



C21 Investments Inc.

Scaling Profitable Growth

June 2021



CSE: CXXI
OTCQX: CXXIF

Forward Looking Statements Disclaimer

This presentation contains forward-looking statements that relate to the Company's current expectations and views of future events and should be read together with more detailed information and financial data and statements. The Presentation does not contain all the information you should consider before purchasing securities of the Company. In some instances, these forward-looking statements can be identified by the following words or phrases (or their negative forms) such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, operational results, business strategies and tactics, and financial needs. These forward-looking statements include, among other things, statements relating to (a) the Company's expectations regarding its retail and wholesale revenue, expenses and operations; (b) the volume and trajectory of the Company's retail sales in Nevada; (c) the percentage of the Company's retail revenue from its in-house brands and products; (d) the continued performance of the Company's Phantom Farms and Hood Oil brands; (e) the expectations regarding timing and successful completion of the Company's Nevada cultivation expansion; (f) the amount of additional salable flower and the expected market value of such flower based on the Company's Nevada cultivation expansion; (g) anticipated cash needs and its needs for additional financing; (h) the Company's intention and ability to grow the business and its operations, including its ability to complete business development in Nevada or other favorable markets; (i) the strength of the Nevada cannabis market, both recreational and medical; (j) expectations with respect to future production costs and capacity; expectations regarding the Company's growth rates and growth plans, strategies and tactics; (k) the Company's ability to continue to optimize its core assets and shed non-core assets; (l) the Company's ability to expand its retail footprint in a disciplined manner; (m) the Company's ability to secure financing for its growth plans; (n) the Company's ability to achieve its revenue growth targets over the next twelve months; (o) the sustainability of the Company's unique market position in Nevada and Oregon; (p) the scalability of the Company's vertically integrated business model; (q) the Company's continued success in product development. Forward-looking statements are based on certain assumptions and analyses made by the Company based on its prior experience and perception of historical trends, current conditions and expected future developments, and other factors it believes are reasonable, necessary and appropriate, subject to risks and uncertainties. In making the forward-looking statements included in this presentation, the Company has made various material assumptions, including but not limited to, general business and economic conditions, the Company's ability to successfully execute its plans and intentions, the availability of financing on reasonable terms, the Company's ability to attract and retain skilled staff, the current trend of market competition and products offered by the Company's competitors, and the Company will maintain good relationships with its suppliers, service providers and other third parties. While the Company believes its assumptions are reasonable, such assumptions may prove to be incorrect, and the Company cannot provide any assurances that its actual results will be consistent with its forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of the Company's securities should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to several known and unknown risks, uncertainties, assumptions and other factors. The Company's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management. Although the Company has attempted to identify important factors that could cause actual results to differ materially from the forward-looking statements contained herein, there may be other factors that cause different results which are not anticipated. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company does not undertake to update or revise its forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada and the United States. The Company's common shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any other securities laws. As a result, the common stock may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.



Overview of C21 Investments

High volume, profitable Nevada operations

- Seed-to-sale, fully-vertical operator in Nevada
- Operating under **Silver State Relief** brand
- Wholesale operations in Oregon
- Self-sustaining (24 months since last financing)
- 8 consecutive quarters reporting positive Adjusted EBITDA¹

104,000 sq. ft. licensed facility

- 21,000 sq. ft. active canopy, ramping up to 60,000 sq. ft. in 2021

Two dispensaries in Sparks and Fernley

- Average US\$17.5mm per store sales, US\$7mm per store EBITDA
- ~600,000 customer transactions annually
- 700+ SKUs; 400+ in-house products make up 60% of sales
- ~4% of Nevada market share (TTM)

