

Product Demand: Shifts in What Consumers Want

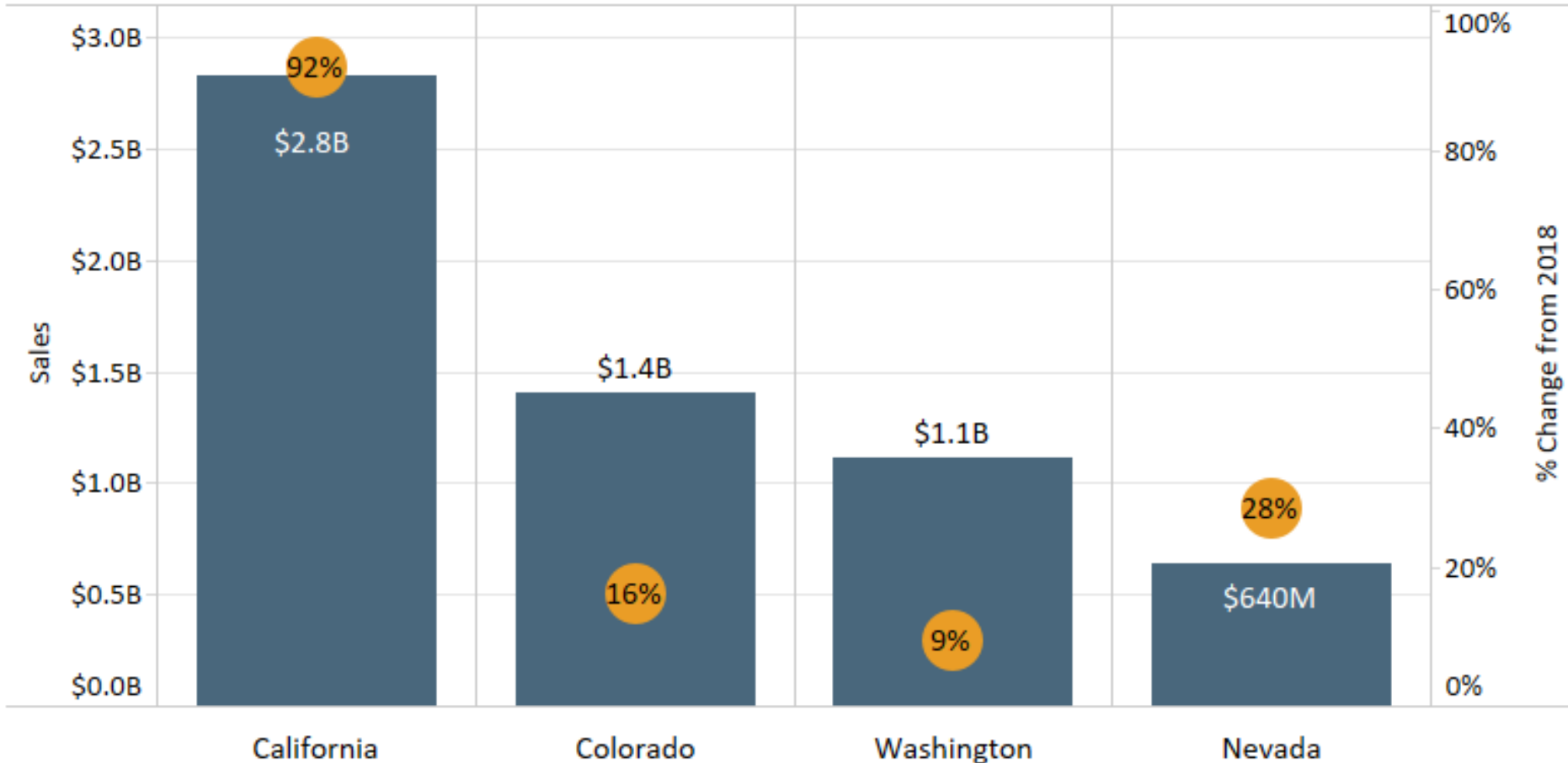


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CEO, Wana Brands

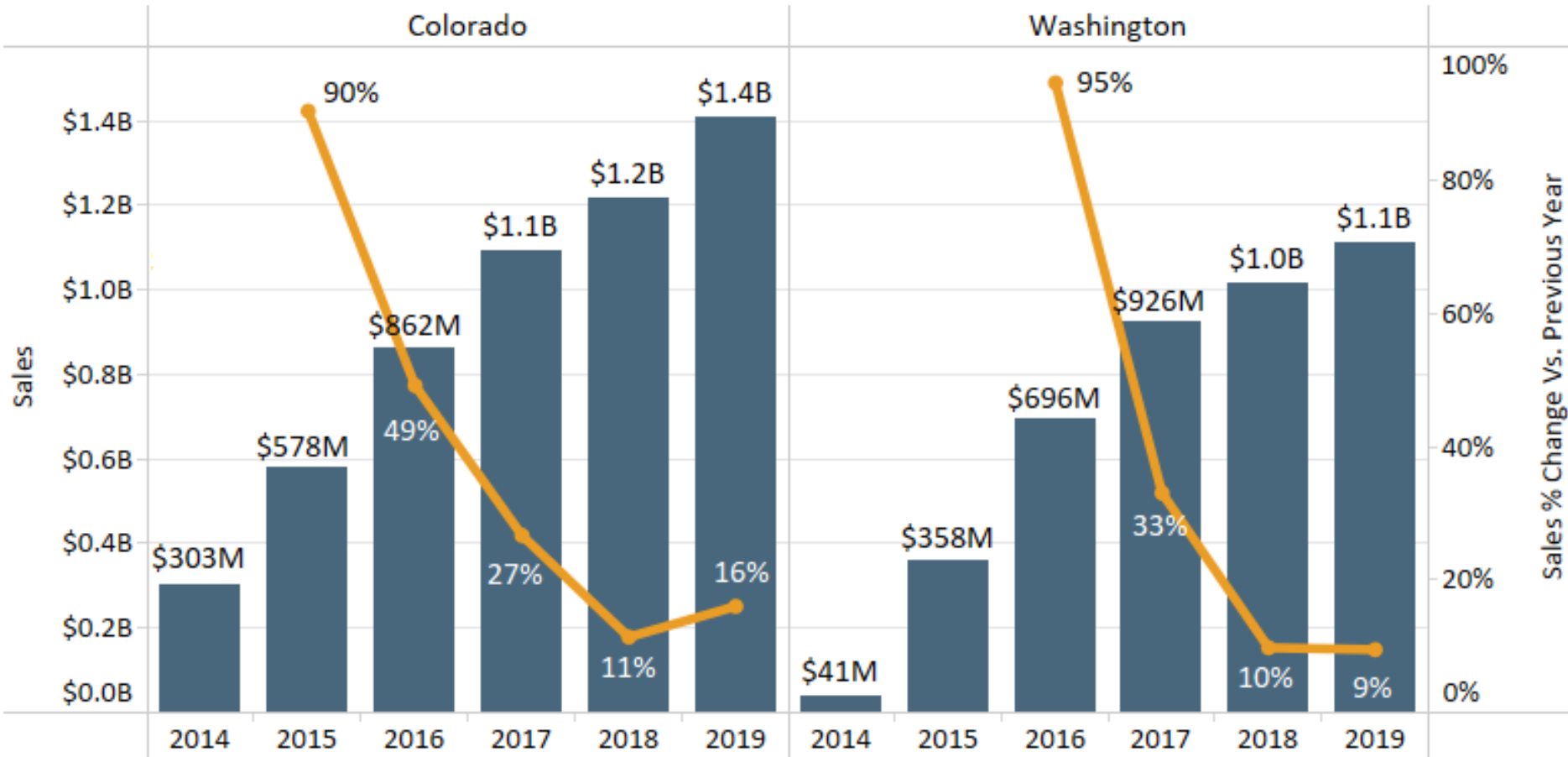
Adult-Use Cannabis Sales in 2019 & Percent Change Vs. 2018: Breakdown By Market



