

CANOPY GROWTH

UNLEASHING THE POWER OF CANNABIS

**INVESTOR PRESENTATION
NOVEMBER 2023**



DISCLAIMERS AND CAUTIONARY STATEMENTS

Forward-Looking Information

This presentation (including any information which has been or may be supplied in writing or orally in connection herewith or in connection with any further inquiries, this “Presentation”) contains “forward-looking statements” within the meaning of applicable securities laws, which involve certain known and unknown risks and uncertainties which may cause the actual results, performance or achievements of Canopy Growth Corporation (“Canopy,” the “Company,” “we,” “us” or “our”) or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this Presentation. To the extent any forward-looking statements in this Presentation constitutes “financial outlooks” within the meaning of applicable Canadian securities laws, 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 financial outlooks. 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. Our actual results or outcomes may differ materially from those anticipated. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made. Examples of such statements and uncertainties include, but are not limited to, statements regarding the Company’s ability to achieve its anticipated market opportunity by 2027 and improve adaptability to market demands; the long-term trajectory of the cannabis industry in Canada, the United States and internationally; the Company’s ability to achieve its anticipated cost reduction targets; expectations regarding international demand for quality Canadian cannabis; the Company’s ability to capitalize on growth opportunities in Canada, the United States and internationally; the anticipated benefits associated with the Company’s new product launches; expectations regarding the potential success of, and the costs and benefits associated with Canopy USA, LLC (“Canopy USA”); consolidation of assets upon federal permissibility to drive additional growth; expected size of the Canadian, U.S. and international cannabis markets; segment and business focuses for FY2024, including delivering positive Adjusted EBITDA across business units exiting FY2024; and expectations regarding our future financial performance and other economic, business and/or competitive factors. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made.

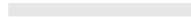


DISCLAIMERS AND CAUTIONARY STATEMENTS

By their nature, forward-looking statements are subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking statements in this Presentation and other reports we file with, or furnish to, the Securities and Exchange Commission (the “SEC”) and other regulatory agencies and made by our directors, officers, other employees and other persons authorized to speak on our behalf. Such factors include, without limitation, risks related to our ability to remediate the material weaknesses in our internal control over financial reporting, or inability to otherwise maintain an effective system of internal control; the risk that our recent restatement could negatively affect investor confidence and raise reputation risks; our ability to continue as a going concern; our limited operating history; risks that we may be required to write down intangible assets, including goodwill, due to impairment; the diversion of management time on issues related to Canopy USA; the ability of parties to certain transactions to receive, in a timely manner and on satisfactory terms, the necessary regulatory, court and shareholder approvals; the risks related to Acreage Holdings, Inc.’s (“Acreage”) financial statements expressing doubt about its ability to continue as a going concern; the adequacy of our capital resources and liquidity, including but not limited to, availability of sufficient cash flow to execute our business plan (either within the expected timeframe or at all); volatility in and/or degradation of general economic, market, industry or business conditions; risks relating to our current and future operations in emerging markets; compliance with applicable environmental, economic, health and safety, energy and other policies and regulations and in particular health concerns with respect to vaping and the use of cannabis and U.S. hemp products in vaping devices; risks and uncertainty regarding future product development; changes in regulatory requirements in relation to our business and products; our reliance on licenses issued by and contractual arrangements with various federal, state and provincial governmental authorities; inherent uncertainty associated with projections; future levels of revenues and the impact of increasing levels of competition; third-party manufacturing risks; third-party transportation risks; inflation risks; our exposure to risks related to an agricultural business, including wholesale price volatility and variable product quality; changes in laws, regulations and guidelines and our compliance with such laws, regulations and guidelines; risks relating to inventory write downs; risks relating to our ability to refinance debt as and when required on terms favorable to us and to comply with covenants contained in our debt facilities and debt instruments; risks associated with jointly owned investments; our ability to manage disruptions in credit markets or changes to our credit ratings; the success or timing of completion of ongoing or anticipated capital or maintenance projects; risks related to the integration of acquired businesses; the timing and manner of the legalization of cannabis in the United States; business strategies, growth opportunities and expected investment; counterparty risks and liquidity risks that may impact our ability to obtain loans and other credit facilities on favorable terms;