*Vertically
integrated business
model with
scalable platforms*



¹Net IFRS Fair Value Adjustments of Biological Assets

Nevada Cannabis Market

C21 in Nevada

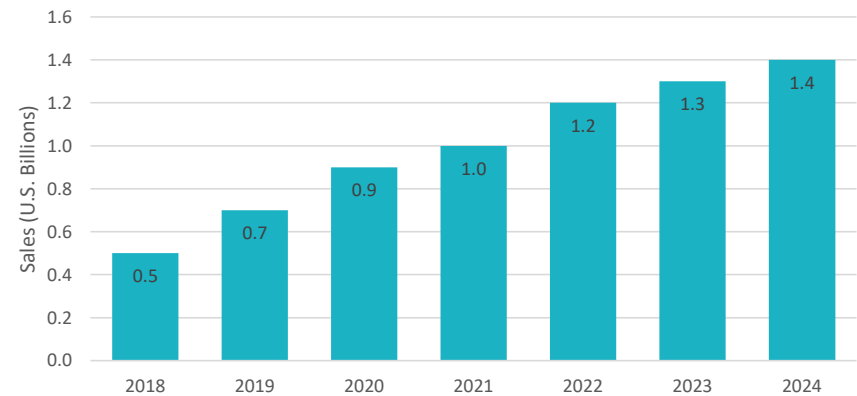
Proven track record of success

- \$1 million per month in Operating Cash Flow
- Strong, loyal customer base with >95% of sales to Nevada residents

Sparks and Fernley Dispensaries

- 3,500 lbs. flower produced annually (excluding trim)
- ~600,000 annual customer transaction run-rate
- ~60% of revenue from in-house products
- 12 of the Top 25 SKUs sold are C21's Phantom Farms & Hood Oil brands
- Record retail revenue month for March 2021, 27% higher YoY

Nevada Cannabis Sales*



- **Limited License State**
 - 80 operational of 105 granted licenses
- **\$787 million in total sales 2020**
 - 7th largest by revenues in U.S.
- **Total addressable market estimated at \$1.4B by 2024**



* Sources: State Government data, Statistica

Cultivation & Processing

Nevada

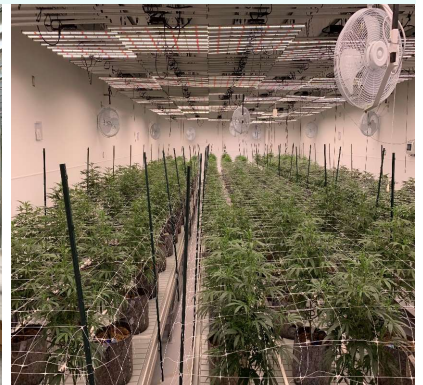
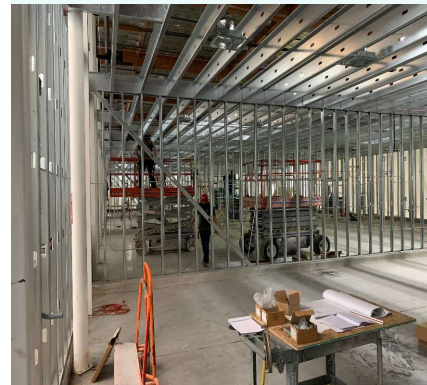
- 104,000 sq. ft. indoor facility
 - 21,000 sq. ft. active canopy delivers 3,500 lbs. high quality flower
 - 40,000 sq. ft. phased expansion currently underway; expected to deliver additional 7,500 lbs. high quality flower
- 1,200 sq. ft. volatile extraction facility produces 300,000 vape pens

Oregon

- 80,000 sq. ft. outdoor/greenhouse facility (Southern OR)
- 7,700 sq. ft. indoor facility (Central OR)
- 5,600 sq. ft. facility with an extraction laboratory and a wholesale distribution warehouse (Central OR)



Significant expansion capacity remains to accommodate future growth



Excellence in Retail Distribution

Profitable, scalable business model

- Multi-channel distribution – in-store, delivery, curbside
- Servicing 50,000 recreational and medical customers per month
- 10,000 curbside pick-ups per month

Well established house brands generate approximately 65% of revenue

- 700+ dispensary SKUs; 400+ SKUs produced in-house
- \$60 Basket size
- Brands include Phantom Farms & Hood Oil

Sparks - 8,000 sq. ft. dispensary

- 1 of 15 dispensaries in Washoe County with a ~20% market share

Fernley - 6,000 sq. ft. dispensary

- 1 of 9 dispensaries in the "Other" Nevada counties with a ~20% market share



***Profitable, scalable model
will enable expansion of
retail footprint in Nevada***



Strategic Focus and Growth

C21 is well positioned to continue our growth expansion and take advantage of strategic opportunities