**Adult-use
cannabis
sales strong
in 2019**

Colorado & Washington State Adult-Use Cannabis Sales By Year

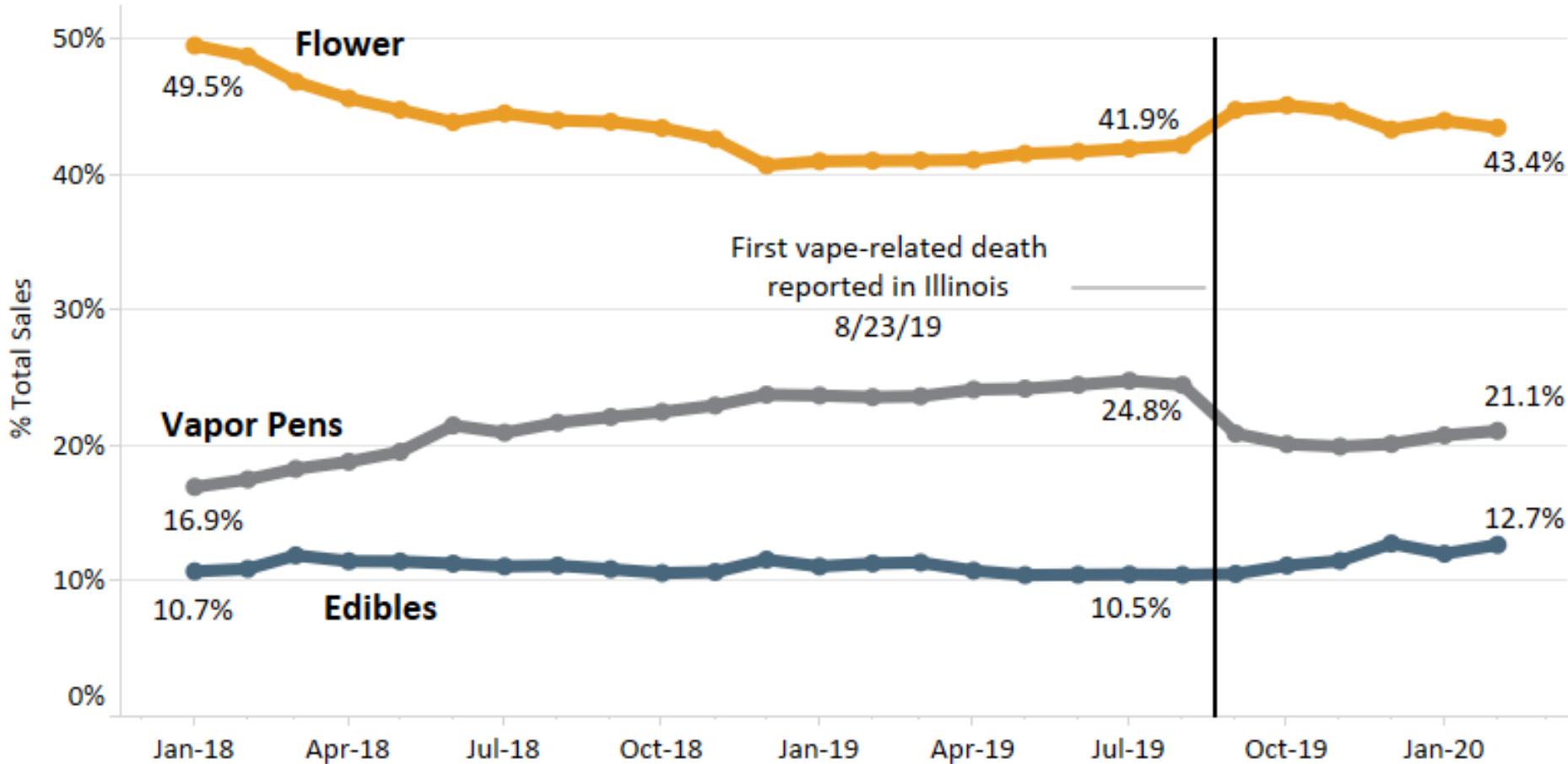
■ Sales ■ Sales % Change Vs. Previous Year



