CANOPY GROWTH
VIRTUAL INVESTOR MEETING

June 22nd, 2020
DISCLAIMERS AND CAUTIONARY STATEMENTS

This presentation contains “forward-looking statements” and “forward-looking information” within the meaning of applicable U.S. and Canadian securities laws (collectively, “forward-looking statements”), which involve certain known and unknown risks and uncertainties. Forward-looking statements predict or describe our future operations, business plans, business and investment strategies and the performance of our investments. These forward-looking statements are generally identified by their use of such terms and phrases as “intend,” “goal,” “strategy,” “estimate,” “expect,” “project,” “projections,” “forecasts,” “plans,” “seeks,” “anticipates,” “potential,” “proposed,” “will,” “should,” “could,” “would,” “may,” “likely,” “designed to,” “foreseeable future,” “believe,” “scheduled” and other similar expressions. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive risks, financial results, results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. A discussion of some of the material factors applicable to Canopy Growth Corporation (“Canopy”) can be found under the section entitled “Risk Factors” in Canopy’s Annual Report on Form 10-K for the year ended March 31, 2020, filed with the Securities and Exchange Commission and with applicable Canadian securities regulators, as such factors may be further updated from time to time in its periodic filings with the Securities and Exchange Commission and with applicable Canadian securities regulators, which can be accessed at www.sec.gov/edgar and www.sedar.com, respectively. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in the filings. Any forward-looking statement included in this presentation is made as of the date of this presentation and, except as required by law, Canopy disclaims any obligation to update or revise any forward-looking statement. Readers are cautioned not to put undue reliance on any forward-looking statement. Forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.
NON-GAAP MEASURES

Adjusted EBITDA is a non-U.S. GAAP measure used by management that is not defined by U.S. GAAP and may not be comparable to similar measures presented by other companies. Adjusted EBITDA is calculated as the reported net loss, adjusted to exclude income tax recovery (expense), other income (expense), net, and loss on equity method investments, share-based compensation expense, depreciation and amortization expense, asset impairment and restructuring costs, restructing costs recorded in cost of goods sold, and charges related to the flow-through of inventory step-up on business combinations, and further adjusted to remove acquisition-related costs. The Adjusted EBITDA reconciliation is explained in Canopy's Annual Report on Form 10-K for the year ended March 31, 2020, filed with the Securities and Exchange Commission and with applicable Canadian securities regulators, which can be accessed at www.sec.gov/edgar and www.sedar.com, respectively.

Adjusted Gross Margin (referred to as “Gross Margin” herein) is a non-GAAP measure used by management that is not defined by U.S. GAAP and may not be comparable to similar measures presented by other companies. Adjusted Gross Margin is calculated as gross margin excluding restructuring costs recorded in cost of goods sold and charges related to the flow-through of inventory step-up associated with business combinations. The Adjusted Gross Margin reconciliation is presented within the annual earnings press release of Canopy dated May 29, 2020 available on Canopy’s EDGAR and SEDAR pages which can be accessed at www.sec.gov/edgar and www.sedar.com, respectively (the “FY20 Earnings Press Release”).

Free Cash Flow or FCF is a non-GAAP measure used by management that is not defined by U.S. GAAP and may not be comparable to similar measures presented by other companies. This measure is calculated as net cash provided by (used in) operating activities less purchases and deposits of property, plant and equipment. The Free Cash Flow reconciliation is presented within the FY20 Earnings Press Release and explained in the Company's Annual Report on Form 10-K for the year ended March 31, 2020, filed with the Securities and Exchange Commission and with applicable Canadian securities regulators, which can be accessed at www.sec.gov/edgar and www.sedar.com, respectively.
AGENDA

• Introduction and Strategy Update
  o David Klein, CEO

• Remarks from Canopy Growth Leadership Team
  o Rade Kovacevic – Chief Product Officer
  o Chris Edwards – Chief Insights Officer
  o Julian Cohen – Chief Innovation Officer
  o Mike Lee – Chief Financial Officer

• Fireside Discussion with Canopy Growth Leadership Team

• Q&A
CLEAR DESTINATION

UNLEASHING THE FULL POTENTIAL OF CANNABIS

SIZEABLE SHARE IN FOCUS CATEGORIES AND MARKETS

EXECUTE PATH TO PROFITABILITY

INSIGHTS AND INNOVATION

FOCUS MARKETS

QUALITY EXECUTION

INDUSTRY STANDARD

CONSUMER
FOCUSED STRATEGY

INSIGHTS AND INNOVATION
• Know everything about the consumer
• Already best-in-industry science
• Focus and re-deploy against commercial opportunities

