



# **CORPORATE PRESENTATION**

MARCH 2019

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## **Additional Information**

Additional information relating to the Company has been filed electronically through SEDAR and is available online at [www.sedar.com](http://www.sedar.com) or at the Company's website at [www.originhouse.com](http://www.originhouse.com).

A product  
becomes a “brand”  
by owning real estate  
in the minds  
of consumers.

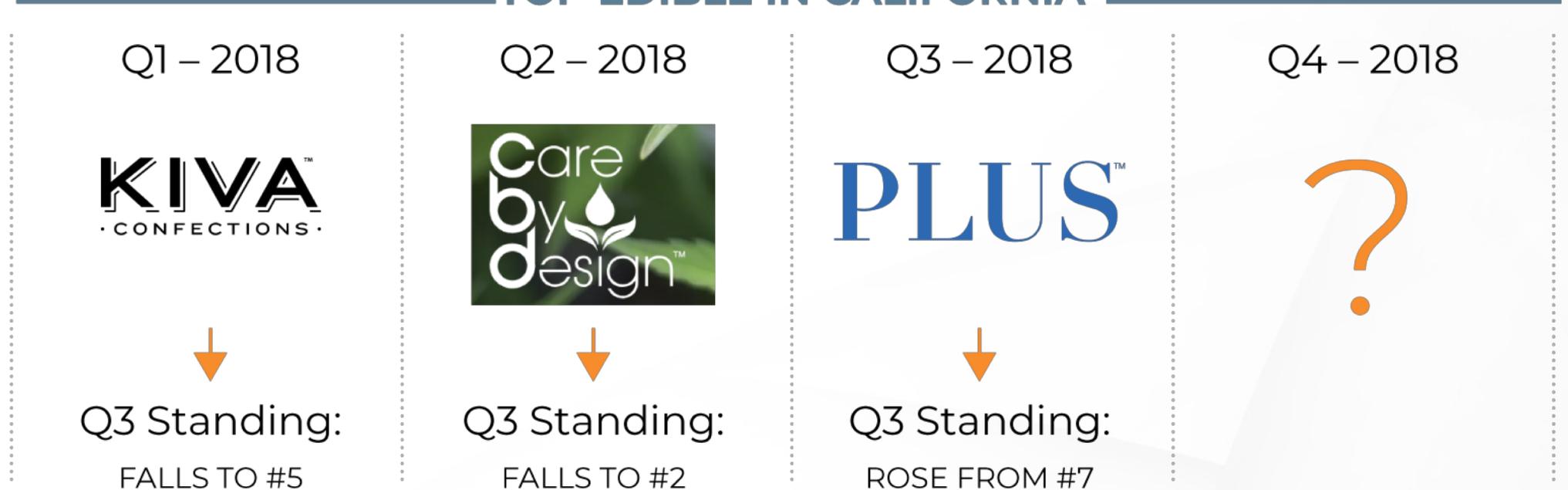




# The Legal Cannabis Market Currently Lacks Dominant Brands

No legal cannabis market has developed consistent brand winners – including California. The young industry is currently in a state of flux.

## TOP EDIBLE IN CALIFORNIA





# Win California, Win the World

California is the world's largest regulated cannabis market, and the most significant global exporter of popular culture. This makes it the world's most influential cannabis market.

## From CA Success to a Global House of Brands

### PHASE 1

#### Build Our Foundation

Become the home of choice for promising cannabis products in California.

Provide a full suite of support solutions to turn promising products into strong Californian consumer brands.



### PHASE 2

#### Internalize & Accelerate

Progressively internalize winning California brands.

Accelerate awareness and sales of our portfolio brands in California.



### PHASE 3

#### Replicate the Blueprint

Replicate highly scalable, proven California blueprint in other regulated markets globally.

Building in California ensures lower global customer acquisition costs and rapid leverage of Origin House brand IP in other markets.



