



AVICANNA™

# Year in Review



TSX: AVCN  
OTCQX: AVCNF  
FSE: ONN

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



## A Look Back

As we close out what was the most successful and progressive year in our short history, I want to thank our incredible team for their dedication, determination, and commitment, as well as our shareholders for their enduring support. While we faced several internal and external challenges during 2021, I am proud to see how we successfully overcame those tribulations and managed to progress our business at a global level. This includes significant progress in our global commercialization efforts across several business units in a range of international markets.

This past year was a proof-of-concept year for us, in which we realized our remarkable commercial and regulatory capabilities as demonstrated by the opening of 14 international markets, with 5 of those markets receiving our proprietary finished products. Additionally, during this pivotal year we exhibited the potential of our advanced, functional, and differentiated products in a more mature and competitive market in Canada, where we successfully launched 4 brands comprised of 17 SKUs. All with noteworthy market acceptance across medical, adult use and clinical channels.

Finally, it is important to highlight that we remain committed to our vision of being a biopharmaceutical leader in the cannabinoid industry and during the past year we further advanced our scientific platform, progressed our R&D and clinical efforts, expanded our drug pipeline and further fortified our intellectual property portfolio.

- Aras Azadian, CEO

**As 2021 was our most progressive year  
with several significant milestones, we have highlighted  
some key achievements from 2021.**



## Corporate and Commercial Highlights

**Canadian Commercial Progress** - 2021 was a commercial success for Avicanna. We launched 3 new brands, Pura Earth, Viola, and Replay, across adult use and medical channels and expanded RHO Phyto into clinical and several provincial adult use channels. With a total 17 SKUs commercial and gaining market share in the Canadian marketplace, Avicanna's advanced, functional, and differentiated products have helped establish our position as a leader in the medical and wellness categories.



**RHO Phyto™ Portfolio Extension:** We continued to successfully grow our evidence-based and standardized medical and wellness products with the introduction of several new SKUs including THC-Free products and expansion into several provinces including Ontario, Alberta, New Brunswick, Saskatchewan and Manitoba.

**RHO Phyto™ Makes History with Entry into Major Canadian Hospital:** RHO Phyto medical cannabis formulary became available on-site at Sunnybrook Health Sciences Centre for dispensing at the Odette Cancer Centre Pharmacy.





- ↻ **Pura Earth™ Launch in Canada:** Evidence-based and Dermatologist tested CBD derma-cosmetic brand launched across adult use and medical channels in partnership with Medical Cannabis by Shoppers™ across Canada in Q2 2021.



- ↻ **Viola™ Enters Canada:** In partnership with Viola, Avicanna launched the equity-focused brand founded by NBA veteran Al Harrington in Canada. The brand was made available nationwide on the Medical Cannabis by Shoppers online platform followed by adult use channels including Ontario and New Brunswick.



- ↻ **re+Play™ Launch in Canada:** Through a partnership with Harrington Wellness, Avicanna launched re+PLAY, a sports performance and recovery-focused brand across adult use channels in Alberta and Ontario and medical channels in partnership with Medical Cannabis by Shoppers™.

**International Commercial Progress** - While cannabis companies focusing on the recreational products are generally limited to a specific state or country, as a biopharmaceutical company Avicanna is uniquely positioned to launch in various global market. During 2021, we firmly validated our position as an international biopharmaceutical company through the entry into our 14th international market.



↶ **Expansion of RHO Phyto into its 3<sup>rd</sup> International Market:** Avicanna entered into the Caribbean with the initial export to Barbados in partnership with Brydan Stokes. As a result, RHO Phyto advanced products are now available through medical channels in Canada, Colombia and Barbados.



↶ **Expansion of Pura Earth™ into its 4<sup>th</sup> International Market:** Pura products launched in Ecuador and the United States in partnership with Red White and Bloom. In addition to these 2 new markets, Pura-branded CBD skin care products are also available in Canada and Colombia.



↶ **Expansion of Aureus™ Branded Products into its 12<sup>th</sup> International Market:** Various products from our raw materials portfolio including a range of cannabinoids and feminized seeds were successfully exported for its first time to notable markets including:

- **Avicanna's Subsidiary Santa Marta Golden Hemp™ Obtained Good Agricultural and Collection Practices (GACP) Certification** - which allows for potential export of low cost and sustainable cannabis biomass globally.