QUALITY EXECUTION
• Deliver the right product at the right time at the right price from the right facility
• Design-to-Value approach

FOCUS MARKETS
• Prioritize three core markets: Canada, US, Germany
• Asset-light models in APAC or LatAm
• Medical focus on wellness and OTC medications

INDUSTRY STANDARD
• Lead the next phase of industry evolution
• Pioneer "Growing Good"
• Deliver on the responsibility to our stakeholders
REASONS TO BELIEVE

- Global leader in high growth industry
- Strong foundation
- Focused strategy
- Passionate and talented team
- Renewed culture aligning for profitable growth
REMARKS BY CHIEF INSIGHTS OFFICER

Chris Edwards
Chief Insights Officer
REMARKS BY CHIEF INNOVATION OFFICER

Julian Cohen
Chief Innovation Officer
REMARKS BY CHIEF FINANCIAL OFFICER

Mike Lee
EVP & CFO
FIRESIDE DISCUSSION

David Klein
CEO

Rade Kovacevic
Chief Product Officer

Chris Edwards
Chief Insights Officer

Mike Lee
EVP & CFO

Julian Cohen
Chief Innovation Officer
What is the Total Addressable Market opportunity for Canopy over the next few years?
GLOBAL CANNABIS TAM OPPORTUNITY IS IMMENSE

Global TAM for cannabis expected to approach $70BN in retail sales by CY2023

US, Canada, and Germany to account for ~90% of global TAM

Source: CGC Internal Estimates, in CAD
CGC’S CORE MARKETS TO REACH $22BN SALES BY 2023

Total TAM retail sales for Canada, US CBD, and Germany:
$22B by 2023

Over $60BN in TAM upon US federal permissibility

Source: CGC Internal Estimates, in CAD
DRIVERS OF TAM GROWTH

Convert to Legal from Illicit:
Less than 40% of Canadian consumer say they buy cannabis in legal dispensaries

Legal market could become 85% of total Cannabis Recreational sales in Canada by 2023

Growth in store count a key driver of legal market growth

Source: A combination of CGC's Proprietary Market Tracker, and CGC Internal Estimates
Drivers of TAM Growth

Recruit new consumers through 2.0 products:

17% of Canadian adults say they intend to use recreational cannabis

5% of total alcoholic beverages and functional beverages equate to a $1.3bn opportunity for cannabis-infused beverages in Canada

Source: A combination of CGC Internal Estimates, Stats Can Data, and CGC’s Proprietary Market Tracker, in CAD
What is the outlook for the Canadian recreational business and how does Canopy intend to drive leading market position in an increasingly competitive market?
WE ARE A LEADING SHARE PLAYER IN CANADA REC

## Estimated CGC Market Share Rank (Sept 2019 - April 2020)

<table>
<thead>
<tr>
<th>Provinces</th>
<th>% Total Sales</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>April</th>
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<tbody>
<tr>
<td>ON</td>
<td>25%</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>NS</td>
<td>4%</td>
<td>[ ]</td>
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<tr>
<td>PE</td>
<td>1%</td>
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</tr>
</tbody>
</table>

### Source
Provincial Sales Reports sourced from ON, PEI, and NS, Period September 2019 – April 2020. Market Share is based on Retail Share of Dollars.

### Notes
1. YTD January 2020 to March 2020

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Top 3 in Market Share

Outside of Top 3 in Market Share
NEAR-TERM FOCUS TO DRIVE MARKET-SHARE GROWTH

KEY OPPORTUNITIES

A more focused portfolio of products

Improve our share in the growing value segment

Win in 2.0 products

Drive quality across our product portfolio

KEY ACTION PLAN

• SKU rationalization

• Refine pricing and packaging strategy for Twd.

• Increase production capacity for edible and beverages

• Improve new product launch process

• Flower quality improvement plan
A MORE FOCUSED PRODUCT PORTFOLIO

Kg Shipped and % of total KG Shipped by SKU\(^1\)

~30% of SKUs have accounted for 80% of Canada Recreational shipments to date

- Initial SKU rationalization reduced count by 30%
- Further reductions likely

1. October 17, 2018 to February 7, 2020, does not include new 2.0 products that began entering the market in March 2020
Value flower segment has grown significantly over past three quarters

Quarterly Flower Performance by Price Tier

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
<th>Mainstream</th>
<th>Premium and Above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 CY19</td>
<td>49%</td>
<td>8%</td>
<td>43%</td>
</tr>
<tr>
<td>Q2 CY19</td>
<td>54%</td>
<td>6%</td>
<td>40%</td>
</tr>
<tr>
<td>Q3 CY19</td>
<td>54%</td>
<td>6%</td>
<td>40%</td>
</tr>
<tr>
<td>Q4 CY19</td>
<td>46%</td>
<td>19%</td>
<td>36%</td>
</tr>
<tr>
<td>Q1 CY20</td>
<td>45%</td>
<td>10%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Competition in the value flower segment since Q3 CY19 has caused significant market shifts