450+

California Dispensaries

~70%

California Storefront Dispensary Penetration

6

Active California Licenses Held

5

Licensed Facilities for Manufacturing & Distribution

2

More Facilities Under License Application

125k

Square Feet of Facilities



Presence in Canada and California



UNIQUE BRAND ACCELERATION TOOLS

50+

Brands Distributed\*



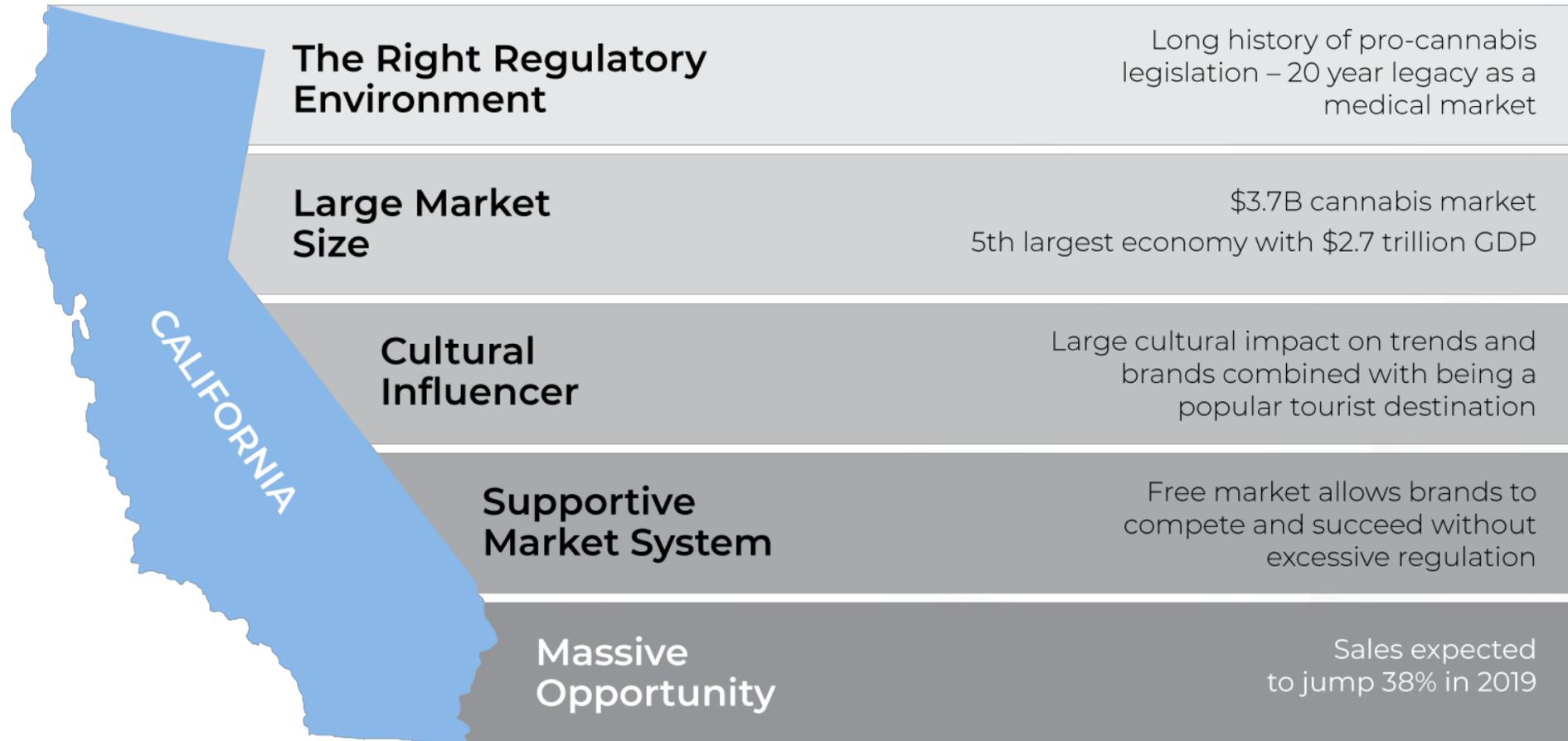
ORIGIN HOUSE HAS TREMENDOUS REACH AND BROAD CAPABILITIES

## PHASE 1

# Building our Foundation

- ▶ Become the home of choice for promising cannabis products in California
- ▶ Leverage a full suite of support solutions to turn promising products into strong California consumer brands

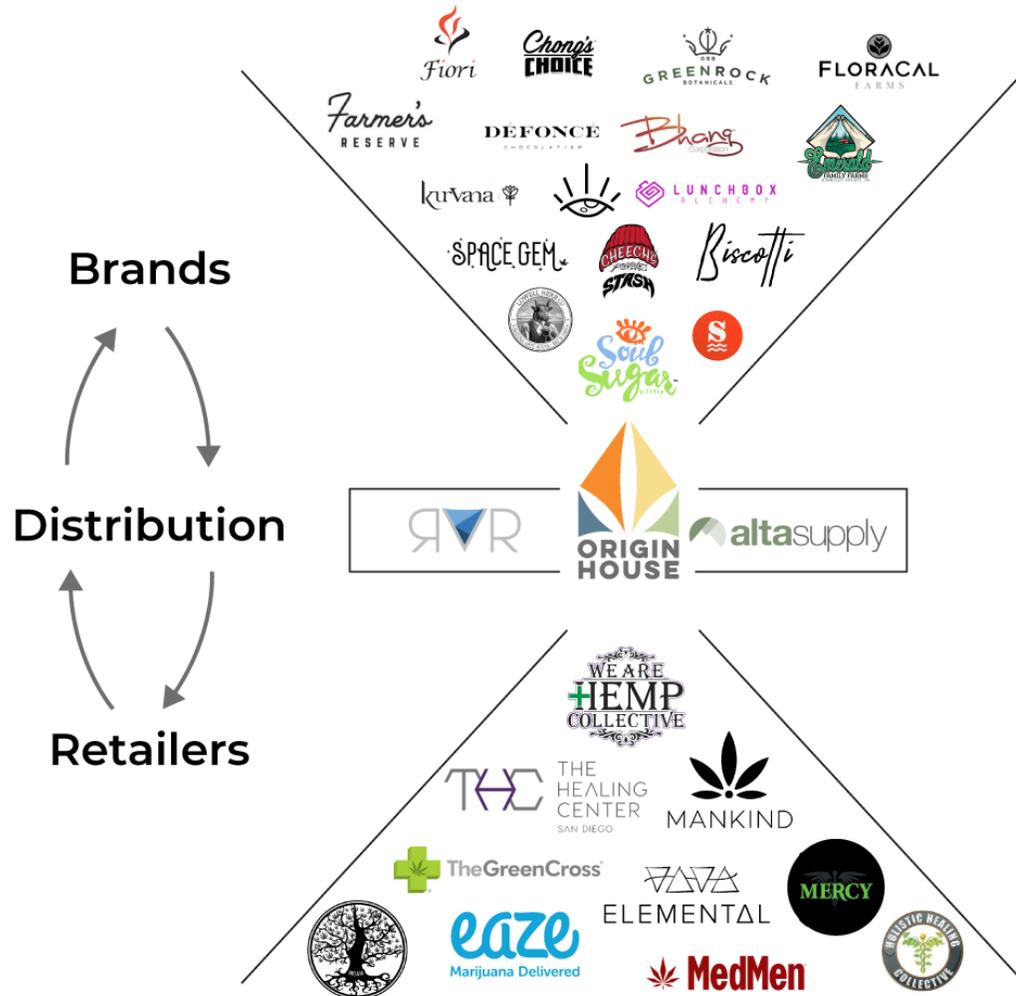
# Building on the World's Largest, Most Evolved and Sophisticated Cannabis Market



