

CLEVER

NASDAQ LISTED

April 2024



Cultivate Mojo, Create Value, Change Lives.

Who We Are



Our operations in **Colombia** produce cannabinoid active pharmaceutical ingredients (API) and finished products in the form of **flowers** and **extracts**



We provide value by facilitating an **asset-light** go-to-market strategy for our partners



We facilitate downstream **distribution** and **branding** for select markets, with both white-label and CLVR-owned brands

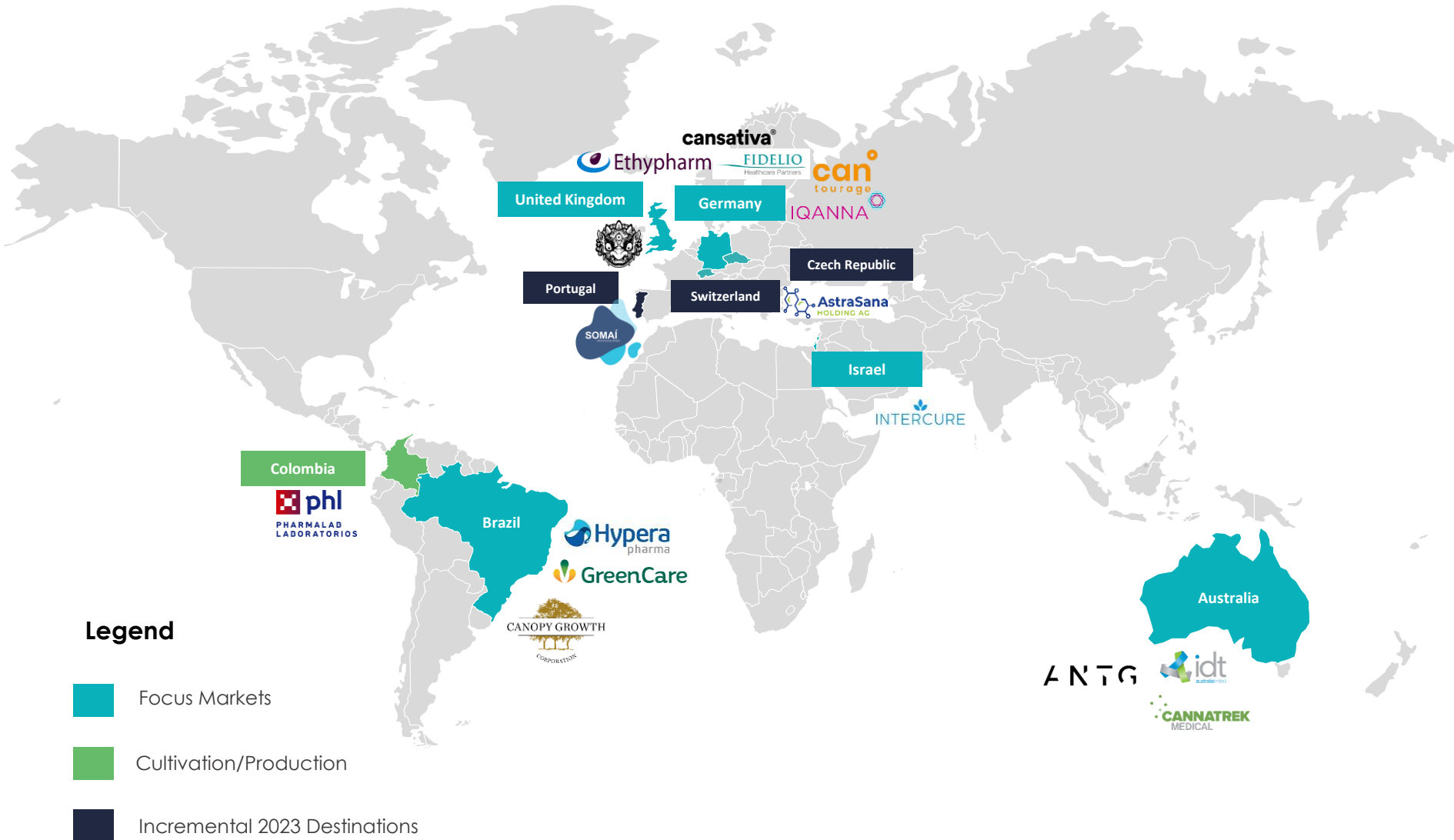


Clever Leaves aims to **disrupt** the traditional cannabis production industry by leveraging **environmentally-sustainable**, **industrial scale** and **low-cost** production methods wrapped in the world's most stringent **pharmaceutical quality certifications**

