



# Investor Presentation

## July 2022

Cronos Australia's CanView platform facilitates medicinal cannabis prescription, sales and distribution for doctors, pharmacies and patients throughout Australia







PLEASE NOTE: Due to the high volume of orders at this time and reduced staff numbers due to covid restrictions, we cannot guarantee same day dispatch. Apologies for the inconvenience.

BHC'S  
CANVIEW

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# BHC: Medical Cannabis Wholesaler

Australia's leading platform which offers doctors and pharmacists one simple and reliable platform to access, prescribe and order the widest range of products in Australia, delivered express with live tracking direct to a pharmacy for FREE

LOGIN TO ORDER

**LARGEST PRODUCT RANGE**  
Widest range of MC products in Australia

**EASY ORDERING**  
Simple and quick ordering with personalised support

**FREE EXPRESS SHIPPING**  
Free express and tracked shipping direct to pharmacy

**PHARMACIST**  
View products, place orders and manage documentation.  
**REGISTER** →

**MEDICAL PRACTITIONER**  
Choose products, learn to prescribe, TGA SAS app  
**REGISTER** →

**PATIENT**  
Get your medical cannabis, delivered direct to your door  
**REGISTER** →

Enrol in our Free Confidential Prescriber Course

# Overview Operations and Financials

MacBook Pro



# Investment Highlights

Market leading, profitable, and rapidly growing medicinal cannabis company

## Market Leading Medicinal Cannabis Platform

- Cronos Australia's Canview technology platform provides prescribers and patients with a compliant prescription pathway to access high quality medicinal cannabis products
- **Launched in 2020** the Canview platform is becoming the industry standard for doctors, patients, pharmacies and suppliers

## Profitable and cash flow generative

Outstanding growth in FY22

- FY22<sup>1</sup> revenue of **~\$66-68m (208% YoY growth)**
- FY22<sup>1</sup> EBITDA of **~\$10-11m (392% YoY growth)**
- FY22<sup>1</sup> operating **cashflow of \$13.1m**
- Strong balance sheet

## Strong market growth continuing

- Active medicinal cannabis patients have grown from **near zero in 2018 to over 100,000 in 2022**
- Australian medicinal cannabis market forecast to exceed **\$400m by end CY22 (up from \$230m in CY21)**<sup>2</sup>

## Established technology platform

- The CanView platform is **Australia's leading marketplace** for medicinal cannabis
- CanView enables the regulatory compliant prescription, sale and distribution of medicinal products through its **automated, AI enabled and scalable technology platform**

## Deep competitive advantages

- CanView's competitive advantage
  - **700+ registered prescribers**
  - **~7,000 registered patients**
  - **2,800+ pharmacies (~50% of the market)**
  - **160+ branded products from 25+ leading suppliers**

## Substantial growth opportunity

- Growth Strategy:
  - **Phase 1 (Complete)** - National footprint of registered prescribers, pharmacies, patients established on CanView platform
  - **Phase 2 (FY23 & beyond)** - Cronos' expanding team of medical science liaisons to target low penetration regions across Australia

# Financial Highlights - strong results

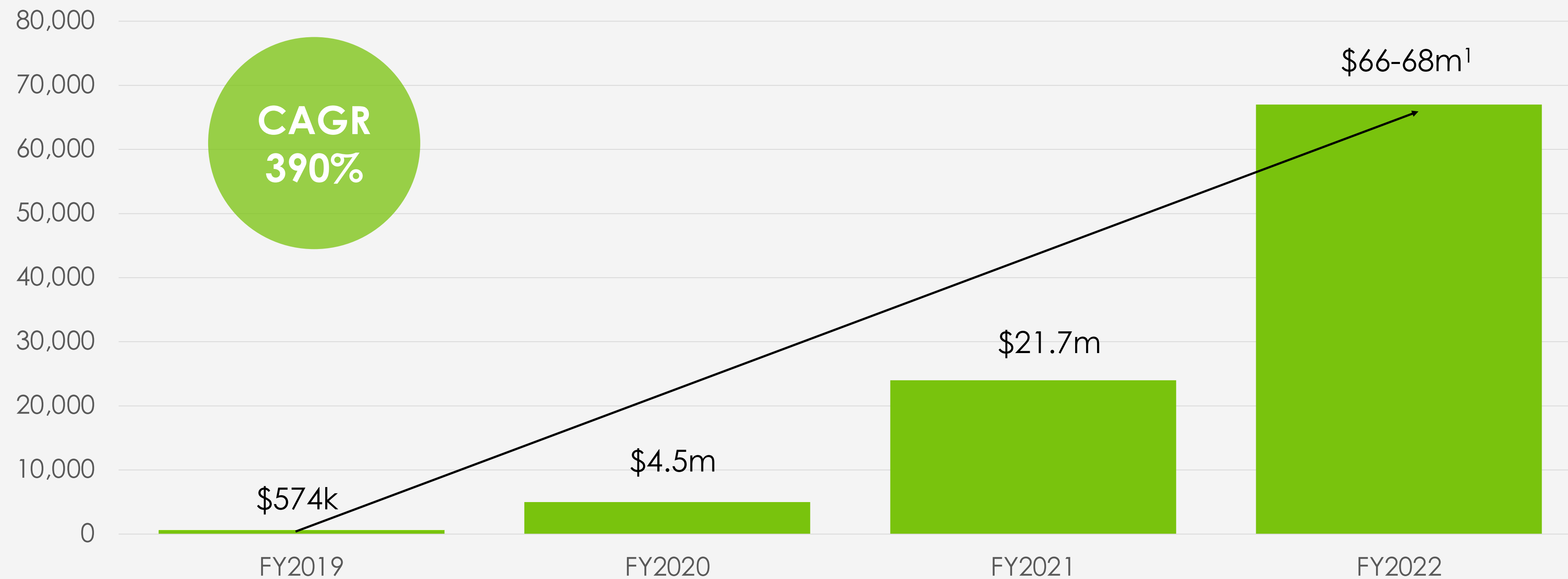
Cronos Australia has delivered strong financial results in FY22, positioning the company for sustainable, scalable growth into FY23 and beyond

	FY2022 <sup>1</sup>	Movement	FY2021 (audited)	
Revenue	~\$66-68 million	208% ▲	\$21.7 million	<ul style="list-style-type: none"> <li>Q4 FY22<sup>1</sup> cash receipts of \$23m annualising at <b>\$92m</b></li> <li>Cash of <b>\$16.1m</b> at 30 June 2022 with no debt</li> <li>FY22<sup>1</sup> average gross margins of between <b>35% to 40%</b> across product range</li> </ul>
Gross profit	~\$24-26 million	288% ▲	\$6.7 million	
EBITDA	~\$10-11 million	392% ▲	\$2.1 million	
Net profit after tax	~\$6-7 million	345% ▲	\$1.4 million	
Net operating cashflows	\$13.1 million	1135% ▲	\$1.1 million	
Cash at bank	\$16.1 million	673% ▲	\$2.1 million	