DISCLAIMERS AND CAUTIONARY STATEMENTS



the potential effects of judicial, regulatory or other proceedings, litigation or threatened litigation or proceedings, or reviews or investigations, on our business, financial condition, results of operations and cash flows; risks associated with divestment and restructuring; the anticipated effects of actions of third parties such as competitors, activist investors or federal, state, provincial, territorial or local regulatory authorities, self-regulatory organizations, plaintiffs in litigation or persons threatening litigation; consumer demand for cannabis and U.S. hemp products; the risks that the Canadian Transformative Plan will not result in the expected cost-savings, efficiencies and other benefits or will result in greater than anticipated turnover in personnel; the implementation and effectiveness of key personnel changes; risks related to stock exchange restrictions; risks related to the protection and enforcement of our intellectual property rights; the risk that cost savings and any other synergies from the investment in us from Constellation Brands, Inc. and its affiliates may not be fully realized or may take longer to realize than expected; future levels of capital, environmental or maintenance expenditures, general and administrative and other expenses; risks relating to the long term macroeconomic effects of the COVID-19 pandemic and any future pandemic or epidemic; the proceedings commenced by BioSteel Sports Nutrition Inc. (“BioSteel Canada”) under the Companies’ Creditors Arrangement Act in the Ontario Superior Court of Justice (the “CCAA Proceedings”) and the recognition of that proceeding under Chapter 15 of the United States Bankruptcy Code to give full force and effect to orders made in the CCAA Proceedings in the United States, including a stay of proceedings will require a significant amount of time and cost; adverse publicity related to the CCAA Proceedings may affect the Company’s business; the CCAA Proceedings may not improve the financial condition of the Company; unless we are able to deconsolidate Canopy USA upon its acquisition of Mountain High Products, LLC, Wana Wellness, LLC and The Cima Group, LLC (collectively, “Wana”), Lemurian, Inc. (“Jetty”) or the issued and outstanding Class E subordinate voting shares of Acreage, Canopy USA’s acquisition of these assets may be delayed; and the factors discussed under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended March 31, 2023 and in Item 1A of Part II of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 filed with the SEC on November 9, 2023 (the “Form 10-Q”). Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements are provided for the purposes of assisting the reader in understanding our financial performance, financial position and cash flows as of and for periods ended on certain dates and to present information about management’s current expectations and plans relating to the future, and the reader is cautioned that the forward-looking statements may not be appropriate for any other purpose. While we believe that the assumptions and expectations reflected in the forward-looking statements are reasonable based on information currently available to management, there is no assurance that such assumptions and expectations will prove to have been correct. Forward-looking statements are made as of the date they are made and are based on the beliefs, estimates, expectations and opinions of management on that date. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking statements, except as required by law. The forward-looking statements contained in this Presentation and other reports we file with, or furnish to, the SEC and other regulatory agencies and made by our directors, officers, other employees and other persons authorized to speak on our behalf are expressly qualified in their entirety by these cautionary statements.

looking statements.



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, divestiture, and other 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 explained in the Form 10-Q.

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 explained in the Form 10-Q.

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 explained in the Form 10-Q.

