "dollar" in this presentation are references to USD, unless otherwise indicated.

# Officers



## Experienced Talent Leading Buildout and Execution



**Jim Cacioppo**

CEO, Chairman & Founder



**Erich Mauff**

President, Board Member  
& Founder



**Jon Barack**

President & Founder



**Kimberly Bambach**

Chief Financial Officer

# Management Team



## Experienced Talent Leading Buildout and Execution



**Olivier Blechner**

EVP, Business Development



**Ryan Cook**

EVP, Operations



**Tobi Lebowitz**

EVP, Co-Head of Legal Affairs



**Matt Leeth**

EVP, Co-Head of Legal Affairs



**Andreas Neumann**

Chief Creative Director



**Michael Perlman**

EVP, Investor Relations & Treasury



**Daniel Swasbrook**

President, Jushi Europe



**Nicole Upshaw**

EVP, Human Resources



**Trent Woloveck**

Chief Commercial Director

# Jushi at a Glance



## Targeted Footprint



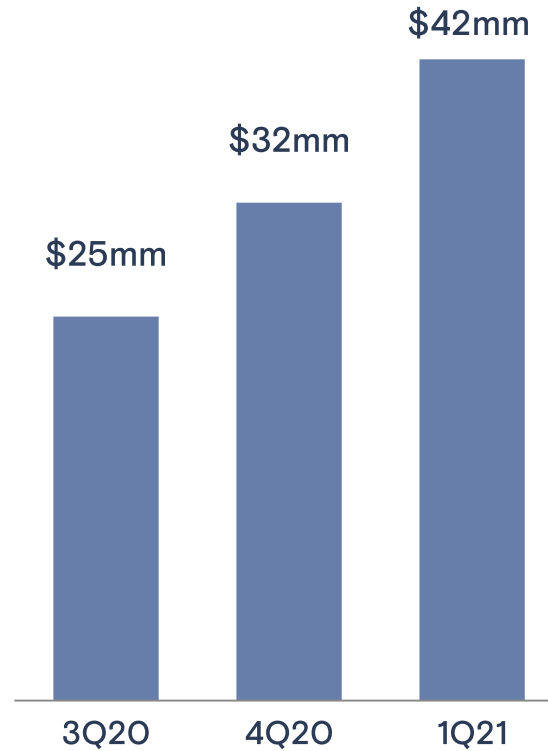
**18**  
open stores

**16**  
planned stores<sup>(1)</sup>

**5**  
cultivation<sup>(1)</sup>

**5**  
extraction & processing<sup>(1)</sup>

## Strong Sequential Revenue Growth



## Solid Balance Sheet (as of 3/31/21)



**~\$168mm**  
cash, cash equivalents and  
short-term investments



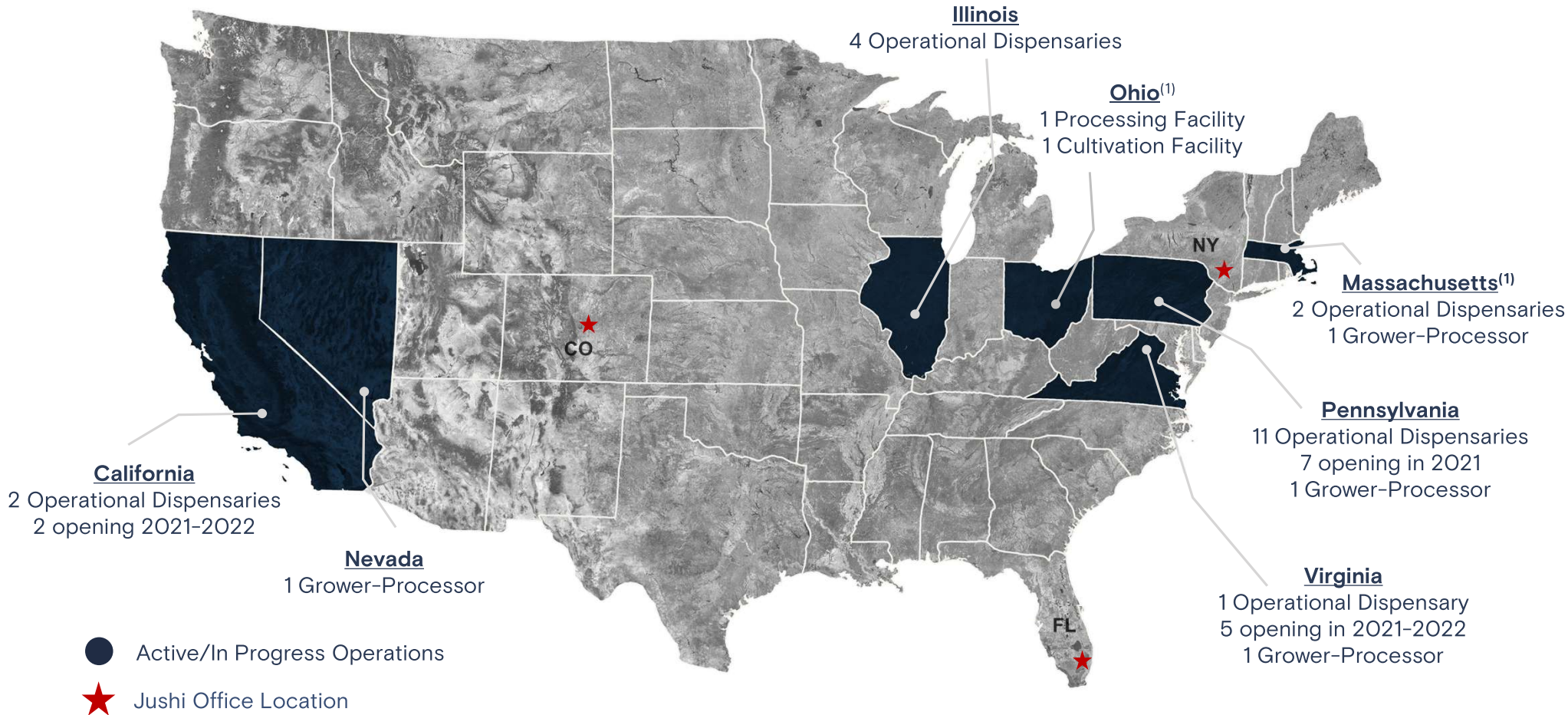
**~\$398mm**  
raised since inception



**~\$47mm**  
raised by founders/insiders

(1) Includes assets under a Management Services Agreement and/or under a Definitive Agreement