Investment Highlights

- 1** Low-cost cultivation leader in Colombia
- 2** Multinational operator decoupling production and commercialization – we do both where it makes sense
- 3** Pharmaceutical-grade production authorized for export, with multi-year product cycles now reaching commercial delivery phase
- 4** Seasoned global leadership team with operational & regulatory expertise in key geographies
- 5** Focused on driving scale and cash flow generation leveraging attractive unit economics

Clever Leaves' Goal is to Become a Hub in the Global Cannabinoid Supply Chain



Focused on Key International Markets

The combination of commercial efforts and regulatory viability makes the following markets key regions of focus

Near-Term Focus (2024)



Australia



Brazil



Germany



Israel



United Kingdom

Long-Term Targets



Ecuador



Italy



Mexico



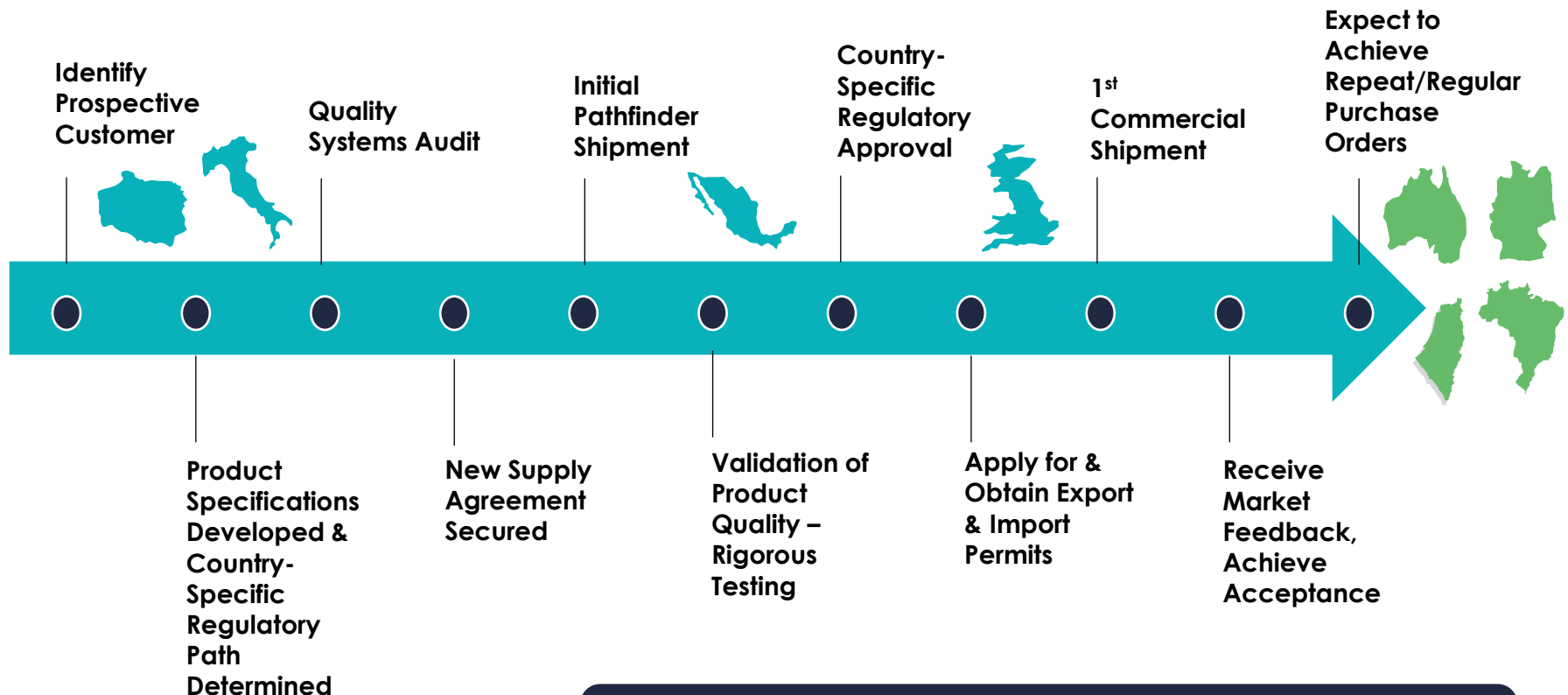
Panama



Poland

Significant Progress in a Lengthy Sales Cycle

A complex and lengthy sales process
(between 12-24 months)....



