Intro Video: The Art of Flower

CANNDESCENT

CALIFORNIA

SERIES C – INVESTOR PRESENTATION

Welcome to CANNDESCENT

COMPANY SNAPSHOT

A VERTICALLY INTEGRATED CANNABIS BRAND

- One of the industry's most recognized and highly regarded cannabis brands
- California's #1-selling, flower brand[1]
- Pioneer of a consumer-centric approach, classifying cannabis products by desired outcome (Calm, Cruise, Create, Connect, Charge) versus the confusing array of strain names (OG Kush, Sour Diesel, Gorilla Glue, etc.)

CATEGORY	DETAILS
Industry	Commercial Cannabis
Markets	United States (CA, NV, MA); Canada
Company Status	Private
CA Licenses Held	14; cultivation, nursery, processing, manufacturing, distribution, non-storefront retail and events
Business Model	Premium CPG
Brands	Canndescent, **good***brands*
Products	Flower, Pre-rolls, Concentrates, Ingestibles
CEO	Adrian Sedlin
Distribution Footprint	>50% penetration in CA
Revenue CAGR	700% through 2018
2018 Revenue	$10.4M
Current Revenue Run Rate	$37.1M
Previous Equity Capital Raised	$31.4M
Growth Drivers	New products, brands, and markets
2019 Projected Revenue	$30.1M
2020 Projected Revenue	$85.0M

Source: [1]BDS Analytics data for all flower brands in 2017 and for flower brands with retail price above $13/gram in 2018

DISCLOSURE

This summary contains forward-looking statements and information relating to Fiore Management, LLC (d/b/a Canndescent) (the "Company" or "Canndescent") that are based on the beliefs and assumptions made by the company's management. When used in this document, the words "anticipate", "believe", "estimate", and "expect" and similar expressions, are intended to identify forward-looking statements. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. The Company does not intend to update these forward-looking statements. No assurance can be given that the Company's actual performance will come close to such forward-looking statements or that the Company will ultimately be profitable.

SECURITIES LAWS

This Presentation is for informational purposes and does not constitute an offer or a solicitation of an offer to purchase the securities referred to herein. The Company's securities have not been and will not be registered under the United States Securities Act of 1933, as amended. Canndescent expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained herein, (ii) any error, omission, or inaccuracy in any such information, or (iii) any action resulting therefrom

KEY INVESTMENT HIGHLIGHTS

1. **Cannabis is the fastest growing industry on the planet** – Countries and states are legalizing at an accelerating rate, while consumers are rapidly adopting cannabis for health, wellness and relaxation

2. **The leading luxury cannabis brand** – California's #1-selling luxury flower[1], growing at a 700% CAGR while maintaining a 150% premium[2] in the most competitive cannabis market in the world

3. **A Vertically Integrated CPG Company** – Canndescent operates its brands from seed-to-retail, including 75K sq ft (6,970 m) of cultivation, processing, manufacturing and distribution with another 53K sq ft (4,925 m) set for delivery in 2019

4. **Diversified Revenue Streams** – Multiple revenue streams spread across a growing portfolio of market-leading brands, products and price points

5. **World-Class Management Team** – The strongest brand operators in cannabis, led by founder/CEO Adrian Sedlin, a Harvard MBA with 5 previous exits

6. **Actionable Growth Opportunities** – The company will leverage its platform in California, ultra-premium, flower to add facilities, extend its products, establish new brands, and expand to new states

Source: [1]BDS Analytics data for flower brands with retail price above $13/gram; [2]Canndescent brand wholesale price versus Cannabis Benchmarks' average wholesale price

HOW YOU WIN THE CANNABIS RACE

CANNDESCENT'S STRATEGIC BEACHHEAD

CALIFORNIA

- #1 cannabis market[1]
- 5th largest economy[2]
- $7.7B by 2022[3]
- 50 year head start
- Breeds jungle lions
- Drives global trends

PREMIUM

- Highest margin
- Underserved
- Highest growth
- Not winner-take-all
- Easy to expand
- Anchors brand house

FLOWER

- Industry platform
- Enjoys 40% share[4]
- Genetics are IP
- Not a commodity
- Is the "whole food"
- Is beloved

