



AVICANNA™

Year in review



TSX: AVCN  
OTCQX: AVCNF  
FSE: ONN

[www.avicanna.com](http://www.avicanna.com)



## A look back at 2020

While 2020 had many challenges due to the global pandemic, it was also a monumental year for Avicanna's progress.

We demonstrated our resilience, focus, and dedication to executing our unique business model to deliver advanced and evidence-based cannabinoid products into key markets.

After a year of R&D and clinical development, in 2020 we witnessed the evolution of Avicanna from an R&D-stage company into a vertically-integrated, multinational commercial enterprise as we commenced meaningful revenue generation across several of our business units. In parallel, we continued to advance our industry-leading R&D and clinical platforms which resulted in further advancements of our pharmaceutical pipeline and validation of the advantages of our products, including those branded as RHO Phyto™ and Pura Earth™/Pura H&W™.

Finally, over the past year, we established a pathway to achieve sustainability and profitability for 2021. Through our early route to market business models, we demonstrated consistent increases in revenue and reductions in costs, all while penetrating several new international markets.

**As 2020 was our most progressive year  
with several significant milestones, we have highlighted  
some key achievements from 2020.**



## Corporate and Commercial Highlights



### Partnership with Medical Cannabis by Shoppers and successful launch of RHO Phyto nationwide in Canada

- The RHO Phyto medical formulary successfully launched with overwhelming positive support from the medical community including 300 prescribers and 20 clinics within the first 4 months [Read more](#)
- Early results show the formulary's key demographics to be 55% women and 90% of consumers being 30+ years of age.
- Avicanna will remain exclusive to Medical Cannabis by Shoppers for medical/prescription use and intends to increase its current commercial SKU's from 4 to 10 in 2021 [Read more](#)



AVICANNA™



medical cannabis  
by SHOPPERS



### Expanded access to RHO Phyto medical products through provincial retailers and adult use channels across Canada [Read more](#)

- Expanding from the successful launch in medical-only channels in partnership with Medical Cannabis by Shoppers, Avicanna will now offer RHO Phyto nationwide through provincial retailers
- Accessing a substantially larger market of retail sales channels estimated at \$3 billion in Canada
- Ease of access positions RHO Phyto to be the leading medical and wellness brand in the retail channels where systematic barriers are reduced and where it is reported that 44% of consumers surveyed purchased their cannabis products for medical purposes
- The advanced and standardized products are offered in a range of inhalation-free deliveries, various doses of CBD, THC and THC-Free, accurate dosing and pleasant flavour profiles





## Launch of a comprehensive medical cannabis program including our RHO Phyto formulary nationwide in Colombia [Read more](#)

- RHO Phyto formulary launched nationwide in Colombia through physician prescription under the Magisterial model and leveraging Avicanna's Colombian based supply chain for full vertical integration
- 3 pillars aimed at setting the gold standard for medical cannabis in Colombia and other Latin American markets:
  1. Medical community education
  2. Advanced pharmaceutical-grade cannabinoid preparations
  3. Comprehensive patient support program



## Partnership for the distribution and commercialization of Pura H&W hemp-derived CBD-based topical products in the United States with Red White & Bloom [Read more](#)

- Exclusive agreement with Red White & Bloom for the distribution and commercialisation of Pura H&W, evidence based CBD cosmetics in the US
- Looking to stake a claim in the expanding USD \$532 billion beauty industry with the most advanced and believed to be the only clinically backed CBD skin care line





**Significant advancements in the supply chain business including the completed exports of Aureus branded feminized seeds and cannabinoid active pharmaceutical ingredients (API) into several markets including the United States, Europe, and South America**

- Seeds

- First ever export of cannabis seeds from Colombia to the US
- Export of cannabis seeds from Colombia to Uruguay, after registering the genetics in Uruguay [Read more](#)

- API

- First known South American production, purification, and export of CBG into the United States [Read more](#)
- Completed exports of CBD into Germany [Read more](#)

- THC

- Commercial cultivation of 11,587 psychoactive plants quota which is to be used for commercial production of THC derivatives for exports [Read more](#)



**Avicanna ranked highest amongst global cannabis companies in the SAM Corporate Sustainability Assessment (CSA) by S&P Global [Read more](#)**

- The SAM Corporate Sustainability Assessment (CSA), established by RobecoSAM, is now issued by S&P Global. RobecoSAM is an asset manager focused entirely on sustainable investing, established the CSA in 1999
- This sustainability index family is among the most prestigious benchmarks for investors who recognize sustainability as the key engine of business models to generate long-term shareholder value and have a positive impact on their investments



## R&D and Clinical Advancements



**Participated in a Medical Cannabis Real-World Evidence (MC-RWE) clinical study led by the University Health Network using our RHO Phyto advanced medical cannabis formulary of products** [Read more](#)

- First-of-its-kind Canadian study is led by Dr. Hance Clarke, Director of Pain Services at Toronto General Hospital, and will examine the efficacy of a select group of medical cannabis products including Avicanna's RHO Phyto line
- This specific study is aligned and in parallel with Avicanna's comprehensive clinical program including other real world evidence studies using the RHO Phyto products and clinical trials on pharmaceutical pipeline with world class and Toronto based medical institutions



**Collaboration to develop a cannabinoid-based formulation for treatment of COVID-19 related lung inflammation with the University of Toronto** [Read more](#)

- In collaboration with Dr. Christine Allen's Research Group at the University of Toronto, we have commenced the development of a cannabinoid-based pharmaceutical for the treatment of COVID-19 induced lung inflammation



**Award of several peer reviewed grants to provide non-dilutive funding for research collaborations** [Read more](#)

- MITACS award and NSERC Alliance grant for development of cannabinoid-based pharmaceutical formulations for the treatment of COVID-19 induced lung inflammation in collaboration with University of Toronto
- 2-year NSERC Alliance grant to investigate the neural basis of cannabis-induced toxicosis in collaboration with University of Guelph





## Completion of all 3 human clinical studies on three specific CBD cosmetic products [Read more](#)

- The completed clinical studies validated our evidence based approach by demonstrating safety and efficacy of three products and marking Avicanna's CBD cosmetics as the only know such products believe to be backed by clinical studies
- The clinical studies included over 150 subjects combined and observed Avicanna's clear skin treatment, anti-aging serum, and intensive conditioning treatment – the results showed an increase in hydration of the skin from all three products with no reported incidents of adverse effects



## Looking forward



**As the world looks to put 2020 behind us, our team is looking forward to and is well prepared for the next chapter of our growth, we will be focused on commercialization, geographic expansion, scientific advancements, and following through on the pathway to profitability. See below some of our expectations and what we are excited about.**

- Expansion of RHO Phyto branded products into retail channels in Canada in Q1 2021 where we will be competing in the world's largest federally approved market estimated at \$3B CAD.
- Advancements of our intellectual property portfolio through our R&D platform and progression of our pre-clinical and clinical studies
- Commercial expansion into the US, UK, Brazil, Mexico, Argentina, Ecuador and Peru with CBD cosmetics (Pura Earth/Pura H&W) and medical cannabis (RHO Phyto) products
- Growth of our patient support programs and Health Care Practitioner education campaigns to facilitate safe and effective access to our product portfolios in Canada, Colombia, and other markets we expand to

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