- **First Exports into the European Union and Market Openings Including Cannabigerol (CBG), a Rare Cannabinoid into Czech Republic and THC into Austria.**



- **First Export and Market Openings of THC and Feminized Seeds into the Latin American Region.**



- **First Export of CBD and THC into Brazil.**



- **First Export of Feminized Seeds into Peru and Argentina.**



## **Strategic International Partnerships**

- **Viola™ and re+Play™ in Partnership with Al Harrington** - Avicanna entered a multi-level strategic partnerships with two companies founded by former NBA star Al Harrington for the use of his brands, re+PLAY™ and Viola™. Avicanna was instrumental in the development of various formulations that are launched in the United States and Canada.



- **Licensing and Development Agreement with German Pharmaceutical Company Bio-Gate** - The combination of Avicanna's intellectual property and Bio-Gate's MicroSilver BG™ technology is aimed to target indications including eczema, acne, and atopic dermatitis.



- **Pharmaceutical Partnership in Argentina** - Intellectual Property Licensing and Distribution Agreement with an established Pharmaceutical Company in Argentina for Avicanna's epilepsy drug candidate Trunerox.



- **Multi-year Supply Agreement with Brazilian Pharmaceutical Company** - Avicanna's standardized CBD and THC cannabis extracts are to be utilized to produce a range of cannabis-derived pharmaceutical products for the Brazilian market of 211 million people.



## R&D and Pharmaceutical Advancements

During 2021, we proved the significance and potential of our scientific platform which has now delivered over 30 proprietary and functional products into global markets. We continued to substantiate our research activities and pipeline developments through several initiatives:



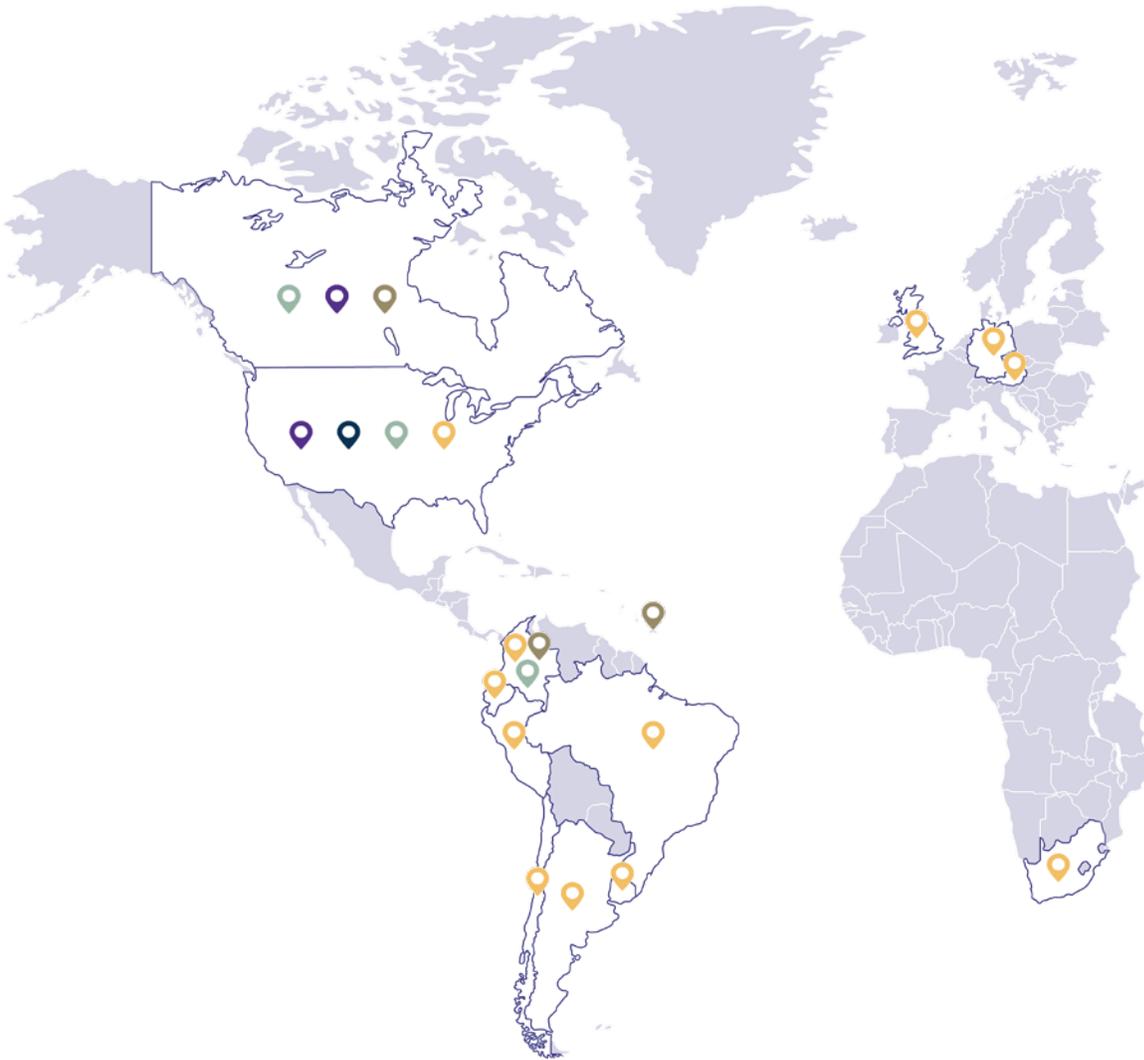
- **Trunerox™:** Completion of the first drug candidate dossier for a 10% CBD oral formulation, which is now progressing towards submissions and drug approvals across South America.