Optimize Core Assets to Build Scalable Model

- Shed non-core assets
- Restructure and streamline operations

Fortify the Balance Sheet

- Term out debt
- Debenture Backstop

Expand Cultivation

- Addition of 40,000 sq. ft. to triple Nevada grow capacity
- Phase I ahead of schedule
- Incremental 7,500 lbs. of flower; market value ~\$17 million; target OPEX ~\$2 million

Extend Retail Footprint

- Disciplined approach to growth and financing
- Focus on Nevada where there is a proven track record of success along with SouthWest region for limited license, strategic opportunities
- Targeting \$100 million revenue from Nevada (~15% of market)



Underway

**2021
Initiative**



FY 2021 Financial Performance

\$36.1 million trailing twelve month revenue

- 8 consecutive quarters reporting positive EBITDA

Top 10 in Profitability Metrics for 2021: Cash Flow, EBITDA Margin, Income from Operations

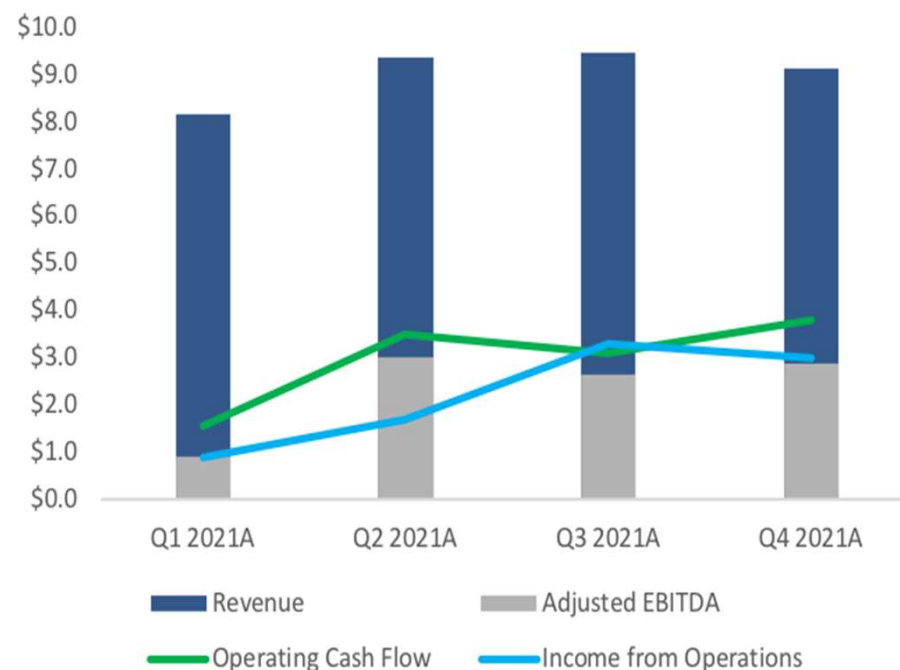
- Sector-leading TTM Cash Flow Margin at 33%
- \$12.0mm Operating Cash Flow for FY 2021, up 73% YoY
- \$9.8mm adjusted EBITDA for FY 2021, up 82% YoY
- \$7.5mm Income from Operations, an \$8.7mm improvement
- 25% after-tax Cash Flow Margin for FY 2021
- C\$0.11 after-tax Cash Flow generated for FY 2021

Beacon Securities' most recent U.S. Cannabis Cash Flow Report (Q3 '20)

- 1st in Q3 Free Cash Flow Margin
- 3rd in Q3 Operating Cash Flow Margin
- 4th in Q3 Cash Flow from Operations