# Our National Footprint



**34**

Cannabis Retail<sup>(1)(2)</sup>

**05**

Cultivation<sup>(1)</sup>

**05**

Extraction & Processing<sup>(1)</sup>

**03**

Offices

**774**

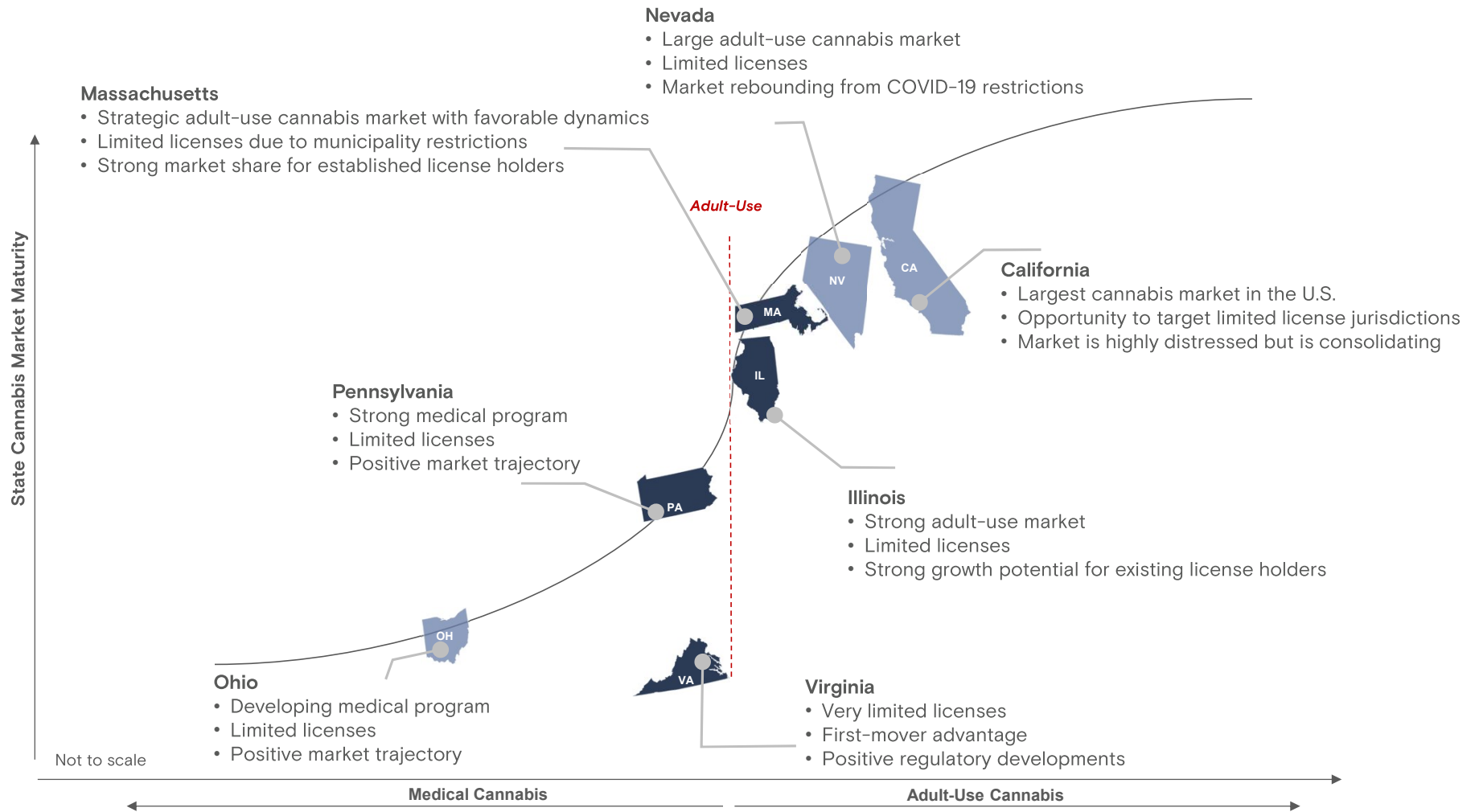
Team Members

(1) Includes assets under a Management Services Agreement and/or under a Definitive Agreement

(2) Includes 18 open retail locations, 14 planned openings and two operating locations under definitive agreement



# Strategic Market Selection - Attractive adult-use and limited license medical markets



**Core Markets**

**VIRGINIA**

**PENNSYLVANIA**

**ILLINOIS**

**MASSACHUSETTS**

# Virginia Market



## Overview<sup>(3)</sup>

- Population: 8.5 million
- Flower to be added to medical program in October '21
- Adult-use commercial sales commencing January '24
- Medical market, very limited licenses
  - 5 pharmaceutical processors, 4 operational
  - 6 retail per HSA, 30 total

