CANOPY GROWTH Q1 FY2023 EARNINGS PRESENTATION

August 5, 2022

CANOPY GROWTH
UNLEASHING THE POWER OF CANNABIS

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. Forwardlooking 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 forwardlooking statements, which speak only as of the datethe 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 fiscal year ended March 31, 2022, 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. Forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

NON-GAAP MEASURES

Adjusted EBITDA 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 EBITDA is calculated as the reported net income (loss), adjusted to exclude income tax recovery (expense); other income (expense), net; loss on equity method investments; share-based compensation expense; depreciation and amortization expense; asset impairment and restructuring costs; restructuring 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. Asset impairments related to periodic changes to the Company's supply chain processes are not excluded from Adjusted EBITDA given their occurrence through the normal course of core operational activities. The Adjusted EBITDA reconciliation is presented within this presentation and within the earnings press release of Canopy dated August 5, 2022 and explained in Canopy's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022, to be 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 and Adjusted Gross Margin Percentage are non-GAAP measures used by management that are 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 and other charges recorded in cost of goods sold, and charges related to the flow-through of inventory step-up on business combinations. Adjusted Gross Margin Percentage is calculated as Adjusted Gross Margin divided by net revenue. The Adjusted Gross Margin and Adjusted Gross Margin Percentage reconciliation is presented within this presentation and within the earnings press release of Canopy dated August 5, 2022 available on Canopy's EDGAR and SEDAR pages which can be accessed at www.sec.gov/edgar and www.sedar.com, respectively.

Free Cash Flow 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 of and deposits on property, plant and equipment. The Free Cash Flow reconciliation is presented within this presentation and within the earnings press release of Canopy dated August 5, 2022 and explained in Canopy's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022, to be 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.

TODAY'S SPEAKERS

DAVID KLEIN
CEO

JUDY HONG
CFO

AGENDA

- Key Takeaways
- Progress Against Key Priorities
- Q1FY2023 Financial Results Review
- Q&A

- Unless otherwise indicated, all financial information in this presentation is reported in Canadian dollars.
- Unless otherwise indicated, market share data disclosed in this press release is calculated using the Company's internal proprietary market share tool that utilizes point of sales data supplied by third-party data providers, government agencies and our own retail store operations across the country.

KEY TAKEAWAYS

STRONG BRAND PERFORMANCE AND INNOVATION ARE HELPING STABILIZE MARKET SHARE IN CORE SEGMENTS OF THE CANADIAN ADULT-USE MARKET

- Company maintained #1 share of combined premium flower and pre-roll segment in Q1FY2023[1], led by in demand offerings from Doja and 7ACRES including new 7ACRES Jack Haze Bubble Hash infused pre-roll launched in Q1FY2023.
- Launched 6 new mainstream flower and pre-roll offerings in Q1FY2023, including Tweed branded flower strains Tiger Cake, Wedding Cake, Kush Mints and Alien OG. Tweed brand's share of the combined mainstream flower and pre-roll segment rose by 35 bps to 4.0% in Q1FY2023.
- Market share of THC beverage category increased by 33 bps to 23%. Consumer demand for the Tweed portfolio of Iced Tea and Fizz beverages increased the Tweed brand's share of the Ready-To-Drink ("RTD") beverage market by 136 bps to 10.4%.
- Robust NPD pipeline including a combined 26 premium and mainstream flower and pre-roll offerings expected in Q2 FY2023 secured 60 new listings across Alberta, Ontario and Quebec. Innovation and distribution gains in Canadian recreational cannabis market expected to drive strong revenue growth in 2H FY2023.

MEDICAL CANNABIS REVENUES INCREASING, WITH MULTIPLE POTENTIAL GROWTH DRIVERS

- International medical cannabis net revenue approximately doubled versus Q1FY2022 driven primarily by strong sales in Israel and Australia. Sales force in Germany focused on expanding pharmacy network.
- Critical focus of Canadian medical cannabis business on increasing veteran registrations through the Spectrum Veteran Care program.

GAINS IN DISTRIBUTION AND SALES VELOCITY OF BIOSTEEL RTD DROVE RECORD REVENUE IN Q1 FY2023; INVESTMENT IN BRAND ACTIVATION EXPECTED TO DRIVE STRONG REVENUE GROWTH IN FY2023

- ACV% increase to 21% in Q1FY2023, up from 3% in Q1FY2022.
- Signed retail agreement with Walmart for 2200 stores, began stocking in Q1FY2023.
- Announced BioSteel has become the Official Hydration Partner of the NHL and NHLPA; part of investment in FY2023 to increase brand awareness, distribution and trial expected drive revenue growth.

DEMONSTRATING EXPENSE AND CAPITAL INVESTMENT DISCIPLINE

- Cost savings plan on track, with Operating Expenses excluding asset impairment and restructuring costs, and acquisition-related costs, down 13% year over year.
- Continued focus on investment discipline with capital expenditures down $18MM year over year as our infrastructure projects are substantially complete.

