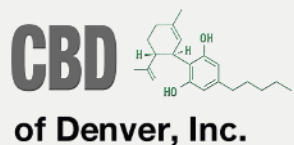


# CBD of Denver

Building “The” European Cannabis Company





## Legal Disclaimer

This presentation contains statements, which may constitute "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Those statements include statements regarding the intent, belief or current expectations of CBD of Denver Inc. (the "Company") with members of its management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to management that could cause actual results to differ materially from those in forward-statements include fluctuation of operating results, the ability to compete successfully and the ability to complete before-mentioned transactions. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

The presentation is intended to be used and must be used for informational purposes only. You should take independent financial advice from a professional in connection with, or independently research and verify, any information that you find in this presentation or on our website and wish to rely upon, whether for the purpose of making an investment decision or otherwise.

The information used and statements of fact made have been obtained from sources considered reliable but we neither guarantee nor represent the completeness or accuracy of such third-party information. We did not make an independent investigation or inquiry as to the accuracy of any information provided by third party sources. All information regarding the Company itself is contained in other publicly available press releases or filings made by the Company including reports posted on OTCMarkets.com.

Independent accountants have neither audited, reviewed, examined nor compiled any of the historical, pro forma, budgeted or prospective financial information presented herein or expressed any opinion or conclusion thereon or any other form of assurance with respect thereof. The presentation does not take into account the investment objectives, financial situation, or particular needs of any particular person.

The presentation does not provide all information material to an investor's decision about whether or not to make any investment. Companies that typically trade on the OTC market, such as the Company, are at an early stage in their evolution, tend to trade with big price swings and typically carry above-average risk profiles. Any discussion of risks is not a disclosure of all risks or a complete discussion of the risks mentioned.



## OUR MISSION:

To be the first commercially viable  
cannabis company in Europe



**#1 independent CBD  
company in Europe  
by revenue**

**Over 800 customers  
across Europe**

**#1 wholesale company  
in Switzerland**

# WHO ARE WE?

- CBD of Denver is a listed company in the US (OTC: CBDD) with cannabis operations in Europe
- Wholesaler of CBD products in Switzerland, with a strong retail and branded presence
- Integrated turn-key technology & omni-channel distribution services for global CBD Brands
- Headquartered in Zurich with deep connections in Switzerland and neighbouring countries



# WHAT DO WE STAND FOR?



## Leverage to growing volumes

The premier intermediary in the high growth European cannabis sector



## Defensible margins

Focused on mid-stream sectors which should not be commoditized



## Profitability

Asset light business model with strong cost control





*“We think Europe has the potential to be larger than the American recreational market given that it has a population that’s more than double the size of the US... with a potential addressable market of \$229bn, so the room for growth is immense.”*

