



CANOPY GROWTH Q3 FY2022

Period ended December 31, 2021



David Klein, CEO

“In third quarter we actioned to win where it matters - driving record performance in our CPG business from both BioSteel and Storz & Bickel, while beginning to stabilize our Canadian business including maintaining the #1 position in premium flower. Our continued discipline and focus are expected to fortify Canopy’s competitive positioning in Canada as we ambitiously build our U.S. CPG, CBD, and THC strategies.”



Judy Hong, Interim CFO

“Throughout fiscal 2022, we continued to reduce our operating expenses and capital investments. With a renewed sense of urgency, we are focused on achieving profitability in Canada by taking additional steps to simplify our business and optimize our expenses, while making strategic investments in key growth areas.”

Financial Highlights Q3 FY2022 versus Q3 FY2021

NET REVENUE

\$141 M

8% Decline

FREE CASH FLOW

-\$168 M

24% Greater Outflow

ADJ. EBITDA

-\$67 M

1% Improvement

SG&A EXPENSE RATIO¹

-8.8 pp

Improvement

Business and Operational Highlights



PREMIUM FLOWER

Q3 FY2022 Market Share

10%

#1 in Canadian
Rec Market



BIOSTEEL

Record Net Revenue

+25%

Vs. Previous Record
Sales in Q4 FY2021



STORZ & BICKEL

Record Net Revenue

+4%

Vs. Previous Record
Sales in Q3 FY2021



CANNABIS BEVERAGES

Canadian Market

19

Ready-to-drink
SKUs in Market²



WHISL

Q3 FY2022 Market Share³

#1

U.S. CBD-Only
Vape



NEW PREMIUM FLOWER

High-Potency Strains Launched

10

In Q3 FY2022

- Net revenue increased 7% versus Q2 FY2022. Net revenue decreased by 8% during Q3 FY2022 versus Q3 FY2021, as strong growth in consumer products revenue was offset by the decline in Canadian cannabis sales.
- BioSteel and Storz & Bickel (“S&B”) achieved record quarterly revenue during Q3 FY2022 driven by expanded distribution of BioSteel and new products launches for S&B.
- U.S. CBD distribution drive increased Martha Stewart CBD and Quatreau door count in Q3 FY2022 by 21% and 225%, respectively from Q2 FY2022.
- Actions well underway to drive improved execution in the Canadian cannabis market, with DOJA, 7Acres and Tweed innovation supporting flower strategy and hero brand, Deep Space, line extension.
- U.S. MSO ecosystem strengthens with acquisition of an option to purchase Wana Brands upon federal permissibility of THC in the U.S., along with continued growth of Acreage’s footprint with its recent acquisition of operations in Ohio, establishing a market-leadership position in the state.
- Established cross-functional team to execute North America THC strategy, leveraging early advantages of strong balance sheet, scalable THC brands, established national distribution channels and MSO relationships to expedite entry into the U.S. upon federal permissibility of THC.
- Released inaugural Environmental, Social and Governance report, demonstrating the Company’s commitment towards responsible and sustainable growth.

1. SG&A Expense Ratio is SG&A as a percentage of Net Revenue. SG&A excludes acquisition costs.

2. As-of February 9, 2022

3. #1 CBD-only vape, excluding Delta-8 THC vapes

*Unless otherwise indicated, market share data disclosed in this document is calculated using the Company’s internal proprietary market share tool that utilizes point of sale data supplied by a third-party data provider, government agencies and our own retail store operations across the country. The tool captures point of sale data from an average of 30% of stores in Alberta, British Columbia, Saskatchewan, Manitoba and Newfoundland & Labrador, point of sale data from 100% of stores in New Brunswick, Nova Scotia, Prince Edward Island and Quebec, as well as depletions and e-commerce sales data from the OCS.