# Significant revenue growth has continued since FY19

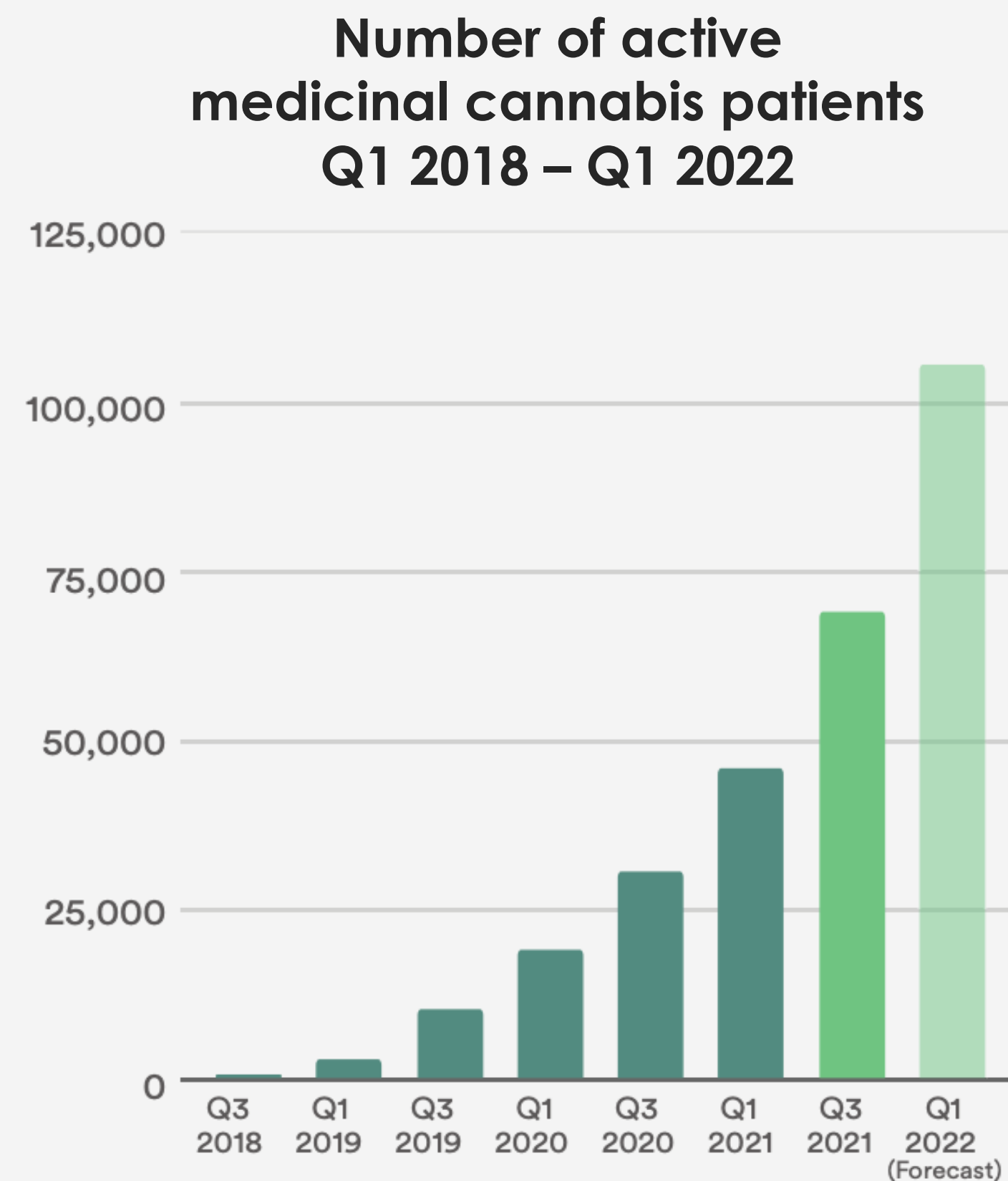
Revenue for FY22 is \$66-68m<sup>1</sup> (unaudited) achieving a 390% CAGR since FY19



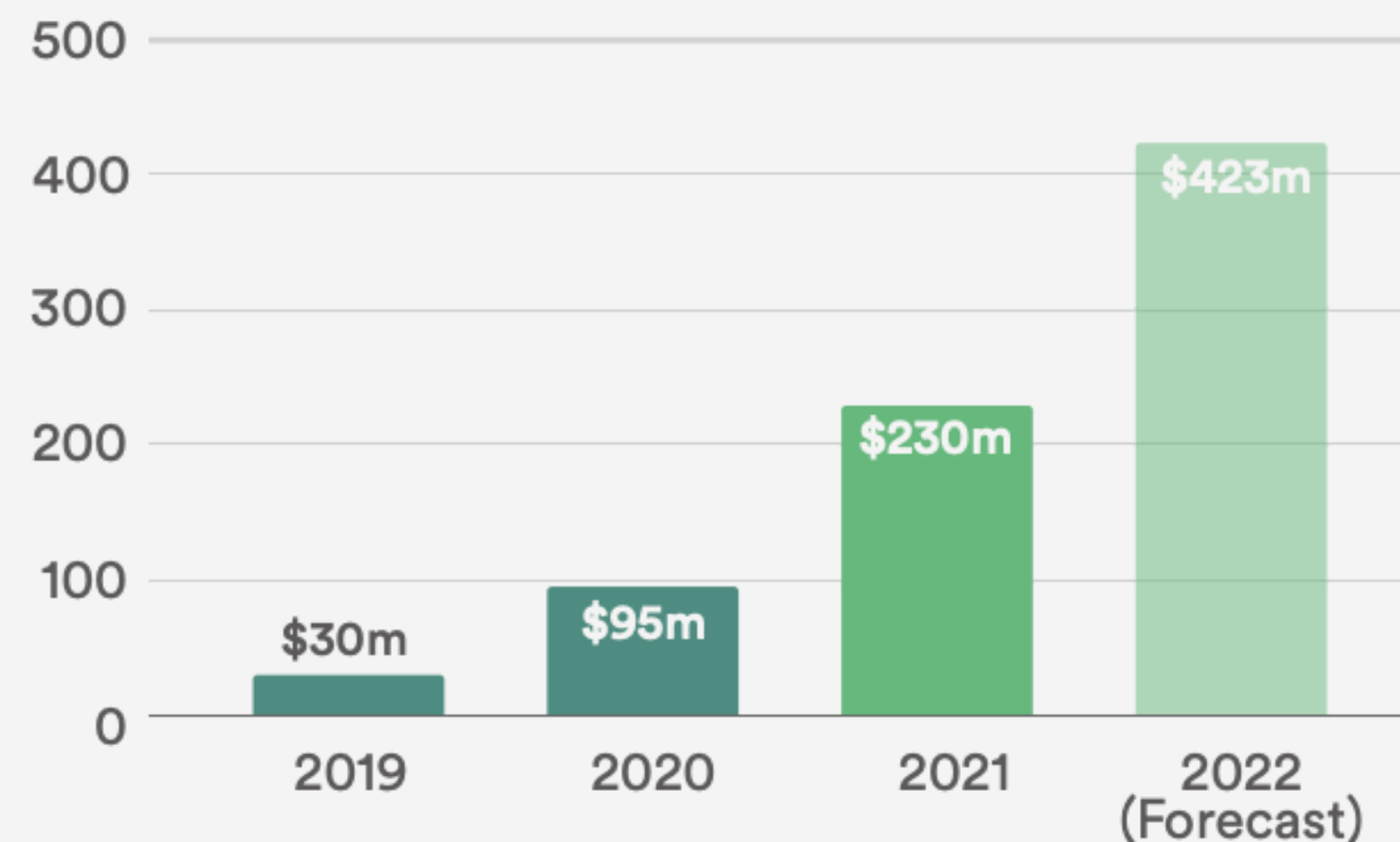


# The market we operate in is large and growing rapidly

The medicinal cannabis market continues to grow rapidly in Australia, as cannabinoid therapies become mainstream for patients, doctors and pharmacists



**Australian medicinal cannabis revenue  
2019 - 2022**



1. FreshLeaf Analytics Australian Industry Model
2. FreshLeaf Analytics Pricing & Patient Model
3. [www.tga.gov.au/medicinal-cannabis-role-tga](http://www.tga.gov.au/medicinal-cannabis-role-tga)



# We operate at the downstream end of the value chain

Cronos Australia is focused on the high value, downstream end of the value chain for sustainable long-term growth and profitability



## Challenges of being upstream in the value chain

- Many participants in a crowded market
- Large CAPEX and OPEX spends required to operate and scale upstream business models
- Significant execution risk
- Pricing pressure from low cost jurisdictions globally
- Aggressive competition putting pressure on margins

