

TSXV: **LOVE** | OTCQB: **LOVFF** | FRA: **8CB0**

cannara

**PREMIUM-GRADE CANNABIS
AT SCALE**

INVESTOR DECK
FISCAL 2024 (AS OF AUGUST 31, 2024)





General

Disclaimer

This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in the Company's most recent Annual Information Form, as well as in the Company's most recent consolidated financial statements, together with the notes thereto and, where applicable, the auditor's report thereon (collectively, the "Financial Statements"), as well as the management's discussion and analysis (the "MD&A") in respect thereof. Copies of all such documents are available under Cannara's SEDAR+ profile on www.sedarplus.ca

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In this presentation, the following non-GAAP measures, non-GAAP and other supplementary financial ratios are used by the Company: adjusted EBITDA, free cash flow, working capital, segment gross profit before fair value adjustments as a percentage of segment net revenue, segment gross profit as a percentage of segment net revenue, segment operating income as a percentage of segment net revenue, gross profit as a percentage of total revenues and adjusted EBITDA as a percentage of net revenue. Management of the Company ("Management") employs these measures internally to measure operating and financial performance. Management believes that these non-GAAP and other financial measures provide useful information to investors and analysts regarding the Company's financial condition and results of operations as they provide additional key metrics of its performance. These non-GAAP and other financial measures are not recognized under IFRS, do not have any standardized meaning prescribed under IFRS and may differ from similarly named measures as reported by other issuers, and accordingly may not be comparable. These measures should not be viewed as a substitute for the related financial information prepared in accordance with IFRS.

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Forward-Looking Statements

This presentation may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this presentation and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation. Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, the Company and its operations, its projections or estimates about its future business operations, its planned expansion activities, anticipated product offerings, the adequacy of its financial resources, the ability to adhere to financial and other covenants under lending agreements, future economic performance, and the Company's ability to become a leader in the field of cannabis cultivation, production, and sales.

In certain cases, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might" or "will be taken," "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may," "future," "expected," "intends" and "estimates." By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in, or implied by, such forward-looking information. These risks and uncertainties include, but are not limited to, the following risk factors which are discussed in greater detail under "Risk Factors" in the Company's AIF available on SEDAR+ at www.sedarplus.ca and under the "Investor Area" section of our website at <https://www.cannara.ca/en/investor-area>: compliance with laws, reliance on licenses, costs associated with numerous laws and regulations, change in laws, regulations, and guidelines, competition, competition from the illicit market, risks related to Canadian excise duty framework, insurance and uninsured or uninsurable risk, key personnel, labour costs, labour shortages, and labour relations, liquidity and future financing, conflicts of interest, litigation risk, intellectual property, IT and security risk, agricultural and cannabis operations, third-party transportation disruptions, commodity price risks, fluctuating prices of raw materials, environmental and employee health and safety regulations, restrictions on promotion and marketing, unfavorable publicity or consumer perception, significant ownership interest of management, directors, and employees, speculative nature of investment, global economy risk, risks related to the ownership of the common shares, forward-looking statements and risks, volatility of common shares market price, non-payment of dividends, future sales of common shares, unlimited issuance of common shares without shareholder approval, fluctuations in operating results, lack of research analyst coverage, limited control by shareholders over operations and risks related to internal controls over financial reporting.

This is not an exhaustive list of risks that may affect the Company's forward-looking statements. Other risks not presently known to the Company or that the Company believes are not significant could also cause actual results to differ materially from those expressed in its forward-looking statements. Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, readers are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information concerning the availability of capital resources, business performance, market conditions, as well as customer demand. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and the Company disclaims any intention to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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Corporate Overview

Vertically-integrated Licensed Producer of premium-grade cannabis and cannabis-derivative products



Canada's 8th Top LP by sales¹
(3rd in Quebec)



4th largest producer based
on facilities square footage
(Largest in Quebec)



3 flagship brands: Tribal,
Nugz, and Orchid CBD



Current annualized production run
rate of 33,500kg
(as of August 2024)



Total owned potential production
capacity of up to 100,000kg of
annualized cultivation output



Financials

- YTD gross cannabis revenues before excise taxes of \$110.2M and Net income of \$6.4M
- 14 straight quarters of positive EBITDA²: \$3.7M for Q4 2024
- \$10.7 million of positive operating cash flow for FY2024



October 2024
National Market Share³

3.8%

Canadian market expected to
reach US\$6.58 billion by 2029⁴

High quality cannabis at disruptive low retail pricing. Positioned
to become the leading Canadian cannabis house of brand for
consumers

¹According to Hifyre data for periods up to October 2024 in all listed provinces, except for Quebec, where Weed Crawler was deemed more accurate.