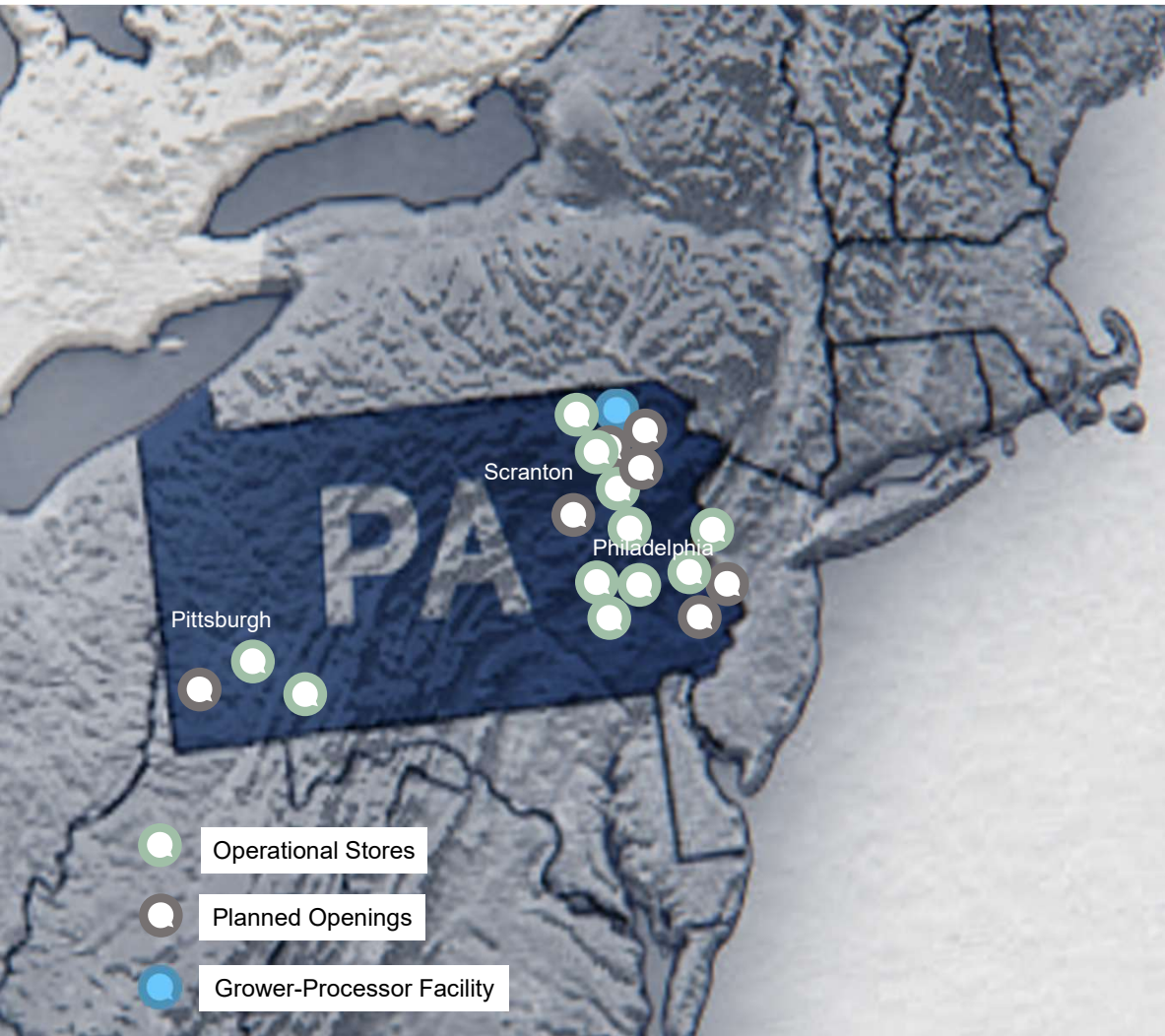
## HSA II<sup>(3)</sup>

- 2.5 million people in HSA II
- Median age of 37 years
- Smallest geographic HSA, most densely populated, and home to 5 of Virginia's 10 wealthiest neighborhoods

## Jushi Assets in HSA II<sup>(3)</sup>

- One operational medical dispensary
- Opening five additional BEYOND/HELLO™ branded dispensaries in 2021-2022
- Vertical integrated facility is operational
  - 93,000 sq. ft. modular build-out
  - 30,000 sq. ft. initially built-out

