

Eaze had strong core growth metrics in 2019

\$176M $\uparrow 70\%$

2019 Gross Transaction Value

\$133M $\uparrow 71\%$

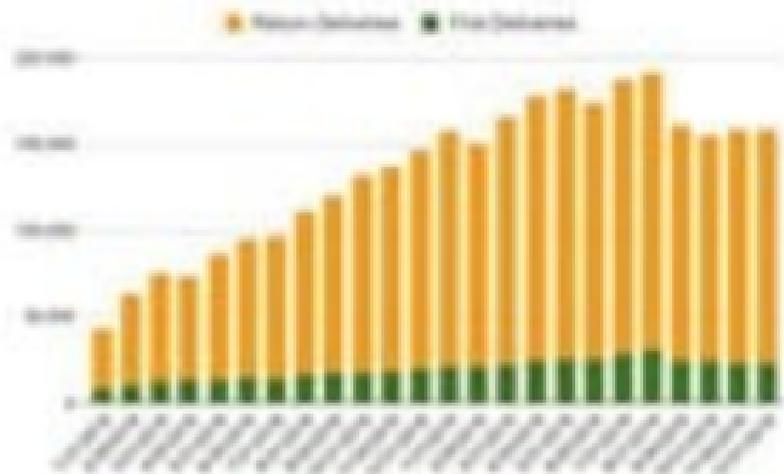
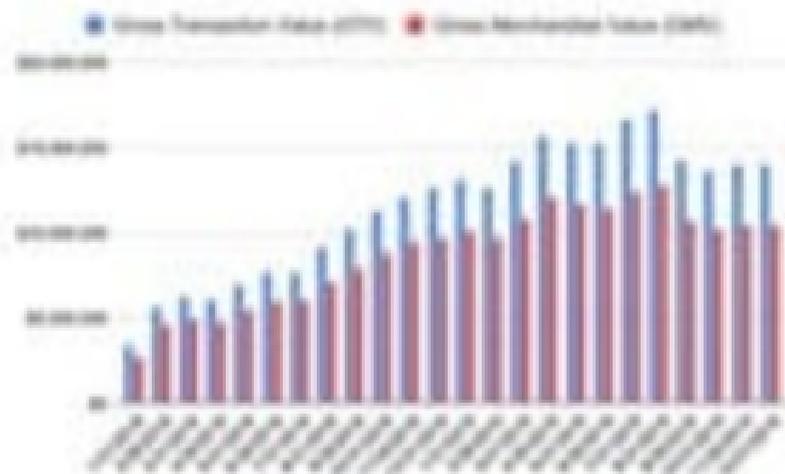
2019 Merchandise Value

2.0M $\uparrow 71\%$

2019 New Customer Deliveries

298k $\uparrow 147\%$

2019 New Customer Deliveries



Eaze is transitioning from a marketplace to a vertical retail operator



This transition requires two key steps: depot consolidation and private-label brand launches

DEPOT CONSOLIDATION

\$75M+ → **\$120M+**

Revenue
2019

Revenue in
2020 (Estimate)

- 95%+ of dispensaries by July 2020
- Centralize operations and reduce back office redundancies (e.g. Finance, HR, etc.)
- Optimize operations / profitability

PRIVATE LABEL BRANDS

\$125M × **40%** × **15%** = **\$7.5M**

2020
Revenue

Dispensary
Share (2020)

Dispensary
Profitability

Cost
Savings



100
Revenue
2020



40
Dispensary
Share



15
Dispensary
Profitability



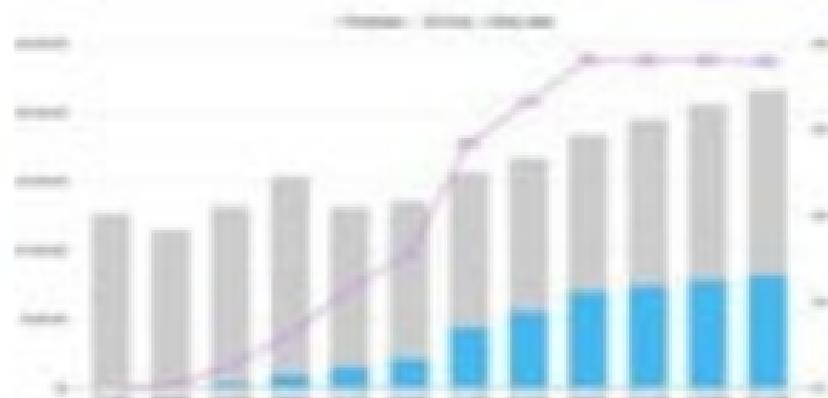
Private label brands: Eaze private label creates 15% incremental margin and now represents ~12% of GTV¹

Margin Improvement

HOUSE BRAND MARKUP Capturing Additional Margin through Private Label

	Cost	Price	Margin
House Brand	\$7.00	\$22.00	68.18%
3rd Party	\$12.00	\$20.00	40.00%

% of GTV



¹ Based on historical data and includes new product costs plus trade and fees.