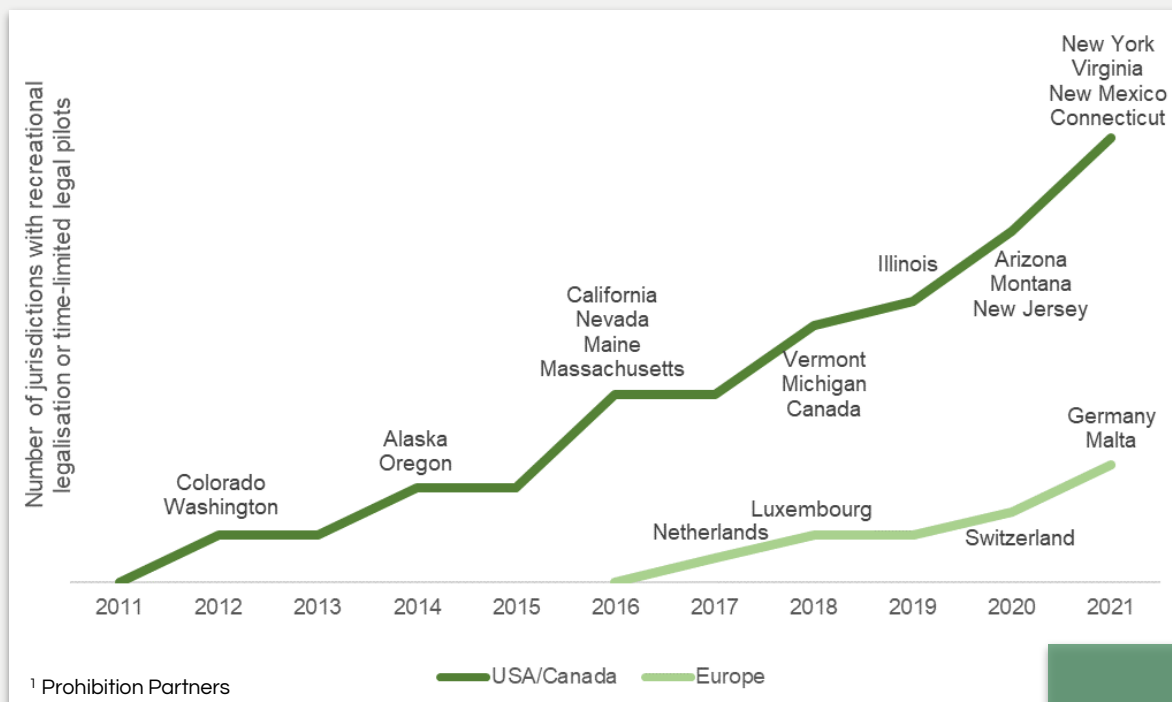
**Boris Jordan**  
Executive Chairman Founder  
**Curaleaf**

# The Next Cannabis Wave

Europe is the fastest growing cannabis market

	Canada	▶ United States	▶ Europe
Population	38.4 million	332.4 million	530.0 million
Current legal cannabis market	\$4.2 billion	\$25 billion	\$0.45 billion
CAGR to 2025	13% p.a.	23% p.a.	68% p.a.
Legality	Federally legal	Medical and Recreational regulated at State level	Medical legal in many countries
Weaknesses/Threats	Oversupply from excessive buildout, and all sales through government	Unlimited license State, and Interstate commerce	No harmonization of regulation
Strengths/Opportunity	Producer discipline	Momentum with State and Federal legalization	Medical use permitted across huge market

<sup>1</sup> Prohibition Partners



# The European cannabis market is at an inflection point

Cannabis reform a question of how and not if

- Legalization in Europe has lagged North America but is catching up
- Majority (55%) of Europeans support legal cannabis sales
- Policy support in key jurisdictions could see reform occur before the US

*"We see the European market as three to four years behind, but it actually looks like Europe may initiate sweeping reform before the United States. Germany saying they will recreationally legalize will be an inflection point for the market since it represents the largest economy in Europe, and we feel once Germany goes the rest of the continent will follow suit."*

**Boris Jordan**

Executive Chairman Founder

**Curaleaf**

# Current European market

## CBD

- A chemical compound extracted from the hemp plant
  - Causes no psychoactive effect
  - Supplements the body's endocannabinoid system, responsible for bodily functions and emotions, inc. sleep, stress, anxiety and inflammatory response
- European CBD market is the second largest after North America at \$US\$2bn
  - It is forecast to grow a 33.5% CAGR to be close to US\$9bn market by 2027
- CBD is fully legal across Europe
  - Producers of ingestible are attempting to become a fully compliant Consumer Packaged Good category

<sup>1</sup> INSIGHT Health

## MEDICAL

- Encompasses unlicensed cannabinoid-based medicine as well as finished product which has undergone full medical trials
- In Europe medical cannabis remains closely linked to the existing healthcare infrastructure
  - Germany has the most legal patient numbers, followed by Italy, the Netherlands, Poland, Denmark and the Czech Republic
- Unlicensed medical cannabis sales are estimated at ~€354 million in 2022 and projected to grow to ~€2.3 billion by 2026

The new German government has proposed to legalize recreational use of cannabis...