**THE NATURAL POINT OF ORIGIN FOR THE GLOBAL CANNABIS BRANDS OF THE FUTURE**

# Distribution

The best building block for a global house of brands is connecting brands and retailers.



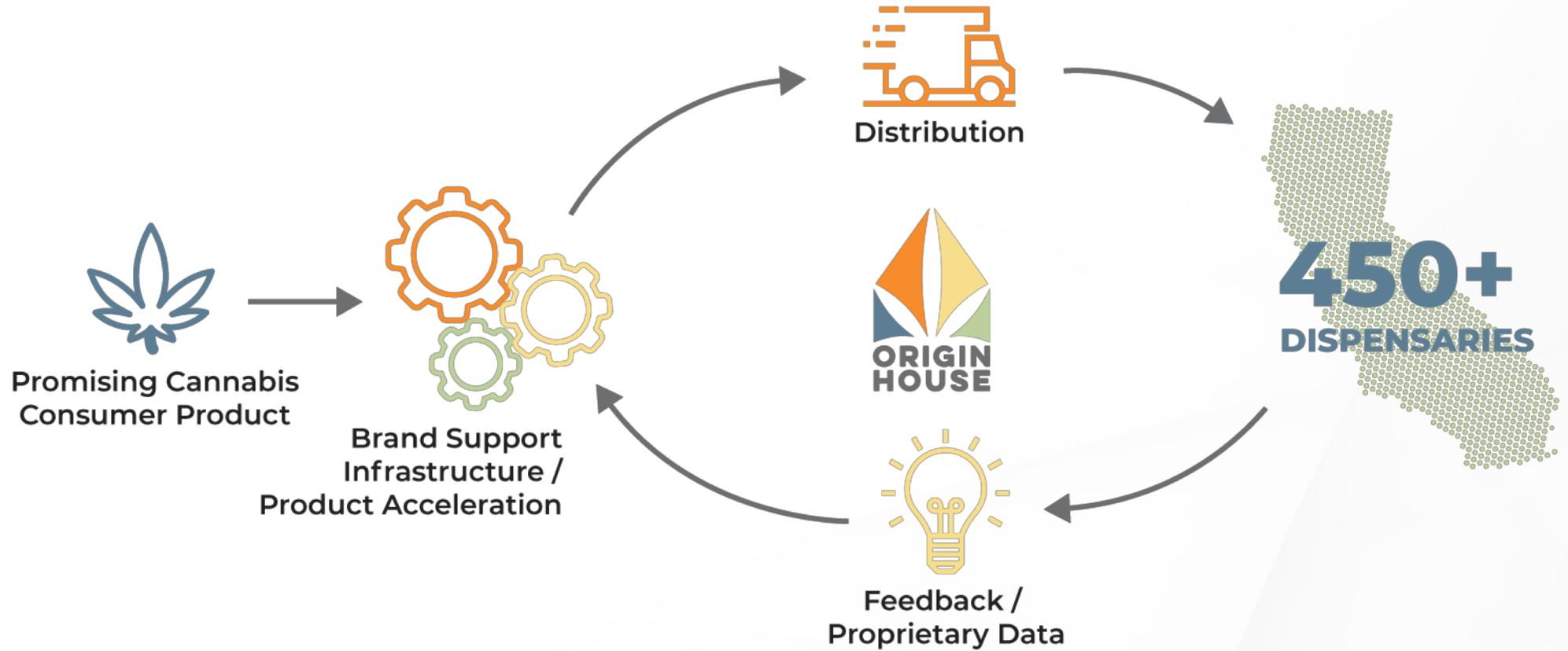
## 1. Distribution partnerships with promising brands:

- ▶ OH can immediately get brand partners into the majority of dispensary doors in the state.
- ▶ OH is able to immediately match brands with customer demand and to accelerate product development to meet customer desires.