## Benefit of being downstream in the value chain

- Asset light business model
- Proprietary tech that can be scaled significantly
- Relatively low CAPEX and OPEX cost to scale
- Model can be exported and used for other products
- Highly cash generative business



# What we do – focus on the platform, products and clinics

Cronos Australia delivers medicinal cannabis prescription, sales and distribution services for doctors, pharmacies and patients throughout Australia



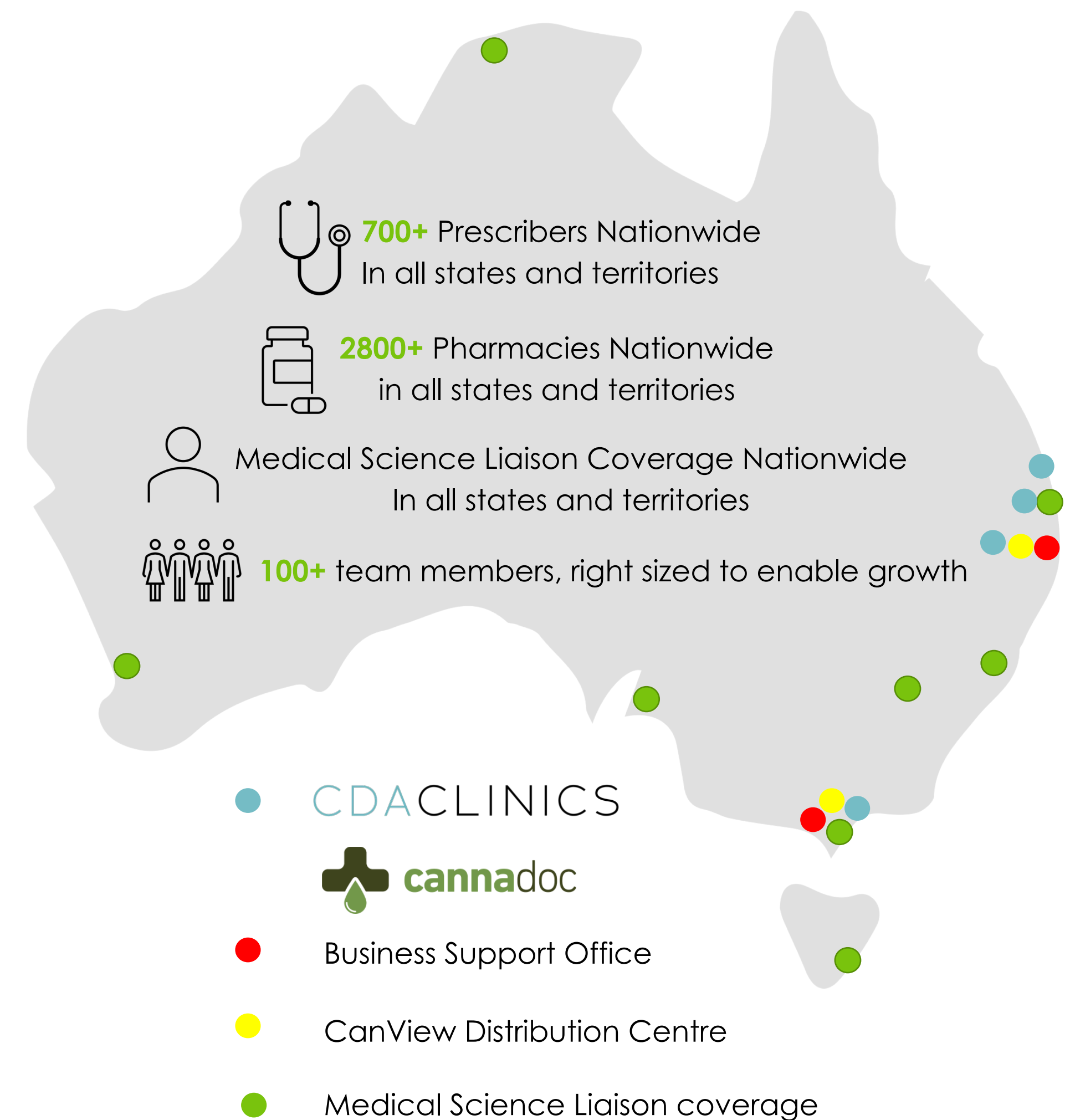
## Platform and Products – CanView

- We operate Australia's largest medicinal cannabis marketplace, CanView, that is an online ecosystem for prescribing, ordering, dispensing and education
- More than 25 suppliers and brands trust CanView for the prescription, sale and distribution of their products, with nearly 700k units being sold through CanView to date
- We sell more than 160 SKUs, including medicinal cannabis oil and whole flower products



## Clinics – CDA Clinics and Cannadoc

- We operate CDA Clinics that offers nationwide telehealth services and, face to face consults on the Gold Coast, Brisbane and the Sunshine Coast
- We operate Cannadoc that offers nationwide telehealth services





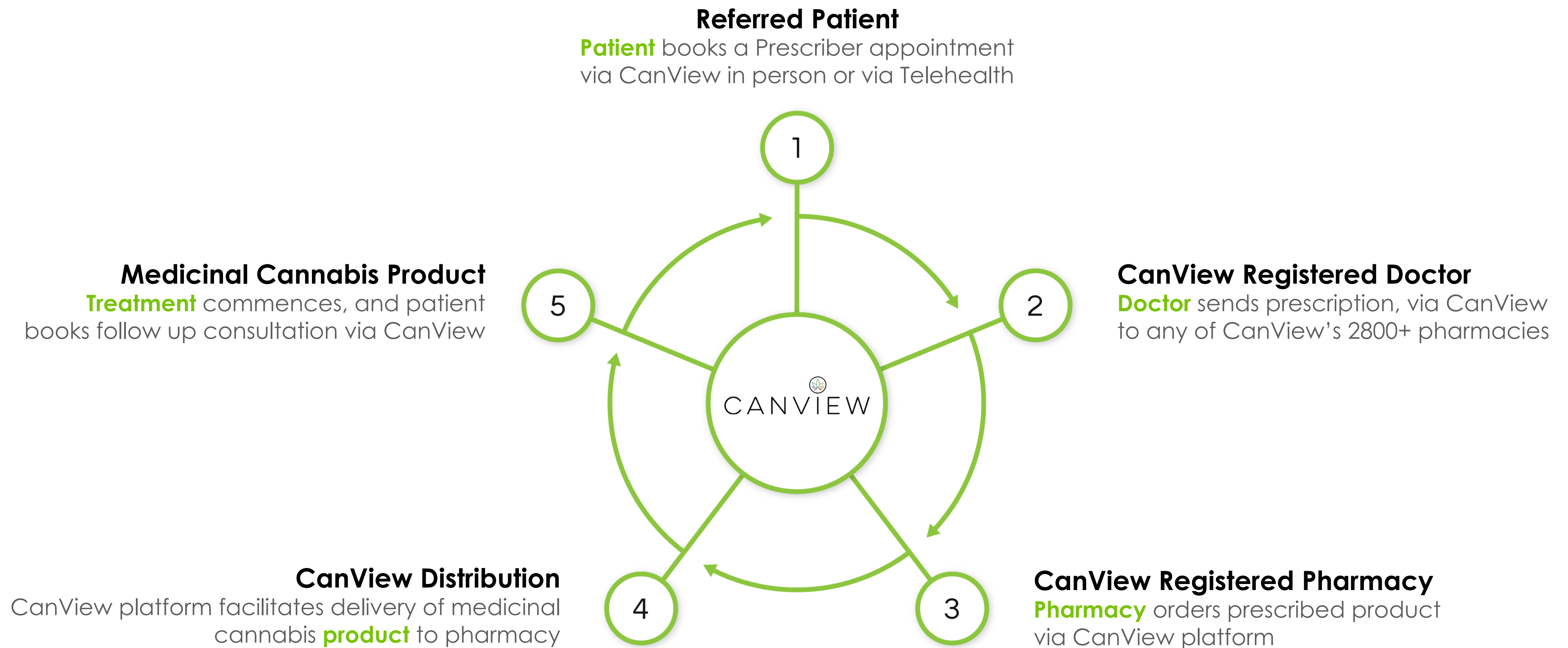
# Australia's largest and most trusted Medicinal Cannabis Marketplace