High category penetration enabling Eaze private label brands to grow ownership of GTV

-25% penetration vaporizer category

Eaze Vape vs. All Other Vape Brands

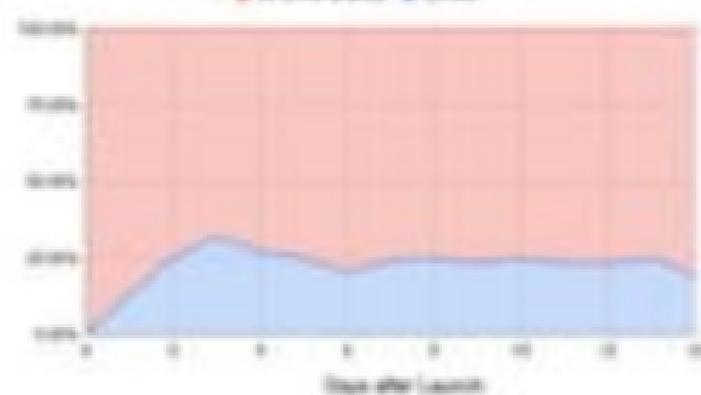
■ All Other Brands ■ Eaze



-25% penetration flower category

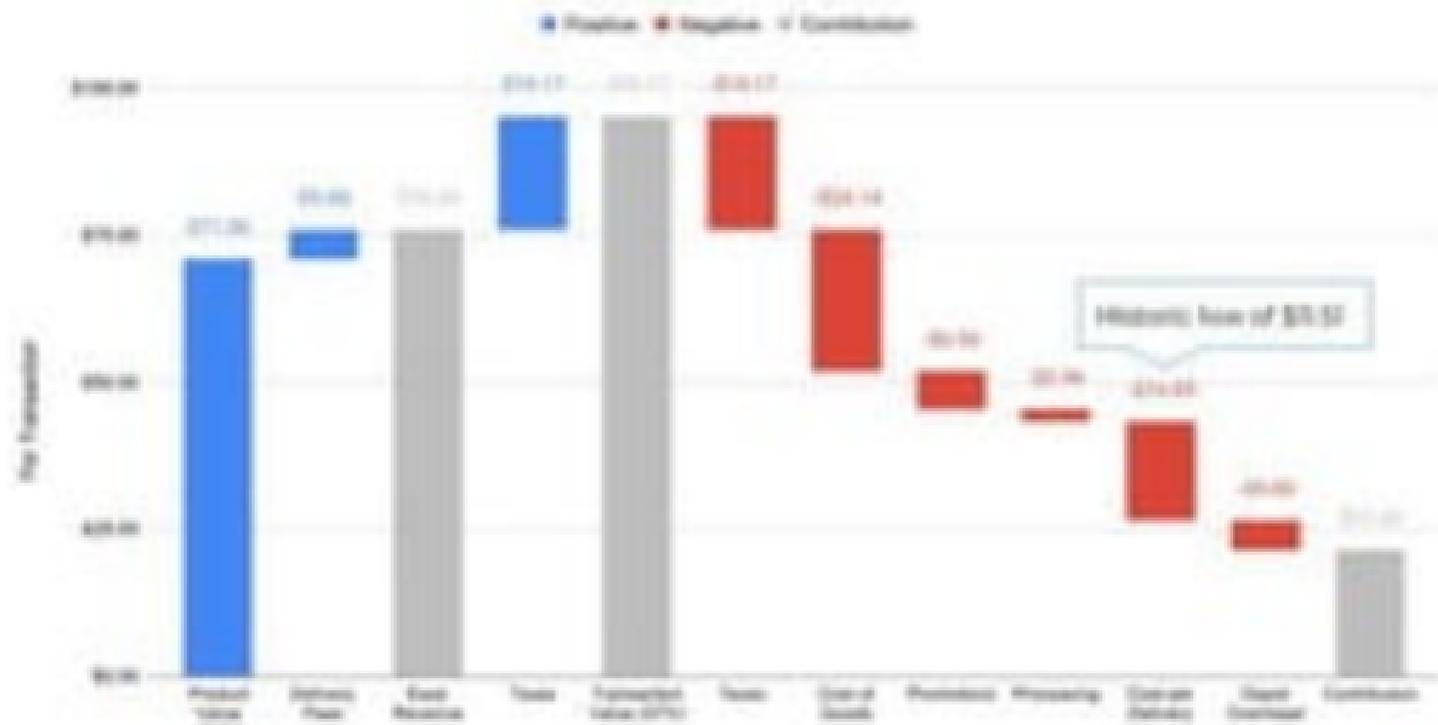
Eaze Flower vs. All Other Flower Brands

■ All Other Brands ■ Eaze



Note: Vaporizer brand penetration of 25% represents an Eaze private label brand. Flower brand penetration of 25% represents an Eaze private label brand.