## 2. Distribution partnerships with every retail outlet that matters:

- ▶ Every cannabis product in CA must flow through a licensed distributor.
- ▶ Dispensaries prefer fewer distribution relationships, so they prefer distributors with a greater breadth of brands.
- ▶ OH generates proprietary data and direct customer feedback on brand traction and what products customers want to see.

# PHASE 1: BUILD OUR FOUNDATION



$$\left( \text{Owned Brands Revenue} + \text{Distributed Brands Revenue} \right) \times \text{Closed Loop Brand Development}$$

# Brand Support Infrastructure

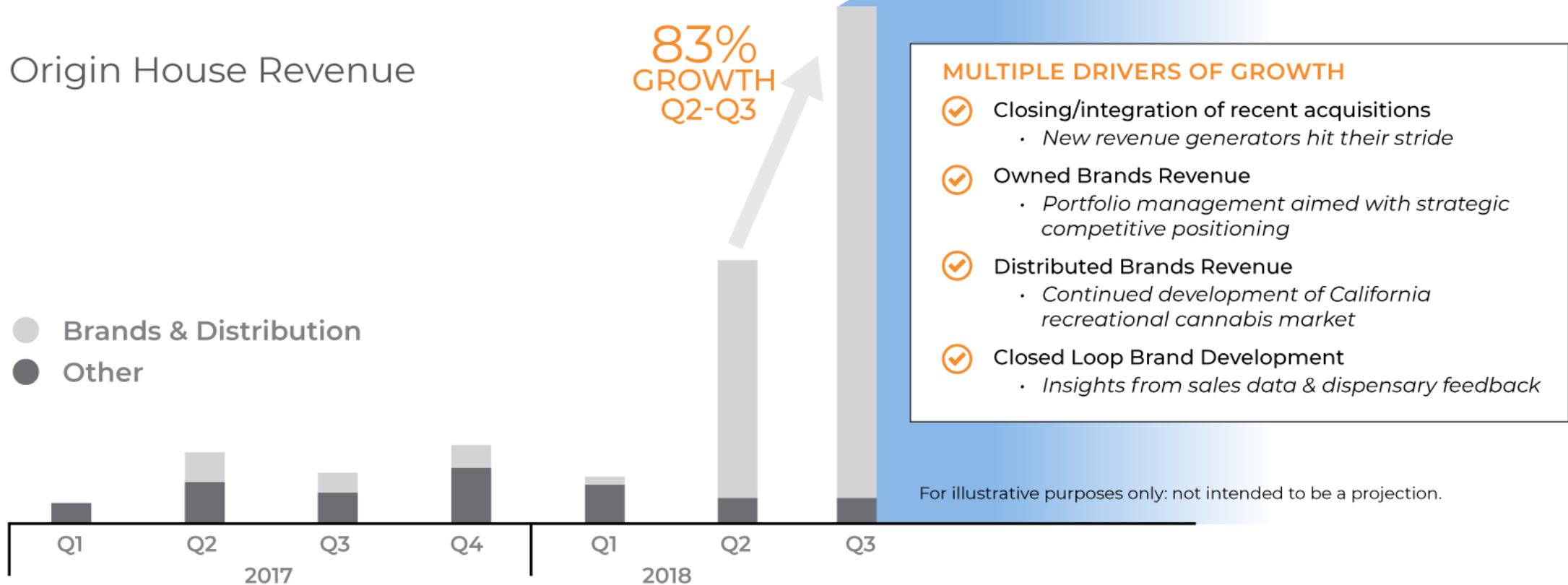
Key services from Origin House enable distributed brands to develop consumer trust and rapidly scale.



# The Financial Power of Our Platform

Key services from Origin House enable distributed brands to develop consumer trust and rapidly scale.