Quarterly Brand Market Share within Value Segment

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Brand A</th>
<th>Twd.</th>
<th>Brand F</th>
<th>Brand B</th>
<th>Brand C</th>
<th>Brand D</th>
<th>Brand E</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 CY19</td>
<td>24%</td>
<td></td>
<td>31%</td>
<td>46%</td>
<td>18%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 CY19</td>
<td></td>
<td>4%</td>
<td>8%</td>
<td>9%</td>
<td>6%</td>
<td>10%</td>
<td>13%</td>
<td>16%</td>
</tr>
<tr>
<td>Q1 CY20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>24%</td>
<td>46%</td>
<td></td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Provincial Sales Reports sourced from ON, PEI, and NS, Total Dried Flower, Period January 2019 – March 2020
IMPROVE OUR SHARE IN THE GROWING VALUE SEGMENT

• **Short-term action plan: improve competitiveness of Twd.**
  - Market-specific pricing adjustments
  - Twd. pack sizes: increased focus on 7g, 15g, and 28g in select markets
  - Higher and tighter THC ranges
  - Nationwide rollout began late May, expect to be completed early July
  - Initial market reaction has been positive

• **Long-term response**
  - Program to develop a comprehensive value flower segment strategy underway
  - Leverage consumer insights and design-to-value
2.0 products now account for 25% of total Rec sales in Ontario

Our 2.0 product sales mix is also increasing

Beverages are garnering increasing share of edibles since our beverage launch

CGC's beverages currently dominate cannabis beverage segment in Ontario

Source: Canada Rec B2B Sales, Provincial Sales Reports sourced from ON, Period September 2019 - May 2020
Rec 2.0 Edibles—Our cannabis beverages have generated very positive response, demand exceeding supply

WIN IN 2.0 PRODUCT SEGMENTS-BEVERAGES

Houndstooth & Soda Consumer Survey

- 75% of consumers had a positive perception of the taste, potency, and effect
- 73% of consumers say they would purchase the beverage in the future
- 75% of consumers would recommend the product to friends/family
- 20% of consumers who are open to repurchasing claim it would replace an alcoholic beverage

“Its really good. Like grapefruit bubbly. Absolutely no cannabis taste”

“This is definitely a nice alternative to alcoholic drinks, definitely a nice high”

Increasing beverage production to achieve supply consistency
Doubling weekly production runs
Doubling finished volume per run
Adding automation
Expect to eliminate SKU stockouts in Q2 FY21

+ 530k units shipped to date

1. ON POS Data, all cannabis beverage product offerings
2. CGC’s Proprietary Survey
WIN IN 2.0 PRODUCT SEGMENTS-EDIBLES

Premium chocolate production increasing to help meet demand

Expanding portfolio to address other high demand product categories

PRODUCTION DOUBLED SINCE LAUNCH

BY END OF FY21
WIN IN 2.0 PRODUCT SEGMENTS-VAPES

Rec 2.0 rollout gaining momentum - vapes

Tokyo Smoke Luma - UL 8139 certified vape system with rechargeable batteries feature precise ceramic heating technology and feature Intent-colored mouthpieces. Pause and Go cartridges in market now.

JUJU Power™ 510 Rechargeable Battery Vape Pen w/ buttonless activation, UL 8139 certified 510 Cartridges. Tweed Houndstooth, Tweed Bakerstreet and Twd. Indica cartridges in market now
TOPIC 2. MARKET SHARE ASPIRATION-US

What is the outlook for the US CBD market and how does Canopy intend to become a market share leader in the US CBD market?
US CBD MARKET IS GROWING QUICKLY

US CBD Retail Sales by Products

CBD Product CAGR (2020-2025)

Source: CGC Internal Estimates, in USD
US CBD MARKET IS HIGHLY FRAGMENTED

There is a need for a stable category leader as the category returns to a fragmented state

Total hemp-derived CBD isolate market:

- 0.3% of companies were in the top tier (with sales of $40+ million)
- 2.5% of companies were in the mid-high tier (with sales of $10-40 million)
- 2.9% of companies were in the mid tier (with sales of $1-10 million)
- 94.3% of companies were in the low tier (with sales of <$1 million)

There is a need for a larger, more stable manufacturer to take a leadership role in the category.