# Pennsylvania Market



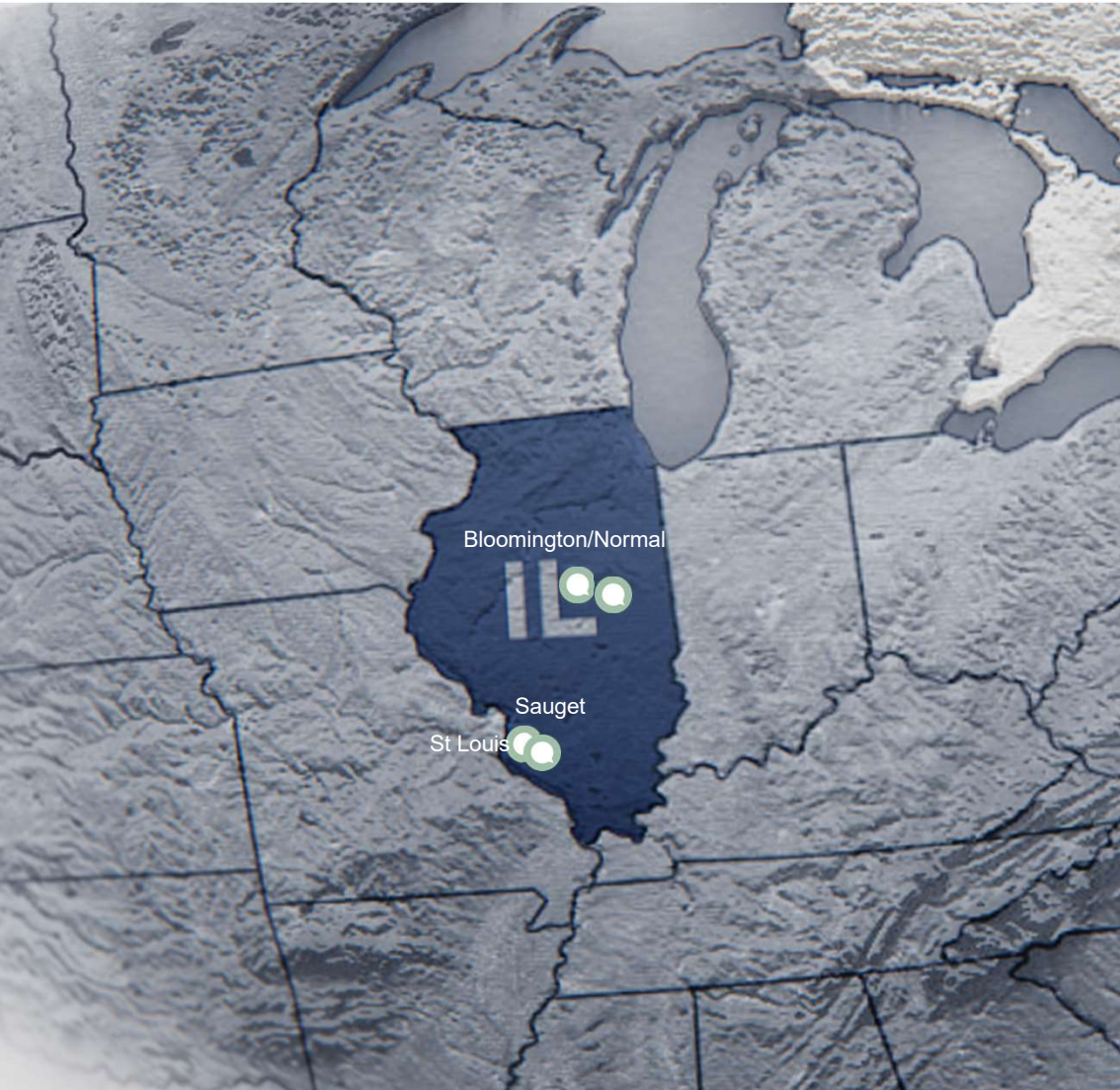
## Overview<sup>(4)</sup>

- Population: 12.8 million
  - ~553,000 medical patients and caregivers
- Medical market, high barrier to entry, limited licenses
  - 150 retail licenses / 25 grower processor licenses
  - Clinical registrant program allowing an additional 48 retail and 8 grower processors

## Jushi Assets

- 11 operational medical dispensaries
  - Planning to open seven additional dispensaries in 2021
- 89,000 sq. ft. grower-processor facility expanding to ~190,000 sq. ft. by Q2 2022
  - Canopy to increase to ~110,000 sq. ft.

# Illinois Market



## Overview<sup>(5)</sup>

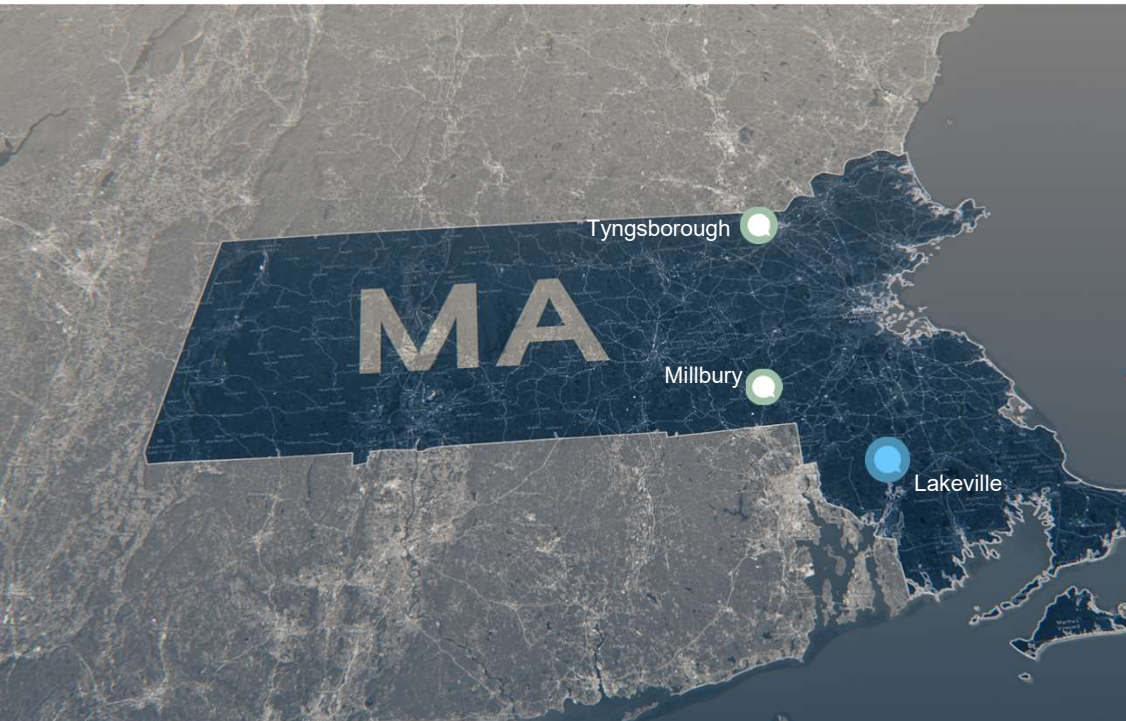
- Population: 12.7 million
- Commenced adult-use sales on Jan 1, 2020
  - Projected 2021 annual run rate of \$1.3 billion\*
  - Projected to reach \$2.5 billion in annual sales at market maturity
- 110 dispensary licenses; applications for an additional 75 licenses in process
- 21 grower-processor licenses

## Jushi Assets<sup>(5)</sup>

- **Sauget:**
  - Two operational dispensaries
  - Located in Metro East Illinois
  - Second largest urban area in Illinois
- **Bloomington-Normal:**
  - Two operational dispensaries
  - Millennial hub and college town
  - 36 miles away or 40-minute drive to nearest competitor