THE COMPANY THAT SECURES **CALIFORNIA PREMIUM FLOWER** CAN LEVERAGE THE PLATFORM TO DOMINATE THE U.S. CANNABIS INDUSTRY, LAUNCHING NEW PRODUCTS, BRANDS, GEOGRAPHIES AND DISTRIBUTION CHANNELS OVER TIME

Source: [1]MJ Biz Daily; [2]USA Today; [3]National Cannabis Industry Association; [4]BDS Analytics

WHERE WE STARTED

CONSUMER PAIN POINTS

Today's market materially underserves the "Starbucks" consumer

WHAT THE MARKET DELIVERS	WHAT CONSUMERS WANT
MEDIOCRE PRODUCTS. Prohibition scared off talent and capital, creating a cottage industry of subpar offerings	**EXCEPTIONAL PRODUCTS**
INCONSISTENT EXPERIENCES. Providers using very different genetics and techniques market products under the same name	**CONSISTENT, REPEATABLE OUTCOMES**
CONFUSION AND INTIMIDATION. Market overwhelms consumers with 6,000 strain names and overly technical information about cannabinoids, terpenes, CBD, CBN, CBG, THCa, THCv, and flavonoids...	**SIMPLIFICATION AND CURATION**
COUNTERCULTURE PARADOX. Incredible health and wellness product marketed as the misogynistic offspring of Cypress Hill x Duck Dynasty	**ASPIRATIONAL MESSAGING**
OPACITY. Cloaked providers without brands rob consumers of recourse	**TRUST AND TRANSPARENCY**
TOXICITY. 40% of products still fail testing in 2018	**PURE AND NATURAL**

WHAT WE BUILT

A VERTICALLY-INTEGRATED CONSUMER PACKAGED GOODS COMPANY

CULTIVATION

- 3 licensed facilities
- 67,000 sq ft
  6,225 sq m
- Indoor and light-dep greenhouse
- 16,000 lbs/year capacity
- Several new states under contract

PROCESSING

- 1 licensed facility
- 4,000 sq ft
  372 sq m
- Partially automated
- 12,000 lbs/year capacity
- New ~15,000 sq ft (~1,400 sq m) facility online 1Q20

MANUFACTURING

- 1 licensed facility
- 2,000 sq ft
  186 sq m
- Cold CO2 extraction; ultra-clear distillation
- 16,000 lbs/year capacity
- New ~10,000 sq ft (~930 sq m) facility online 2Q20

DISTRIBUTION

- 2 licensed facilities
- 2,000 sq ft
  186 sq m
- 12 trucks and 250+ accounts
- 500 deliveries/ month
- New ~10,000 sq ft (~930 sq m) facility online 1Q20

BRANDS

good brands

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- 2 top 15 brands
- 50 SKUs
- Luxury and premium segments
- >50% account penetration[1]
- Entering new product categories

Source: [1]New Cannabis Ventures for California dispensary count

HOW WE BUILT IT

SOLUTION

STRATEGY

Combine best practices from CPG, Big Ag and luxury goods sectors to build an elegant brand.