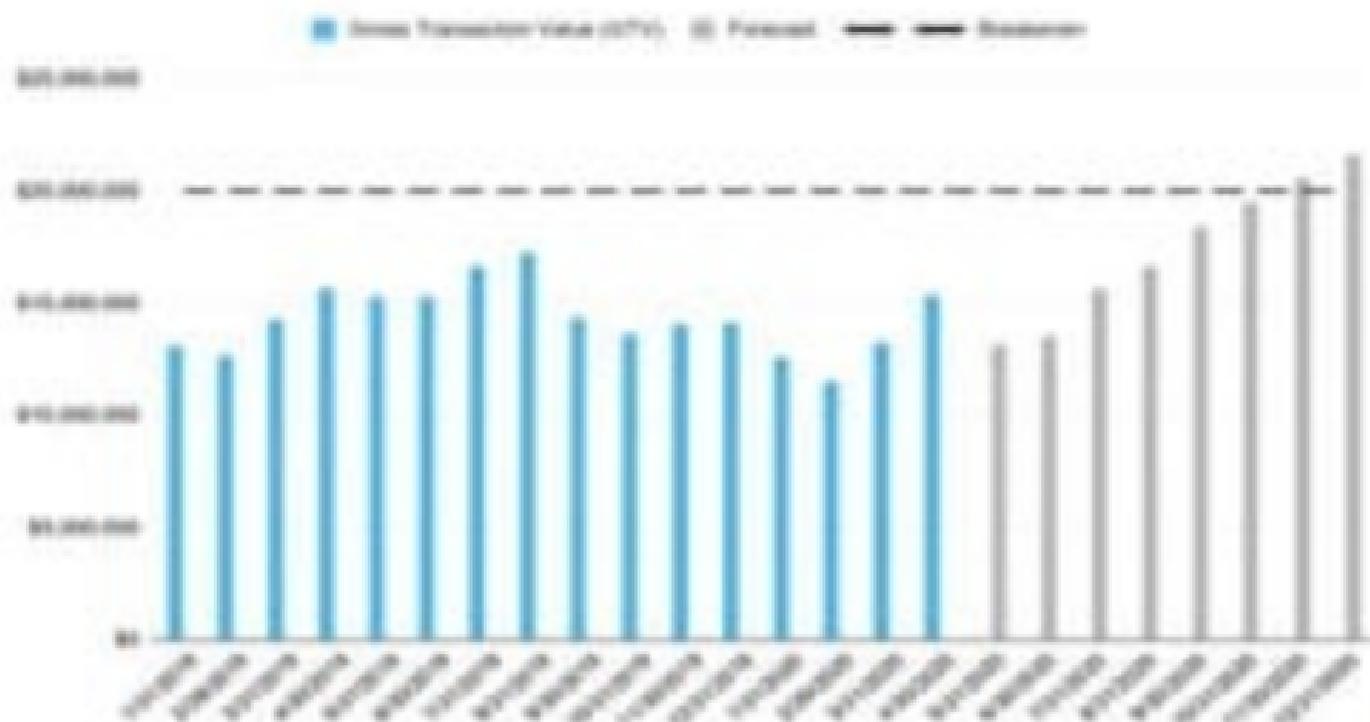
As we take control of depots and build private label brands, our contribution margin improves to 25%+



1. Base Contribution Margin includes new product costs plus taxes and fees.



Expect to reach \$20M in GTV¹ in Q4-2020 with increased marketing in 2H-2020 after network consolidation



¹ Gross Transaction Value (GTV) is the amount of sales before any discounts or fees.
 Note: This represents a forecast and is not a guarantee of performance.

Our differentiated tech, strong brand, and data-driven marketing will enable us to be successful out of state

Differentiated Tech



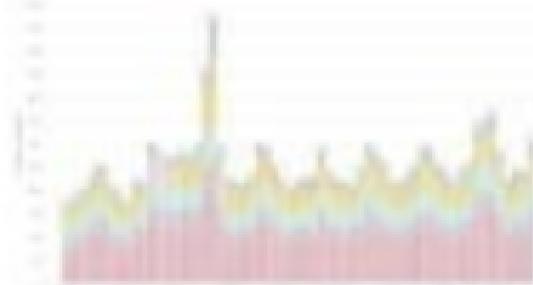
Proprietary, differentiated and scalable tech gives us a competitive advantage

Recognizable brand



Recognizable brand with high affinity (e.g., 75 net promoter score)

Data-driven marketing



Largest customer database provides data advantage to scale in new markets



eaze

Cannabis On Demand

Eaze is the largest direct-to-consumer cannabis retailer in California

5.7M+

Deliveries Completed

725k+

Customers Served

\$190M+

2020 Transaction Value

\$125M+

2020 Revenues

~\$13B

Total Addressable Market

\$95

Average Transaction Value

60%

of Network Owned by Eaze

85%

Total California Population Served in Active Territories

Note: Data as of May 2020. 2020 figures are combination of actuals and projections