...leads to a distinct competitive advantage with
recurring, high-margin revenue

Positioned for Global Cannabis Evolution



International Cannabis 1.0



Physician prescription



Pharmacist-owned retail



Traditional pharmaceutical quality standards and regulation

International Cannabis 2.0



Expanded consumer access



Owned retail; customer-oriented



Adult-use legalized; less stringent regulation

RAW MATERIAL / INGREDIENTS

FINISHED PRODUCTS / ORAL SOLUTIONS different concentrations



CBD ISOLATE

» HIGH CBD

different concentrations

FULL SPECTRUM

» HIGH THC
» HIGH CBD

different concentrations



BULK EXTRACT

» HIGH THC
» HIGH CBD

different concentrations



BROAD SPECTRUM

» HIGH CBD



DISTILLATE

» HIGH THC

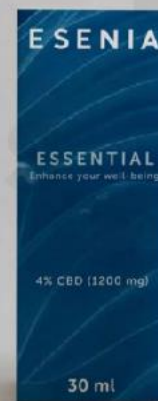


» HIGH THC
» HIGH CBD

WHITE LABEL

» HIGH THC
» HIGH CBD

PRIVATE LABEL





CLEVER
LEAVES

FLOWER

AVAILABLE

COMING SOON

NEBULA



THC
15-18%

herer widow



THC
≤15%

CHILLY Cachaca



THC
18-20%

MELTED CACAO MUFFIN



THC
19%-23%

MAÍZ TROPICAL fondue



THC
18%-19%

PATIMORADA



THC
19-24%

KIRKWOOD



THC
19-22%

SOUR CHERRY PIE



THC
19-21%

SWEET PURPLE SCOOP



THC
17%-18%

SWEET MUNCH CACIQUE



THC
18-21%

Colombian Operations Driving Efficiencies



Optimal Growing Conditions

- 12 hours of daily sunlight year-round; no need for artificial light
- High elevation → improved pest mitigation
- Rainwater collection supplies 2/3 of water needs
- No de-humidifiers or HVAC



Cost Advantages

- Low labor cost and minimum wage (<\$2.00/hour vs. \$8.00-\$12.00/hour in Canada)
- Labor and production efficiencies help drive gross margin benefits



Limited Capex

- Existing cultivation capacity sufficient for near-term commercial needs, including flower exports

Current Cultivation and Extraction



1.8M sq. ft. of licensed greenhouses
GACP-certified in May 2020
EU GMP-certified in July 2020



EU GMP-certified facility with
108,000 kg per year of dry
flower extraction capacity

EU GMP-certified in July 2020
INVIMA GMP-certified
(Colombia / LatAm)

Commitment to Sustainability – Colombia



Environment

- Optimized energy usage – natural sunlight virtually eliminates electricity needs for photosynthesis
- Water conservation – more than 80% of water needs satisfied through rainwater collection and storage in 2022
- No Pesticides Used – high elevation greatly simplifies pest management in a crop
- Reforestation – voluntary campaigns in neighboring area
- Carbon Neutral – one of the first vertically integrated medicinal cannabis companies worldwide to achieve international certification for carbon neutrality

Employment

Female Empowerment

- Approximately 2/3 of total Colombian workforce are women, mostly single mothers
- Women comprise approximately 70% of cultivation workforce
- Promotes formal employment for rural women, especially heads of household

Community Support

- Transportation services
- On-site catered lunch
- English classes for Colombian employees
- Strategic alliances with state entities:
 - Rural Women Program of the Vice Presidency of the Republic
 - SENA (National Learning Services)
 - ICBF (Colombian Institute of Family Welfare)
 - SAC (Colombian Agricultural Society)

2023 Full Year Financial Summary

In FY'23, we maintained our cost optimization initiatives to drive a more efficient operational infrastructure that we can use to capitalize on the sustained commercial momentum in our international cannabinoid target markets.