\*Annualized March 2021 revenue of \$109 million

# Massachusetts Market



## Overview<sup>(6)</sup>

- Population: 6.9 million
- Commenced adult-use sales in late 2018
- Projected to reach \$1.1 billion in annual revenue by 2022
- ~67% of municipalities prohibit cannabis businesses
- Current operating licenses
  - 127 retail / 42 processing / 47 cultivation

## Jushi Assets\*

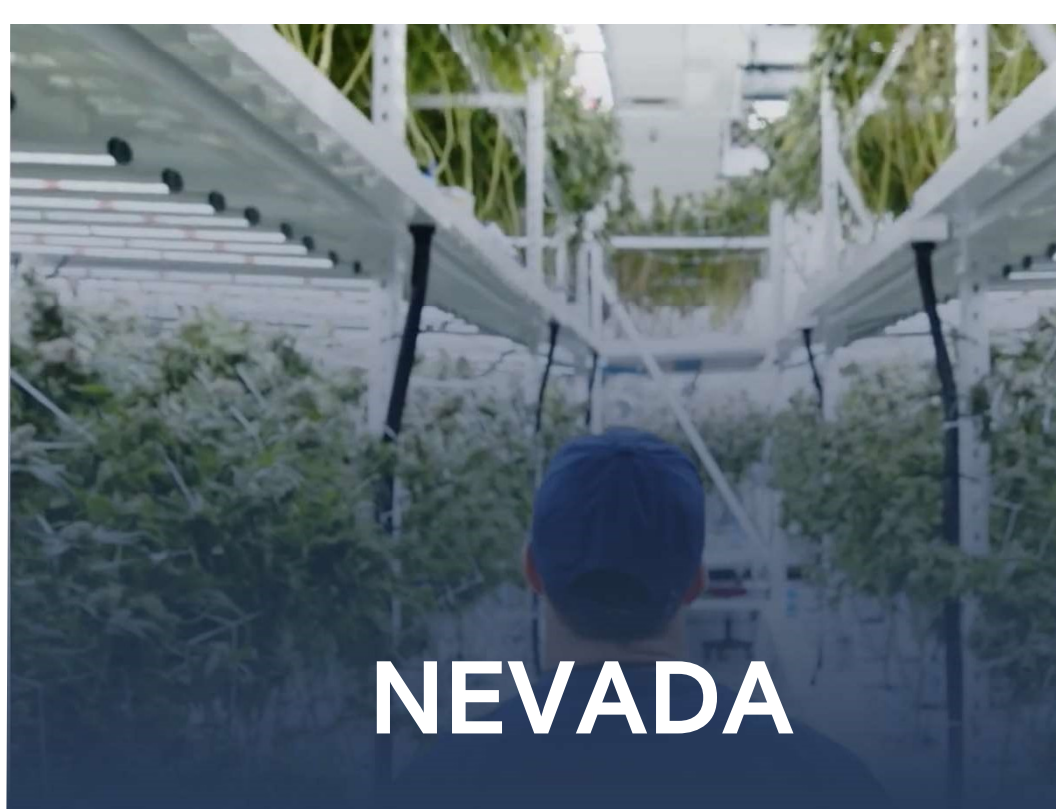
- One operational adult-use dispensary in Millbury, MA
  - Near largest open-air shopping center in Central MA
- One operational adult-use dispensary in Tyngsborough, MA
  - Close proximity to Pheasant Lane Mall, one of the largest malls in NH
- 50,000 sq. ft. grower-processor facility
  - Canopy of approx. 19,500 sq. ft. with plans to expand to approx. 31,000 sq. ft. in 2H21

\*Under a Definitive Binding Agreement



Developing Markets

OHIO



NEVADA



CALIFORNIA

# Developing Markets



## Ohio Market



### Overview<sup>(7)</sup>

- Population 11.7 million
  - Over 176,000 registered patients
- Limited license medical market
  - 57 retail (expanding to 130)/48 processing/34 cultivation

### Jushi Assets

- 8,000 sq. ft. CO2 extraction facility with a processing capacity of 32,000 lbs. of biomass annually\*
- Cultivation facility with 3,000 sq. ft. of initial grow space. Plans for up to 9,000 sq. ft. if permitted\*\*

\* Under a Management Services Agreement

\*\* Under a Definitive Binding Agreement

## Nevada Market



### Overview<sup>(7)</sup>

- Population 3.2 million
  - Large tourism impact
- Adult-use and medical market

### Jushi Assets

- Cultivation, production and distribution facility
  - 2,500 lbs. of high-quality dry flower annually
  - Plans to combine two 7,500 sq. ft. buildings and scale operations
- Partners with third-extractors to sell Jushi branded products wholesale

## California Market



### Overview<sup>(7)</sup>

- Population 39.5 million
  - Largest U.S. cannabis market
- Limited license jurisdictions
  - ~70% of counties don't allow cannabis businesses

### Jushi Assets

- Santa Barbara: 1 of 3
  - Near Loreto Plaza
- Palm Springs
  - +14 million tourist annually
- Grover Beach: 1 of 4 (opening in Q3'21)
  - Annual tourist population of ~2.2 million
- Culver City: 1 of 3 (opening Q2'22)
  - ~70,000 cars pass location per day



# Brand Portfolio



## **THE BANK** FLOWER + GENETICS

The Bank is an award-winning cannabis brand focused on superior plant genetics and cultivation.



## **THE LAB** CONCENTRATES

The Lab creates award-winning, high-quality, precision vape products and concentrates through advanced technology, creativity and innovation.



## **TASTEOLGY**

Tasteology is a high-quality, THC infused edible brand focused on great taste and predictable effects.



## **SÈCHE**

Seche is a new category that refines the perception of value products like Fine Grind and Fine Flower.



## **Nira+** Medicinals

Nira crafts hemp-based CBD products that are physician-formulated and produced with full-spectrum hemp.



## **Nira**

Nira crafts hemp-based CBD products that are physician-formulated and produced with full-spectrum hemp.