CANOPY GROWTH: POSITIONED FOR SUSTAINABLE CANNABIS MARKET LEADERSHIP



CANNABIS CENTERED

Dedication to unleashing the power of cannabis in key markets



BRAND & CONSUMER-LED

Industry-leading brands and products rooted in consumer preferences



GLOBAL REACH WITH NORTH AMERICA FOCUS

A **\$65B** market opportunity by 2027¹

ASSET-LIGHT

Improving **adaptability** to market demands, Industry leading CMO partnerships



SEASONED LEADERS

Blending professional credentials with a **passion** for the cannabis sector

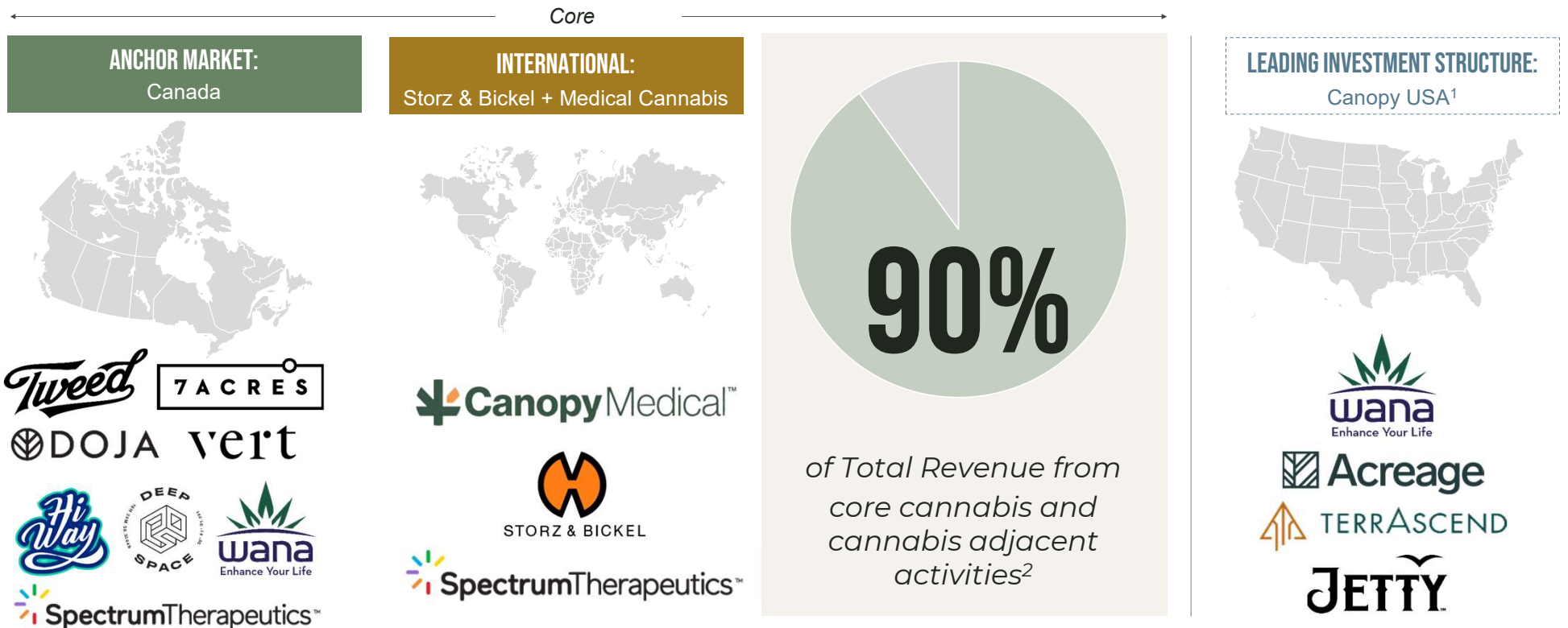
¹ Represents Adult-Use and Medical market forecasts for U.S., Canada, Germany; and Medical forecasts for Australia, Poland and Czech Republic. Forecasts and estimates are subject to risk factors described in the Disclaimers and Cautionary Statements section of this Presentation.

² Source(s): Canada: Internal Proprietary TAM Estimate & Market Model; U.S. and International Markets: BDSA Market Forecasts as of Nov 6th, 2023. In \$CAD - 1.32 Currency conversion \$USD to \$CAD.

CANNABIS CENTERED: DELIVERING THE BENEFITS OF CANNABIS TO CONSUMERS AND PATIENTS GLOBALLY



Canopy is dedicated to being a leader in the cannabis sector with disciplined and measured investment in emerging markets



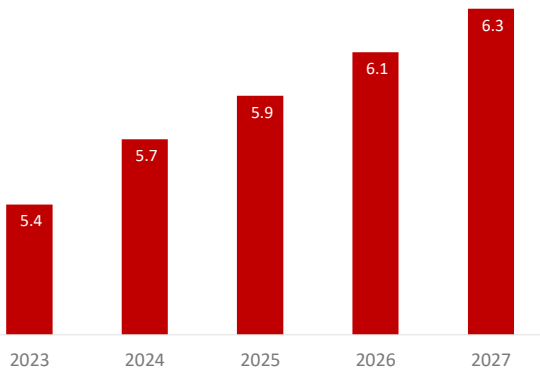
¹ Canopy USA holds the U.S. THC investments that were previously held by Canopy, which is expected to enable Canopy USA to exercise rights to acquire Wana, Acreage and Jetty and acquire common shares of TerrAscend; however, prior to such exercise or acquisition, Canopy must, among other things, obtain regulatory approval of its proxy statement and obtain requisite shareholder approval for the creation of a new class of non-voting, non-participating exchangeable shares. See risk factors described in the Disclaimers and Cautionary Statements section of this Presentation.