Net Revenues		Gross Profit (GAAP)		Segment Rev. (Cann/Non-Cann)	
FY'23	\$17.4mm	FY'23	\$6.6mm	FY'23	\$6.6mm / \$10.9mm
FY'22	\$16.4mm	FY'22	\$7.2mm	FY'22	\$4.7mm / \$11.7mm

Adj. EBITDA (Non-GAAP)		Revenue Per Gram		Cost Per Gram	
FY'23	\$(12.4)mm	FY'23	\$0.37	FY'23	\$0.75
FY'22	\$(16.3)mm	FY'22	\$0.38	FY'22	\$0.36

Key Points

Total Revenue grew 6% y-o-y

Cannabinoid revenues driven by continued momentum in Australia and Brazil

Cannabinoid Revenue grew 39% y-o-y

G&A expenses decreased 26% y-o-y in Q4 and 24% y-o-y in 2023

In Mar. 2024, completed sale of non-cannabinoid Herbal Brands business for \$8.02mm, with \$7.02mm in cash paid at closing

Cash Balance at December 31, 2023 was \$6.9mm¹

¹ Subsequent to year-end 2023, the Company received an additional \$8.02mm and \$1.5mm in proceeds from the Mar. 2024 sale of Herbal Brands and Jan. 2024 sale of Portuguese farm assets, respectively

Key Leadership

World-class leadership with a track record of outstanding execution leading a 270-person¹ team

Clever Leaves Executives



Andrés Fajardo

Co-founder and Chief Executive Officer



Hank Hague

Chief Financial Officer



Gustavo Escobar

Co-Founder and Global Head of Flower Unit



Camilo Bohorquez

Head of Colombia



Julián Wilches

Chief Regulatory Officer



Georgette Otero

General Counsel



FY2024 Goals



Focused Commercial Strategy

- ✓ Focus all commercial, regulatory, and product development efforts on Australia, Brazil, Germany, Israel, and the United Kingdom



Low-Cost, High-Quality Production

- ✓ Continue expanding already successful extract portfolio and commercially launch high-THC flower produced in Colombia
- ✓ Leverage our scale, operating experience, and factor costs to continue improving margins



Optimized Cash Management

- ✓ Continue reducing operating expenses and capital intensity
- ✓ Evaluate further initiatives to improve balance sheet



Contact

Clever Leaves

Hank Hague
Chief Financial Officer
hank.hague@cleverleaves.com

Investor Relations

Cody Slach or Jackie Keshner
Gateway Group, Inc.
CLVR@Gateway-grp.com
(949) 574-3860

Disclaimer

No Representations or Warranties

This presentation (this "Presentation") is provided for informational purposes only. No representations or warranties, express or implied are given in, or in respect of, this Presentation. To the fullest extent permitted by law in no circumstances will Clever Leaves Holdings Inc. ("Clever Leaves") or any of its subsidiaries, shareholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from the use of this Presentation, its contents, its omissions, reliance on the information contained within it, or on opinions communicated in relation thereto or otherwise arising in connection therewith. Industry and market data used in this Presentation have been obtained from third-party industry publications and source as well as from research reports prepared for other purposes. Clever Leaves has not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness. This data is subject to change. In addition, this Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of Clever Leaves. Viewers of this Presentation should each make their own evaluation of Clever Leaves and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.