Origin House Revenue



## PHASE 2

# Internalize & Accelerate

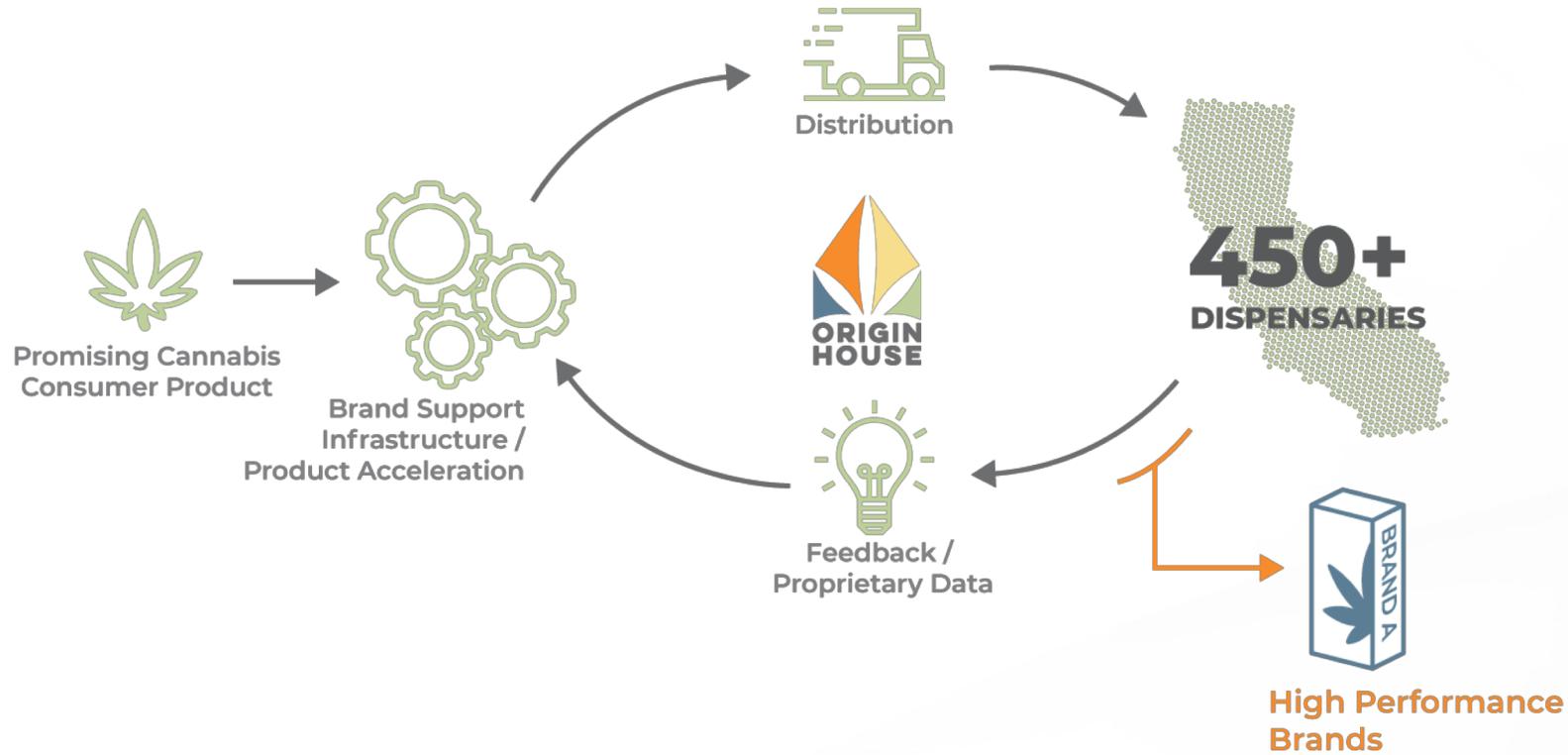
- ▶ Progressively internalize winning California brands
- ▶ Accelerate awareness and sales of our portfolio of brands in California

# Internalized Brand Support Infrastructure

Origin House offerings benefit from the full support toolbox.



## PHASE 2: INTERNALIZE & ACCELERATE



- ✔ Acquire brands with runway to grow
- ✔ Negotiate rights to sell in other jurisdictions
- ✔ Develop strongest brands into platforms for additional product types
- ✔ Accelerate brand growth within California



$$\left( \text{Owned Brands Revenue} + \text{Distributed Brands Revenue} + \text{Acquired Brands Revenue} \right) \times \text{Closed Loop Brand Development}$$

# Identifying and Acquiring the Global Cannabis Brands of Tomorrow – Building a Curated Brand Portfolio

## VALUE-FOCUSED ACQUISITION STRATEGY

Proven Brand Authenticity & Recognition	✓
Proven Sales with Repeat Customers	✓
Strong Growth Trajectory	✓
Opportunity for Product Development	✓
Complements Existing Portfolio	✓
Ability to Expand Beyond California & Globally	✓
Pathway to Rapid Acceleration with Added Resources	✓
Identify & Retain Top Talent from Management Team	✓