Eaze had strong core growth metrics in 2019

\$176M ↑ 78%

Gross Transaction Value

\$133M ↑ 71%

Gross Merchandise Value

2.0M ↑ 71%

Return Customer Deliveries

298k ↑ 68%

New Customer Deliveries



Eaze is transitioning from a marketplace to a vertical retail operator

MARKETPLACE



Poor liquidity/cash & mis-aligned retail partners



Inconsistent supply chain & control of brand



No direct access to consumer payments



VERTICAL RETAILER

Positive working capital & reduced cost



House brands, optimization to maximize profit



Ownership of networks & last-mile distribution



This transition requires two key steps: depot consolidation and private-label brand launches

DEPOT CONSOLIDATION

\$75M+ → **\$120M+**

Increase in Revenue

Increase in Cash Collections

- 95%+ of dispensaries by July 2020
- Centralize operations and reduce back office redundancies (e.g., Finance, HR, etc.)
- Optimize operations / profitability

PRIVATE LABEL BRANDS

\$125M × **40%** × **15%** = **\$7.5M**

Est. 2020 Revenue

Target Menu Share

Margin Improvement

Cost Savings



\$20
Mango Shortbread
Cookies



\$15
Pink Lemonade
Cookies

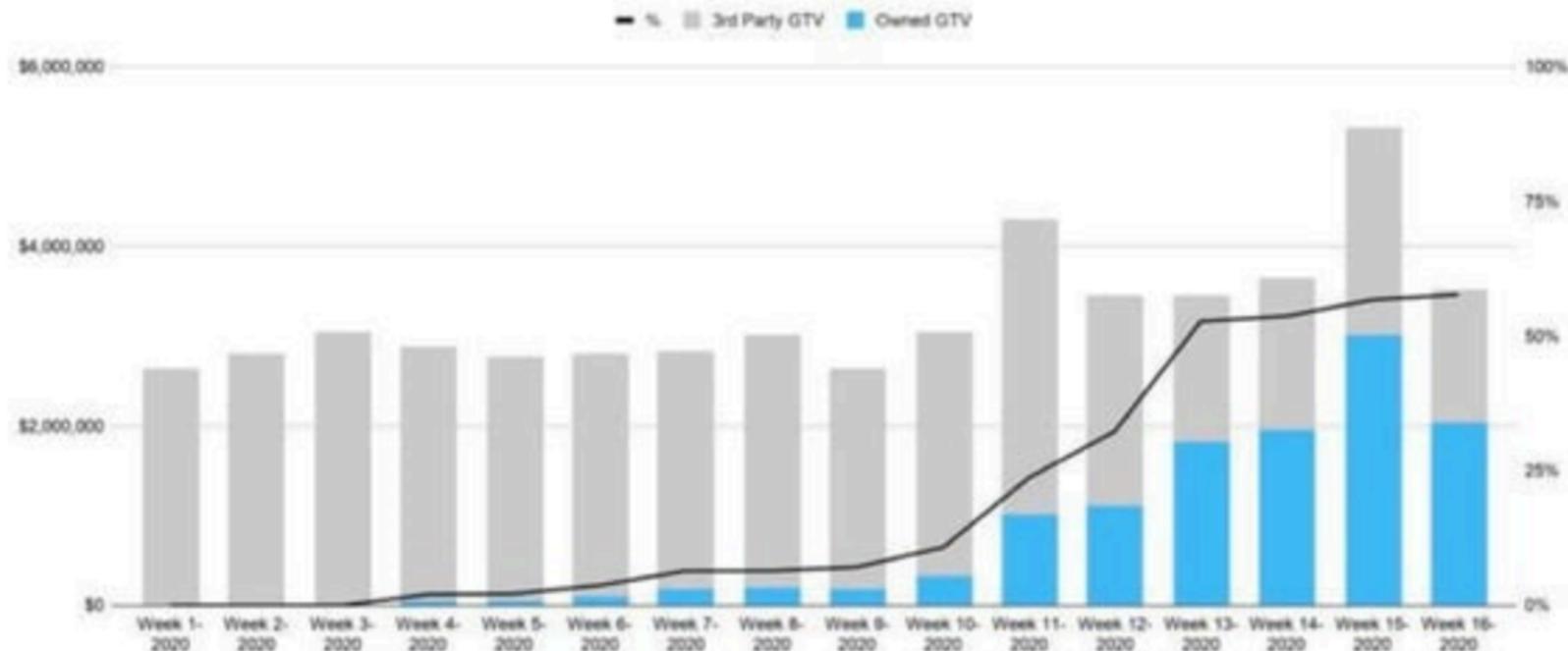


\$9
Birthday Cake to
Paradise
Cookies



Depot consolidation: Eaze now controls ~60%+ of GTV¹

% of GTV Controlled by Eaze (Weekly)



¹ Gross Transaction Value equals total product costs plus taxes and fees.