No Offer or Solicitation

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

Forward-Looking Statements

This presentation includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "evolve," "expect," "forecast," "future," "guidance," "intend," "may," "opportunity," "outlook," "pipeline," "plan," "predict," "potential," "projected," "seek," "seem," "should," "will," "would" and similar expressions (or the negative versions of such words or expressions) that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. Important factors that may affect actual results or the achievability of the Company's expectations include, but are not limited to: (i) our ability to continue as a going concern; (ii) our ability to maintain the listing of our securities on Nasdaq; (iii) our ability to implement our restructuring initiatives; (iv) expectations with respect to future operating and financial performance and growth, including if or when Clever Leaves will become profitable; (v) Clever Leaves' ability to execute its business plans and strategy and to receive regulatory approvals (including its goals in its five key markets and goals to expand in Australia and the United Kingdom); (vi) Clever Leaves' ability to capitalize on expected market opportunities, including the timing and extent to which cannabis is legalized in various jurisdictions; (vii) global economic and business conditions, including recent economic sanctions against Russia and their effects on the global economy; (viii) geopolitical events (including the ongoing military conflict between Russia and Ukraine as well as the war between Israel and Hamas), natural disasters, acts of God and pandemics, including the economic and operational disruptions; (ix) regulatory developments in key markets for the Company's products, including international regulatory agency coordination and increased quality standards imposed by certain health regulatory agencies, and failure to otherwise comply with laws and regulations; (x) uncertainty with respect to the requirements applicable to certain cannabis products as well as the permissibility of sample shipments, and other risks and uncertainties; (xi) consumer, legislative, and regulatory sentiment or perception regarding Clever Leaves' products; (xii) lack of regulatory approval and market acceptance of Clever Leaves' new products which may impede its ability to successfully commercialize its products; (xiii) the extent to which Clever Leaves' is able to monetize its existing THC market quota within Colombia; (xiv) demand for Clever Leaves' products and Clever Leaves' ability to meet demand for its products and negotiate agreements with existing and new customers; (xv) developing product enhancements and formulations with commercial value and appeal; (xvi) product liability claims exposure; (xvii) lack of a history and experience operating a business on a large scale and across multiple jurisdictions; (xviii) limited experience operating as a public company; (xix) changes in currency exchange rates and interest rates; (xx) weather and agricultural conditions and their impact on the Company's cultivation and construction plans, (xxi) Clever Leaves' ability to hire and retain skilled personnel in the jurisdictions where it operates; (xxii) Clever Leaves' ability to remediate material weaknesses in its internal control over financial reporting and to develop and maintain effective internal and disclosure controls; (xxiii) potential litigation; (xxiv) access to additional financing; and (xxv) completion of our construction initiatives on time and on budget. The foregoing list of factors is not exclusive. Additional information concerning certain of these and other risk factors is contained in Clever Leaves' most recent filings with the SEC. All subsequent written and oral forward-looking statements concerning Clever Leaves and attributable to Clever Leaves or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Clever Leaves expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

Trademarks

This presentation contains trademarks, service marks, trade names and copyrights of Clever Leaves and other companies, which are the property of their respective owners.

Disclaimer, Cont.

Certain Unaudited Financial Projections

This Presentation contains certain unaudited projected financial information of Clever Leaves. These projections have not been prepared in accordance with GAAP and IFRS. Clever Leaves' independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to the projections and does not express an opinion on or any form of assurance related to the projections. The projections were based on numerous variables and assumptions that are inherently uncertain and many of which are beyond the control of Clever Leaves. Additionally, the projections are inherently forward looking and span multiple years. Consequently, the projections, as with all forward-looking information, become subject to greater unpredictability and uncertainty with each successive year. The assumptions upon which the projections were based necessarily involve judgments with respect to, among other things, future economic, competitive and regulatory conditions and financial market conditions, all of which are difficult or impossible to predict or estimate and most of which are beyond Clever Leaves' control. The projections also reflect assumptions regarding the continuing nature of certain business decisions that, in reality, would be subject to change. See "Forward-Looking Statements" above. In addition, the achievability of the forecast assuming incremental THC sales assumes the expansion of cultivation facilities in Portugal, utilization of all of the existing 16 hectares in Colombia, a significant increase in sales, receipt of licenses, quotas or other regulatory approvals to sell the projected volumes as well the opening up of the global markets for export of cannabis from Colombia into key end markets, which would create the opportunity to sell additional high THC extract. However, the timing and the extent to which this opportunity materializes is outside of Clever Leaves' the Company's control. If the full quota is not utilized, Clever Leaves will not achieve any or all incremental THC sales.