[1] Unless otherwise indicated, market share data disclosed in this press release is calculated using the Company's internal proprietary market share tool that utilizes point of sales data supplied by third-party data providers, government agencies and our own retail store operations across the country.

PROGRESS AGAINST PREMIUMIZATION STRATEGY

DOJA

- New premium flower SKUS in Q1FY23 under the Doja brand included OG Deluxe and Fresh Biscotti
- Doja OG Deluxe and Cold Creek Kush pre-roll launched in Q1 FY2023
- Doja brand revenue in Q1FY2023 increased 342% versus Q1 FY2022
- 3 new Doja branded flower and pre-roll products are expected to launch in Q2 FY2023

7ACRES

- New premium flower SKUS shipped under the 7ACRES brand in Q1FY2023 include Lemon Zkitz, Platinum Kush Breath and Grape Gelena.
- 7ACRES Jack Haze Bubble Hash Infused pre-roll shipped in Q1 FY2023.
- 6 new 7 ACRES branded flower, pre-roll and concentrate products expected to launch in Q2 FY2023 including additional infused pre-roll

PROGRESS AGAINST PREMIUMIZATION STRATEGY

- New The Grape Unknown and Ginger Ale Galaxy shipped in Q1 FY2023. Deep Space is #2 ranked brand in the over 5 mg THC beverage category.
- "Just Hits Different" summer beverage activation program driving brand awareness and non-active sample trial.

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- Launched a range of new Tweed branded flower strains including Tiger Cake, Wedding Cake, Kush Mints and Black Triangle in Q1FY2023. Tweed brand's share of the combined mainstream flower and pre-roll segment increased by 35 bps to 4.0% in Q1FY2023.
- Strong demand for the Tweed portfolio of Iced Tea and Fizz beverages increased the brand's share of the RTD beverage market by 136 bps to 10.4% in Q1FY2023 and maintained the brand's #1 market share rank in the 5 mg THC and under beverage category.
- 17 new mainstream flower and pre-roll offerings under the Tweed and Vert brands expected in the current quarter.

RECORD BIOSTEEL REVENUE IN Q1 FY2023

- **BioSteel** Q1 FY2023 revenue increased 167% versus the prior year driven by higher distribution of the brand's RTD hydration drinks.
    - RTD ACV increased to over 21% in Q1 FY2023[2] up from 3% in Q1 FY2022
    - Secured retail listing of RTD in 2,200 Walmart Stores across 39 states in U.S., load in began Q1 2023
- Subsequent to quarter end, announced **BioSteel** has become the Official Hydration Partner of the NHL and NHLPA.
    - League-wide rinkside marketing and product supply, retail activation, community engagement platforms and player marketing. Beginning in the 2022-23 NHL regular season, fans will see 750 NHL players hydrating with BioSteel during 1400 games each season
    - As the presenting sponsor of the 2022 NHL entry draft, delivered 700 million earned media impressions, distributed over 20,000 samples to consumers

[2] IRI data for the 4 weeks ended April 17, 2022

STRENGTHENING U.S. THC ECOSYSTEM

INVESTING IN PLANS TO ACQUIRE LEADING COMPANIES, IN MUST-WIN CATEGORIES, WITH BRANDS THAT CAN SCALE ACROSS NORTH AMERICA

Acreage HOLDINGS | The Botanist

ACREAGE HOLDINGS

Acreage made solid progress in their Q1 Fiscal 22 (quarter ended March 31, 2022) with revenue increasing 48% year over year and delivered their 5th consecutive quarter of positive Adjusted EBITDA.

In April 2022, the beginning of their Q2 Fiscal 22, Acreage commenced adult-use operations in New Jersey with their flagship brand, The Botanist, now available for adult-use consumers in multiple dispensaries in the state.

WANA BRANDS

Wana entered new markets–including Puerto Rico and Arkansas–and began onboarding in three additional states. Wana continues to build on the success of its Optimals line, including Wana Optimals Fast Asleep, which ranks as the No. 1 Quick onset sleep gummie in North America. Wana has added a variety of new SKUs to a range of markets, including new Quick SKUs launching in Ohio and Michigan; and Optimals launching in Oklahoma and Massachusetts.

Q1 FY2023 FINANCIAL RESULTS

Q1 FY2023 KEY FINANCIAL HIGHLIGHTS

(CDN in millions)	Q1 FY2023	Q1 FY2022	*vs. Q1 FY2022*
Net Revenue	$110	$136	*(19)%*
Adjusted Gross Margin	2%	21%	*(19)pp*
Adjusted EBITDA	$(75)	($64)	*(17)%*
Free Cash Flow	$(143)	$(186)	*23%*
Cash/Marketable Secs.	$1,217	$2,051	*(41)%*

- FY2022 Net Revenue decreased 19% due to declines in our organic Canadian cannabis business and the divestiture of C^3.
- Gross margin was negatively impacted by lower production output, price compression in the Canadian recreational business, and shift in business mix resulting from the divestiture of C^3.
- Free cash flow benefited from lower capital expenditures in the period compared to the prior year.