# Australia's largest and most trusted Medicinal Cannabis Marketplace



# The CanView Platform

The CanView Platform facilitates the all aspects of the medicinal cannabis ecosystem for patients, prescribers, pharmacists and suppliers





# CanView for Patients



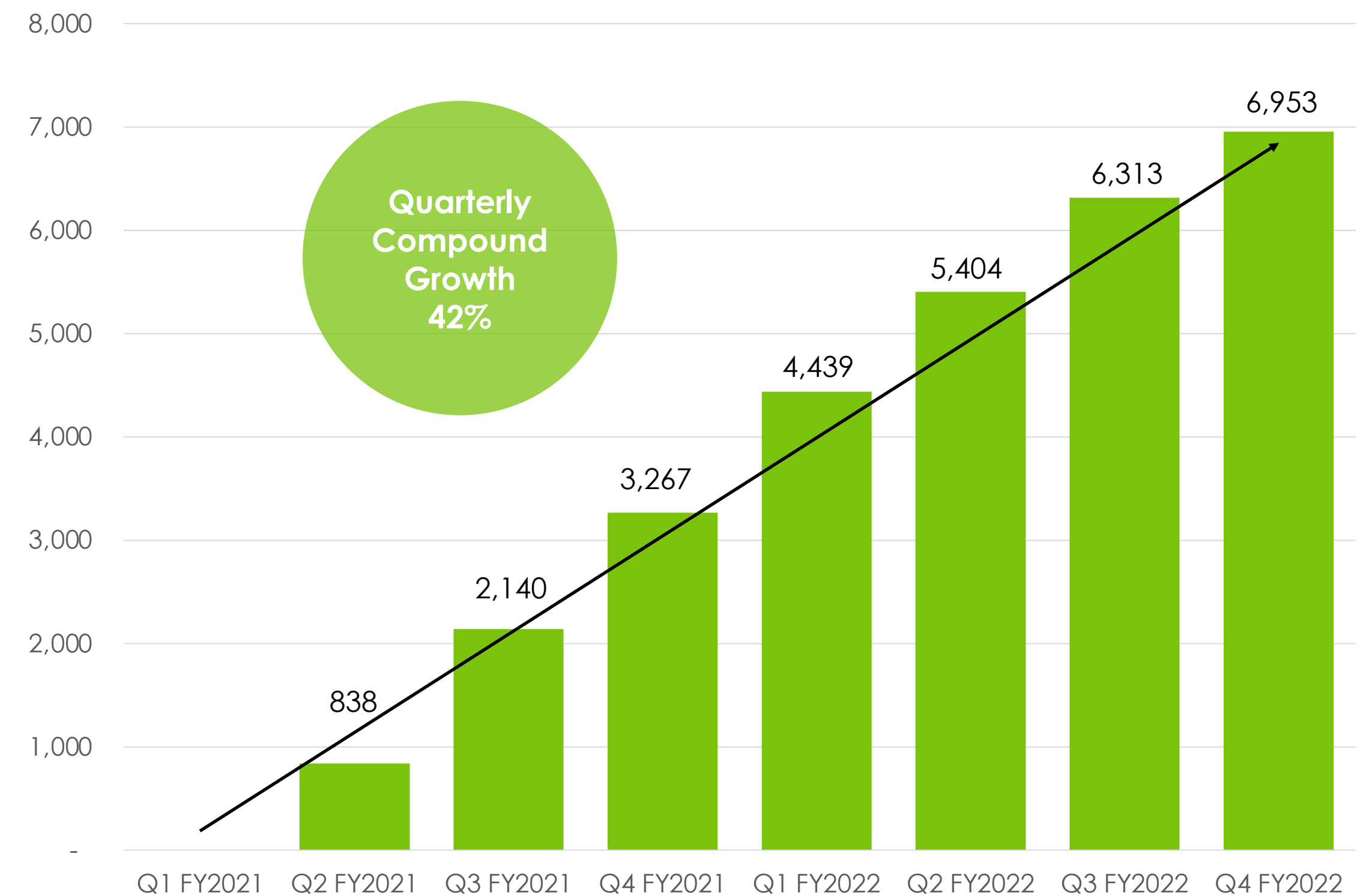
CanView solves multiple problems for patients that were previously impossible, or very difficult to achieve, without the platform

The number of Patients on CanView has grown significantly with 42% quarterly compound growth

## CanView provides Patients with solutions

- Feedback from Patients has focussed on the disjointed, slow nature of obtaining medicinal cannabis
- Lack of transparency and information has hampered patients in their journey to obtain products
- Patients can use the portal or app to order repeats, track product deliveries and provide clinical feedback

**Cumulative patients registered on CanView  
Q1 FY2021 – Q4 FY2022**





# CanView for Prescribers

Based on feedback, CanView makes prescribing for Medical Practitioners streamlined and underpins their compliance obligations for regulators, including AHPRA and the TGA