² Based on Q2 FY2024 Net Revenue excluding ThisWorks

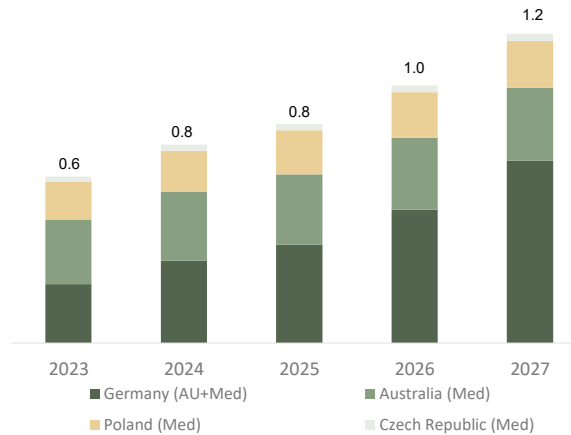
GLOBAL OPPORTUNITY: A \$65B CANNABIS MARKET OPPORTUNITY BY 2027¹



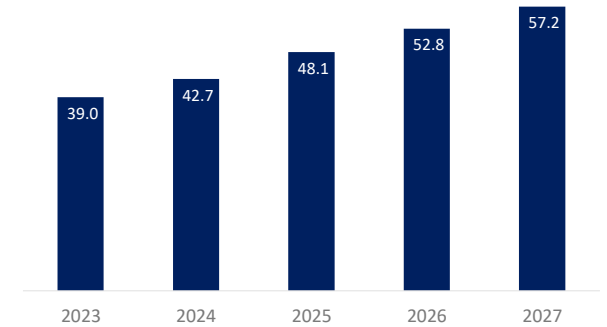
CANADA ADULT-USE + MEDICAL CANNABIS MARKET SIZE (2023 TO 2027), \$CAD BB³



INTERNATIONAL CANNABIS MARKET SIZE (2023 TO 2027), \$CAD BB²



U.S. ADULT-USE + MEDICAL CANNABIS MARKET SIZE (2023 TO 2027), \$CAD BB²



¹ \$CAD; combined forecasts

² Source: BDSA Market Forecasts as of Nov 6th, 2023; 1.32 Currency conversion \$USD to \$CAD

³ Source: Internal CGC Proprietary TAM Estimates & Market Model

BUSINESS TRANSFORMATION: DROVE SIGNIFICANT IMPROVEMENT IN GROSS MARGINS AND REDUCED CASH BURN IN Q2 FY2024



Actions Taken

- Completed structural transformation to **cannabis-focused, asset-light business**
- Eliminated significant cash burn** and **further focused on cannabis operations** by ceasing funding of BioSteel business
- Delivered additional cost reduction of \$54 MM in Q2 FY2024, bringing the **total cost reduction to \$226 MM since the beginning of FY2023**
Management is tightening its previously announced cost reduction target to \$270 MM – \$300 MM.
- Reduced overall debt by \$364 MM to \$681 MM in Q2 FY2024; Total debt reduction of approximately \$1 BN delivered since the beginning of Fiscal 2023.

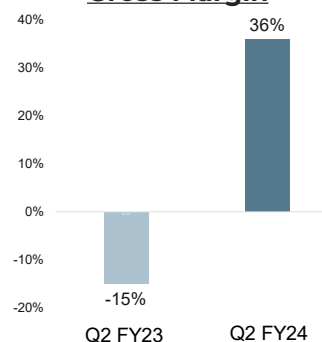


Results Achieved

~\$80M

Cost of Goods Sold (“COGS”) reduction since beginning of FY2023

Canadian Cannabis Gross Margin

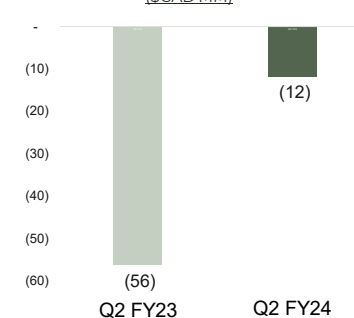


~80%

Q2 FY2024 year-over-year Adjusted EBITDA loss reduced

Consolidated Adjusted EBITDA¹

(\$CAD'MM)



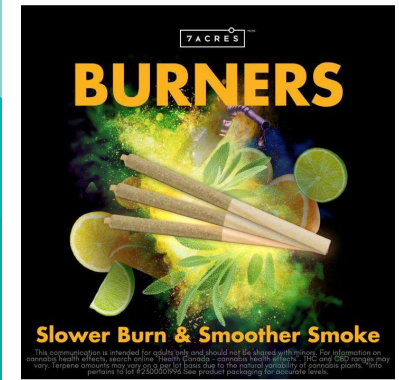
Management reaffirms expectation to achieve positive Adjusted EBITDA¹ in all business units exiting FY2024

¹ Adjusted EBITDA is a Non-GAAP measure. See Non-GAAP measure section in the Disclaimers and Cautionary Statements section of this Presentation..