Adjusted Gross Margin, Adjusted EBITDA and Free Cash Flow are Non-GAAP measures

REVENUE PERFORMANCE BY SEGMENT

(in millions of Canadian dollars, unaudited)	Q1 FY2023	Q1 FY2022	*vs. Q1 FY2022*
Canadian Recreational Cannabis Net Revenue			
Business to Business[1]	$26.6	$42.7	*(38)%*
Business to Consumer	$12.4	$17.3	*(28)%*
	$39.0	**$60.0**	***(35)%***
Canadian Medical Cannabis Net Revenue[2]	$13.4	$13.5	*(1)%*
	$52.4	**$73.5**	***(29)%***
International and Other Revenue			
Other[3]	$13.8	$8.0	*73%*
C[3]	$nil	$11.4	*(100)%*
	$13.8	**$19.4**	***(29)%***
Global Cannabis Net Revenue	**$66.2**	**$92.9**	***(29)%***
Other Consumer Products			
BioSteel[4]	$17.9	$6.7	*169%*
Storz & Bickel	$15.6	$24.1	*(35)%*
This Works	$5.5	$6.5	*(15)%*
Other	$4.9	$6.0	*(18)%*
Other Consumer Products Revenue	**$43.9**	**$43.3**	***1%***
Net Revenue	**$110.1**	**$136.2**	***(19)%***

1. For Q1 FY2023, amount is net of excise taxes of $11.6 million (Q1 FY2022 - $17.8miliion).
2. For Q1 FY2023, amount is net of excise taxes of $1.2 million (Q1 FY2022 - $1.4 million).
3. For Q1 FY2023, amount reflects other revenue adjustments of $0.6 million (Q1 FY2022 - $0.4 million).
4. For Q1 FY2023, amount reflects other revenue adjustments of $1.7 million (Q1 FY2022 - $1.9 million)