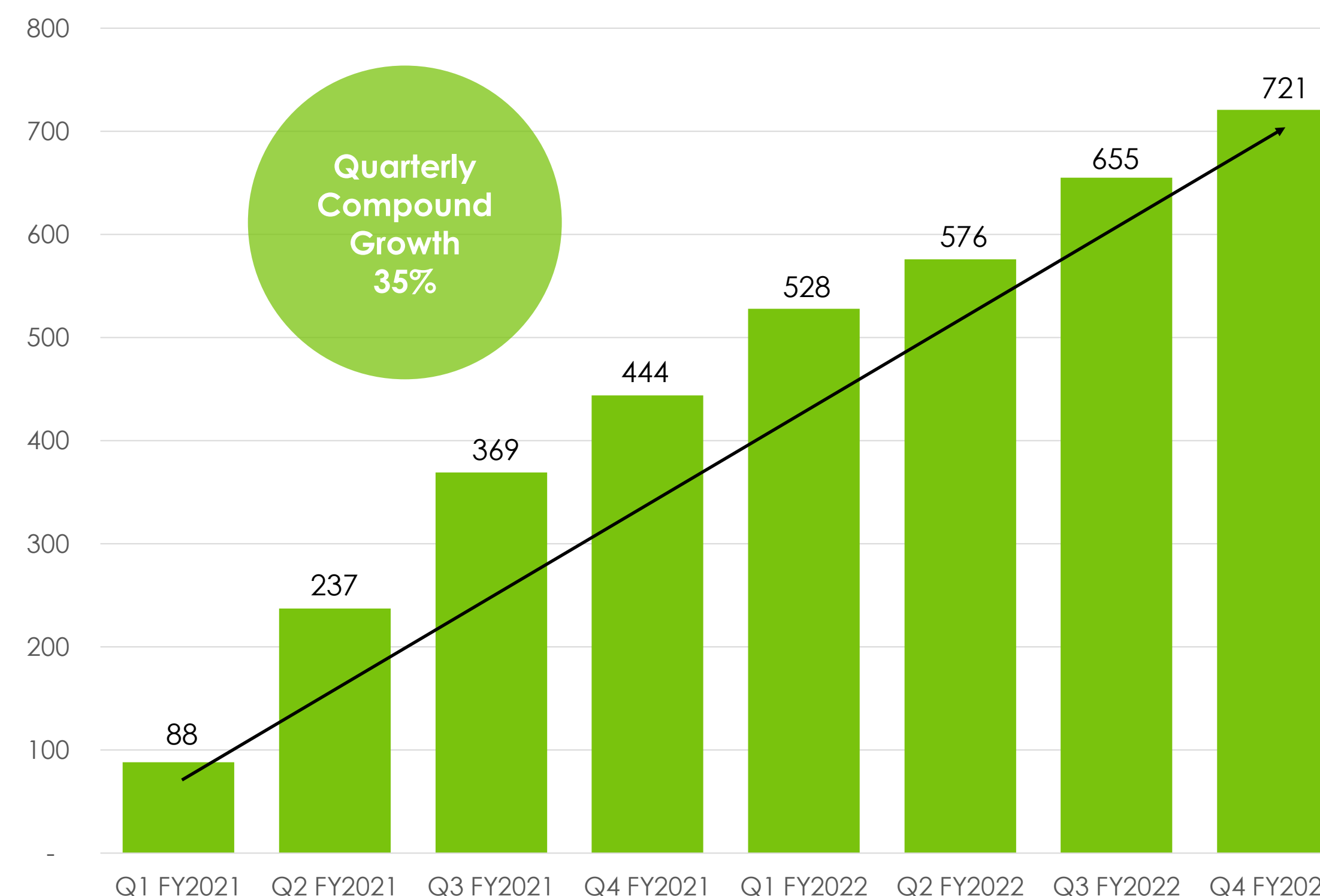


Quarter on quarter the number of Prescribers grew at a compound rate of 35% to to 700+ (only 2.2% of GPs)

## CanView provides Prescribers with solutions

- Compliance is a key issue for prescribers they are regulated by AHPRA and the TGA
- CanView underpins efficiency of the prescribing process to deliver optimal patient outcomes
- CanView retains the prescribing documents for compliance purposes while integrating to all major practice management software systems
- Prescribers can generate scripts/escripts within CanView

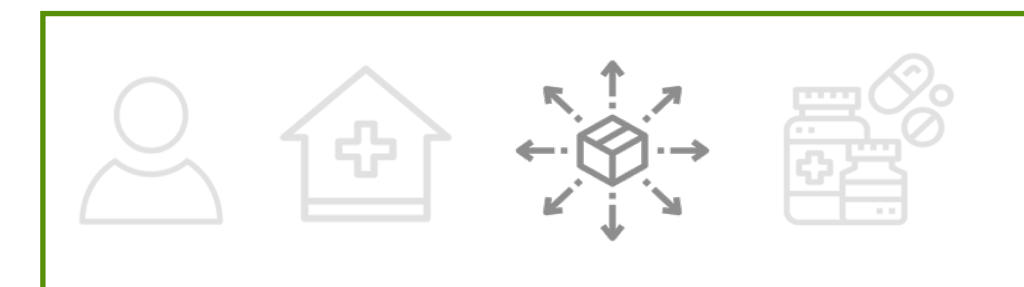
**Cumulative prescriber accounts on CanView  
Q1 FY2021 – Q4 FY2022**





# CanView for Pharmacies

CanView has integrated significant feedback from Pharmacies, which saves them time, delivers on compliance and makes dispensing extremely efficient

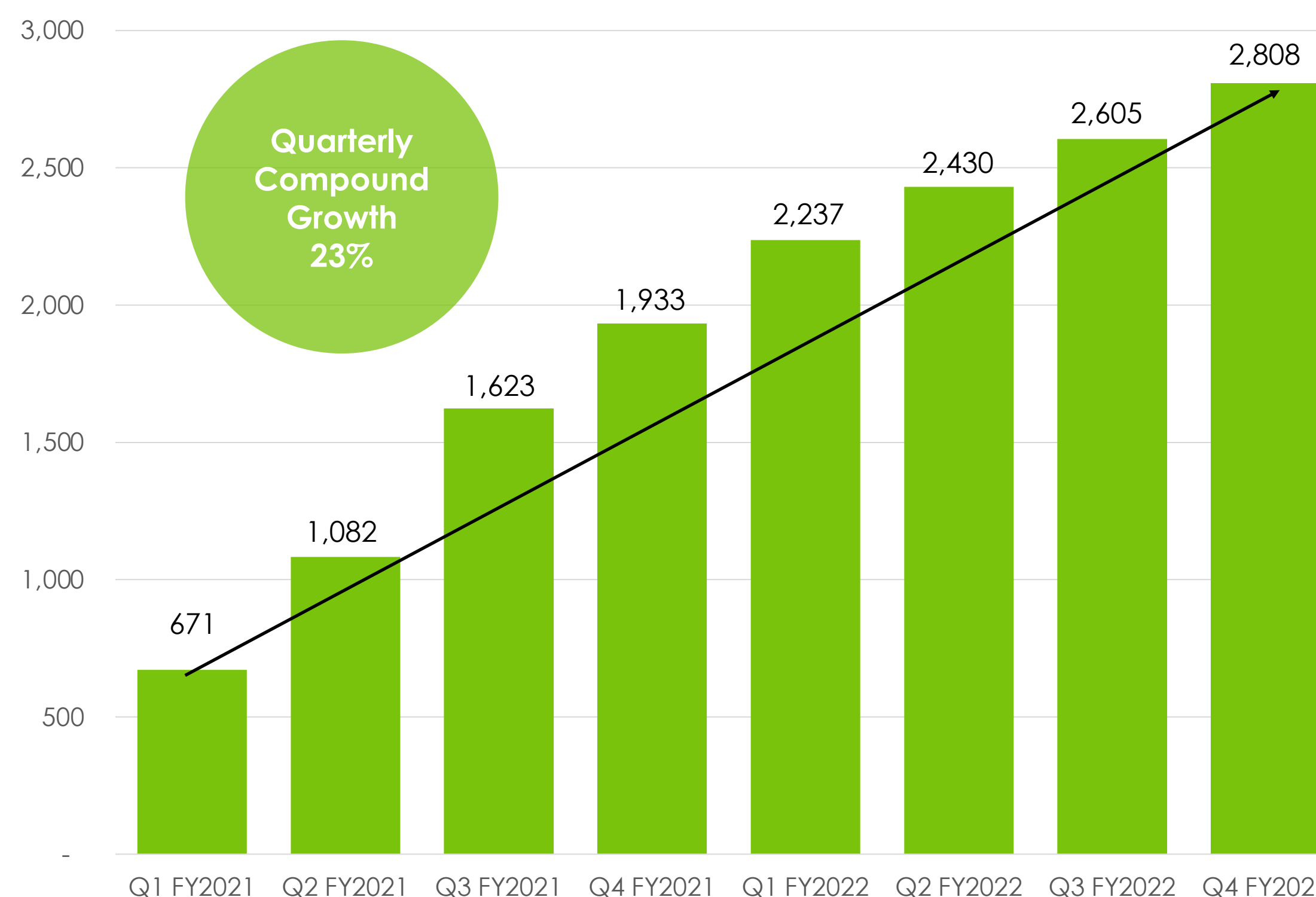


CanView has onboarded approximately 50% of all Pharmacies (2,800+) in Australia

CanView provides Pharmacies with solutions

- Compliance is a key issue for pharmacies as dispensing is completed on approval paperwork that can be retained in the platform dispensing and repeats
- CanView integrates with major dispensing software systems for efficient operation within busy pharmacies
- Real time inventory insight is available for pharmacies
- Using CanView, pharmacies can dispense more products, in a shorter time with compliance confidence

**Cumulative pharmacy accounts on CanView  
Q1 FY2021 – Q4 FY2022**



# CanView for Suppliers

Rather than waiting for monthly updates, CanView provides suppliers with real time data, transparency and forecasting insight