## Driving Online Revenue Growth Through Best-In-Class Customer Experience

Percent of Total Sales Online

**72%**

Q4 2020

Online Conversion Rate

**7.5%**

Q4 2020

New Daily Customers

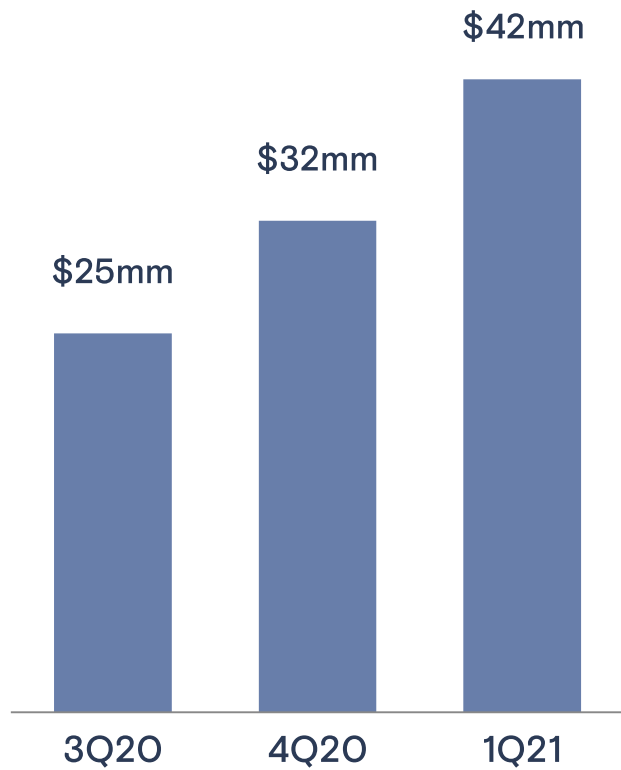
**560**

Q4 2020 Average

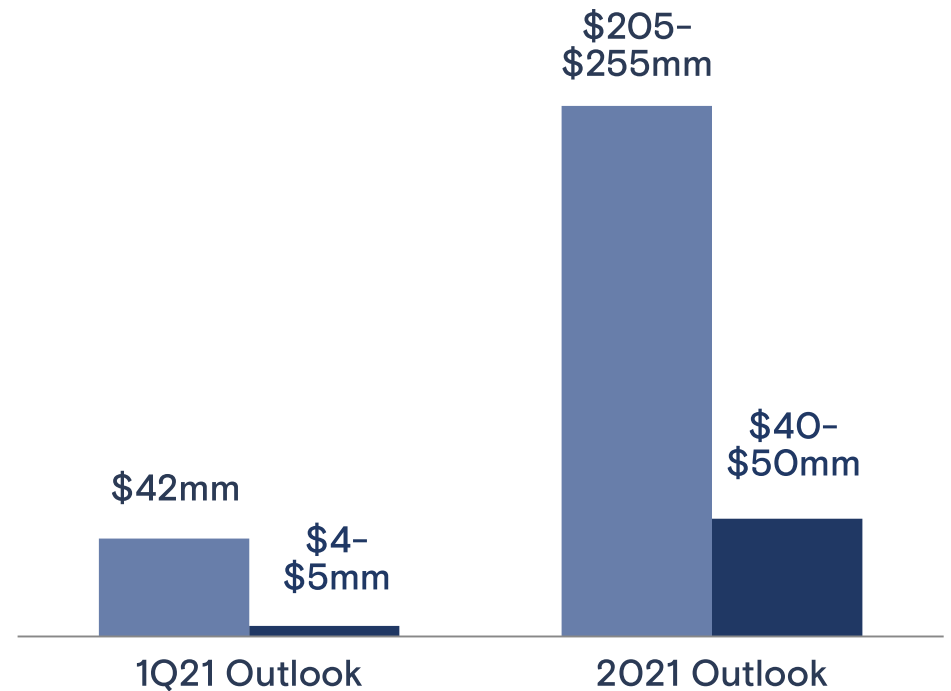
# Financial Performance & Outlook



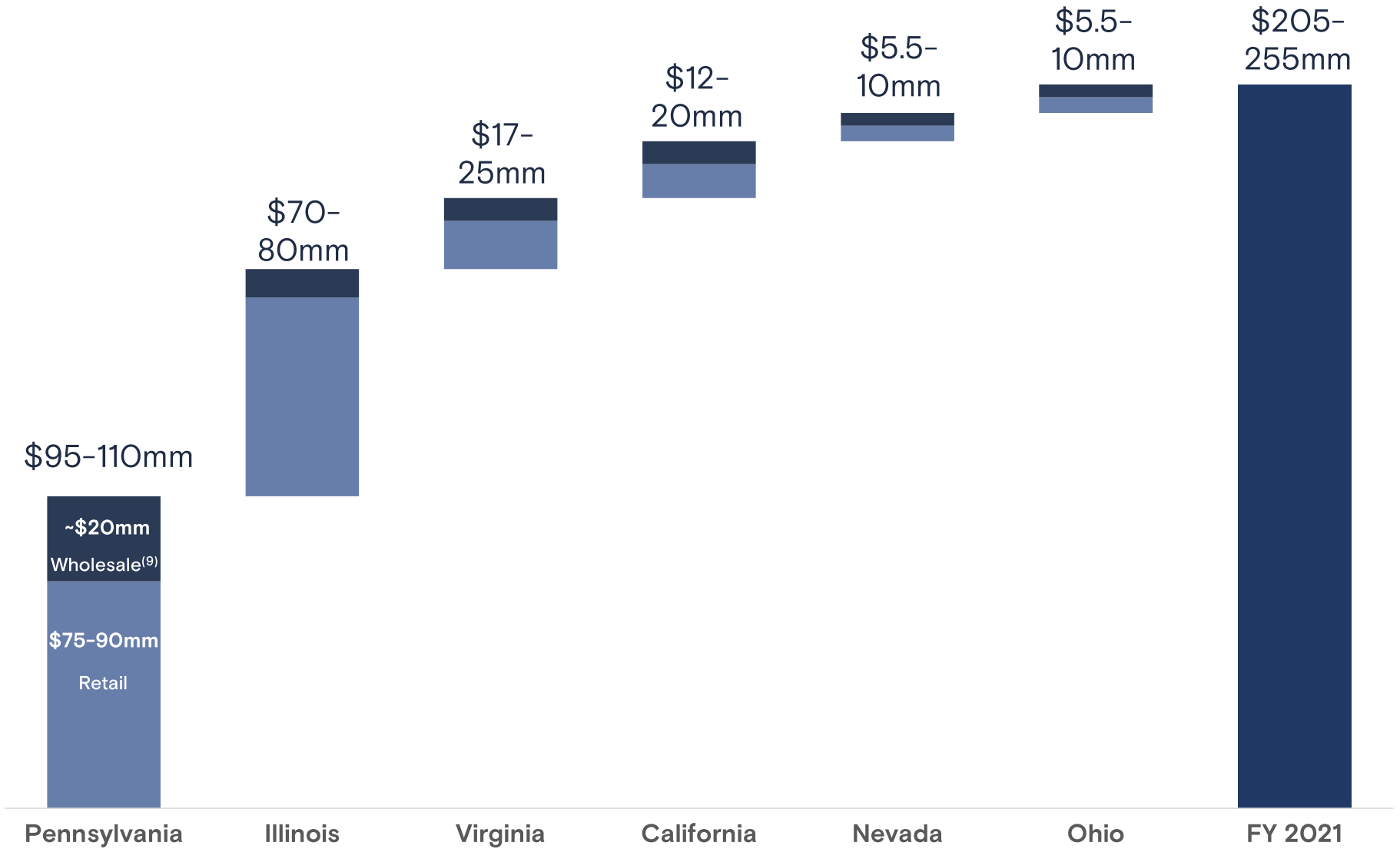
## Strong Sequential Revenue Growth



## Revenue and Adj EBITDA Outlook Estimates<sup>(8)</sup>



# Fiscal Year 2021 Revenue Outlook\*



\*As published on October 1, 2020

# Share Count Analysis



Share Price (USD)	\$6.00	\$6.50	\$7.00	\$7.50	\$8.00	\$8.50	\$9.00
Super Voting Shares (a)	14.9	14.9	14.9	14.9	14.9	14.9	14.9
Multiple Voting Shares (a)	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Subordinate Voting Shares	150.5	150.5	150.5	150.5	150.5	150.5	150.5
<b>Total as-converted basic shares</b>	<b>169.4</b>	<b>169.4</b>	<b>169.4</b>	<b>169.4</b>	<b>169.4</b>	<b>169.4</b>	<b>169.4</b>
Cash Warrants (b)	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Cashless Warrants (c)	55.6	56.6	57.5	58.2	58.9	59.5	60.0
Stock Options (d)	6.4	6.6	6.9	7.0	7.2	7.3	7.5
<b>Fully Diluted Shares (TSM)</b>	<b>237.3</b>	<b>238.6</b>	<b>239.7</b>	<b>240.6</b>	<b>241.5</b>	<b>242.2</b>	<b>242.8</b>