²Adjusted EBITDA is a non-GAAP financial measure. Please refer to the "Non-GAAP and Other Financial Measures" section of the disclaimer in this presentation. A reconciliation of adjusted EBITDA to net income is included in the "Selected Financial Information" section of the management report

³According to Hifyre data, October 2024.

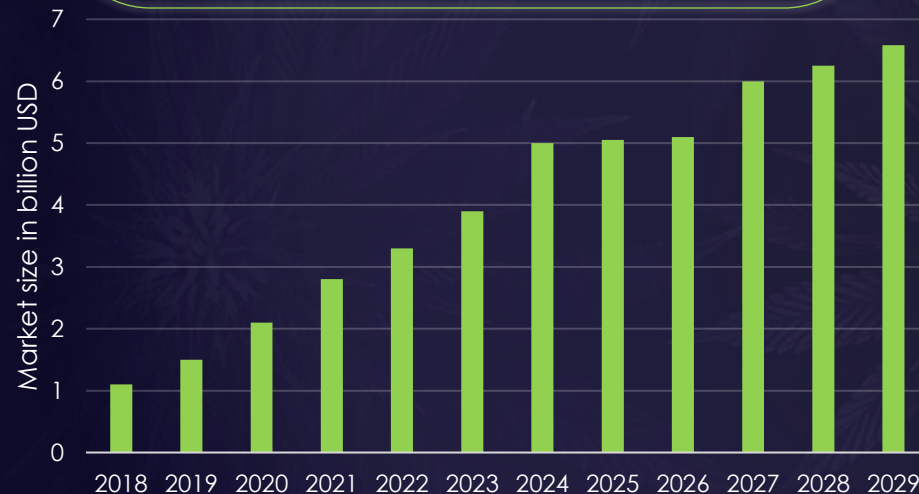
⁴Statista Market Insights, mars 2024, USD \$



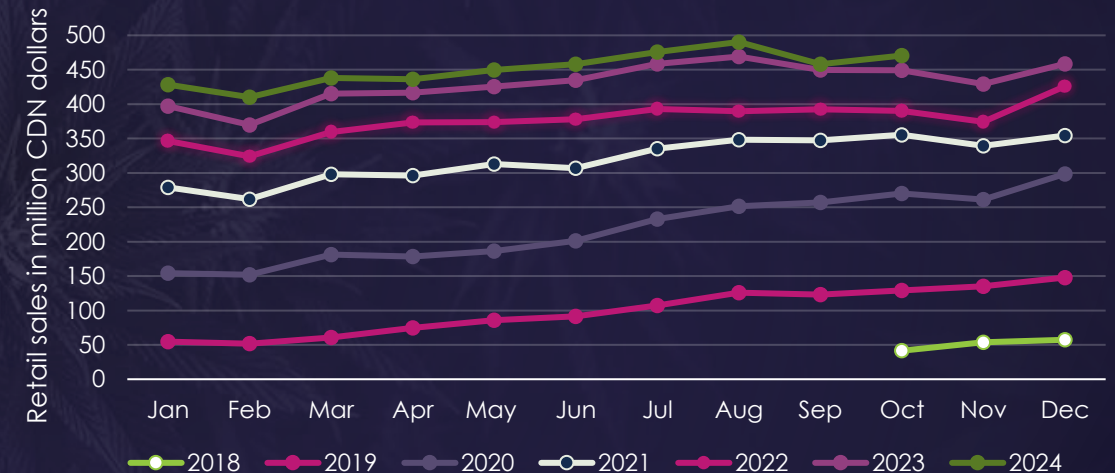
Canadian Recreational Cannabis Market

2ND Largest Cannabis Market in the world

Legal Cannabis Market expected
to reach
US\$6.58 billion by 2029¹



Monthly Retail Sales of Legal
Cannabis Stores in Canada from
October 2018 to October 2024²



- Cannara's market share in Quebec is approx. 12.6%, 2.6% in Ontario, 2.3% in Alberta, 1.5% in BC, 1.9% in Saskatchewan and growing³.
- Currently can produce 33,500 kg of premium-grade cannabis per year and growing to a capacity of 100,000 kg per year.
- Expect to capture significantly more market share as capacity scales and as sales strategies are deployed in new and existing markets.