Key Financial Highlights

US\$ millions



Balance Sheet

	FY 2021	Q3 2021	FY 2020
	January 31, 2021	October 31, 2020	January 31, 2020
Assets			
Cash	6,237,182	3,402,871	3,076,493
Biological and Inventory	6,758,508	6,353,923	7,600,114
Other current	2,584,431	1,308,042	986,604
Current Assets	15,580,121	11,064,836	11,663,211
Fixed Assets / Goodwill / Intangibles	53,229,388	48,920,007	49,786,874
Total Assets	68,809,509	59,984,843	61,450,085
Liabilities			
Accounts payable	2,680,996	3,272,309	3,488,274
Other notes, current lease etc.	3,585,546	4,570,532	3,347,565
Convertible debentures	-	6,574,107	6,867,255
Promissory note	6,080,000	15,800,000	21,200,000
Income tax	3,378,299	5,183,699	3,714,666
Current Liabilities	15,724,841	35,400,647	38,617,760
Other	517,294	3,733,647	1,683,408
Promissory note	8,106,667	-	-
Lease Liabilities	9,691,215	3,210,109	3,870,211
Derivative Liability	9,430,991	3,434,350	3,699,152
Total Liabilities	43,471,008	42,568,644	47,870,531
Equity	25,338,501	17,416,199	13,579,554
Total Liabilities and Shareholder's Equity	68,809,509	59,984,843	61,450,085
Working Capital Deficit	(144,720)	(24,335,811)	(26,954,549)

Fiscal Year 2021 Highlights

February 1, 2020 to January 31, 2021

- Revenue of \$36.1 million: same-store sales in Nevada up 6% despite impact of Q1 state-mandated pandemic restrictions
- Gross Profit of \$18.7 million: Gross Margin (before fair value adjustments) of 47%
- Income from Operations of \$7.5 million: an \$8.7 million improvement over 2020
- Operating Cash Flow of \$12.0 million: up 73% over 2020 – OCF Margin of 33%
- Working Capital improvement of \$27 million
- Adjusted EBITDA of \$9.8 million – up 82% over last year
- Current Liabilities reduced by \$19.7 million in Q4
- Announced planned cultivation expansion in Nevada to increase canopy and production capacity by 200%



The C21 Difference

Proven Track Record of Success Driving Profitable Operations

Vertically Integrated Business Model with Scalable Platforms

Excellence in Retail Distribution

Proven Capabilities in Product Development and Establishing Strong Brands

Significant Opportunity for Growth



Management Team and Board of Directors

SONNY NEWMAN

CEO & President

Sonny is the founder of Silver State Relief and Silver State Cultivation in Nevada, and has several other companies in electronics, manufacturing, electronics distribution, real estate development and an investment company. Mr. Newman's proven operational and financial discipline in the cannabis and other sectors shows his ability to build solid teams and make strategic investments into opportunistic markets.

MICHAEL KIDD CPA, CA

CFO & Director

Michael is a chartered accountant with extensive experience at the executive level in several industries in both larger organizations and start-ups.

BRUCE MACDONALD

Board Chair

Bruce is a seasoned senior executive with more than 35 years of experience in financial services including extensive expertise in capital markets. He serves on the boards of several Canadian companies and associations, and holds an ICD.D from the Institute of Corporate Directors.

SKYLER PINNICK

CMO & Director

Sky is a commercial film director producing national commercials and videos for companies such as Facebook, Nike, GoPro, RedBull, Garmin, and PetSmart.

TODD HARRISON

Director

Todd is a Wall Street veteran and Chief Investment Officer at CB1 Capital Management. His career has included roles as VP at Morgan Stanley and as President of Cramer Berkowitz. Todd is also an author and Emmy-award winning executive producer for his financial media company, Minyanville.

WILL WERDEN

Director

Will has over 30 years of experience in global horticulture, specializing in outdoor and indoor grow practices.



C21 Cap Table and Enterprise Value

(Share Price as of June 14, 2021)		
Share Price	(C\$ / share)	\$1.28
Share Price (Jun. 14, 2021)	(US\$ / share)	\$1.04
Issued & Outstanding Shares	(mm)	117.5
FD ITM Shares Outstanding	(mm)	126.5
FD ITM Equity Value	(US\$mm)	\$131.6
Cash*	(US\$mm)	\$6.2
ITM Proceeds	(US\$mm)	\$4.8
Debt*		\$17.1
Income Tax*	(US\$mm)	\$3.4
Total Debt*	(US\$mm)	\$20.5
FD Enterprise Value	(US\$mm)	\$141.1

*Notes: -as of FYE January 31st Balance Sheet (see pg. 9)
 -Debt has been reduced by an additional \$3.5mm as of June 2021



GET IN TOUCH

CSE: CXXI  OTCQX: CXXIF

Canada office



Telephone

+1 833 BUY-CXXI
(289-2994)



Address

#170 – 601 West Cordova
Mailbox 107
Vancouver BC, Canada
V6B 1G1



Email

info@cxxi.ca