## BRAND ACCELERATION PROGRAM PORTFOLIO OF BRANDS



## BUILDING OUR HOUSE OF BRANDS WITH OUR OWN BRAND PORTFOLIO



CASE

# FloraCal Farms: A Winning Brand with Runway to Grow

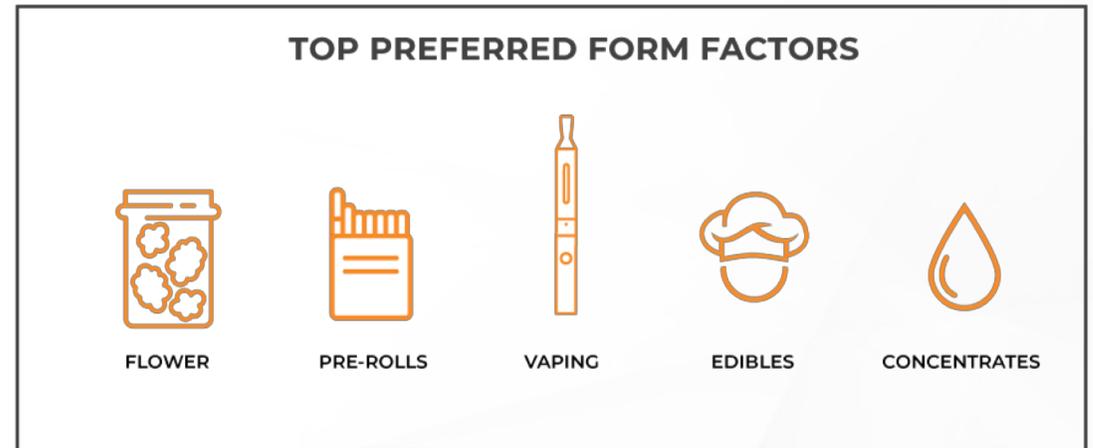
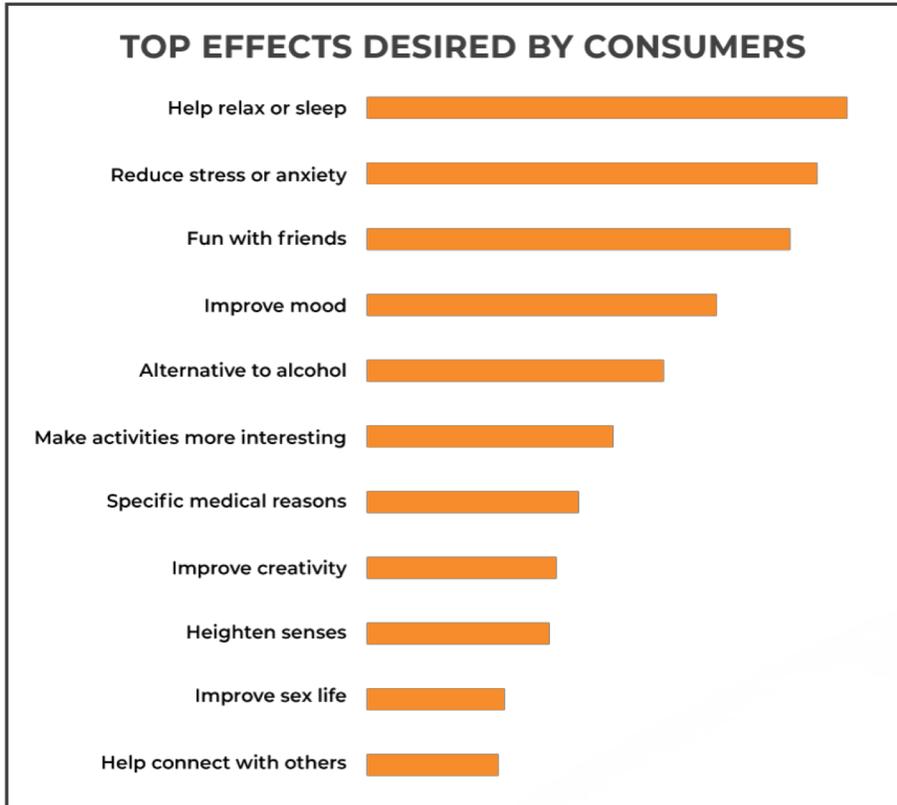


## VALUE-FOCUSED ACQUISITION STRATEGY

<b>Proven Brand Authenticity &amp; Recognition</b>	✓	Extreme quality, premium price and margins
<b>Proven Sales with Repeat Customers</b>	✓	Demand currently outpaces supply
<b>Opportunity for Product Development</b>	✓	Ability to create FloraCal-branded extracts and edibles
<b>Complements Existing Portfolio</b>	✓	Provides us a product in the premium pre-roll category
<b>Ability to Expand Beyond California &amp; Globally</b>	✓	Have rights for FloraCal brand in global markets
<b>Pathway to Rapid Acceleration</b>	✓	Room to grow within CA before reaching leading market share
<b>Identify &amp; Retain Top Talent</b>	✓	Retain a management team that built an authentic branded product

# Building a Highly Curated Brand Portfolio

Customers want choice in product and effect.




**ORIGIN HOUSE BRANDS ADDRESS EACH CATEGORY AND FORM FACTOR**

# Our Brand Accelerator Program

Many great products never become successful. We provide all the capital, marketing and branding expertise, logistics, distribution, and legal to help good products penetrate the market and become successful brands



## FACILITY EXPANSION

FROM 15,000 SQ. FT TO A  
64,200 SQ. FT.

### RESULTS

Production capacity  
increase from ~1,000  
kg to ~6,800 kg of  
craft cannabis



## US\$350,000

TO DEVELOP BRAND  
STRATEGY AND IMAGE

### RESULTS

Planned large scale  
production and  
distribution of products  
to over 350+ dispensaries  
across California



## US\$1.5M

TO ACCELERATE  
MANUFACTURING & PRODUCTION

### RESULTS

Projected increase in  
total sales of ~615% by  
end of 2020



## US\$2.5M

TOWARDS TO INNOVATIVE  
BRAND ACCELERATION

### RESULTS

Continuum increases  
market penetration by  
distributing products to  
over 350+ dispensaries  
in California



## US\$704K

TOWARDS TO INNOVATIVE  
BRAND ACCELERATION

### RESULTS

Continuum increases  
market penetration by  
distributing products to  
over 350+ dispensaries  
in California

# Delivering On Our Strategy

Origin House will identify the winners and reap the benefits.