a) Super Voting Shares are consolidated 1:100 on balance sheet (149k shares total) and have 10 votes per as-converted share. Multi Voting Shares are unconsolidated and have 10 votes per as-converted share.

b) Cash Warrants are shown on an in-the-money basis.

c) Cashless Warrants are shown on a treasury stock method valuation (TSM); Weighted Average Strike Price at \$6.00 is \$1.15

d) Stock Options shown on a TSM valuation.

# Liquidity Metrics



Cash (a)

\$168mm

Total Debt (b)

\$82mm

Market Capitalization (150.56mm SVS)<sup>(c)</sup>

\$997mm

Market Capitalization (169.46mm SVS as converted)<sup>(d)</sup>

\$1,122mm

Market Capitalization (255.13mm SVS as converted and fully diluted basis)<sup>(e)</sup>

\$1,490mm

(a) Includes cash, cash equivalents and short-term investments as of March 31, 2021

(b) As of April 15, 2021, excluding leases and property, plant and equipment financing obligations.

(c) An approximate 150.56 million of subordinate voting shares x \$6.62 (Share price as of 5/7/21)

(d) An approximate 169.46 million of subordinate voting shares (as converted) x \$6.62 (Share price as of 5/7/21)

(e) An approximate 255.13 million of subordinate voting shares (as converted and fully diluted basis) x \$6.62 (Share price as of 5/7/21)