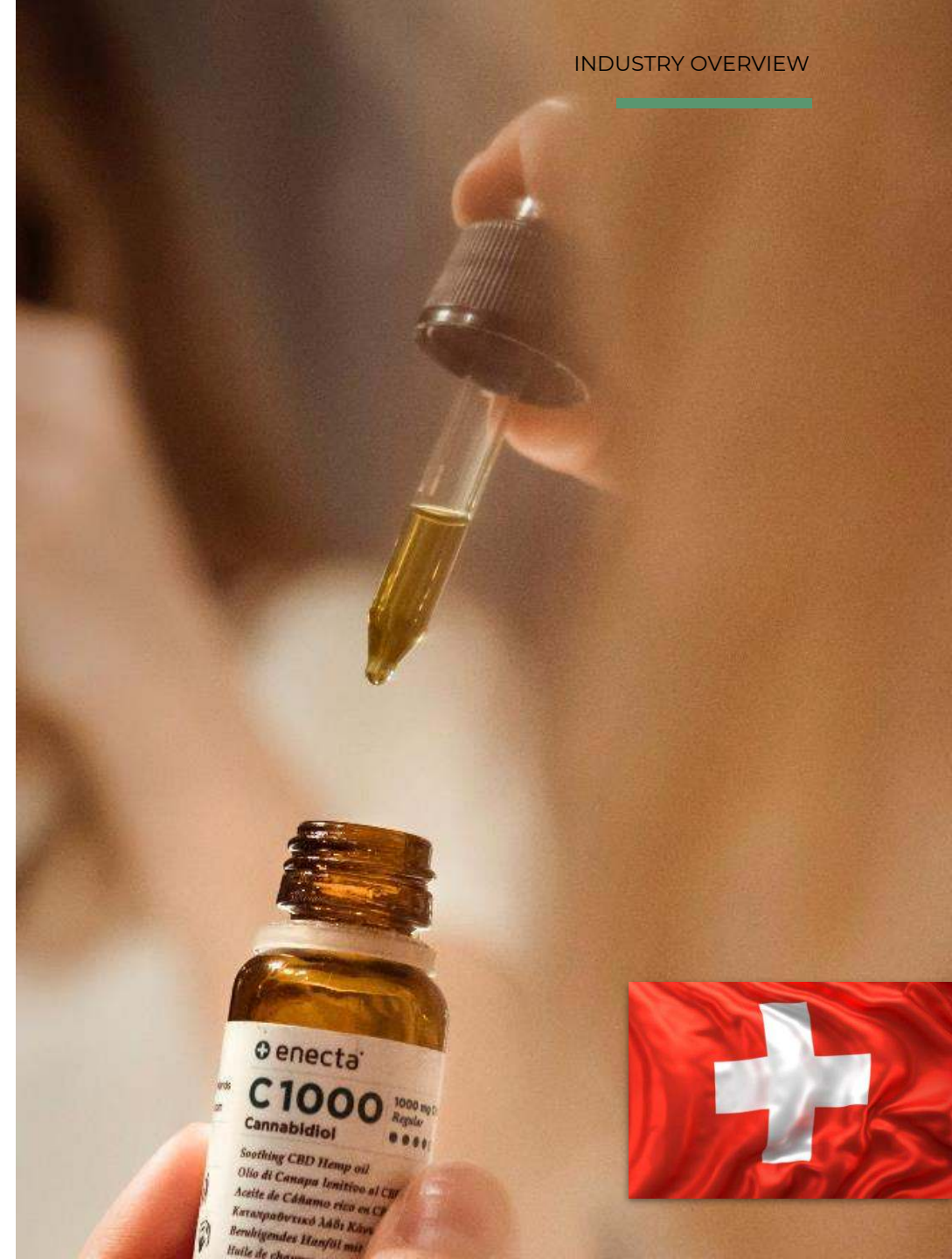
... and as Germany goes, so goes the European Union