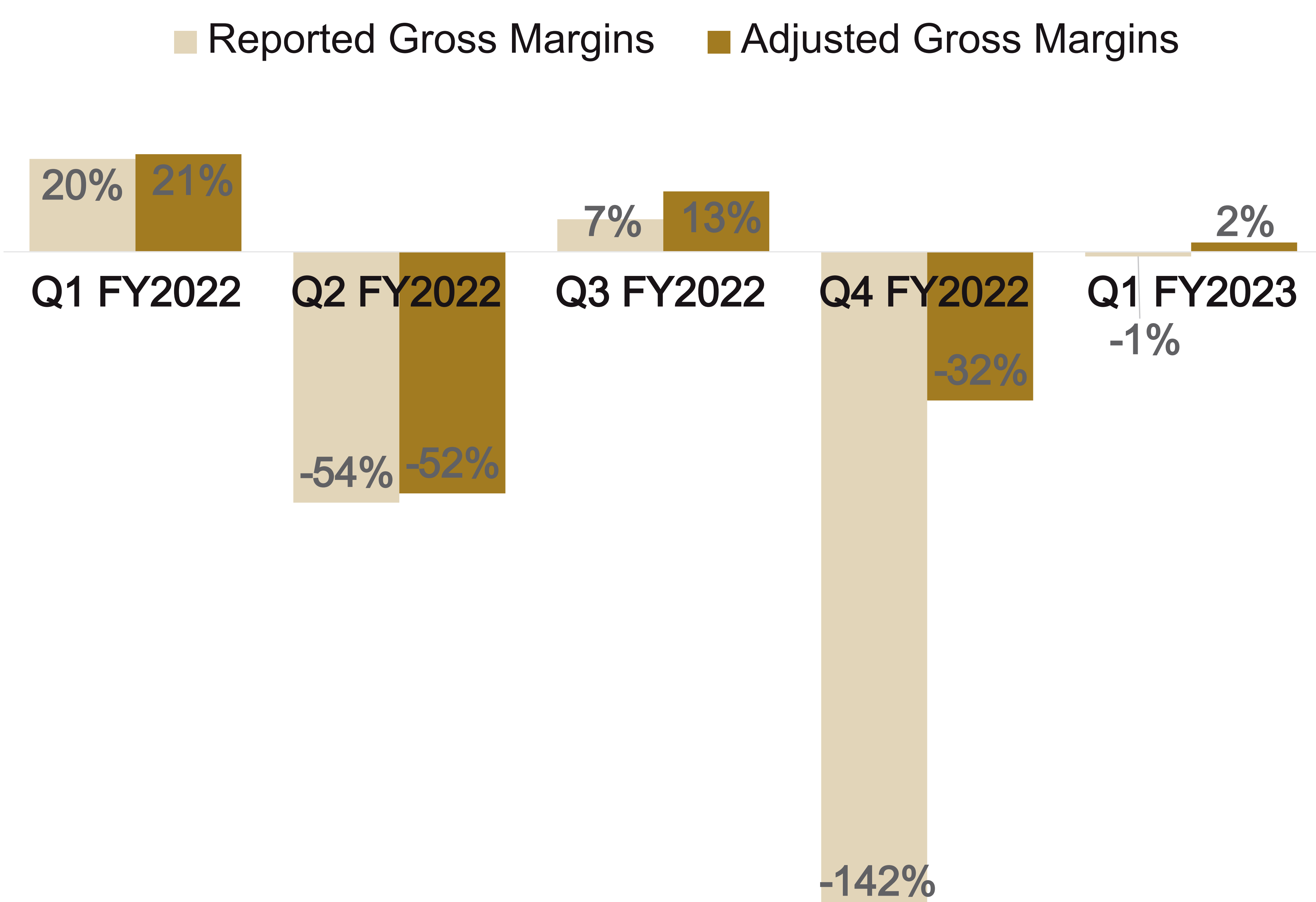
REVENUE PERFORMANCE BY FORM

(in millions of Canadian dollars, unaudited)	Q1 FY2023	Q1 FY2022	*vs. Q1FY2022*
Canadian Recreational Cannabis			
Dry Bud[1,2]	$38.6	$66.0	*(42%)*
Oils and Softgels[1,2]	$5.2	$5.7	*(9%)*
Beverages, Edibles, Topicals, and Vapes[1,2]	$7.4	$9.1	*(19)%*
Other Revenue Adjustments[2]	($0.6)	($3.0)	*80%*
Excise Taxes	($11.6)	($17.8)	*35%*
	$39.0	**$60.0**	***(35%)***
Medical Cannabis and Other[3]			
Dry Bud	$14.2	$9.6	*48%*
Oils and Softgels	$9.2	$20.5	*(55%)*
Beverages, Edibles, Topicals, and Vape	$5.0	$4.2	*19%*
Excise Taxes	($1.2)	($1.4)	*14%*
	$27.2	**$32.9**	***(17%)***
Global Cannabis Net Revenue	**$66.2**	**$92.9**	***(29%)***
Other Consumer Products			
BioSteel[4]	$17.9	$6.7	*169%*
Storz & Bickel	$15.6	$24.1	*(35)%*
This Works	$5.5	$6.5	*(15)%*
Other	$4.9	$6.0	*(18)%*
Other Consumer Products Revenue	**$43.9**	**$43.3**	***1%***
Net Revenue	**$110.1**	**$136.2**	***(19)%***

1. Excludes the impact of other revenue adjustments.
2. Other revenue adjustments represent the Company's determination of returns and pricing adjustments, and relate to the Canadian recreational business-to-business channel.
3. Includes the impact of other revenue adjustments, which represent the Company's determination of returns and other pricing adjustments.
4. For Q1FY2023, amount reflects other revenue adjustments of $0.6 million (Q1FY2022 - $0.4 million).

GROSS MARGIN PERFORMANCE

Quarterly Gross Margin Trend



Drivers of Q1 FY2023 Gross Margin Performance

(-) Year-over-year decrease in net revenue and continued price compression and under-absorption of fixed costs in the Canadian recreational business

(-) Business mix shift resulting from a decrease in the proportionate revenue contribution from C3 relative to Q1 FY2022 due to the divestiture of C3 and a decrease in revenue from the higher-margin Storz & Bickel business