Private label brands: Eaze private label creates 15% incremental margin and now represents ~12% of GTV¹

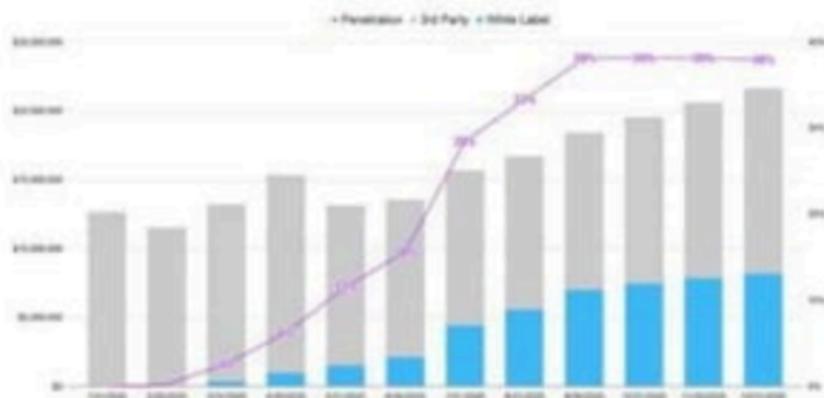
Margin Improvement

HOUSE BRAND MARKUP

Capturing Additional Value through Private Label

	COST	WHOLESALE	RETAIL	MARGIN
House Brand	\$750	\$12.00	\$30.00	75.00%
3rd Party		\$12.00	\$30.00	60.00%

% of GTV



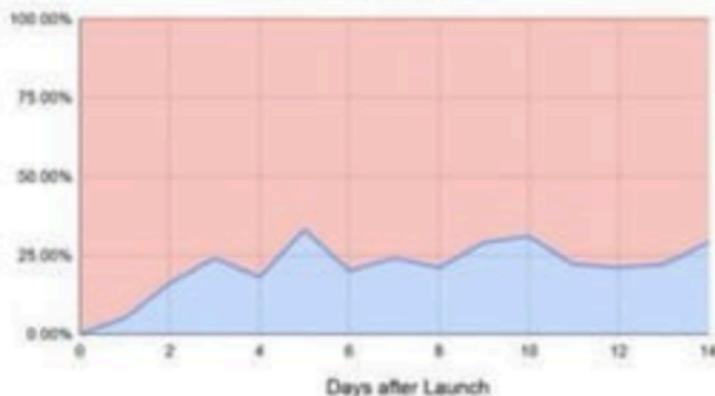
¹ Gross Transaction Value equals total product costs plus taxes and fees.

High category penetration enabling Eaze private label brands to grow ownership of GTV