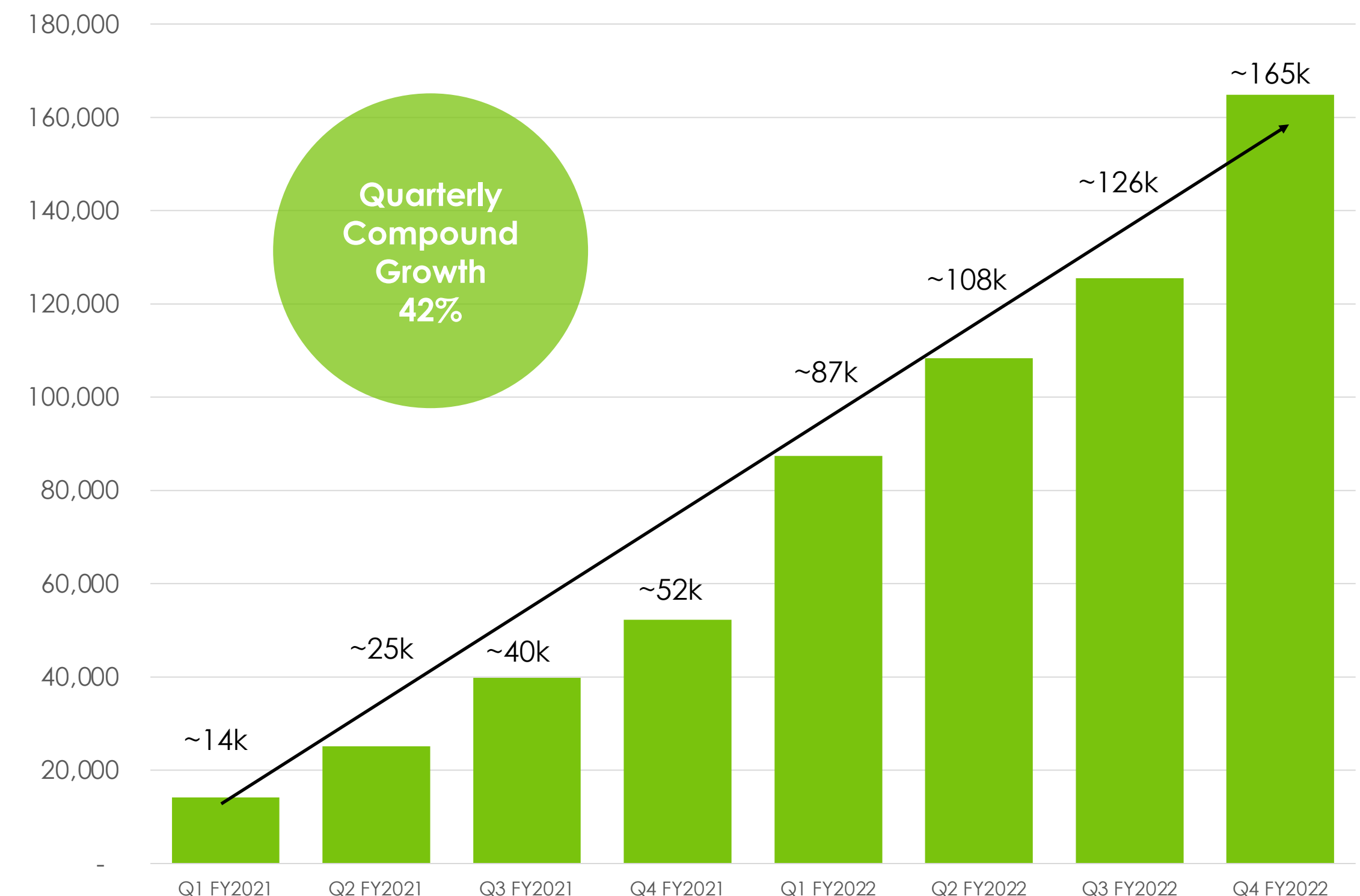
More than 25 leading suppliers are onboarded on Canview, with unit sales growing at a quarterly compound rate of 42%

- To date nearly 700k units have been ordered through CanView, with 165k in the most recent quarter

## CanView provides Suppliers with solutions

- Transparency of inventory and sales insight is a key issue that suppliers have struggled with
- CanView provides real time inventory and sales data that is actionable insight for forecasting and manufacturing
- Numerous suppliers on CanView have seen a significant increase in unit sales based on the platform's network effect

Quarterly unit sales through CanView  
Q1 FY2021 – Q4 FY2022





# Australia's leading suppliers have partnered with CanView

CanView is trusted by Australia's leading suppliers to sell and distribute the widest range of medicinal cannabis products available



Highly rigorous process to select and onboard suppliers onto the platform, the criteria assessed includes -

Consistency and continuity of product supply

Investment in medical science liaison teams

Strict product quality standards

Dedicated help desk in supplier company



A photograph of a man with dark hair, glasses, and a beard, wearing a brown blazer over a light blue button-down shirt. A blue stethoscope is draped around his neck. He is smiling and looking towards the camera. The background is a bright, out-of-focus indoor setting. A large, semi-transparent green circle is overlaid on the right side of the image, partially covering the doctor's face and torso.

# Strategy and Outlook



# The Team – strategy and execution focused

We have assembled an experienced, commercially-focused team to execute on the strategy and create sustainable shareholder value over the long term

Experienced **Board** combining deep business development, sales, distribution, branding and regulatory expertise in the healthcare and medicinal cannabis industry. Commercial, execution-focused **management team** to deliver the strategy and create value for shareholders.



**Dr Marcia Walker**  
*Interim Chairperson  
Independent Non-  
Executive Director  
AUCKLAND*

- General Practice **Doctor**
- Board member of the **New Zealand Medical Association**
- **Co-Founder** of numerous medical clinic businesses



**Dr Ben Jansen**  
*Non-Executive Director  
GOLD COAST*

- **Co-Founder of CDA**
- A **leading cannabis doctor**, educator and lecturer in Australia
- Deep **patient centric** approach



**Rodney Cocks CSM**  
*Executive Director &  
Chief Executive  
Officer  
MELBOURNE*

- **Co-Founder of CAU**
- Former roles in **PE, Linfox, Boston Consulting Group**
- Former Victorian **Australian of the Year** and **Harvard Fellow**



**Guy Headley**  
*Executive Director &  
Chief Commercial  
Officer  
GOLD COAST*

- **Co-Founder of CDA**
- Deep **commercial and distribution** experience
- Chair of industry body **Emerging Therapeutics Association of Australia**



**Tom Howitt**  
*Chief Financial Officer &  
Company Secretary  
MELBOURNE*

- Former CFO of **Global Kinetics Corporation, Genetic Technologies** and **Intermoco**
- **Chartered Accountant** and former **EY Manager**