Particularly strong sales growth in mature rec markets

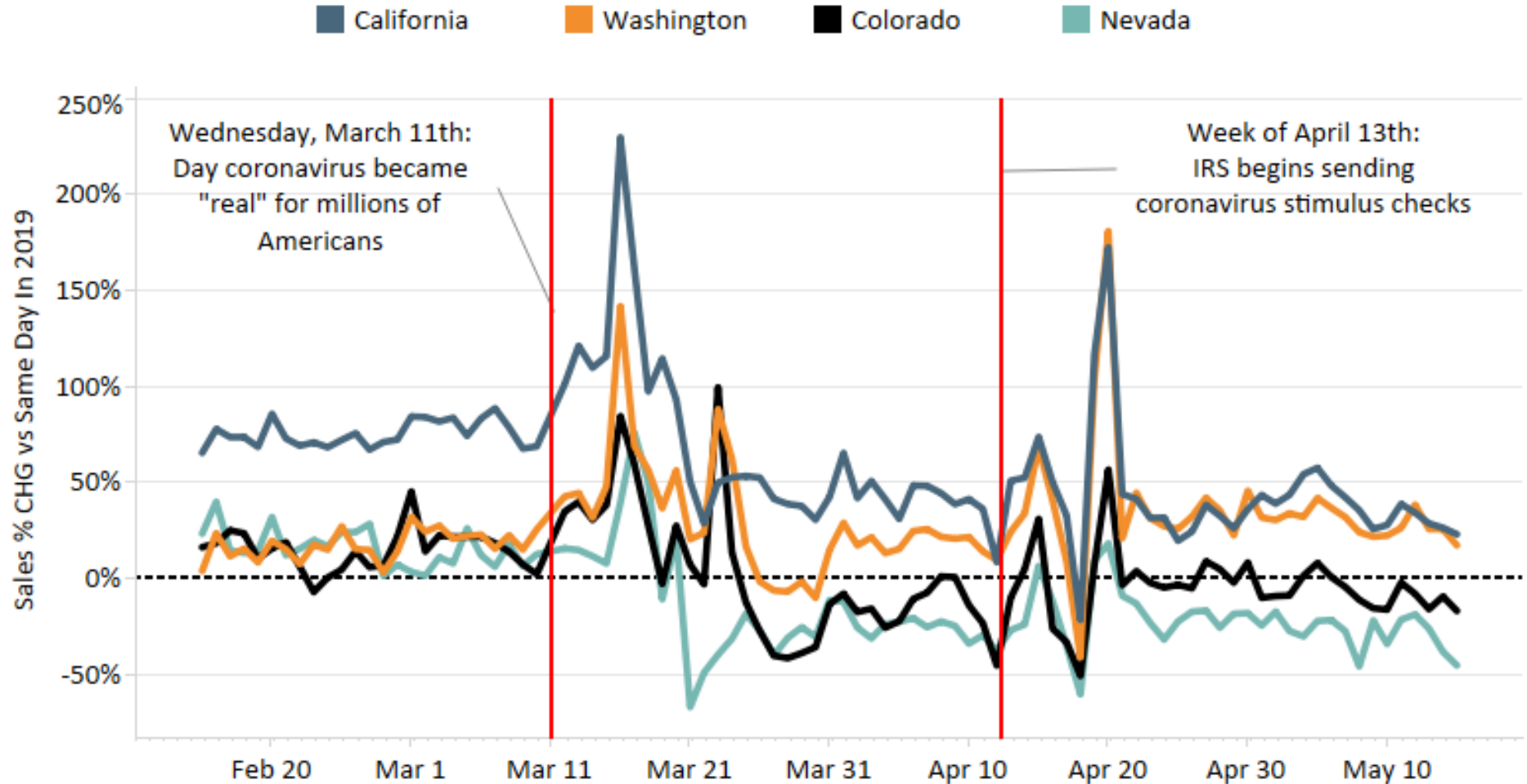
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Share of Adult-Use Cannabis Sales in California, Colorado, Nevada & Washington: January 2018 Through February 2020



Vape crisis disrupts long-term trend away from flower

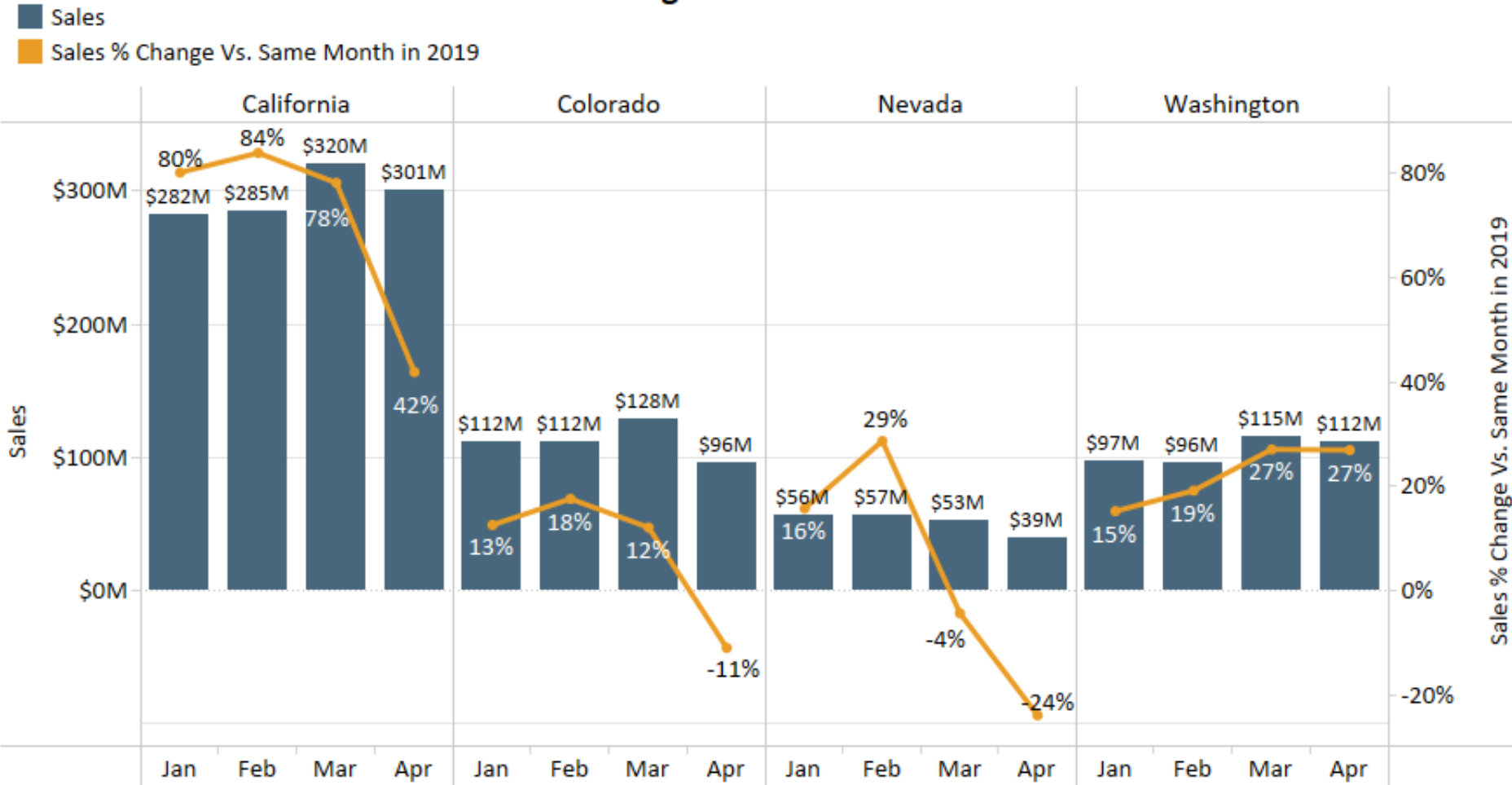
Adult-Use Cannabis Sales by Day & Market: Percent Change Vs. Same Day in 2019