- **Research Collaboration with UHN and Krembil** – Began collaboration with University Health Network and the Krembil Research Centre to study Avicanna’s advanced formulations for the treatment of seizures.
- **US Patent Application for Reducing or Eliminating Incidence of Seizures and Sudden Unexpected Death** – Results from our collaboration with UHN and Dr. Peter Carlen led to establishment of intellectual property around a novel cannabinoid formulation.
- **Pre-clinical Studies with the University of Guelph** – We expanded our research agreement with Dr. Jibrán Khokher and his team to include preclinical studies Avicanna’s commercially available RHO Phyto product line including behavioural, electrophysiological, and pharmacokinetic evaluation.
- **US patent application for Avicanna’s Transdermal Topical Technology and the Launch of Osteoarthritis Pre-clinical and RWET Studies** – Expansion of RHO phyto products to include our advanced Deep tissue gel into UHN’s real world evidence studies in collaboration with Medical Cannabis by Shoppers and commenced studies with pre-clinical models of osteoarthritis.
- **US Patent Application for Advanced Oral Cannabinoid Technologies** – Years of research and development across various drug delivery, drug release and absorption profiles led to filing of provisional patent. These products will provide utility across various research and commercial applications and a range of neurological disorders.



# Avicanna Around the World



Product Line & Brand	Canada - Medical	Canada - Adult Use	USA	Colombia	UK	Ecuador	Brazil	Mexico	Chile	Peru	Barbados	Austria	Czech Republic
RHO Phyto / Magisterial Medical	✓	✓		✓	2022						✓		
Pharmaceutical Products	2024		2024	2022	2024	2022	2022	2022		2022	2022		
Pura H&W/Earth Dermacosmetics	✓	✓	✓	✓	2022	✓							
re+PLAY	✓	✓	2022										
Viola	✓	✓											
Aureus IP and/or Seeds			✓	✓	✓	2022	✓	2022	✓	✓		✓	✓

## A Look Forward



We enter 2022 with a new level of excitement and confidence, one that has been earned through our dedication, resilience, and the earned place in several international markets. 2021 was only the tip of the iceberg and a proof of concept highlighting the commercial potential of our advanced products. While we achieved significant qualitative milestones during the past year, we believe 2022 is where we can achieve significant commercial success and quantitative milestones at a global level.

During 2022, we expect to establish a stronger position and further our market share in the Canadian marketplace across several channels with our advanced products across advanced medical and wellness categories. We also expect significant growth at a global level across several international markets and projects. We continue to demonstrate growth potential across all our raw material business, medical and cosmetics products. Additionally, we expect to have our first drug registration that we expect to lead to early revenues in South America.

As we strive towards our ultimate vision of an international cannabinoid based biopharmaceutical company all of the commercial development will be complimented with efforts to further our intellectual property, product pipeline and pharmaceutical developments through a number of ongoing and new initiatives planned for 2022.

**For more information, please contact us at**

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