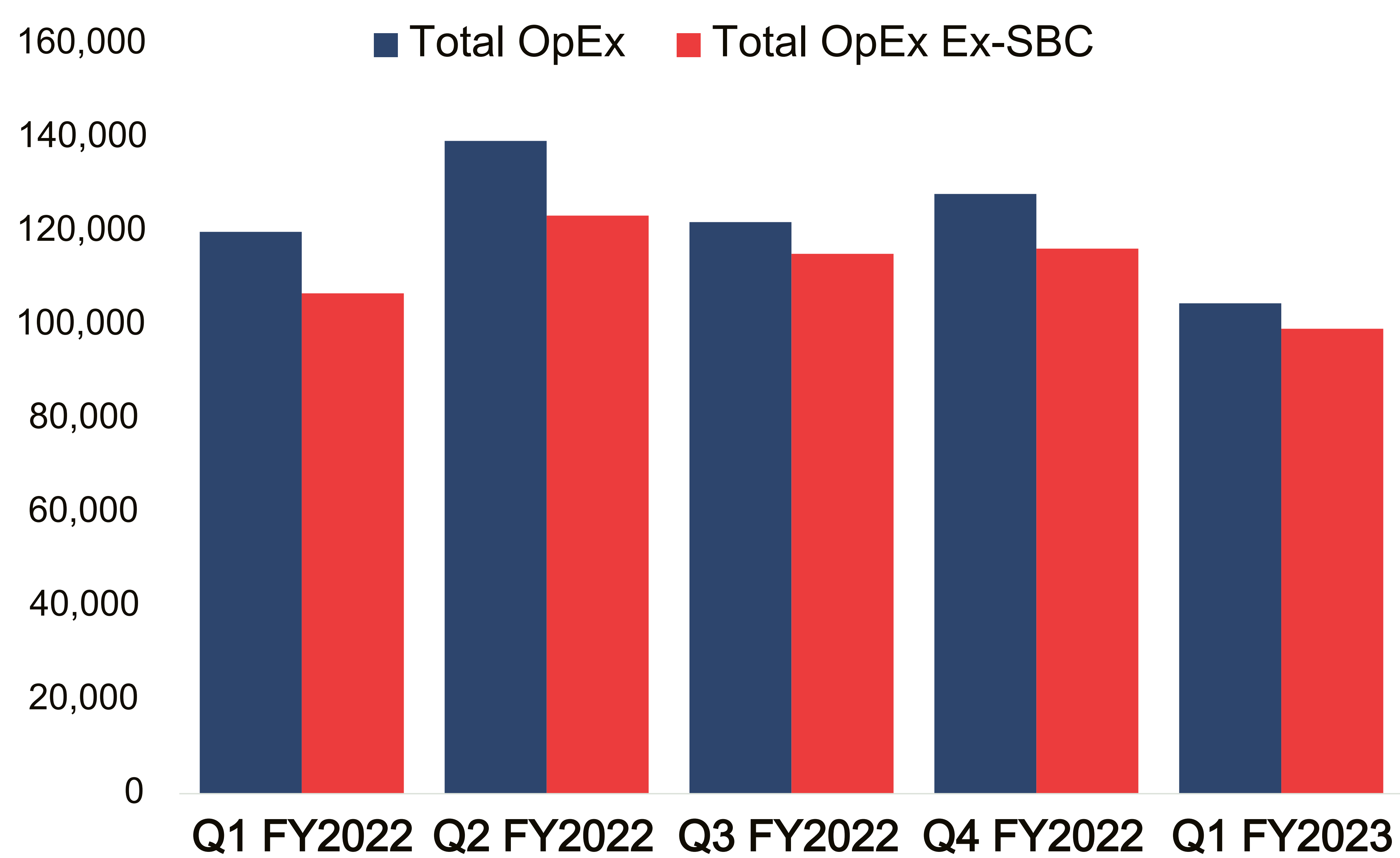
(-) Decrease in the amount of payroll subsidies in the amount of $6M received from the Canadian government, pursuant to a COVID-19 relief program, in both Q1 FY2023 and Q1 FY2022

(+) Mix improvement within the Canadian recreational cannabis business and impacts of cost reductions implemented in FY23

- Adjusted Gross Margin Percentage is a Non-GAAP measure (see Non-GAAP Measures)
- Q1 FY2022 Adjusted Gross Margins excludes charges related to the flow-through of inventory step-up associated with the acquisition of Supreme Cannabis in Q1 FY2022 of $1.4 million
- Q2 FY2022 Adjusted Gross Margins excludes $3.1 million related to the flow-through of inventory step-up associated with the acquisition of Supreme Cannabis in Q1 FY2022
- Q3 FY2022 Adjusted Gross Margins excludes $3.1 million related to the flow-through of inventory step-up associated with the acquisition of Supreme Cannabis in Q1 FY2022 and $4.6 million non-cash restructuring costs recorded in cost of goods sold
- Q4 FY2022 Adjusted Gross Margins exclude $4.2 million related to the flow-through of inventory step-up associated with the acquisition of Supreme Cannabis in Q1 FY2022 and $119.1 million non-cash restructuring costs recorded in cost of goods sold
- Q1 FY2023 Adjusted Gross Margins exclude $4.0 million non-cash restructuring costs recorded in cost of goods sold