-25% penetration vaporizer category

Circles Vape v. All Other Vape Brands

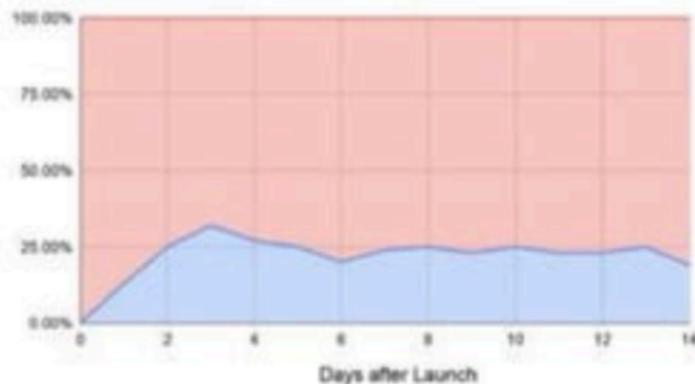
■ All Other Brands ■ Circles



-25% penetration flower category

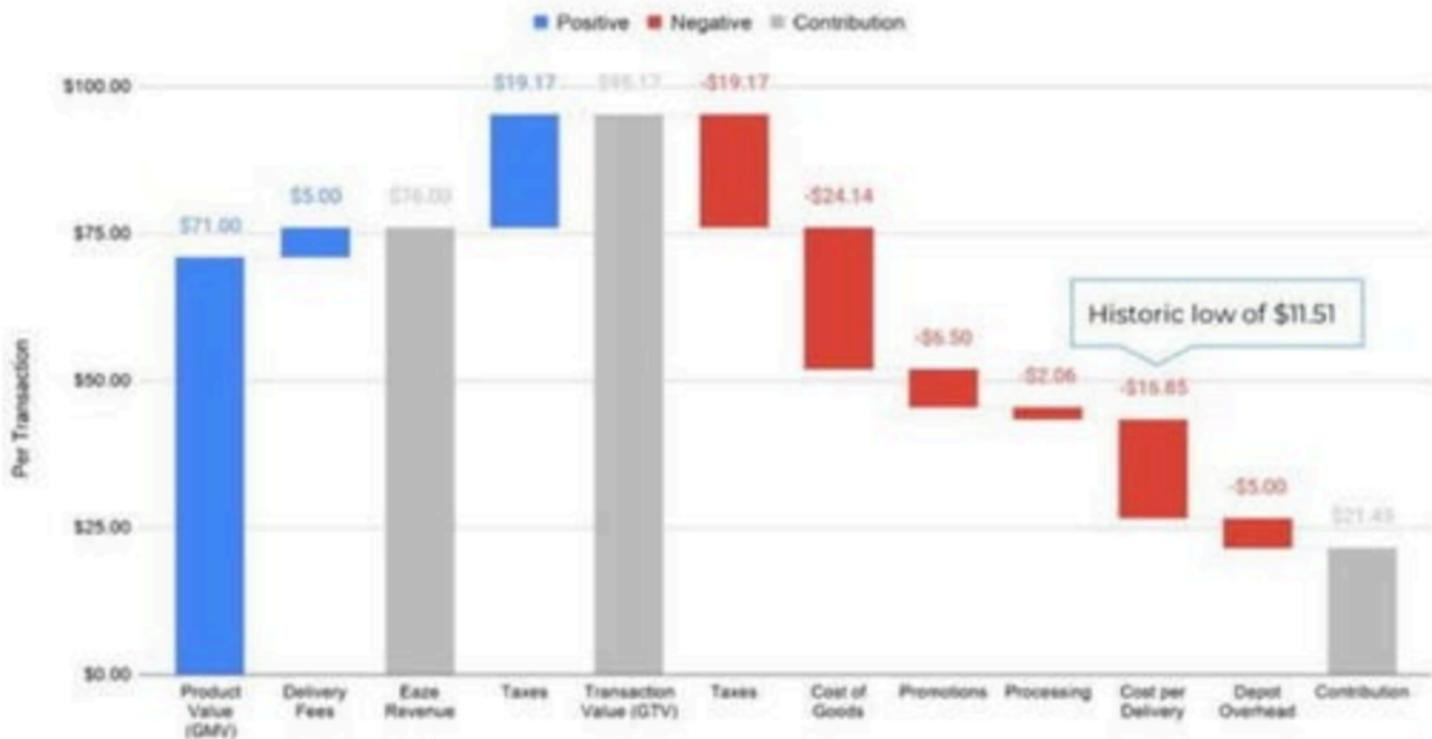
Circles Flower vs. All Other Flower Brands

■ All Other Brands ■ Circles



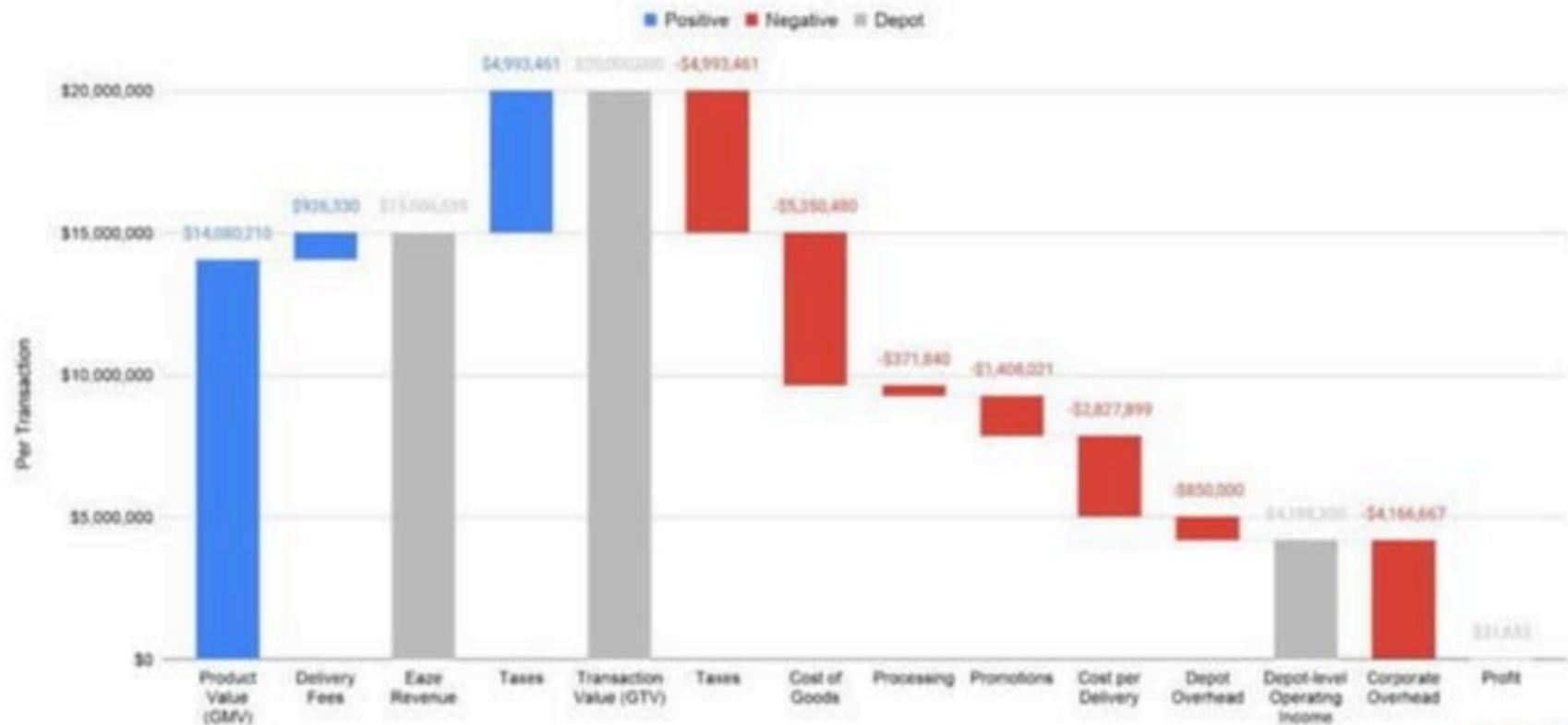
Note: Vaporizer shows penetration of SF dispensary and flower shows penetration of LA dispensary.