# THE SWISS FLAG IS A BIG PLUS

- Switzerland has been at the forefront in Europe when it comes to progressive and permissive cannabis regulation
  - Long-standing and technically capable indoor grow sector with unique high strength CBD strains (THC levels up to 1% legally permitted)
- Authorities approved in 2022 a pilot scheme for recreational use of cannabis
  - Pilot programs to be conducted over a 5-year period and allow sales to up to 5,000 customers per license
  - The program will permit access via all points of sale, all product forms but with a cap on THC potency (20% THC and 10mg in edibles)
  - In multiple Cantons including Zurich, Basel, St. Gallen and Geneva

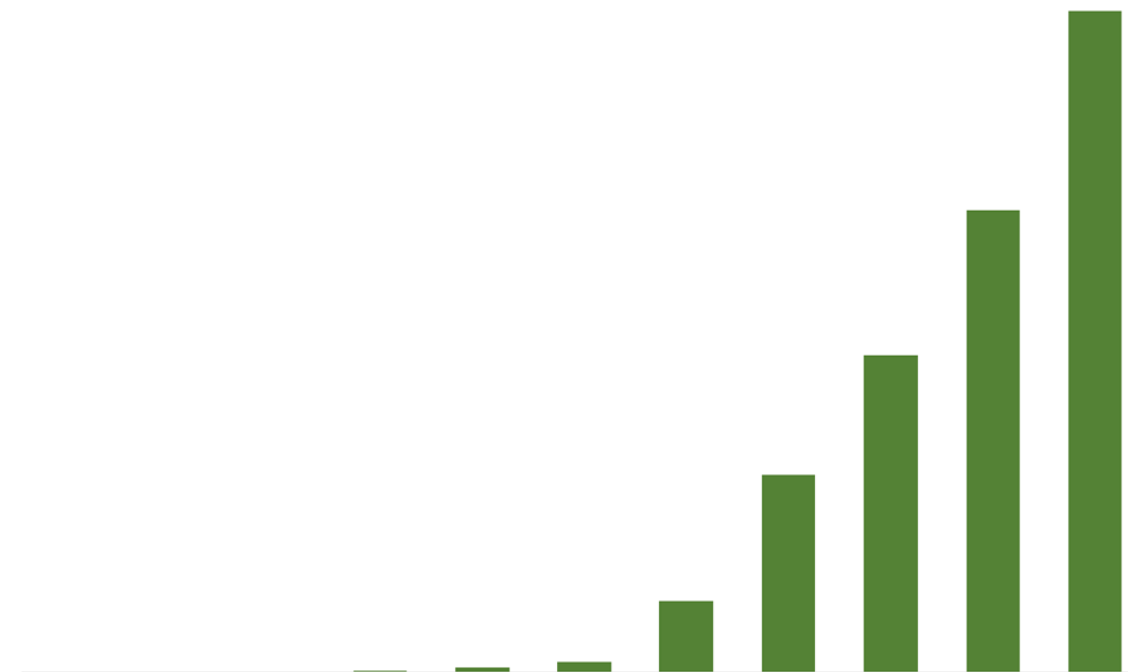
Becoming the first recreational cannabis market in Europe



# GERMANY

## Large potential catalyst for the sector

- Germany is Europe's largest medical cannabis market
  - The German medical market is currently worth ~\$300m and growing, seeing 43% YoY growth in 2021
- The new German government has been cause for excitement having announced that it would legalise recreational cannabis
  - Many view this as a bellwether for significant changing political momentum in European drug policy
  - Upon legalization Germany would become the single largest recreational cannabis market in the world