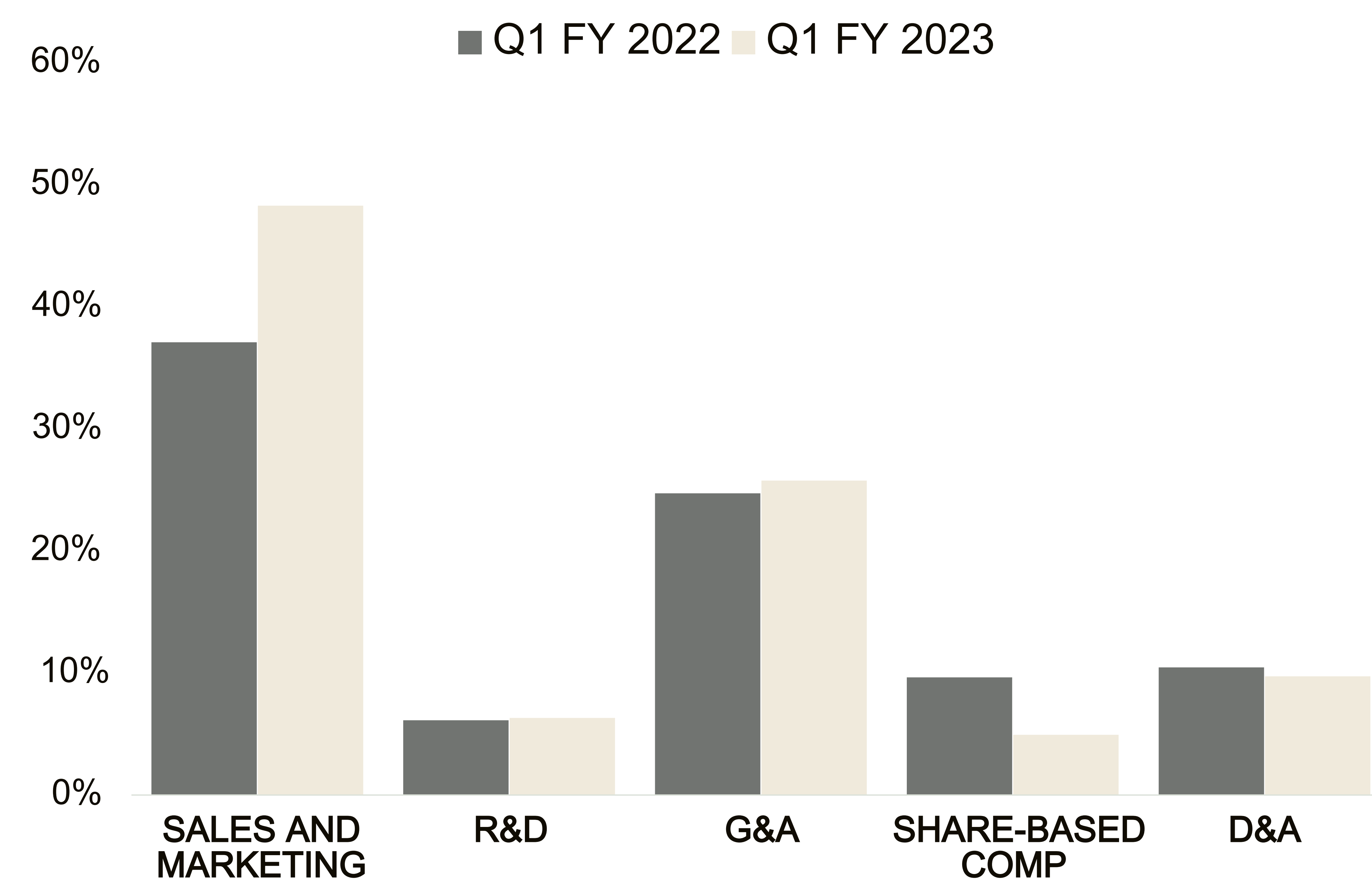
OPERATING EXPENSE TREND

Quarterly Operating Expense Trend (C$ in 000s)



- Total OpEx declined by 13% YoY, 7% excluding SBC.
- Total OpEx Ex-SBC declined by a combined $13MM (ex-C3 and payroll subsidy), reflecting cost savings announced in April 2022.

OpEx as a Percentage of Net Sales (Q1 FY2022 vs. Q1 FY2023)