As we take control of depots and build private label brands, our contribution margin improves to 25%+



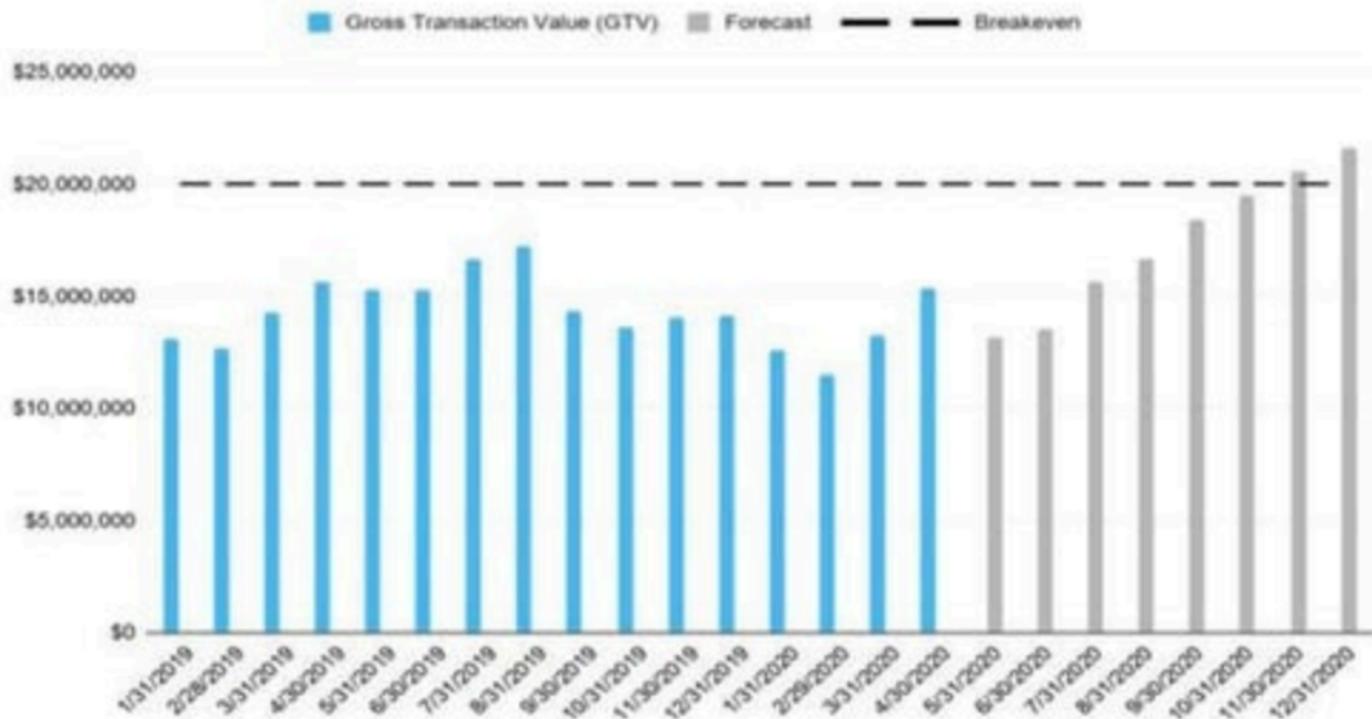
¹ Gross Transaction Value equals total product costs plus taxes and fees.

EBITDA positive at ~\$20M of GTV¹ per month



¹ Gross Transaction Value equals total product costs plus taxes and fees.