¹ Statista Market Insights, March 2024, USD \$

² As reported by Hifyre, November 2024

³ As reported by Hifyre data for periods up to October 2024 in all listed provinces excluding Quebec where Weed Crawler was deemed more accurate.



Two Quebec Based Mega Facilities

Completely automated equipped with cutting edge technologies



Farnham Facility

- 625,000 sq. ft. facility provides 170,000 sq. ft. of cannabis operation.
- 11 indoor grow rooms (22,000 sq. ft.) dedicated to cultivation as well as dedicated packaging and cannabis processing rooms.

Valleyfield Facility

- One of the largest indoor cannabis cultivation facilities in Canada
- 24 independent growing zones, each measuring 25,000 sq. ft.
- 1,033,506 sq. ft. on 3,000,000 sq. ft. of land.
- Provides ability to expand output capacity to 100,000kg

Each activated zone has been designed to replicate indoor growing conditions eliminating variability and maximizing quality.

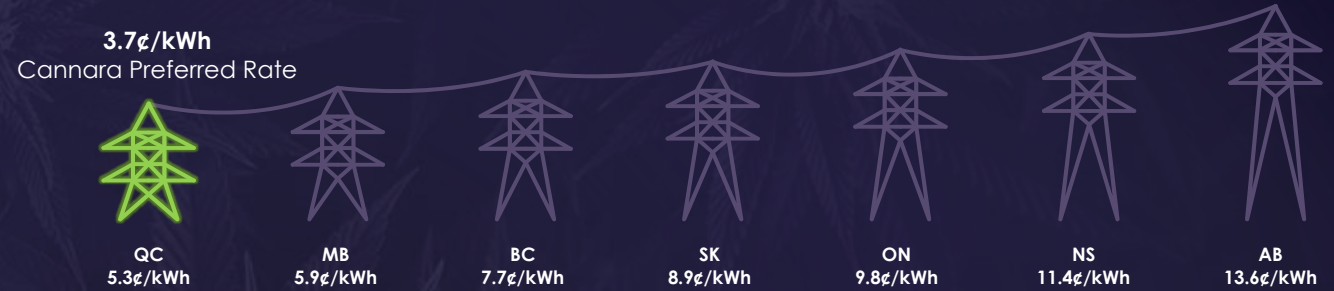


Why Quebec

Quebec has the **lowest electricity rates** in Canada

(QC: 5.3¢/kWh vs. AB: 13.6¢/kWh)

Average Electricity Rates By Province In Cents Per Kw Hour



Quebec has the **highest barriers of entry** resulting in the **lowest number of Licensed Producers** in the market.



ONTARIO
346 PRODUCERS



ALBERTA
241 PRODUCERS



BRITISH COLUMBIA
76 PRODUCERS



QUEBEC
67 PRODUCERS

Quebec has the **fourth largest cannabis retail market** despite being serviced by the fewest number of brands, licensed producers, and retail outlets.

Jun '24 To Aug '24 (Q4 2024) Cannabis Sales By Province (in Millions)

\$558.7 MILLION



ONTARIO
1666 STORES

\$241.2 MILLION



ALBERTA
699 STORES

\$223.3 MILLION



BRITISH COLUMBIA
470 STORES

\$198.1 MILLION



QUEBEC
100 STORES



Competitive Advantage



Quality, Scalability & Transparency

- Deliver true to craft like procedures including hang drying and hand trimming cannabis to ensure quality.
- Scalability of its premium-grade cannabis by growing in 25,000 sq ft zones provides optimal control conditions as compared to an open concept greenhouse.
- Transparency across all product labels by providing consumers with harvest dates, terpene percentages, production details and strain phenotypes for each lot.



Price Competitiveness

- Maintain a value-based pricing approach without compromising quality.
- Significant cost advantages due to Quebec's low cost of electricity, utilities and labour.



Community Responsiveness

- Active strategy to be very responsive with the community of consumers and retailers including launch of Discord community.



Innovation in Products & Genetics

- Continue to innovate with new product launches.
- Identify unique THC and CBD cultivars to fill whitespaces in the current market.
- Exclusive brand partnership with 50-time award-winning US-based cannabis breeder, cultivator and hash maker, Exotic Genetix.



Thought Leadership & Awards

Driven by its pursuit for customer satisfaction and a commitment to delivering value.