# Endnotes



- (1) Includes assets under a Management Services Agreement and/or under a Definitive Agreement
- (2) Includes 18 open retail locations, 14 planned openings and two operating locations under definitive agreement
- (3) <https://www.census.gov/quickfacts/VA> (population); <https://www.dhp.virginia.gov/pharmacy/PharmaceuticalProcessing/> (info on program); Virginia Board of Pharmacy rescinded the license for HSA I due to inactivity (reason for four instead of five licenses); <https://lis.virginia.gov/cgi-bin/legp604.exe?212+sum+SB1406> (legislation); <https://lis.virginia.gov/cgi-bin/legp604.exe?212+sum+SB1333> (legislation); <https://www.mpp.org/states/virginia/> (legislation); <https://norml.org/blog/2021/02/23/virginia-legislature-passes-measure-permitting-dispensing-of-herbal-medical-cannabis/> (legislation); ESRI (demographics)
- (4) <https://www.census.gov/quickfacts/PA> (population); <https://www.health.pa.gov/topics/programs/Medical%20Marijuana/Pages/Dispensaries.aspx> (info on dispensaries); <https://www.health.pa.gov/topics/programs/Medical%20Marijuana/Pages/Growers-Processors.aspx> (info on grower-processors); <https://www.governor.pa.gov/newsroom/medical-marijuana-program-celebrates-five-year-anniversary-continues-commitment-to-patients-in-pennsylvania/> (patient count on 4/17/2021 and sales info)
- (5) <https://www.census.gov/quickfacts/fact/table/IL/PST045219> (population); <https://www.idfpr.com/profs/adultusecan.asp> (info on program); <https://mjbizdaily.com/illinois-11th-state-to-legalize-adult-use-cannabis-2-billion-market-projected/> (sales projections); <https://www.idfpr.com/Forms/AUC/IDFPR%20monthly%20adult%20use%20cannabis%20sales.pdf> (March 2021 sales); ESRI (demographic info)
- (6) <https://www.census.gov/quickfacts/MA> (demographics); public filings, Canaccord Genuity equity research, Arcview: The State of Legal Cannabis Markets 8E, Cannabis Control Commission; <https://masscannabiscontrol.com/licensing-tracker/> (license count)
- (7) <https://www.census.gov/quickfacts/fact/table/NV,OH/PST045219> (population for OH and NV); <https://medicalmarijuana.ohio.gov/Documents/ProgramUpdate/program%20update.pdf> (Ohio program stats); <https://www.census.gov/quickfacts/fact/table/CA/PST045219> (population for CA); <https://www.latimes.com/opinion/op-ed/la-oe-grabstein-cannabis-retail-deserts-ban-marijuana-california-20190528-story.html> (CA cannabis business bans); <https://www.palmspringslife.com/palm-springs-tourism/> (Palm Springs tourism); <https://sanluisobispoguide.com/pismo-beach/> (Grover Beach tourism)
- (8) Adjusted EBITDA is a non-IFRS financial measure. Please refer to, “Reconciliation of Non-IFRS Measures” of the Company’s Q3 MD&A for adjusted EBITDA calculations
- (9) Wholesale revenue only. An additional \$15-25 million sold through Jushi’s BEYOND/HELLO dispensaries



INTRODUCING

JUSHI

# Jushi

BOCA RATON • DENVER • NYC

INVESTOR presentation  
version 02

## Contact Information

the future of cannabis and hemp

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## Risk Factors

An investment in the securities described herein is speculative and involves a number of risks that should be considered by a prospective investor. Prospective investors should carefully consider the risk factors described under “Risk Factors” in the Appendix at the end of this presentation and those contained in the Company’s Management Discussion & Analysis (“MD&A”) dated September 30, 2020, as filed on SEDAR, before investing in the Company and purchasing the securities described herein.

### UNCERTAINTY CAUSED BY NEW AND CHANGING REGULATORY FRAMEWORK

There is substantial uncertainty regarding federal, state and local regulation of both cannabis and hemp described more fully in the Risk Factors contained in the MD&A. Federal, state and local governments are developing new regulations and amending current regulations, of which some are subject to varying interpretations, under which the Company is and/or will operate. Accordingly, there is uncertainty as to the restrictions placed on the Company and the industry. If these uncertainties continue, they may have an adverse effect upon the introduction of the Company’s products in different markets.

### BANKING LIMITATIONS NEGATIVELY IMPACT BUSINESS IN THE CANNABIS INDUSTRY

The terms cannabis and marijuana are terms generally used to describe the products and derivatives of the cannabis plant. The use of those terms varies by federal, state and local regulators and in federal, state and local laws, rules, regulations and ordinances and can create confusion. The possession and use of cannabis for any purposes is illegal under federal law. Therefore, there is a strong argument that banks cannot, and they typically do not, accept for deposit funds from the drug trade and therefore cannot do business with businesses engaged in the production, sale or distribution of cannabis, as well as businesses that provide products and services to these businesses, despite the fact that the activities in which these businesses engage may be legal under applicable state law. While the Company currently has a banking relationship, there can be no assurances that the Company will be able to maintain this relationship. On February 14, 2014, FinCEN released guidance to banks clarifying BSA expectations for financial institutions seeking to provide services to cannabis-related businesses.” Even with the FinCEN guidance, however, there can be no guaranty that banks will decide to do business with businesses in the cannabis industry, or that, in the absence of actual legislation, state and federal banking regulators will not strictly enforce current prohibitions on banks handling funds generated from an activity that is illegal under federal law. The inability of businesses operating in the cannabis industry to open accounts and otherwise use the services of banks may make it difficult for such businesses to prosper and expand, which could have a significant and negative impact on such businesses and their operations and financial condition.

### SCIENTIFIC RESEARCH RELATED TO THE BENEFITS OF CANNABIS REMAINS IN EARLY STAGES IS SUBJECT TO A NUMBER OF IMPORTANT ASSUMPTIONS, AND MAY PROVE TO BE INACCURATE

Research in Canada, the United States and internationally regarding the medical benefits, viability, safety, efficacy and dosing of cannabis or isolated cannabinoids remains in early stages. To the Company’s knowledge, there have been relatively few double-blind placebo-controlled clinical trials on the benefits of cannabis or isolated cannabinoids. Any statements made in this Presentation concerning cannabis’s or cannabinoids’ potential medical benefits are based on published articles and reports. As a result, any statements made in this Presentation are subject to the experimental parameters, qualifications, assumptions and limitations in the studies that have been completed.

Although the Company believes that the articles and reports, and details of research studies and clinical trials that are publicly available reasonably support its beliefs regarding the medical benefits, viability, safety, efficacy and dosing of cannabis, future research and clinical trials may prove such statements to be incorrect or could raise concerns regarding and perceptions relating to cannabis. Given these risks, uncertainties and assumptions, prospective purchasers under investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Presentation or reach negative conclusions regarding the viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could materially impact the Company.

### TAXATION

Prospective investors should be aware that the purchase of securities of the Company or any entity related thereto may have tax consequences both in Canada and the United States. Each prospective investor is strongly encouraged to consult its own tax advisor concerning any purchase of securities of the Company or any entity related thereto and the holding and disposition of any such securities. This presentation does not address the tax consequences of the purchase, ownership or disposition of any such securities.