TACTICS

- SUPERIOR PRODUCTS
- SCALABLE
- SUSTAINABLE
- STATS & DATA
- SIMPLE
- SOPHISTICATED
- SEXY
- STRONG

PROCESS

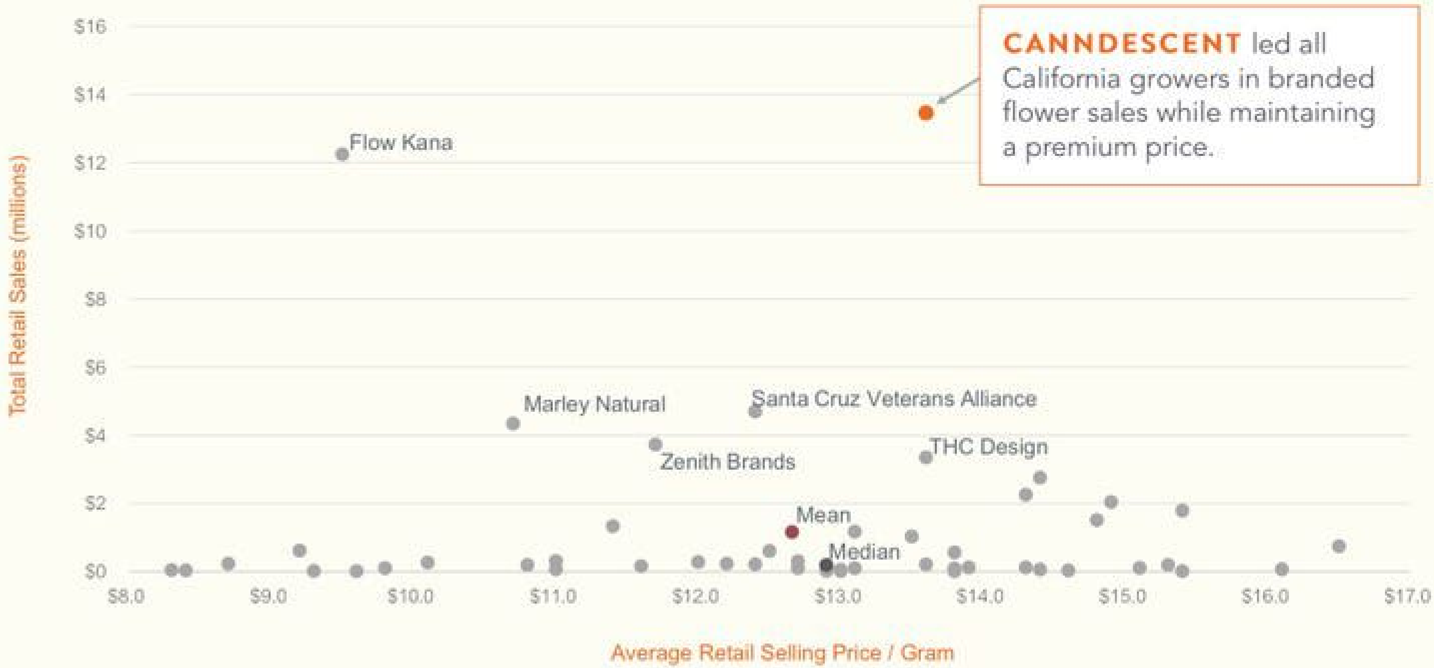
Canndescent solar video link, above

OUTCOMES

WHEN THE MARKET VALIDATED OUR STRATEGY

FIRST FULL YEAR RESULTS

2017 CALIFORNIA FLOWER RETAIL SALES VS AVERAGE SELLING PRICE[1]



Note: Retail sales includes both flower and pre-roll sales
Source: [1]BDS Analytics data – reflects revenue at point of sale as estimated by BDS

HOW WE MAINTAINED LEADERSHIP

IN A FALLING PRICE MARKET, CANNDESCENT HAS INCREASED SALES WHILE MAINTAINING PRICE

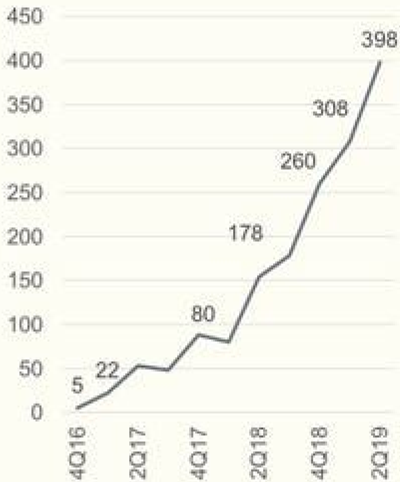
2019 CALIFORNIA FLOWER RETAIL SALES VS AVERAGE SELLING PRICE[1]

Note: Retail sales includes both flower and pre-roll sales; Price / gram reflects average flower prices; Canndescent includes goodflower sales
Source: [1]BDS Analytics data – reflects revenue at point of sale as estimated by BDS

WHAT THE NUMBERS SAY

KEY PERFORMANCE INDICATORS

ACCOUNTS SIGNED



GRAMS SOLD

REVENUE

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...commands a 2.4x market price when compared to average CA spot price
...has a 700% CAGR through 2018 and is currently at a $37.1 million revenue run-rate
...maintained its position as the #1 top shelf flower brand (10 consecutive quarters)
...achieved record sales in 2Q19, with August 2019 closing at $3.1 million