Source: Brightfield Research Group, in USD
OUR DIFFERENTIATED APPROACH

• Lead with science = quality and efficacy second to none

• Deliver consistent experience that consumers seek and demand

• Portfolio of product pillars to target a range of consumer need states for cannabinoid

• Be the voice for our industry on Capitol Hill

• Strong collaboration with the FDA
OUR US CBD ROADMAP

FY21...

Already in the US Market

First & Free
BIOSTEEL | thisworks
24HR SKIN SOLUTIONS

Martha Stewart launch this fall!

40+ SKUs by end of CY 2020

• Expanding distribution footprint

• Building a world-class sales organization
OUR US CBD ROADMAP

• US$10 billion market opportunity in US CBD
• FDA clarifies CBD regulations, opening the door to broad distribution/product formats
• Become a leading CBD supplier to large-format retailers
• Build towards top-three market share in key product categories

...By FY23

10% Share of US CBD = US$500MM NET REVENUE OPPORTUNITY
TOPIC 3. OPEX MANAGEMENT

How is Canopy balancing investing for growth while also managing costs to improve margins?
• **Sales and Marketing** increase driven by 2.0 products and CBD investment

• **G&A expenses** show more volatility

• **Share-based comp** has declined significantly

• **D&A** increase in Q4 driven mainly by a catch-up in amortization from acquisitions
INVESTING FOR THE LONG TERM

• US CBD investment to support sizable revenue opportunity

• Canada absorbing much of the central overhead costs

• Marketing & Promotions expenses less than 40% of total Sales & Marketing expenses in FY20, expect to be a greater mix going forward

SG&A EXPENSE BREAKDOWN (FY20)
TARGETING SG&A RATIO TO APPROACH PREMIER CPG

Near-term Opportunities:

- Headcount reduction in April/May to begin to flow through SG&A starting in Q1 FY20
- Completion of organizational changes expected to lower G&A
- R&D to be focused against high-return projects

Medium-term Target:

- Sales & Marketing: mid-teens as % of Sales
- G&A: low-double-digits as % of Sales
- R&D: mid-single-digits as % of Sales
How does Canopy plan to improve quality of products and operations?
CONSUMER QUALITY FOCUSED INITIATIVES

Integrated agriculture science with production operations - Best-in-class capabilities

Near-term flower quality improvement initiatives - Focus on post-harvest drying

Implemented higher moisture level content standards

Assessing process adjustments to better preserve terpene profile
INITIATING “END-TO-END” SUPPLY CHAIN DIAGNOSTICS

- Align on the components of Canopy’s **commercial strategy** that will inform supply chain requirements to win in the future
- Identify the **primary gaps in the current supply chain** through an **end-to-end perspective**
- Estimate the **value that supply chain can unlock for Canopy**
- Define a **holistic supply chain strategy** for the next 3-5 years, while identifying near term value capture opportunities
- Prioritize initiatives, required capabilities to reach the supply chain vision and financial targets

*Develop roadmap to transform Canopy’s supply chain into a competitive advantage that enable the commercial strategy*
DESIGN-TO-VALUE TO UNLOCK VALUE

Design-to-Value: Designing in quality and unlocking value in multiple ways

It unlocks value in multiple ways

1. **Product improvement where it counts**
   Increases customer satisfaction, loyalty, advocacy and pull

2. **Price/brand protection**
   Enables maintained pricing or potential increases if enhancements justify

3. **Volume growth**
   Better product features → more consumers buy

4. **Trade partner dialogue**
   Deep conversations focused on the consumer

5. **Guidance on future innovations**
   Better aims extensions and innovations to align with consumer preferences

6. **Smart cost reductions**
   Drives savings in features that don't affect consumer preferences or quality standards

**DtV Aligns 3 Key Lenses For Optimal Design**

- **Consumer Preferences**
- **Product Quality Standards**
- **Product Feature Costs**

Consumer Insights Into Product Features (Demand Spaces)

Feature Costs Through Product Tear-downs and Benchmarks

Brand Quality and Safety standards
TOPIC 5. INSIGHTS AND INNOVATION

What are the key areas of focus for insights and innovation efforts in the near-to-medium-term?
GROWTH IN BOTH THC AND CBD WILL COME THROUGH THREE UNIQUE GROUPS: CONSUMERS, INTENDERS, AND REJECTERS

**CONSUMERS**
- Get: Current THC or CBD consumers
- To: Increase legal purchase frequency

**INTENDERS**
- Get: THC or CBD intenders
- To: Make their first THC or CBD purchase in the category and over-deliver to drive repurchase