CANADIAN CANNABIS: IMPROVED PRODUCT PORTFOLIO DRIVING PROFITABLE GROWTH



- Cultivation enhancements have enabled the Company to consistently produce **new high-quality cannabis flower products**
- New products have improved the Company's competitive position in the Canadian cannabis market
- Company became a **top 3 supplier of cannabis flower to British Columbia cannabis stores** during Q2 FY2024, up from 11th in Q2 FY2023¹
- Tweed Kush Mints was nominated for a **2023 Karma Cup award** in the Hybrid Flower category
- Executing a plan to re-introduce the **Wana brand in the Canadian adult-use cannabis market**. Wana gummies are available to registered medical cannabis patients in Canada through the Spectrum web site.



¹ Unless otherwise indicated, market share data disclosed in this presentation are calculated using the Company's internal proprietary market share tool that utilizes point of sales data supplied by third-party data providers and government agencies. 10

INTERNATIONAL MEDICAL: DEMAND FOR QUALITY CANADIAN CANNABIS IS EXPECTED TO DRIVE GROWTH OPPORTUNITIES







- Recognition of **Canadian cannabis product quality** is spurring demand from International medical markets
- Leveraging strong demand, the Company started **shipping 5 new SKUs to international medical markets** in Q3 FY2024; Additional product SKUs are expected to be launched over the coming months
- Focus on growing Australian medical cannabis market; **Australia generated 10th straight quarter of revenue growth in Q2 FY2024**
- **Refining our business processes to capitalize on growth opportunities** that we see in other markets including Germany, Poland and the Czech Republic
- **EU-GMP certification of the Kincardine**, Ontario cultivation facility **strengthens ability to supply** International medical markets



STORZ & BICKEL: EXPANDED PRODUCT PORTFOLIO WITH INTRODUCTION OF NEW VENTY PORTABLE VAPORIZER



Sets industry standard for portable vaporizer performance and features, including:

-  Adjustable airflow up to an industry leading 20 liters per minute maximum
-  Short 20 second heat up time
-  Precise single degree temperature control from 40C to 210C
-  Fast USB-C charging



CANOPY USA¹: STRATEGY CONTINUES TO ADVANCE, U.S. THC PLATFORM DEMONSTRATES ASSET-LIGHT GROWTH CAPABILITIES



WANA² - GUMMIES

An **innovative** North American cannabis edibles brand

Diverse edibles portfolio including fast-acting and targeting specific need-states

Active in 16 states, Puerto Rico and Canada

JETTY³ - EXTRACTS

Authentic vape experience and award-winning technology

Leading solventless vape brand in California⁶

Additional products include Pre-Rolls, Concentrates and Edibles

Recently expanded to CO and NY

ACREAGE⁴ - MSO

Vertical integration from cultivation to retail

Operates under The Botanist retail banner

Brands include Superflux, The Botanist and Prime Wellness

Active in NY, NJ, OH, PA and IL

TERRASCEND⁵ - MSO

Vertical integration in PA, NJ, MI & CA, licensed operations in MD

Operates under The Apothecarium and Gage retail banners

Brands include owned and licensed brands across multiple categories

Canopy owns ~17% minority stake

1. Canopy USA holds the U.S. THC investments that were previously held by Canopy, which is expected to enable Canopy USA to exercise rights to acquire Acreage, Wana and Jetty and evaluate all options with respect to its conditional ownership of TerrAscend. However, prior to such exercise or acquisition, Canopy must, among other things, obtain regulatory approval of its proxy statement and requisite shareholder approval for the creation of a new class of non-voting, non-participating exchangeable shares (the "Non-Voting Shares"). Canopy holds the Non-Voting Share until such time as Canopy converts the Non-Voting Shares into common shares of Canopy USA. Canopy will have no economic or voting interest in Canopy USA, Acreage, Wana, Jetty or TerrAscend and these entities will continue to operate independently of Canopy. See risk factors described in the Disclaimers and Cautionary Statements section of this Presentation.