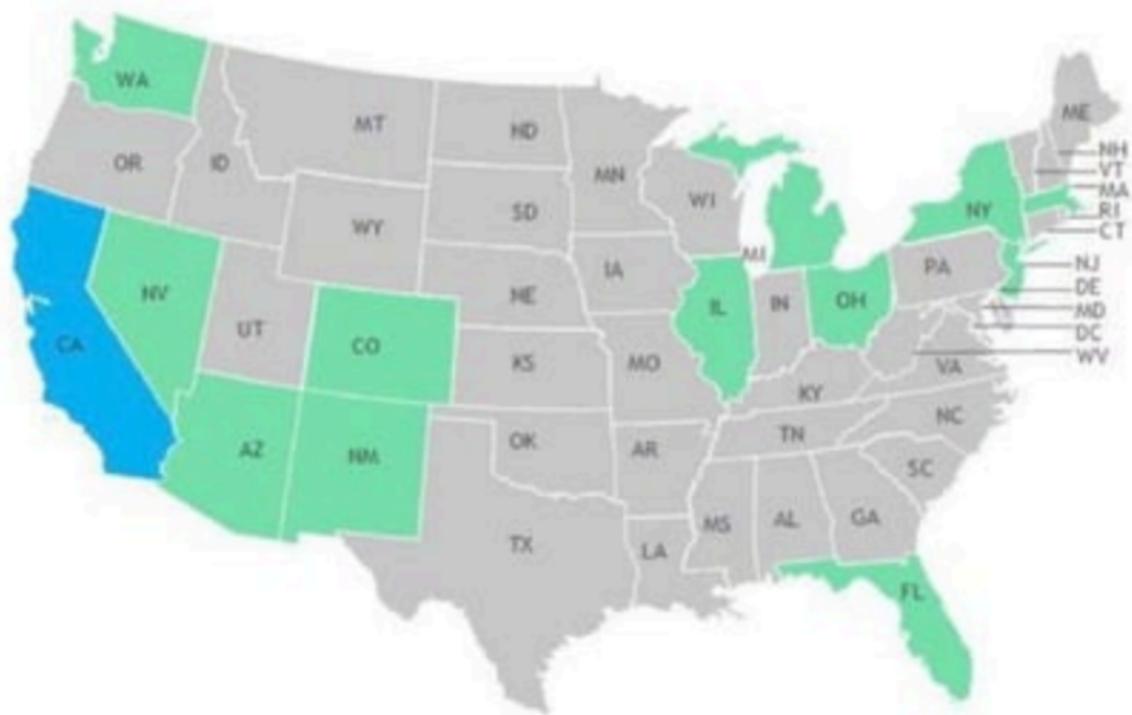
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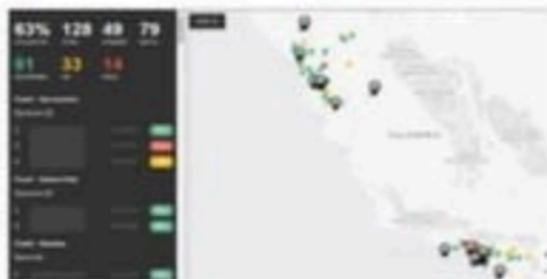
Note: Blue represents actual gross transaction value as of April 30, 2020, while gray represents forecasted gross transaction value.

After we reach EBITDA positive in California, we will lift and shift model to other states



Our differentiated tech, strong brand, and data-driven marketing will enable us to be successful out of state

Differentiated Tech



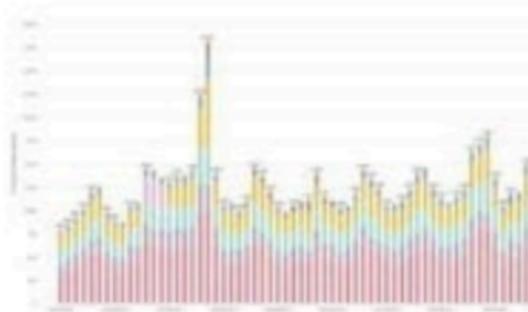
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Management team

Ro Choy

Chief Executive Officer



CEO of BitTorrent and
Business Leader at Ebay

Megan Miller

Chief Operating Officer



Vice President of Loggly,
Docusign

Andrea Lobato

Chief Legal Officer



Dir. of Compliance at Lyft and
Dir. of Legal at Judicata

John Curtis

Chief Financial Officer



CFO of Pacific Gateway
Concessions, Leadership at
Syniverse

Nick Fasano

Chief Revenue Officer



VP of Sales at Localytics,
Axceler, and Rapid7

David Mack

SVP Comms & Public Policy



Sr. Director of Public Affairs at
Lyft

Akshay Vyas

VP Technology



Vice President of Engineering
at Quid, Head of UI
Engineering at Docker

Cory Azzalino

SVP Finance



Restructuring CEO at DYME,
Investor at Prudential Capital



eaze

Cannabis On Demand