- Brand of the Year 2023 and 2024 – TRIBAL
- Vape and Concentrate Product of the Year 2024 – TRIBAL Cuban Linx
- Terpene Profile of the Year 2023 - TRIBAL
- CBD Product of the Year 2023 – ORCHID CBD Runtz
- Best Packaging Design – 2023

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Delivering Premium Quality Cannabis

Focusing on high cannabinoid content and rich flavourful cannabis

Our cannabis is grown using methods inspired by the most sophisticated markets in the world:



Rare genetics

Cannabis flower rich in cannabinoids and terpenes



Hang dried & slow cured

Producing cannabis buds that are highly fragrant, visually appealing, and very enjoyable to smoke



Quality

- Premium cannabis
- Hang dried, slow cured at-scale



Accessibility

- Disruptive low pricing



Brand culture

- Authentic brand culture
- Transparency
- Consumers become ambassadors



Portfolio of Brands



Welcome to Tribal, Cannara's house of genetics flagship brand. With a Canadian exclusive partnership with renowned US breeder Exotic Genetix, Tribal calls on consumers to enjoy the journey of new genetics across a variety of products, from dried flower and pre-rolls to full spectrum extracts and live resin vape carts. Premium quality at everyday prices.



Nugz, your legacy dealer gone legal, has two staple flower offerings in addition to rotational offerings from Cannara's grow houses and solventless concentrates. Flavour, potency, and premium quality bulk value are key attributes — when Nugz shows up its high-fives and good times all around!



Orchid CBD is changing the perception of cannabis by being the better choice for consumers looking for premium, CBD rich and balanced cannabis products. When it comes to flower, pre-rolls, and live resin vapes, Orchid CBD offers Canada's CBD Runtz, Canada's #1 CBD rich genetic bred by Exotic Genetix. Our flower is hang-dried, slow cured, hand trimmed, and never irradiated, just like all the flower grown at Cannara.



Cannara Strategy

Delivering a premium-quality product at scale and at lower prices for consumers is at the heart of our strategy



Purposeful growth by focusing on the Canadian legal market that is expected to reach US\$6.58 billion by 2029¹



Respond to market demand by increasing production capacity and sales to reach up to 100,000kg of annualized cultivation output at currently owned facilities



Maintain leadership position in product quality, accessibility and brand culture – Deliver premium cannabis products at affordable prices



Maintain strong operating margins while ensuring that our pricing strategy is ideal to meet the growing demand from your everyday consumer



Build a grassroots brand culture through transparency where consumers become our brand ambassadors



Production Assets

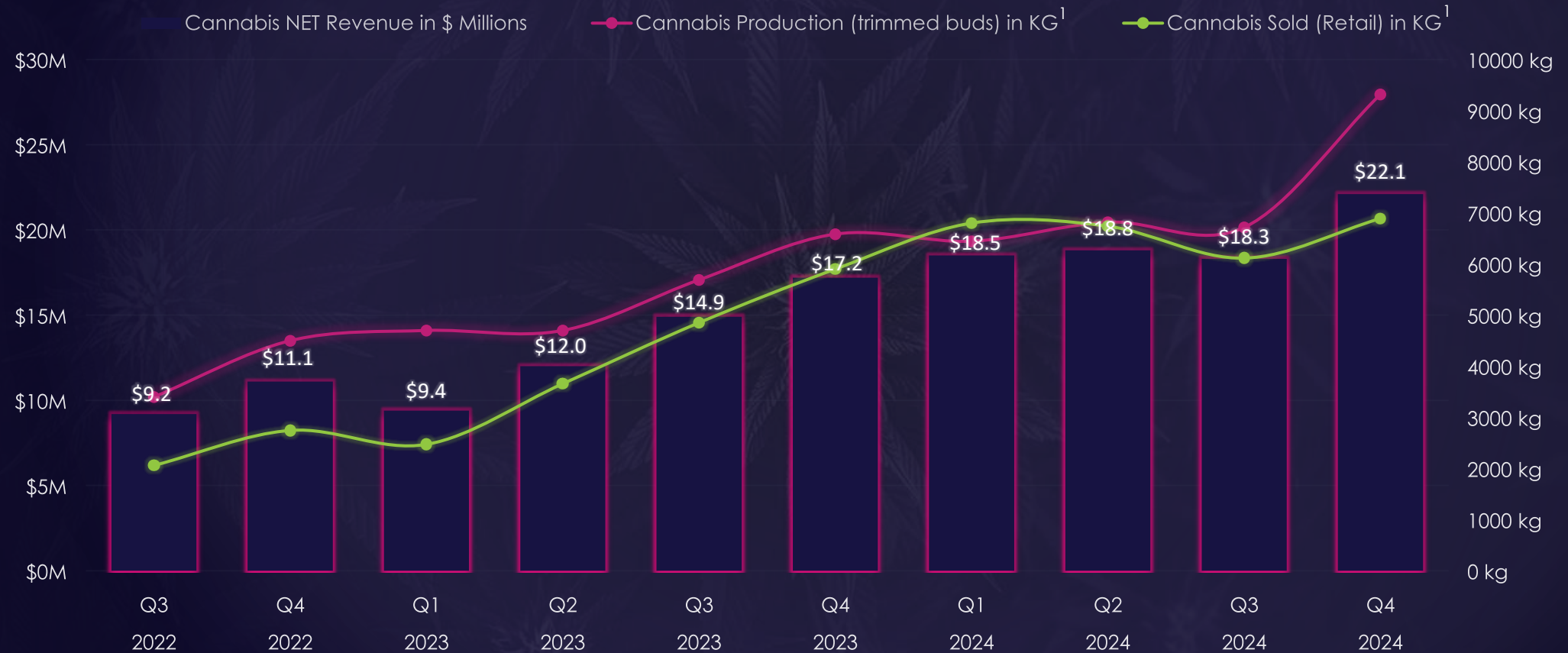
Cannara's Estimated Annual Production Capacity in kg