Origin House Revenues

● Brands & Distribution  
● Other



**MULTIPLE DRIVERS OF GROWTH**

- ✓ Closing/integration of recent acquisitions
- ✓ Owned brands revenue
- ✓ Distributed brands revenue
- ✓ Closed loop brand development
- ✓ Acquired brands revenue  
*Adding strong brands identified by deep market knowledge*

For illustrative purposes only; not intended to be a projection.

## PHASE 3

# Replicate the Blueprint

- ▶ Replicate highly scalable, proven California blueprint in other regulated markets globally
- ▶ Building in California ensures lower global customer acquisition costs and rapid leverage of Origin House brand IP in other markets

# Canada: Bringing Proven Cannabis Brands to a Familiar Market Currently Featuring Undifferentiated Products

## FOUNDATION OF ORIGIN HOUSE IN CANADA

Restrictive advertising and branding rules in the cannabis industry will push the responsibility of building brands to the retail level.

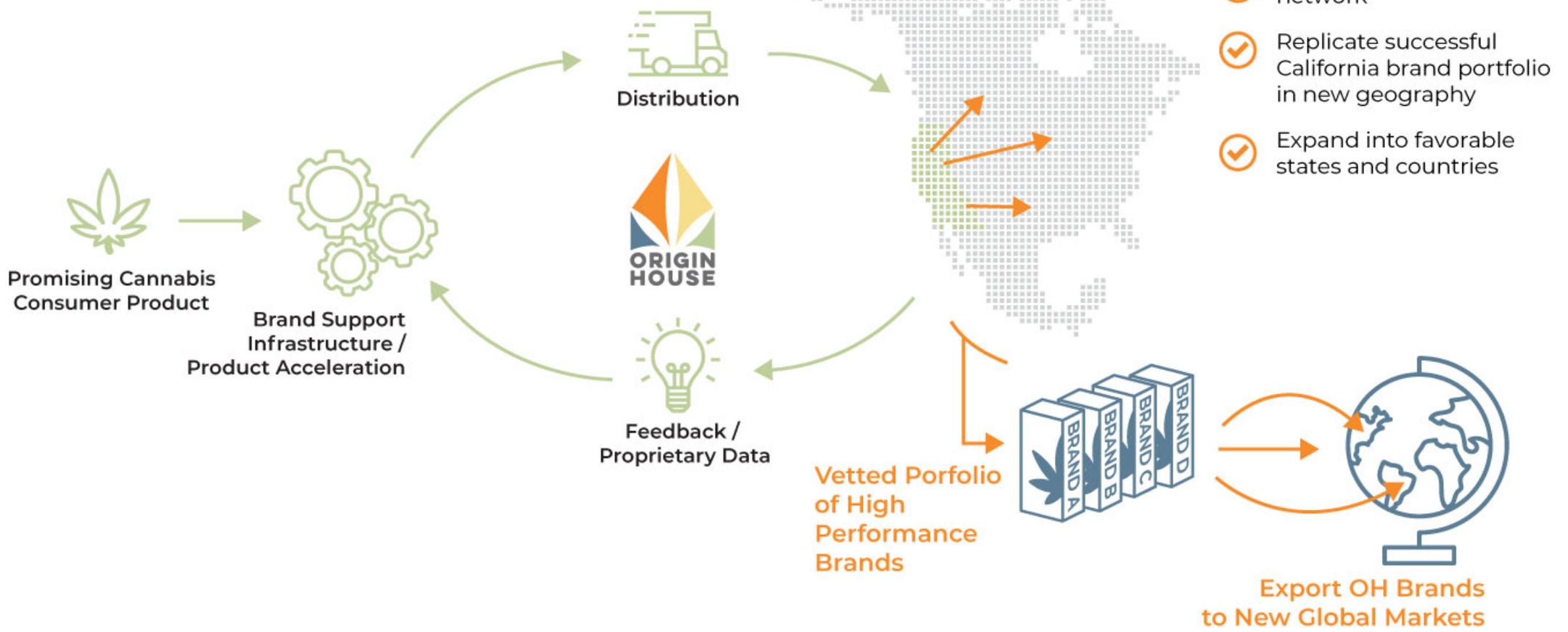


Access to an established, repeat customer base, with a high propensity to use cannabis – customer acquisition cost already paid.