COVID-19 causes extreme sales volatility

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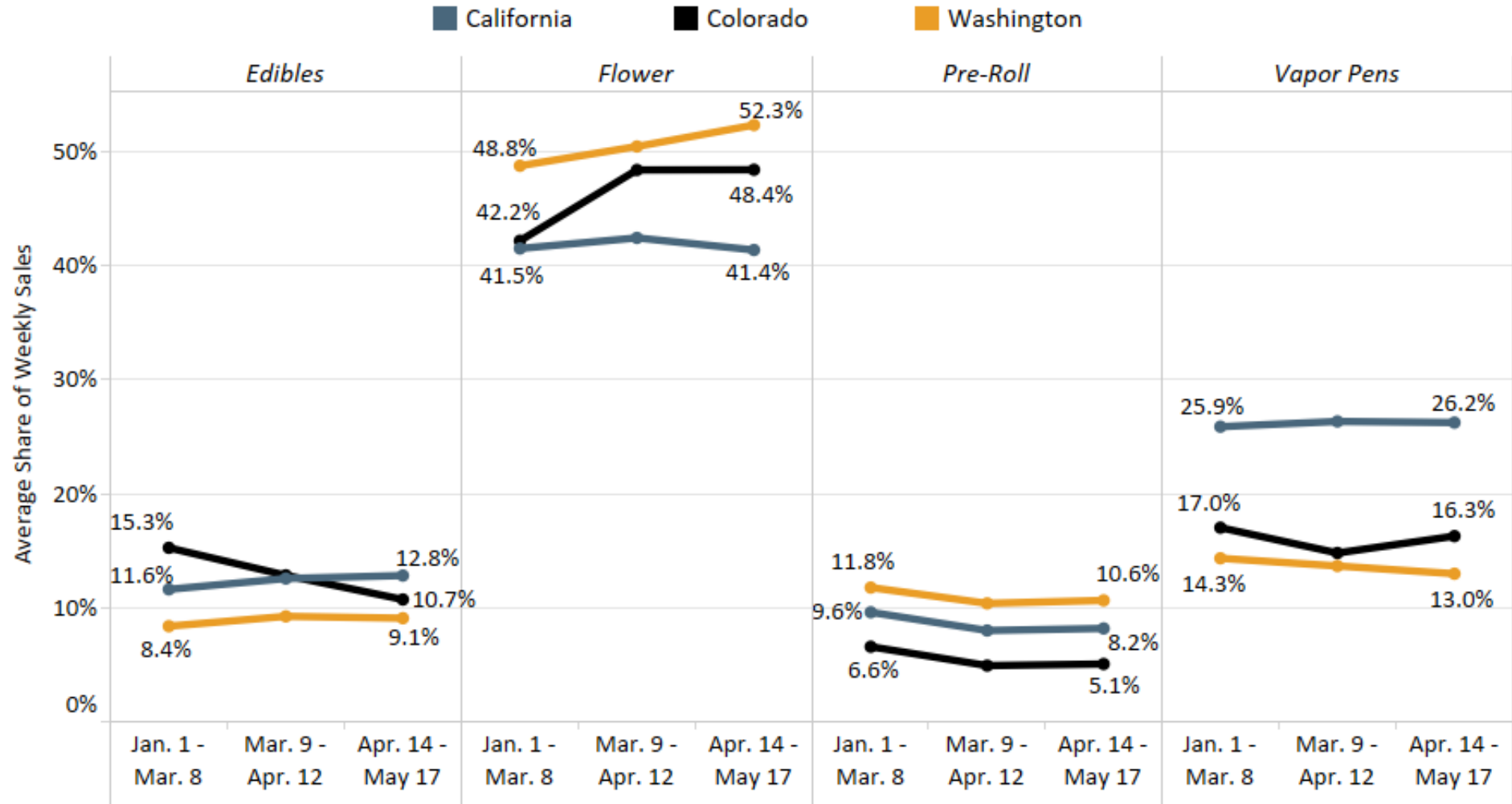
Adult-Use Cannabis Sales by Month & Market in 2020: Percent Change vs. Same Month in 2019