2. Until such time as Canopy USA elects to exercise its rights to acquire Mountain High Products, LLC, Wana Wellness, LLC and The Cima Group, LLC, Canopy USA will have no direct or indirect economic or voting interests in Wana, Canopy USA will not directly or indirectly control Wana, and Canopy USA, on the one hand, and Wana, on the other hand, will continue to operate independently of one another.

3. Until such time as Canopy USA elects to exercise its rights to acquire Lemurian, Inc., Canopy USA will have no direct or indirect economic or voting interests in Jetty, Canopy USA will not directly or indirectly control Jetty, and Canopy USA, on the one hand, and Jetty, on the other hand, will continue to operate independently of one another.

4. Until such time as Canopy exercises its right to acquire the Class E subordinate voting shares of Acreage and Canopy USA acquires the Class D subordinate voting shares of Acreage, neither the Company nor Canopy USA will have any direct or indirect economic or voting interests in Acreage, neither the Company nor Canopy USA will directly or indirectly control Acreage, and each of the Company, Canopy USA and Acreage will continue to operate independently of one another.

5. Canopy USA currently holds certain exchangeable shares, options, and warrants in TerrAscend, and holds a conditional ownership position, assuming conversion of its exchangeable shares, but excluding the exercise of its warrants, of 17.47% in TerrAscend at June 30, 2023

6. Based on August 2023 BDSA data for dollars sold for all product categories.

FY2024 BUSINESS OUTLOOK

Second Half of FY2024 Focus and Priorities:

- Complete execution of business transformation initiatives and deliver **positive Adjusted EBITDA**¹ in all business units exiting FY2024
- Accelerate revenue growth in core businesses:
 - **Canadian cannabis:** Deliver stable to improved performance in priority market segments, execute against growth opportunities
 - **Storz & Bickel:** Support launch of new Venty portable vaporizer, expand U.S. distribution
 - **Rest of World cannabis:** Capitalize on growth opportunities in Australia, Poland and Czech; enhance product and commercial capabilities in Germany
- Improve cash flow, continue to reduce debt and strengthen the balance sheet.

LONG-TERM OUTLOOK

Long-term Outlook

- **Consolidation and stabilization** in Canadian cannabis as industry matures
- U.S. **federal permissibility** opening the world's largest cannabis market, with Canopy USA platform poised to capitalize
- **International Platforms for growth** established in Europe (based in Germany) and Oceania (based in Australia) to capitalize on further medical and adult-use legalization
- **Global reach** of Storz & Bickel to capitalize on new legalized markets as a strategic adjacency to cannabis operations
- Capital markets access via dual-listing in Canada and U.S.

¹ Adjusted EBITDA is a Non-GAAP measure. See Non-GAAP measure section in the Disclaimers and Cautionary Statements section of this Presentation..



Q2 FY2024 FINANCIAL RESULTS



Q2 FY2024 KEY FINANCIAL HIGHLIGHTS

(CDN in millions)	Q2 FY2024	Q2 FY2023 (As Restated)	vs. Q2 FY2023
Net Revenue	\$69.6	\$87.9	(21%)
Gross Margin	34%	(1)%	3500 bps
Adjusted EBITDA¹	\$(11.9)	\$(56.4)	79%
Free Cash Flow¹	\$(67)	\$(99)	32%
Cash/Marketable Secs.	\$270	\$1,143	(76)%

Net Revenue decreased 21%. Adjusting for divestiture of Canadian national retail operations, organic net revenue in Q2 FY2024 decreased 7% year-over-year. The decrease in organic net revenue is primarily due to lower Canadian adult-use B2B, international medical cannabis and Storz & Bickel revenue partially offset by an increase in Canadian medical cannabis revenue.

Gross margin improvement is due primarily to realized benefit of our cost saving program, a decrease in write-downs of excess inventory and gross margin improvement in Rest-of-world cannabis and ThisWorks segments.

Free Cash Flow improved due to lower cash used in operating activities partly driven by the exclusion of BioSteel negative cash flows. Cash used during the quarter includes \$28MM in cash interest payments made during Q2 Fiscal 2024 as well as cash restructuring and facility hold costs.

¹ Adjusted EBITDA and Free Cash Flow are Non-GAAP measure. See Non-GAAP measure section in the Disclaimers and Cautionary Statements section of this Presentation..