<b>Regulatory Environment</b>	✓	Federally legal as of October 17, 2018
<b>Market Size</b>	✓	\$4.3B market today
<b>Unique Cultural Impact</b>	✓	Canadian consumption is increasing, public attitudes are shifting
<b>Supportive Market System</b>	✓	Early stage, room to grow in product category
<b>Massive Opportunity</b>	✓	\$7.7B by 2025

**ORIGIN HOUSE'S RECENT ACQUISITION OF 180 SMOKE RETAIL STORES AND ONLINE ASSETS PROVIDES ACCESS TO AN ESTABLISHED LEADER IN DEVELOPING MARKETS**

# PHASE 3: REPLICATE THE BLUEPRINT

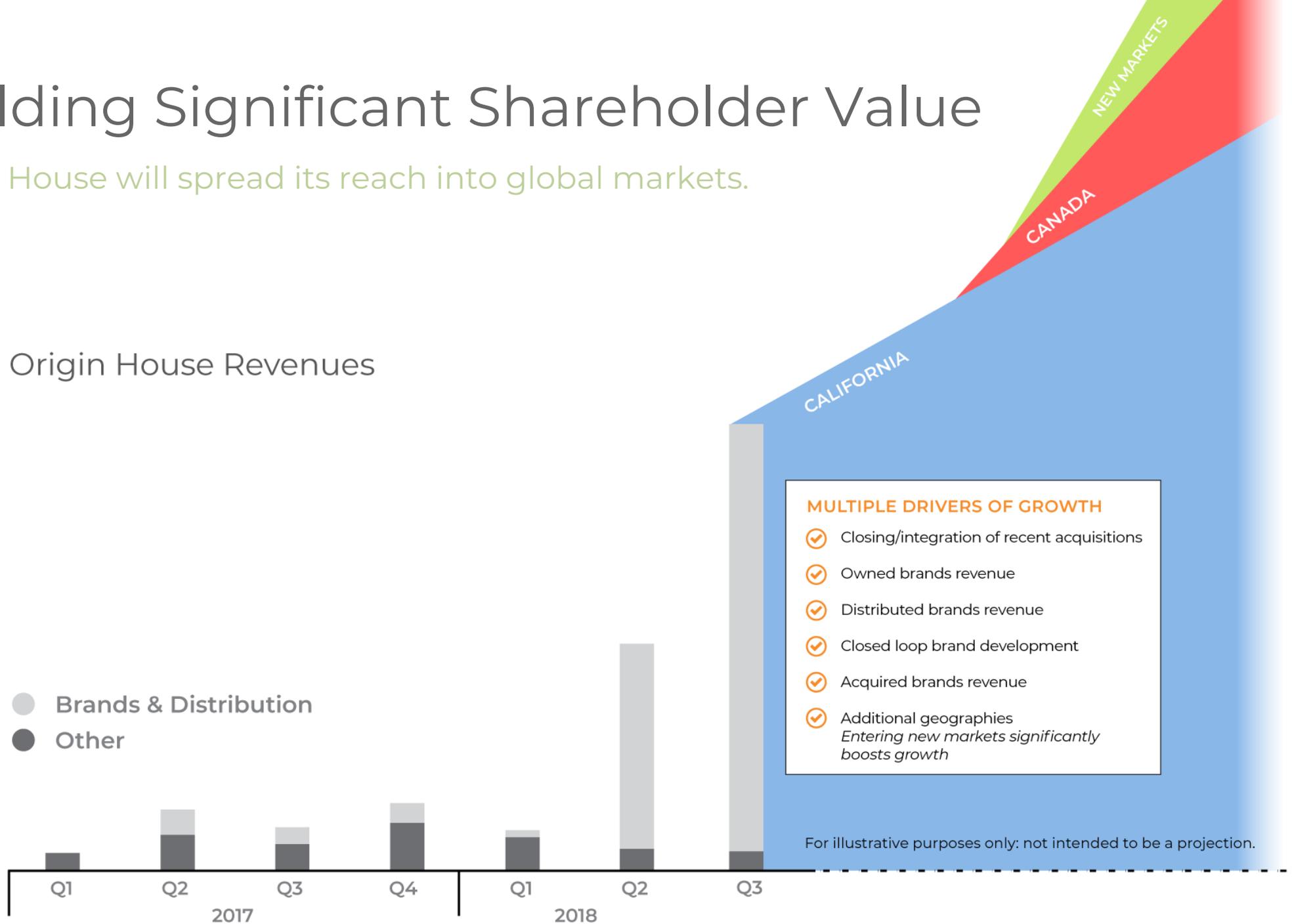


$$\left( \text{Owned Brands Revenue} + \text{Distributed Brands Revenue} + \text{Acquired Brands Revenue} \right) \times \text{Closed Loop Brand Development} \times \text{New Geographies Entered Into}$$

# Building Significant Shareholder Value

Origin House will spread its reach into global markets.

Origin House Revenues



# Capital Structure

**70.8M** Shares Outstanding

**88.7M** Fully Diluted Shares Outstanding

Recent Price: \$9.00 as of Feb 28, 2019

Fully Diluted Market Cap: CDN\$798M – Feb 28, 2019

Cash: **CDN\$75.3M – Sept 30, 2018**

Source: <https://thecse.com/en/listings/diversified-industries/cannaroyalty-corp>



**SOME BRANDS GROW CANNABIS WE GROW BRANDS**

CSE : OH | OTCQX : ORHOF