Post-coronavirus, sales in some states faring better than others

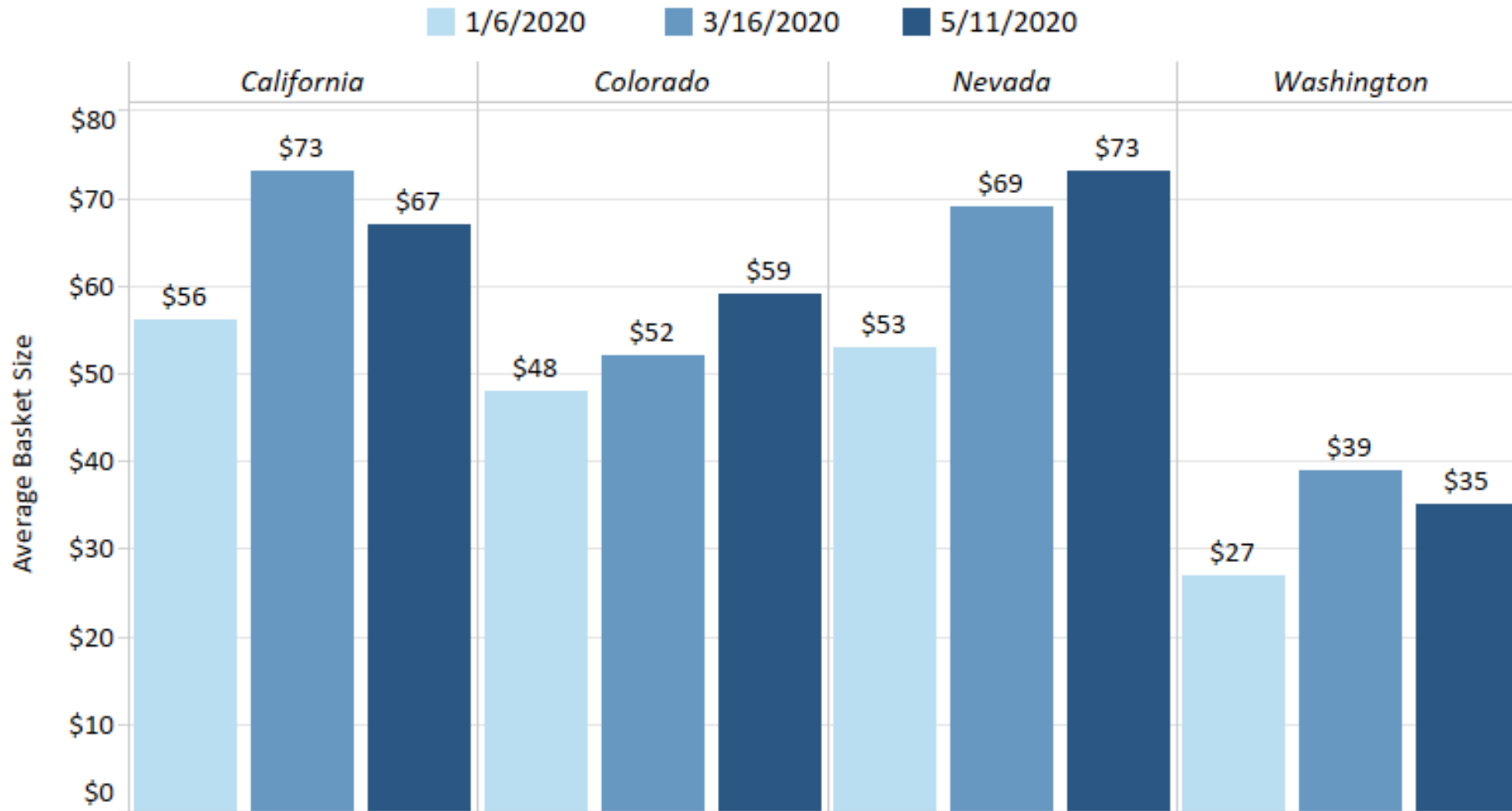
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Share of Adult-Use Cannabis Sales in 2020 by Market, Category & Time Period