### Medical cannabis sales to pharmacies in Germany

Source: Deutscher Bunderstag, Prohibition Partners



History has shown prices and grower margins decline as markets mature

# European Cannabis value chain

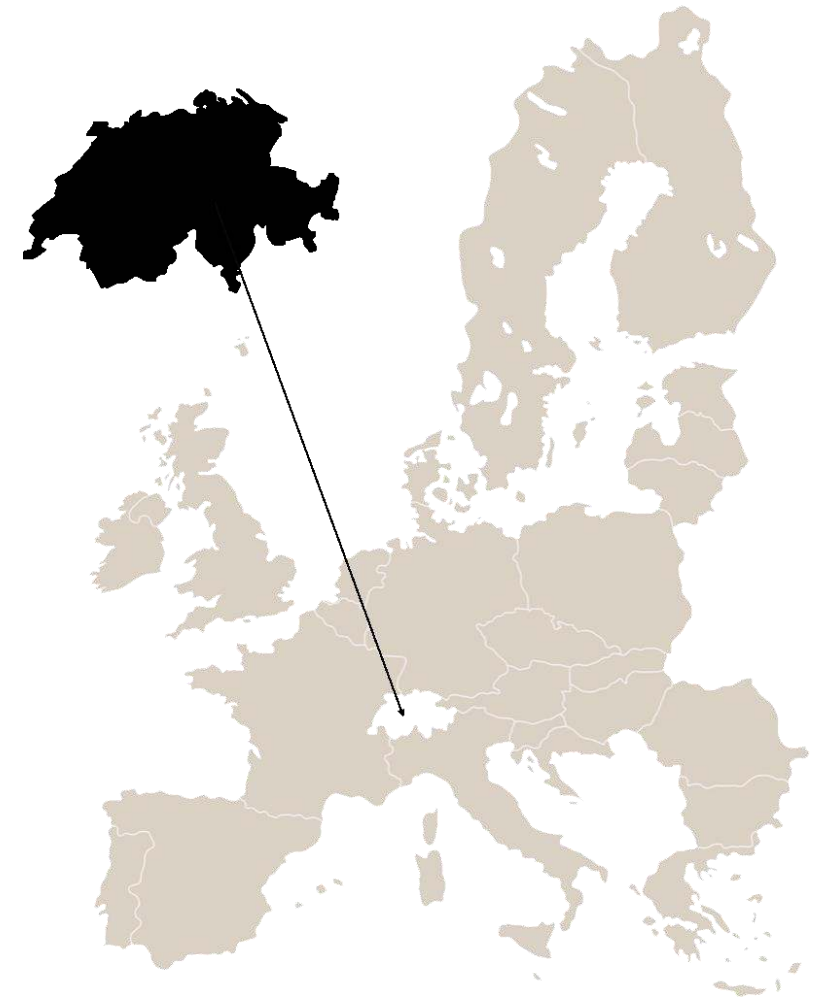
CBDD values defensible margins



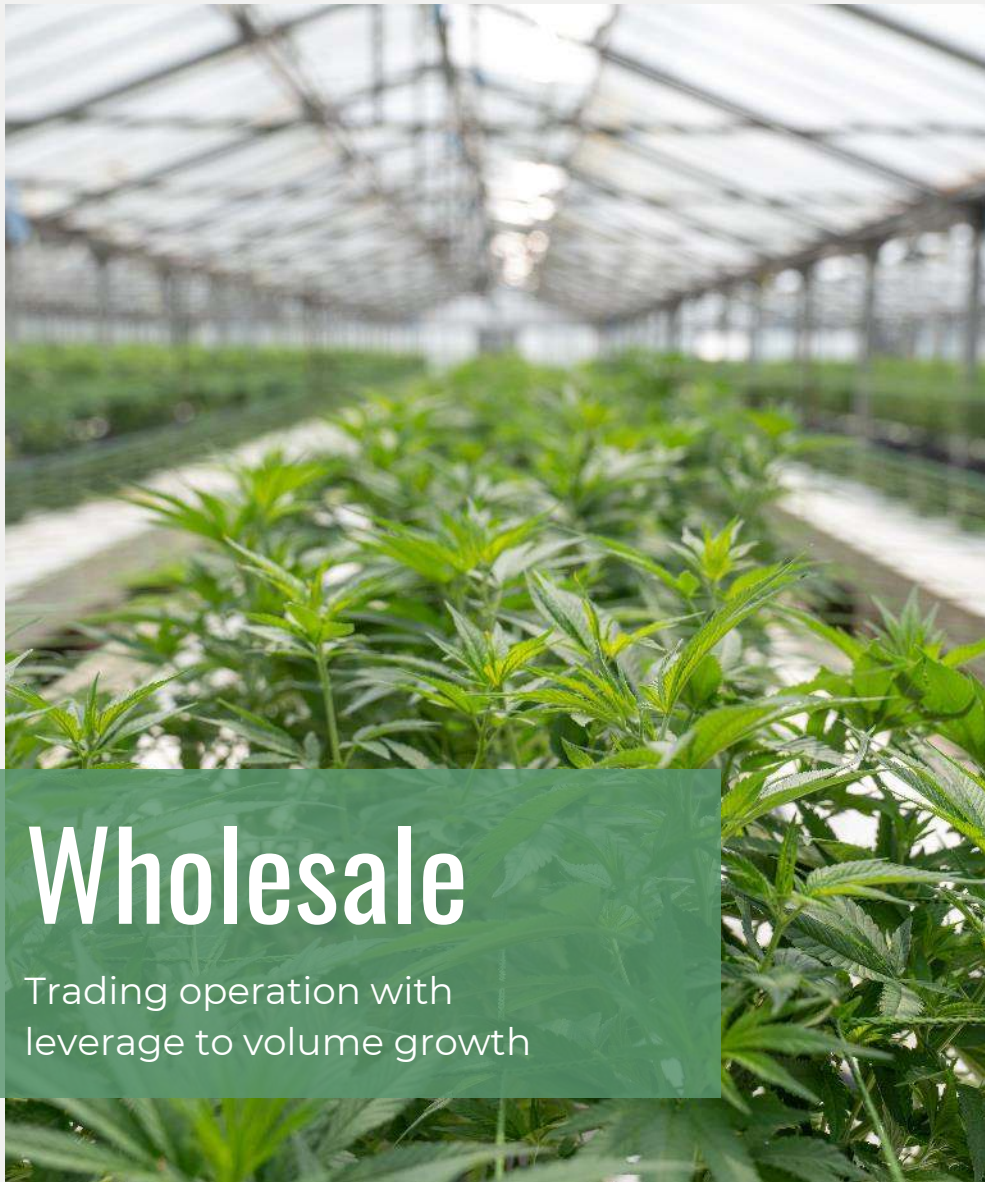
# Combining complementary businesses

The opportunity in Europe is ripe and management has a filled pipeline

- There is a strong opportunity to bring together cannabis businesses in Europe
  - Leveraging the various Mellow platforms across Europe
- Management has deep capital market experience as a deal maker
  - CBDD already announced the acquisition of Mellow, a CBD technology and marketplace in the CEO's first month on the job.
  - The company has robust banking relationships in Europe and the US







# Wholesale

Trading operation with  
leverage to volume growth

- Source unique and highly sought-after strains
  - Strong relationships with growers of quality product
  - Highly sort after unique Swiss strains (>1% THC)
  - International quality growers with cost advantages in Europe and elsewhere
- Supplier of choice for large international CBD brands
  - Providing reliable access for multi-national brands
  - Strong distribution network throughout the EU
- Creating value through market arbitrage opportunities
- Use strong network to cross-sell higher margin products
  - Finished products such as distillate and oils
  - Expand clients and network into different geographies

# Branded

Specialist cannabis digital market agency

- Digital & Performance marketing agency for CBD and wellness brands
  - Brand development through creation of marketing material with a proven performance track-record
  - Capability to bring the US brands to Europe
- Cannabis-friendly eCommerce tech-stack for 'build and operate' services
  - Offer a turn-key solution from CBD sourcing, manufacturing, distribution, and marketing

A Top Selling CBD Brand in Switzerland

- In-country brand for all our CBD products
  - Our branded products have been selling in Switzerland since 2019
- A premium quality product trusted by consumers
  - Sourcing of CBD from the best Swiss producers
  - Manufactured in country
- Expand into other product groups such as oil and cosmetics





# Retail

## eCommerce and retail champion in Switzerland and beyond

- Multi-brand B2C eCommerce Marketplace platform for brands
  - Build and run content-led stores to the 530m UK & EU consumer base
  - Broader distribution through online marketplace
- Multi-country service offering, including retail, eCommerce and distribution
  - From Europe to the fast-growing APAC market
- Retail stores with an established customer base and sales
  - Strong following for CBD and wellness products
- Switzerland's pilot program
  - CBDD is looking at potentially setting up in three separate cantons