REVENUE PERFORMANCE BY CHANNEL

<i>(in millions of Canadian dollars, unaudited)</i>	Q2 FY2024	Q2 FY2023 (As Restated)	vs. Q2 FY2024
Canadian Recreational Cannabis Net Revenue			
Business-to-business ¹	\$24.0	\$25.3	(5)%
Business-to-consumer	\$ -	\$12.8	(100)%
	\$24.0	\$38.1	(37)%
Canadian Medical Cannabis Net Revenue²	\$15.0	\$14.2	6%
	\$39.0	\$52.3	(25)%
Rest-of-world cannabis ³	\$9.0	\$10.5	(14)%
Storz & Bickel	\$12.0	\$13.5	(11)%
This Works	\$7.1	\$6.9	3%
Other	\$2.5	\$4.7	(47)%
Net Revenue	\$69.6	\$87.9	(21)%

¹ For Q2 FY2024, amount is net of excise taxes of \$10.8 MM and other revenue adjustments of \$0.5 MM (Q2 FY2023 - \$11.4 MM and \$0.4 MM, respectively).

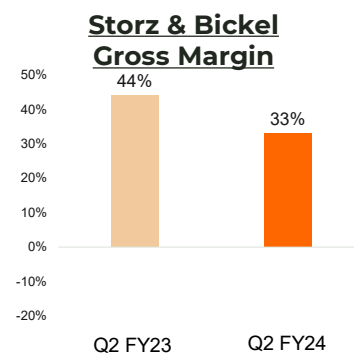
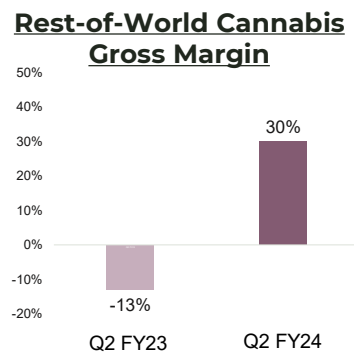
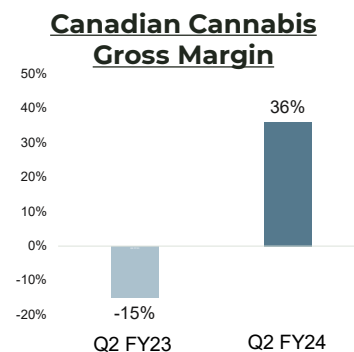
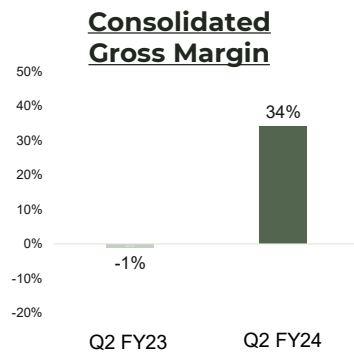
² For Q2 FY2024, amount is net of excise taxes of \$1.7 MM (Q2 FY2023 - \$1.1 MM).

³ For Q2 FY2024, amount reflects other revenue adjustments of \$0.1 MM (Q2 FY2023 - \$0.5 MM).