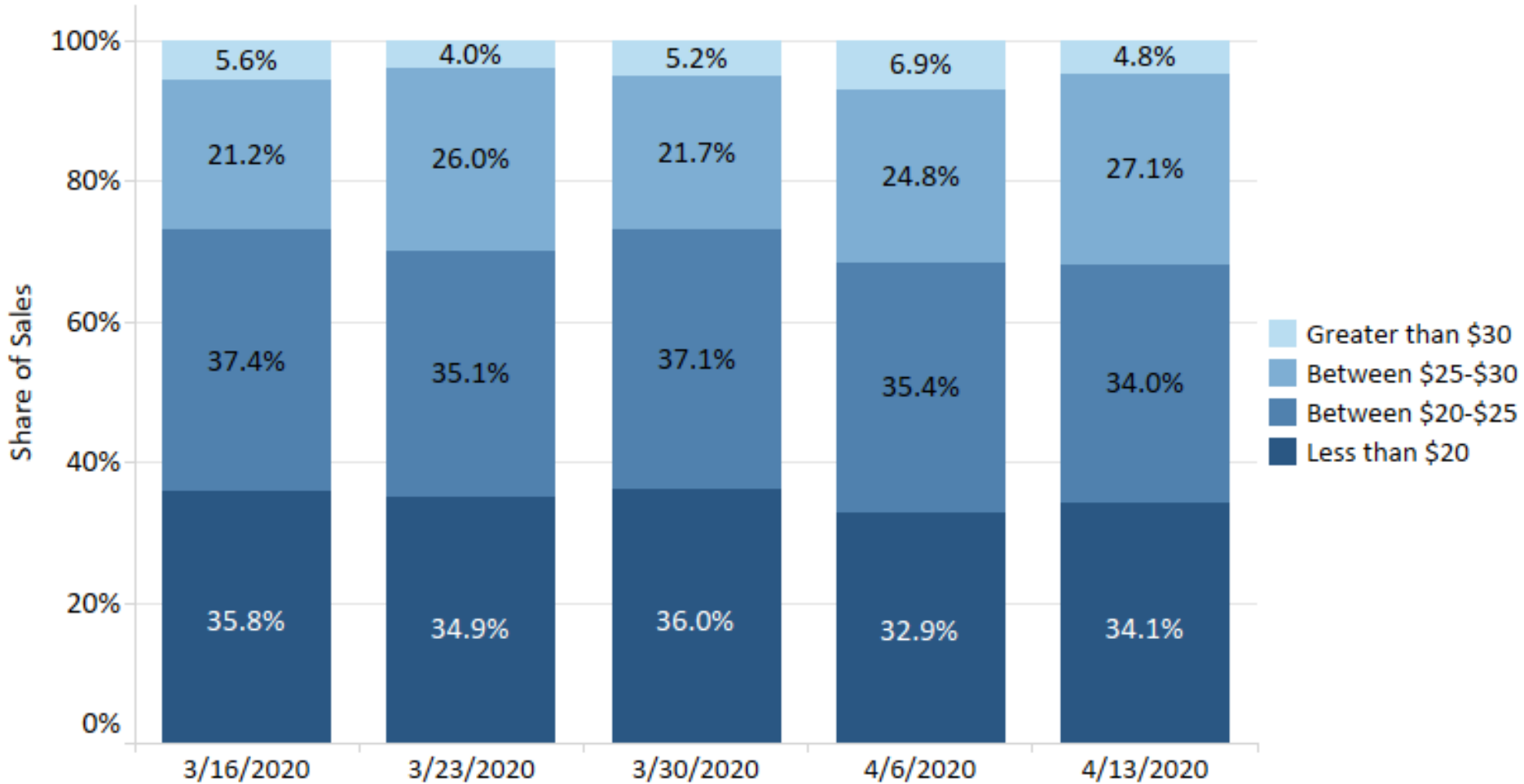
Category sales trends also differ by market