Scaling Production & Sales

Cannabis Production & Revenue Growth Trajectory as Valleyfield Production Scales Up



¹ Cannabis KG and equivalent of cannabis KG for derivatives products



Increasing Our Market Share

October 2024 – Highest National Market Share to-date of 3.8%

Retail Market Share (\$)

Province	October 2024	Q4 2024	Q3 2024
QC	12.6%	11.9%	9.7%
ON	2.6%	2.3%	2.6%
AB	2.3%	1.8%	2.4%
BC	1.5%	1.4%	1.2%
SK	1.9%	1.5%	1.2%
MB	1.1%	0.8%	N/A
National	3.8%	3.2%	2.9%

As reported by Hifyre data for the periods of March 2024 to May 2024 and June 2024 to August 2024, October 2024, in all listed provinces excluding Quebec where Weed Crawler was deemed more accurate.

Top-performing Products

#1

Quebec's #1 Infused pre-rolls
(Nugz)

#1

Canada's #1 Live resin vape cart brand
(Tribal)

#1

Ontario's #1 Hash rosin brand
(Nugz)

#1

Canada's #1 CBD flower & pre-rolls
(Orchid CBD)

As reported by Hifyre, Weedcrawler, and OCS wholesale data for Fiscal Year 2024 (September 2023 to August 2024).



FY 2024 Selected Financial Information

For the year ended August 31, 2024

\$81.7M Net revenues, net of excise taxes

\$27.9 Gross profit, before fair value adjustments

34% Gross profit percentage

\$15.1 Adjusted EBITDA

\$6.4M Net Income

\$10.7M Operating Cash Flow

\$3.2M Free cash flow

\$6.6M Cash on Hand

\$40.5M Working Capital

Current Capitalization Table

90,018,952

Common shares issued
and outstanding

5,166,600

Stock Options Issued
and Outstanding

2,219,183

Restricted Share Units
Issued and Outstanding



**Term loan and Credit facility with
BMO supporting growth of Cannara**

50%

Current insider ownership



Executive Leadership Team



Zohar is an entrepreneur who has launched several successful businesses. He has founded, advised and invested in numerous companies including 911ENABLE™ which he led from start-up to its acquisition by West Telecom in 2014. Zohar has been recognized as a top leader and innovator by a number of sources, including Deloitte Technology Fast 50™ fastest growing technology companies in Canada.

ZOHAR KRIVOROT
CHAIRMAN & CEO



Nicholas is a CPA with an entrepreneurial spirit and passion for the Cannabis industry. As CFO of Cannara. Prior to working in the industry, he practiced auditing at two of the big five accounting firms.

NICOLAS SOSIAK
CFO



Avi has been in the information technology industry for over 20 years. He specializes in innovation and cutting-edge technologies. Prior to Cannara, Avi has patented 911 software solutions currently being used by many Fortune 500 companies such as Microsoft, Boeing, Disney and the US Department of Defense.