**REJECTERS**
- Get: THC or CBD rejecters
- To: Understand and be intrigued by the benefits of cannabis without feeling fear
### EACH GROUP PRESENTS UNIQUE BARRIERS THAT NEED TO BE ADDRESSED TO ACHIEVE GROWTH

<table>
<thead>
<tr>
<th>CONSUMERS</th>
<th>INTENDERS</th>
<th>REJECTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LEGAL CANNABIS</strong></td>
<td><strong>BARRIERS</strong></td>
<td><strong>BARRIERS</strong></td>
</tr>
<tr>
<td>Never bought before</td>
<td>Smoking/smell</td>
<td>Smoking/smell</td>
</tr>
<tr>
<td>Price and quality perceptions</td>
<td>Not aware of new products</td>
<td>Fear of unknown, loss of control, effects</td>
</tr>
<tr>
<td>Uncertainty of purchase experience</td>
<td>Worry of loss of control, not liking feeling</td>
<td>Doesn’t fit into life</td>
</tr>
<tr>
<td></td>
<td>Doesn’t fit into life</td>
<td></td>
</tr>
<tr>
<td><strong>CBD</strong></td>
<td><strong>BARRIERS</strong></td>
<td><strong>BARRIERS</strong></td>
</tr>
<tr>
<td>Efficacy</td>
<td>No need/don’t know what it is for</td>
<td>No need</td>
</tr>
<tr>
<td>Price and quality perceptions</td>
<td>Price perceptions</td>
<td>Don’t know what it’s for</td>
</tr>
<tr>
<td>Lack of education</td>
<td>Safety and quality fears</td>
<td>Safety and quality fears</td>
</tr>
</tbody>
</table>
## Our Insights Team is Focused on Identifying Opportunities and Actions for Growth by Addressing Both Needs and Barriers

<table>
<thead>
<tr>
<th></th>
<th>Consumers</th>
<th>Intenders</th>
<th>Rejecters</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CGC Opportunity</strong></td>
<td>Out-deliver versus legal and illegal cannabis products</td>
<td>Develop products that address barriers or meet needs addressed by other categories</td>
<td>Deliver on existing needs being addressed by other categories</td>
</tr>
<tr>
<td><strong>How</strong></td>
<td>Identify new occasions/ways to use</td>
<td>Offer innovative new products</td>
<td>Communicate medical and safety benefits</td>
</tr>
<tr>
<td></td>
<td>Deliver product quality and variety</td>
<td>Equate to alcohol or OTC/RX products</td>
<td>Equate to alcohol or OTC/RX products</td>
</tr>
<tr>
<td></td>
<td>Educate through brand and retail touchpoints</td>
<td>Empower legal rec store visit</td>
<td></td>
</tr>
<tr>
<td><strong>CGC Opportunity</strong></td>
<td>Out-deliver versus other CBD brands</td>
<td>Develop products that address barriers or meet needs addressed by other categories</td>
<td>Deliver on existing needs being addressed by other categories</td>
</tr>
<tr>
<td><strong>How</strong></td>
<td>Offer higher dosages</td>
<td>Normalize through partnerships</td>
<td>Educate on benefits of CBD</td>
</tr>
<tr>
<td></td>
<td>Offer variety of formats, sizes and price points</td>
<td>Equate to relaxation, wellness, or therapeutic products</td>
<td>Equate to relaxation, wellness, or therapeutic products</td>
</tr>
<tr>
<td></td>
<td>Offer high quality, benefit driven products</td>
<td>Offer high quality CBD in familiar formats</td>
<td>Offer high quality, science-backed products</td>
</tr>
</tbody>
</table>

**LEGAL CANNABIS**

**CBD**

[Canopy Growth logos]
What are the key metrics to track Canopy’s progress as the company rolls out its revised strategy?
**KEY METRICS TO ASSESS OUR PROGRESS**

**Are we winning with the consumer?**

*Key Metrics:*
- ✓ #1 or #2 dollar share in core markets
- ✓ Net sales growth year over year

**Are we improving our execution?**

*Key Metrics:*
- ✓ Increase customer order fill rates
- ✓ Reduce out of stock at retail

**Are we progressing towards profitability?**

*Key Metrics:*
- ✓ Gross margin improvement
- ✓ Decline in SG&A % of Sales Ratio

**Are we progressing towards positive FCF?**

*Key Metrics:*
- ✓ Working capital improvement
- ✓ Reduction in Capex
Q&A

David Klein
CEO

Rade Kovacevic
Chief Product Officer

Chris Edwards
Chief Insights Officer

Mike Lee
EVP & CFO

Julian Cohen
Chief Innovation Officer
THANK YOU!