GROSS MARGIN PERFORMANCE

Gross Margin Year-over-Year Change By Reported Segment

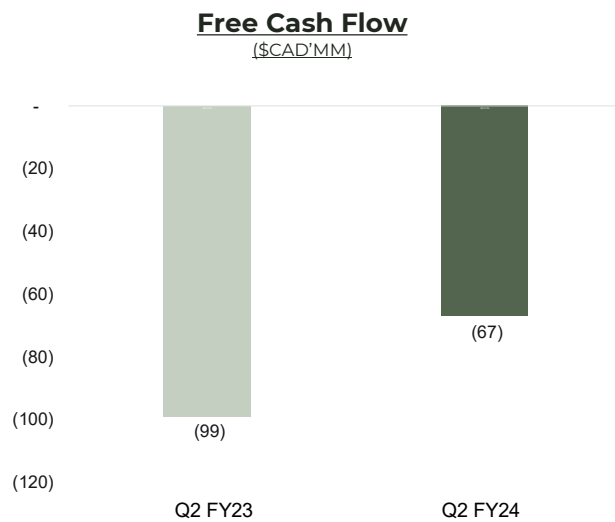


Drivers of Q2 FY2024 Consolidated Gross Margin Performance

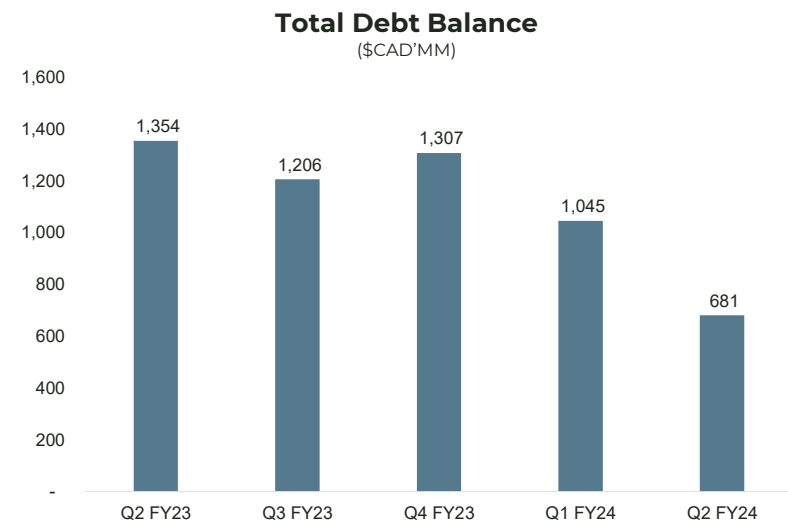
- (+) Improvement in our Canada cannabis segment, primarily attributable to: (i) the realized benefit of our cost savings program and strategic changes to our business; (ii) a year-over-year decrease in write-downs of excess inventory; and (iii) opportunistic utilization of lower cost inputs
- (+) Year-over-year decrease in restructuring charges,
- (+) Improvement in our Rest-of-world cannabis and This Works segments, primarily due to lower excess and obsolete inventory charges in the second quarter of fiscal 2024.



FREE CASH FLOW AND DEBT



Free Cash Flow from continuing operations was an outflow of \$67 MM comprised of cash from operations, which included \$28 MM of cash interest payment, and capital expenditure of \$1 MM in Q2 FY2024.



Reduced overall debt by \$364 MM to \$681 MM in Q2 FY2024; Total debt reduction of approximately \$1 BN delivered since the beginning of FY2023.



APPENDIX



ADJUSTED GROSS MARGIN¹ (NON-GAAP) RECONCILIATION

Adjusted Gross Margin¹ Reconciliation (Non-GAAP Measure)

<i>(in thousands of Canadian dollars except where indicated; unaudited)</i>	Three months ended September 30,	
	2023	2022
Net revenue	\$ 69,595	\$ 87,941
Gross margin, as reported	23,426	(611)
Adjustments to gross margin:		
Restructuring costs recorded in cost of goods sold	(689)	4,822
Adjusted gross margin ¹	\$ 22,737	\$ 4,211
Adjusted gross margin percentage ¹	33%	5%

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



ADJUSTED EBITDA¹ (NON-GAAP) RECONCILIATION

Adjusted EBITDA¹ Reconciliation (Non-GAAP Measure)

<i>(in thousands of Canadian dollars, unaudited)</i>	Three months ended September 30,	
	2023	2022
Net loss from continuing operations	\$ (148,162)	\$ (196,466)
Income tax expense	12,821	8,220
Other (income) expense, net	128,334	39,074
Share-based compensation	2,717	9,573
Acquisition, divestiture, and other costs	10,488	14,006
Depreciation and amortization ²	12,530	20,427
(Gain)/loss on asset impairment and restructuring	(29,895)	43,968
Restructuring costs recorded in cost of goods sold	(689)	4,822
Adjusted EBITDA ¹	<u>\$ (11,856)</u>	<u>\$ (56,376)</u>

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

²From Consolidated Statements of Cash Flows.



FREE CASH FLOW¹ (NON-GAAP) RECONCILIATION

Free Cash Flow¹ Reconciliation (Non-GAAP Measure)

(in thousands of Canadian dollars, unaudited)

	Three months September 30,	
	2023	2022
Net cash used in operating activities - continuing operations	\$ (66,393)	\$ (96,832)
Purchases of and deposits on property, plant and equipment - continuing operations	(690)	(2,015)
Free cash flow ¹ - continuing operations	<u>\$ (67,083)</u>	<u>\$ (98,847)</u>

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

A person wearing white gloves is shown handling cannabis plants in a grow room. The plants are green and have small white flowers. The person is wearing white gloves and is holding a branch of the plant. The background is dark and out of focus, showing some equipment in the grow room.

THANK YOU