# Experienced management team

Expertise across cannabis, capital markets and legal



## Paul Gurney, CEO and Chairman

- 15 years of capital markets experience at Bank of Montreal (BMO), including 4 years in the cannabis sector helping to raise >\$10bn
- Joined CBDD on March 1, 2022 to help diversify operations post a period of rapid growth and renew focus on profitable revenue



## Neil Tunbridge, Mellow Co-Founder

- Neil has spent 25+ years working across Retail, Consulting & International eCommerce.
- Successfully built agency specializing on cross-border ecommerce solutions.



## Silvan Mastel, Head of Wholesale

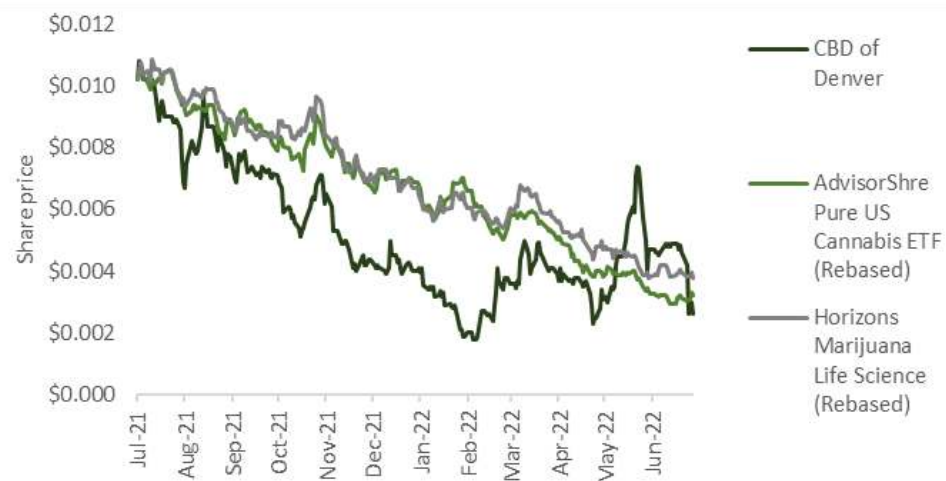
- Analytics Expert with long standing international experience in several industries.
- Higher Education with a BBA from GLION Institute of Higher Education in Lausanne.



## James Storie-Pugh, Mellow Co-Founder

- 25+ years of experience and expertise working with international eCommerce marketplaces on strategic expansion and operational processes spanning the UK, France, U.S.A and Asia.

## 12 Month Performance



Ticker	CBDD.US
Share price (18-Jul-22)	\$0.0028
Shares Outstanding	21.1 Billion
Market Capitalization	US\$59.1 million
Enterprise Value	US\$59.6 million
Revenue (T12)	US\$23.5 million

	Canadian				Other North American Cannabis Companies	International Cannabis Companies	Ancillary Cannabis Companies
	Cannabis Producers	Extraction Companies	Cannabis Retailers	Others			
EV/ Revenue (Mean CY22)	2.2x	0.7x	1.0x	1.9x	2.3x	3.1x	3.4x
EV / EBITDA (Mean CY22)	29.4x	n/a	26.5x	n/a	11.0x	40.3x	18.1x

# Why Now?

Our mission is to be the first commercially viable cannabis company in Europe

1

Leveraging  
advantaged position  
in the highest  
growth cannabis  
geography

2

Asset light strategy  
driving profitable  
growth in wholesale,  
retail and branded  
sectors

3

Successful  
management team  
implementing a  
commercial strategy

CONTACT US

# Get in touch



## OUR ADDRESS

Europastrasse 30, 8152  
Glattbrugg



## OFFICE HOURS

Monday – Friday  
09:00 – 18:00



## EMAIL

[pg@rockflowr.com](mailto:pg@rockflowr.com)



## PHONE

(+41) 79 673 6276