**Ray Deetlefs**  
*Chief Operating  
Officer (acting)  
GOLD COAST*

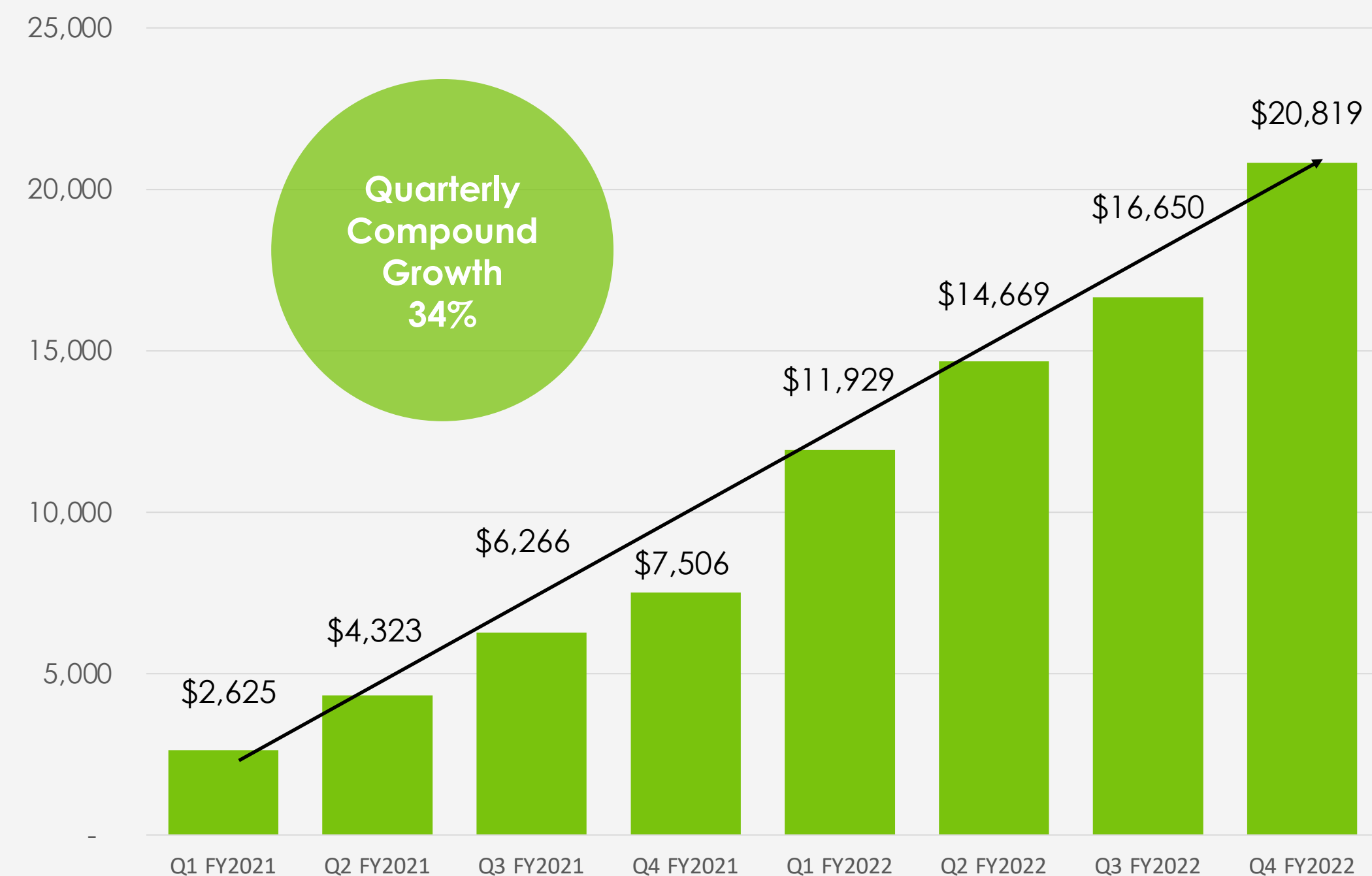
- **Executive experience in healthcare**, telecommunications and education
- **B2B and B2C entrepreneurial experience** in early learning sector

# Strong growth in sales as more suppliers turn to CanView

Compound growth, over 8 quarters, in excess of 30% for sales on CanView underpin strong financial performance and growth

- Sales continue to grow as more prescribers and suppliers are onboarded driving volumes through the platform
- This growth is driven by both the increase in size of the medicinal cannabis market, but importantly more volume being directed through CanView by prescribers and pharmacies
- The network effect on the platform compounds as more users are onboarded, which we expect to accelerate with the full roll out of the CanView 2.0 functionality
- These sales are being achieved with an estimated 2.2% of all Australian GPs prescribing on CanView

Quarterly Sales through CanView (\$'000s)





# Strategic priorities in FY23 to deliver growth

Building on a successful FY22, the team has clear strategic priorities for execution to deliver growth in the scope and scale of the company and drive financial results

## Growth Strategy Phase 1 – FY22

- **ACHIEVED** 2800+ pharmacies (~50%+ of all pharmacies) in Australia are registered on CanView
- **ACHIEVED** 700+ prescribers or 2.2%<sup>1</sup> of all GPs in Australia are registered on CanView
- **ACHIEVED** ~7,000 patients are registered on CanView
- **ACHIEVED** FY22<sup>1</sup> (unaudited) ~\$66-68m revenue, ~\$10-11m EBITDA, ~\$6-7m NPAT
- **ACHIEVED** Proven team of 9 MSLs to deliver growth
- **ACHIEVED** Strong balance sheet as at 30 June 2022

## Growth Strategy Phase 2 – FY23

### Primary targets for FY23

- Onboarding prescribers against ambitious targets – still 97.8% of GPs still to be potentially onboarded and a significant number of specialists<sup>1</sup>
- Cronos's 9 MSLs located across the country will target individual GPs and clinic group to drive prescriber numbers
- Plans to increase team by up to 50% to drive growth

### Data driven sales and engagement strategy

- Developed for FY23 which targets areas of opportunity to onboard prescribers
  - Underserved areas identified in capitals and regions
  - Engagement will also include online and face to face education events
- Onboarding of prescribers will drive patient and product sales growth

# We are an Australian market leader

Backed by a market leading business model, financial strength and a large addressable market, Cronos Australia is well positioned for further growth in FY23

- Cronos Australia has delivered outstanding, profitable growth in **FY22 with \$66m-\$68m of revenue that generated \$10m-\$11m EDITDA for FY22<sup>1</sup>**
- We operate in a large and rapidly growing Australian medicinal cannabis market, with sales of medicinal cannabis products market forecast to approach **\$500m by end CY22<sup>2</sup>**
- We operate a market leading tech platform, CanView, with an **ambitious FY23 growth strategy** to onboard more prescribers from a relatively untouched market to drive further growth
- Our **nationwide clinic businesses** integrate with, and support, CanView to onboard additional patients to the platform
- There is a deep competitive moat around our business model, with a dominant market position, **700+ prescribers, 2800+ pharmacies and ~7,000 patients onboarded to CanView**
- We have an aligned board and management, with **proven execution capability** to delivery on the strategy