AVI KRIVOROT
CTO



ISSAM BEN MOUSSA
**VP PRODUCTION
& EXPERIMENTATION**



NOEMI FOLLAIN
VP FINANCE



ANTHONY MANOUK
GM & VP COMPLIANCE



BRIAN SHERMAN
VP LEGAL AFFAIRS



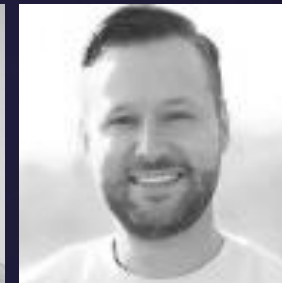
FRANCE LANDRY
VP HUMAN RESOURCES



SCOTT CARROLL
**VP COMMERCIAL
STRATEGY
& MARKETING**



JUSTIN CONWAY
VP TRANSFORMATION



NICK VAN DAM
VP SALES



Executive Leadership Team

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ZOHAR KRIVOROT
CHAIRMAN & CEO



Zohar is a seasoned entrepreneur who has built and grown multiple successful businesses. He has played pivotal roles as a founder, advisor, and investor in numerous ventures, notably 911ENABLE™, which he guided from its inception to its acquisition by West Telecom in 2014. Zohar has earned recognition as a leading innovator and top business leader from various organizations, including Deloitte Technology Fast 50™, which ranks Canada's fastest-growing technology companies. He continues to actively support early-stage businesses as an advisor and board member. Additionally, he is a certified commercial pilot.

MARY DUROCHER
DIRECTOR



Mary has been involved in the cannabis industry since the infancy of the Marijuana for Medical Purposes Regulations introduction. Mary serves as President of Fox D Consulting, a regulatory consulting firm focusing on the Canadian cannabis industry and offers a diverse range of consulting services for the cannabis industry in Canada, the United States and the European Union. Mary's Regulatory Consulting Firm has licensed over 52 Licensed Producers and worked on over 200 applications in Canada, the US and the European Union. Mary continues to forge a respectable name for herself in the cannabis sector in Canada and abroad. Her board experience and industry contacts has enabled her to create a comprehensive foundation in the fundamentals of regulatory compliance within the cannabis industry worldwide.

DONALD OLDS
**LEAD DIRECTOR & CHAIRMAN
OF THE AUDIT, HR, & GOVERNANCE COMMITTEE**



Donald Olds is an experienced life sciences executive, entrepreneur and director with significant experience raising capital for private and public technology companies. Most recently, he was President and Chief Executive Officer of Montreal-based NEOMED Institute, a position he held until the successful closing of a merger with Vancouver-based CDRD.

DEREK STERN
DIRECTOR



Derek is the Vice President of Olymbec. He owns, operates and manages a diverse portfolio of industrial, retail and residential properties across North America. Olymbec is now one of the largest private industrial real estate holders in Eastern Canada.

The Company has experienced an annual growth rate of over 10%. Derek played a key role in the company's rapid growth by strategically acquiring and repositioning vacant properties and marketing them to a new client base.

JACK KAY
DIRECTOR



Jack Kay, for 35 years, held various roles at Apotex Inc., including Chief Executive Officer, Chief Operating officer, President and Vice Chairman. He has 55 years of experience in pharmaceutical management and sales. Mr. Kay has served on a number of pharmaceutical and biotech boards, including as the Chairman of Helix Biopharma Corp and Cangene Corp and as a director at Barr Pharmaceuticals Inc.

He has also served in senior capacities for a number of industry and community organizations, operating in the roles of Chairman of Humber River Regional Hospital (Toronto), International Schizophrenic Society, Canadian Drug Manufacturers Association, Canadian Schizophrenia Foundation and the Canadian Generic Pharmaceutical Association.



In Summary



Well capitalized, fast-growing business with an established history of execution



Offering customers the highest value products at disruptive low prices



Well-positioned to meet the expanding consumer product demand in Canada.



Strong management team and board of directors



Operating with strong margins and with a focus on positive EBITDA, cash flow and profitability



State of the art Quebec operations create significant pricing advantages and superior quality



Three flagship brands each with distinctive identity and purpose

Positioned for **NATIONAL SUCCESS**

TSXV: **LOVE** | OTCQB: **LOVFF** | FRA: **8CB0**

cannara

THANK YOU

www.cannara.ca



investors.cannara.ca



www.instagram.com/cannarabiotech



www.facebook.com/cannarabiotech



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WE WOULD **LOVE**
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