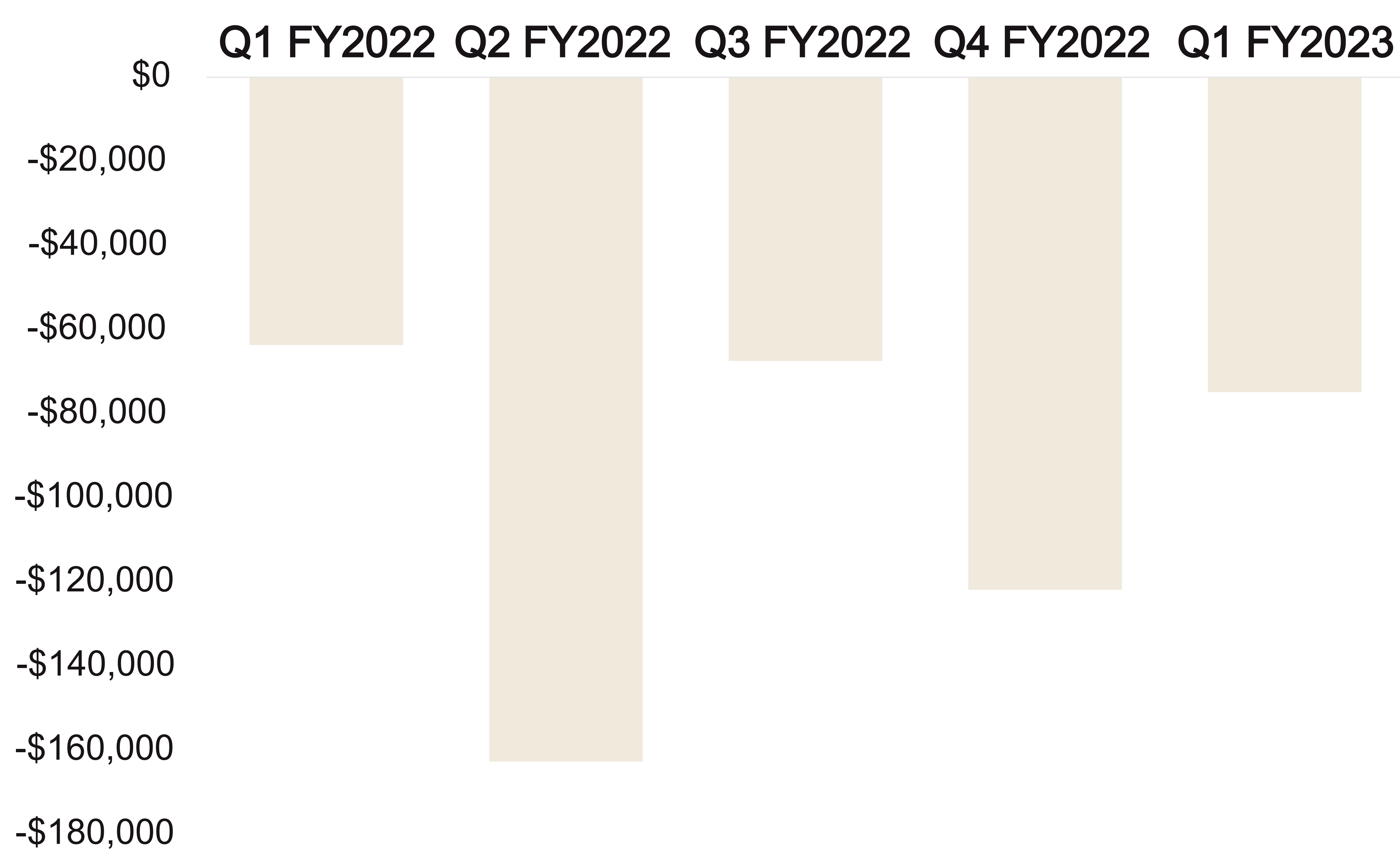


- Sales & Marketing expenses increased 5% due in part to enhanced support for BioSteel.
- R&D expenses declined 17% year-over-year principally due to a more disciplined approach to R&D investments and the impact of the disposition of C3.

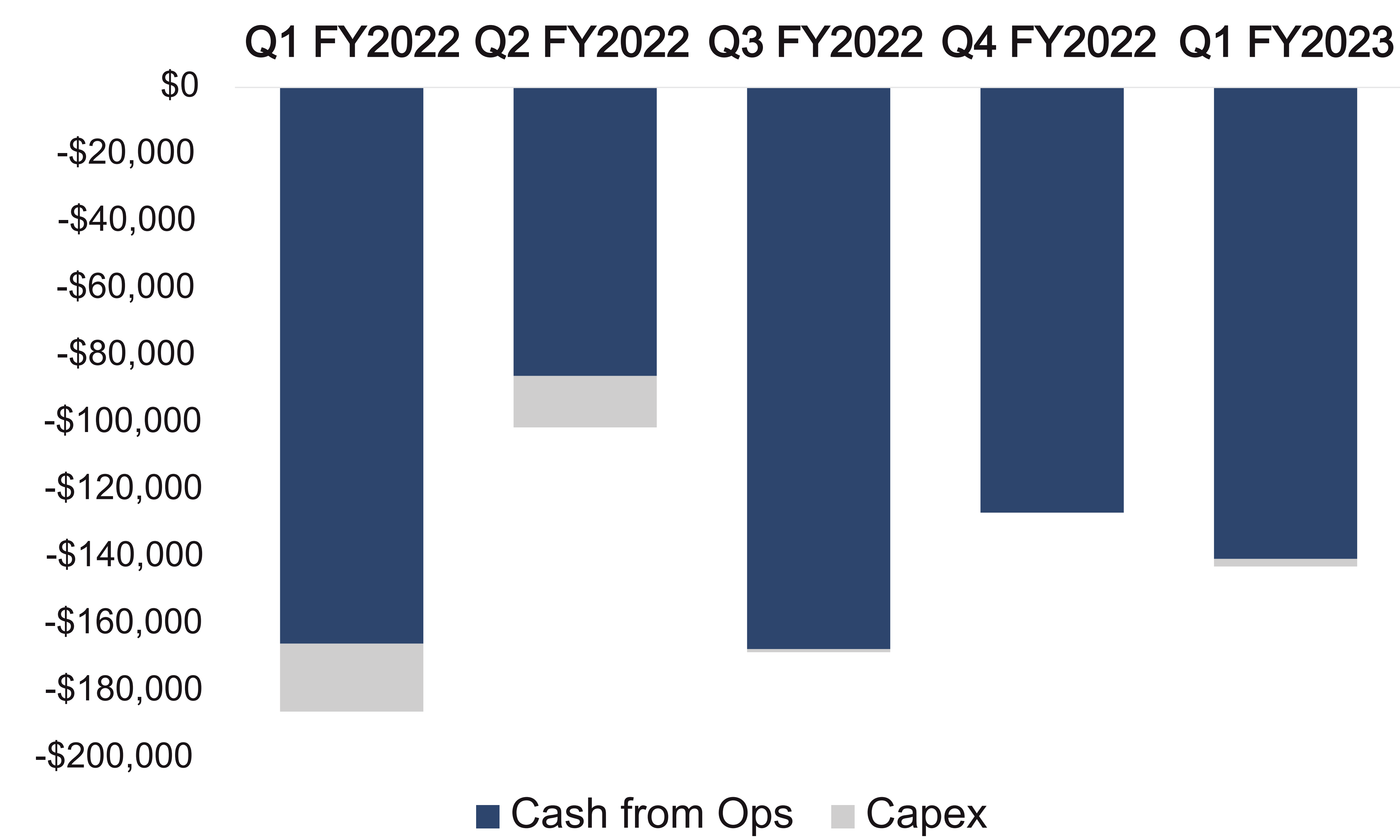
- 'OpEx' refers to Operating Expense
- "Total OpEx" excludes acquisition costs and asset impairment and restructuring costs
- 'OpEx Ex-SBC' refers to Operating Expense excluding Share-Based Compensation