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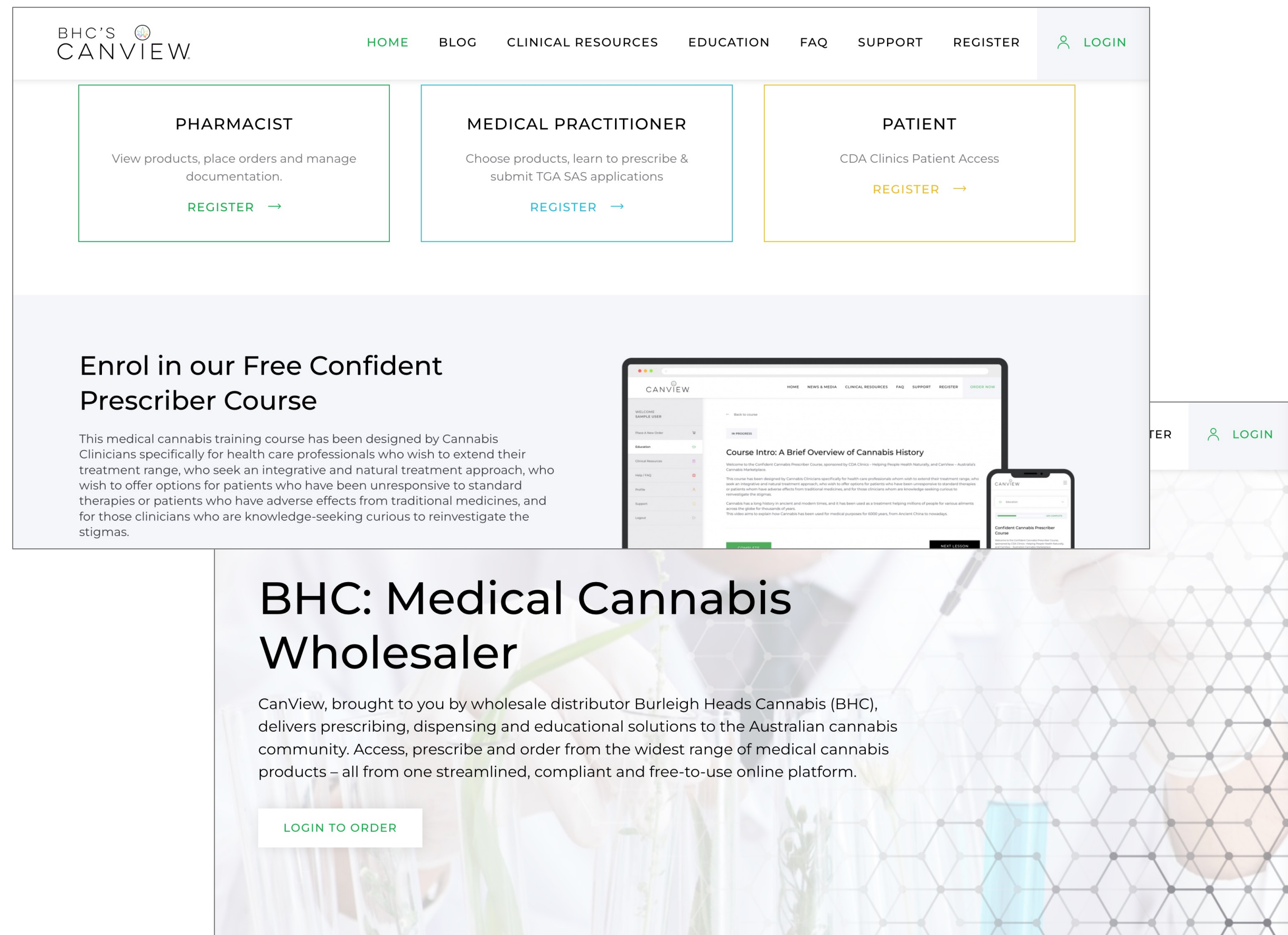
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# APPENDIX 1 – CanView Overview and Benefits

CanView is leveraged by doctors, pharmacies and patients – underpinning access, the patient experience and compliance



**BHC'S CANVIEW**

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**PHARMACIST**  
View products, place orders and manage documentation.  
[REGISTER →](#)

**MEDICAL PRACTITIONER**  
Choose products, learn to prescribe & submit TGA SAS applications  
[REGISTER →](#)

**PATIENT**  
CDA Clinics Patient Access  
[REGISTER →](#)

**Enrol in our Free Confident Prescriber Course**

This medical cannabis training course has been designed by Cannabis Clinicians specifically for health care professionals who wish to extend their treatment range, who seek an integrative and natural treatment approach, who wish to offer options for patients who have been unresponsive to standard therapies or patients who have adverse effects from traditional medicines, and for those clinicians who are knowledge-seeking curious to reinvestigate the stigmas.

**BHC: Medical Cannabis Wholesaler**

CanView, brought to you by wholesale distributor Burleigh Heads Cannabis (BHC), delivers prescribing, dispensing and educational solutions to the Australian cannabis community. Access, prescribe and order from the widest range of medical cannabis products – all from one streamlined, compliant and free-to-use online platform.

[LOGIN TO ORDER](#)



**Free to use** The platform is free for all users to register and use

**Compliance** Built in compliance processes for all users to fulfil their obligations with regulatory agencies

**160+ SKUs** CanView has the largest product range in Australia

**Education** Free 2.5 hour confident cannabis prescriber proprietary course available on the platform

**Live Support** Dedicated and experienced customer support team for patients, prescribers, pharmacists and suppliers

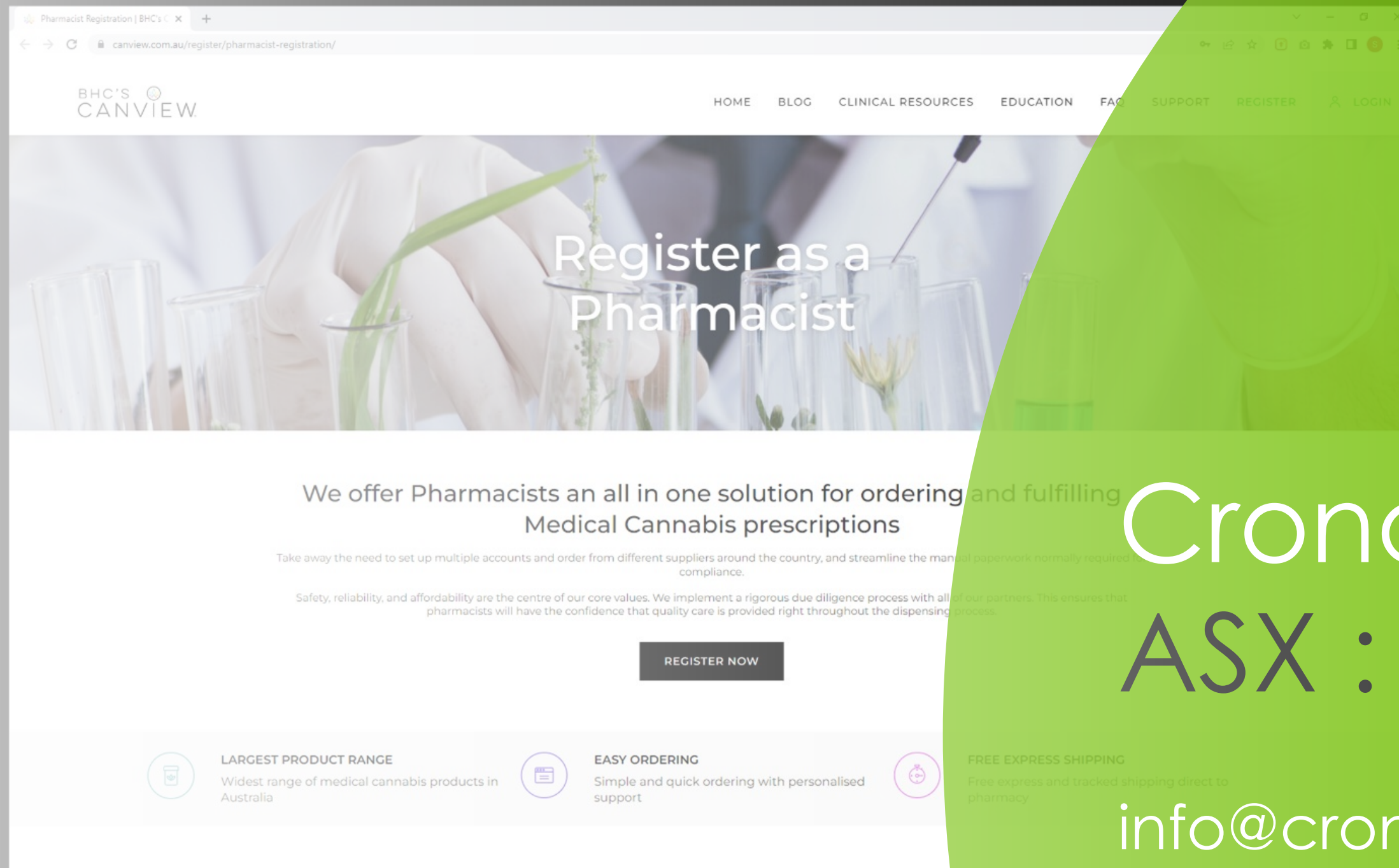
**Free Express shipping** Same day dispatch if ordered before 1pm from Melbourne or Gold Coast DC

**Distribution Coverage** All states and territories

**Business continuity** Suppliers have stock held in two locations

**AI** Enabled to underpin user experience and compliance





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