Average Basket Sizes by Market & Time Period



Consumers spending more per trip

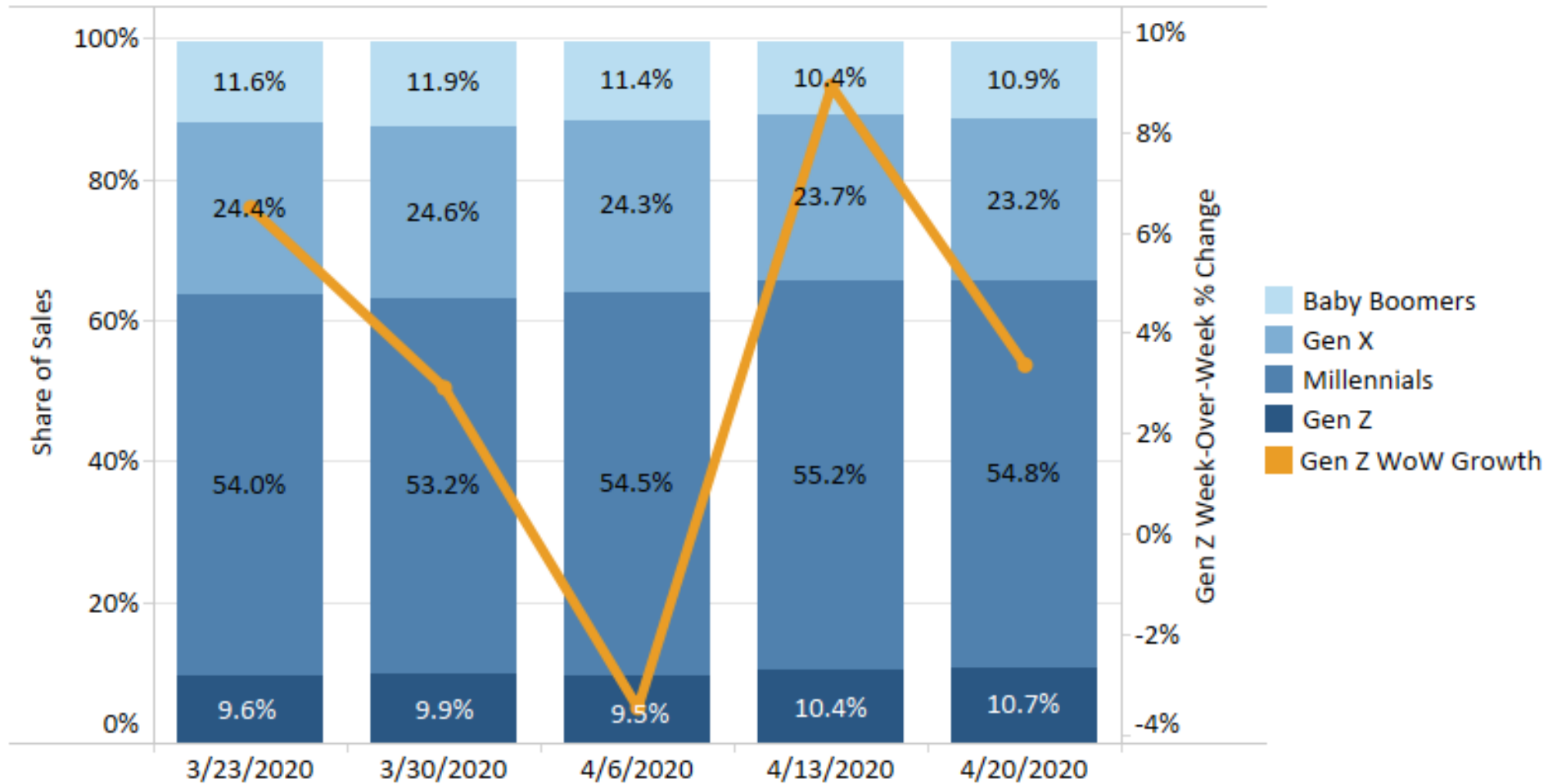
Share of Adult-Use Flower Sales by Week & Price Point in Washington



No signs of consumers moving towards value-tier brands and products, yet

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Share of Adult-Use Cannabis Sales by Generation & Week



Gen Z accounts for growing share of adult-use cannabis sales

1st economic downturn the adult-use cannabis industry has experienced

- 39 million newly unemployed Americans
- State economies in various stages of reopening
- \$2 trillion stimulus package enacted by Federal government, more likely to come
- Possibility of the virus resurging later in the year

BUT.....

- Signs that cannabis sales fare well during economic downturn
- Widespread acknowledgement that cannabis businesses are essential
- Continued push for cannabis banking reform on Capitol Hill