ADJUSTED EBITDA AND FREE CASH FLOW

Adjusted EBITDA Trend (C$ in 000s)



Free Cash Flow Trend (C$ in 000s)



- Adjusted EBITDA loss increase versus the prior year period is primarily driven by a decline in gross margins, partially offset by the reduction in total SG&A expenses.

- Free Cash Flow in Q1 FY2023 was an outflow of $143M which represents a 23% decrease in outflow year over year.
- Outflow decrease reflects the decrease in cash used in operating activities as well as the reduction in capital expenditures due to the substantial completion of infrastructure projects.

- Adjusted EBITDA and Free Cash Flow are Non-GAAP measures (see Non-GAAP Measures)

APPENDIX

ADJUSTED GROSS MARGIN[1] (NON-GAAP) RECONCILIATION

Adjusted Gross Margin[1] Reconciliation (Non-GAAP Measure)

(in thousands of Canadian dollars except where indicated; unaudited)	Three months ended June 30, 2022	2021
Net revenue	$110,115	$136,209
Gross margin, as reported	(1,392)	27,238
Adjustments to gross margin:		
Restructuring costs recorded in cost of good sold	3,961	-
Charges related to the flow-through of inventory step-up on business combinations	-	1,414
Adjusted gross margin[1]	$2,569	$28,652
Adjusted gross margin percentage[1]	2%	21%

[1] Adjusted gross margin and adjusted gross margin percentage are non-GAAP measures. See "Non-GAAP Measures".

ADJUSTED EBITDA[1] (NON-GAAP) RECONCILIATION

Adjusted EBITDA[1] Reconciliation (Non-GAAP Measure)

(in thousands of Canadian dollars, unaudited)	Three months ended June 30, 2022	2021
Net (loss) income	$(2,087,556)	$389,955
Income tax expense	3,749	2,900
Other (income) expense, net	245,578	(580,666)
Loss on equity method investments	-	100
Share-based compensation[2]	5,439	13,126
Acquisition-related costs	4,193	5,780
Depreciation and amortization[2]	21,851	25,132
Asset impairment and restructuring costs	1,727,985	78,618
Restructuring costs recorded in cost of goods sold	3,961	-
Charges related to the flow-through of inventory step-up on business combinations	-	1,414
Adjusted EBITDA[1]	$(74,800)	$(63,641)

[1]Adjusted EBITDA is a non-GAAP measure. See "Non-GAAP Measures".

[2] From Consolidated Statements of Cash Flows.

FREE CASH FLOW[1] (NON-GAAP) RECONCILIATION

Free Cash Flow Reconciliation[1] (Non-GAAP Measure)

(in thousands of Canadian dollars, unaudited)	Three months ended June 30, 2022	Three months ended June 30, 2021
Net cash used in operating activities	$(140,515)	$(165,780)
Purchases of and deposits on property, plant and equipment	(2,293)	(20,279)
Free cash flow[1]	$(142,808)	$(186,059)

[1]Free cash flow is a non-GAAP measure. See "Non-GAAP Measures".

THANK YOU