Note: Grams sold reflective of flower sales

WHERE WE'RE GOING

ROADMAP AND STRATEGY

2018

MORE PRODUCTS
Pre-rolls
Grams

MORE BRANDS
Good Brands *(MSM, Premium)*

MORE STATES
Nor Cal

MORE CHANNELS
3rd Party Retail
Distributor

2019

MORE PRODUCTS
Vapes
Concentrates
Ingestibles

MORE BRANDS
Volcannics *(Heavy Users)*

MORE STATES
+2

MORE CHANNELS
eCommerce
Wholesale

2020

MORE PRODUCTS
Beauty
Topicals
CBD

MORE BRANDS
Go *(Value)*
Women's/Beauty
Cannibles *(Pets)*

MORE STATES
+4

MORE CHANNELS
"Lit by Canndescent"
Flagship Retail

Note: Product and brand roadmaps subject to change

HOW IT WILL LOOK

NEW BRANDS AND LINE EXTENSIONS CAN INCREASE SHARE OF SHELF AND TAM BY 3X

33%
Super Premium and Luxury

32%
Premium

35%
Value

25%	40%	8%	15%	7%	5%
Vape	Flower	Pre-rolls	Ingestibles	Concentrates	Other

Source: BDS Analytics (Super Premium reflects more than $47 per 3.5 g, Premium reflects $35-47per 3.5 g, and value reflects less than $35 per 3.5 g for CA flower sales)

NEW BRAND and PRODUCT GALLERY

Stylus Vape Video

Welcome to Stylus®

RECHARGEABLE 4-SETTING, SOFT TOUCH OIL VAPORIZER

MAGNETIC CARTRIDGE SYSTEM

SOFT TOUCH DESIGN

3 HEAT SETTINGS

LONG LASTING BATTERY

CAP PROTECTED MOUTH PIECE

UNIVERSAL 510 THREADED BATTERY

ULTRA-PREMIUM OIL CARTRIDGES

5 READY-TO-USE VAPE PENS

SOFT TOUCH, SLEEK DESIGN

ULTRA-PREMIUM OIL WITH NO ADDITIVES

NATURAL TERPENES FOR RICH AROMA AND FLAVOR

200 DRAWS OR 50 EXPERIENCES

WHO'S ACCOUNTABLE

INSTITUTIONAL QUALITY TEAM

ADRIAN SEDLIN
CEO
5 Exits
MBA, Harvard

MARK VENDETTI
CFO
Mattel, XM Satellite Ratio, P&G
MBA, Harvard

RICK FISHER
Chief Revenue Officer
2 Exits
BA, UCSB

DAVID PARSKY
Chief Real Estate Officer
Colony Capital, Citi, Apollo
MBA, Kellogg

SHELLY TALLABAS
VP, Product Development
Snapple, MedMen
MBA, University of Dallas

SAM ARELLANO
CMO
ABC Brand Design, Lumos
El Camino College

KERRY ARNOLD
Chief People Officer
ConAgra, Diamond Foods
BA, Boise State University

DAN MCCLURE
VP, Agronomy
Driscoll's, MedMen
B.A.Sc., Cal Poly

TONY STANTON
VP, Operations
Heinz, ConAgra, Young's Market Co.
BA, Monterey Peninsula College

PHIL REQUIST
VP, Information Systems
Bargain Network, CallsDirect
BA, UCSB

WHY INVEST

RECAP

- A market leader
  - in Cannabis, the biggest growth market in a generation
  - in California, the world's largest market
  - in Luxury, the highest margin, extendable segment
  - in Flower, the largest and most strategic platform
  - in Effects, the fastest growing trend
- Consumer-driven company that builds category-killing products and brands
- Proven pricing power
- Diversified across price points, products and brands
- Compelling strategy that leverages existing capabilities and distribution
  - Products
  - Brands
  - Markets
- Entering phase of explosive growth and profitability
- World-class team
- Opportunity to invest in a privately-held market leader

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CALIFORNIA

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