Accordingly, there can be no assurance that the projections will be realized and actual results may vary materially from those projected. The inclusion of summaries of the projections in this document should not be regarded as an indication that Clever Leaves or any of its affiliates, officers, directors, advisors or other representatives considered or consider the projections to be necessarily predictive of actual future events or results of Clever Leaves' operations, and, consequently, the projections should not be relied on in such a manner. Neither Clever Leaves nor any of its affiliates, officers, directors, advisors or other representatives can give any assurance that actual results will not differ from the projections, and neither Clever Leaves nor any of its affiliates undertakes any obligation to update or otherwise revise or reconcile the projections to reflect circumstances existing or developments and events occurring after the date of the projections or that may occur in the future, even in the event that any or all of the assumptions underlying the projections are not realized. Clever Leaves does not intend to make available publicly any update or other revision to the projections, except as otherwise required by law. None of Clever Leaves nor any of its affiliates, officers, directors, advisors or other representatives has made or makes any representation to any Clever Leaves shareholder or other person regarding the ultimate performance of Clever Leaves compared to the information contained in the projections or that the projections will be achieved. In light of the foregoing factors and the uncertainties inherent in the projections, Clever Leaves' shareholders are cautioned not to place undue, if any, reliance on the information presented in the projections.

Non-GAAP Financial Measures

In this presentation, Clever Leaves refers to certain non-GAAP financial measures including Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin. Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin do not have standardized meanings prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted EBITDA is defined as income/loss from continuing operations before interest, taxes, depreciation and amortization, share-based compensation expense, restructuring expenses, foreign exchange gain/loss, gains/losses on the early extinguishment of debt, gain/loss on remeasurement of warrant liability, equity investment share of gain/loss, other expense/income and income/loss from discontinued operations. Adjusted Gross Profit (and the related Adjusted Gross Margin measure) is defined as gross profit excluding inventory provision. Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin also exclude the impact of certain non-recurring items that are not directly attributable to the underlying operating performance. Clever Leaves considers Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin to be meaningful indicators of the performance of its core business. Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin should neither be considered in isolation nor as a substitute for the financial measures prepared in accordance with U.S. GAAP. For reconciliations of Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin to the most directly comparable U.S. GAAP measures, see the relevant schedules provided with this presentation. We have not provided or reconciled the non-GAAP forward-looking information to their corresponding GAAP measures because the exact amounts for these items are not currently determinable without unreasonable efforts but may be significant.

Appendix



Board of Directors

Clever Leaves Board



Andrés Fajardo

Director and Chief Executive Officer



George Schultze

Independent Director – Chairman of the Board



Gary Julien

Independent Director



Elisabeth DeMarse

Independent Director



Will Muecke

Independent Director



Adjusted EBITDA Reconciliation

Non-GAAP Financial Measures

In this presentation, Clever Leaves may reference certain non-GAAP financial measures, including Adjusted EBITDA. Non-GAAP measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies.

The Company defines Adjusted EBITDA as income from continuing operations before interest, taxes, depreciation, amortization, share-based compensation expense, intangible asset impairment, restructuring expense, gain on investments, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt, and miscellaneous expenses. Adjusted EBITDA also excludes the impact of certain non-recurring items that are not directly attributable to the underlying operating performance. Such items are shown in the table reconciling adjusted EBITDA to consolidated income from continuing operations before income taxes.

Clever Leaves considers Adjusted EBITDA to be a meaningful indicator of the operating performance of its business. Non-GAAP measures, including Adjusted EBITDA, should neither be considered in isolation nor as a substitute for the financial measures prepared in accordance with U.S. GAAP. For a reconciliation of non-GAAP measures, including Adjusted EBITDA, to the most directly comparable U.S. GAAP measure, see the relevant schedules provided with this presentation.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net Loss	(5,085)	(28,816)	(17,899)	(66,165)
Loss (Income) from discontinued operations	(30)	21,172	(1,898)	28,361
Gain on remeasurement of warrant liability	(108)	(83)	(113)	(2,092)
Share-based compensation	(136)	(263)	818	2,343
Restructuring expenses	-	2,688	-	6,449
Depreciation and amortization	441	534	2,374	2,856
Interest expense and amortization of debt issuance costs	23	(24)	46	2,672
Foreign exchange loss (gain)	137	(181)	433	963
Loss/(gain) on investments	33	-	3,738	(6,851)
Intangible Asset Impairment	-	-	-	19,000
Deferred Tax recovery	-	-	-	(6,650)
Loss on debt extinguishment, net	-	-	-	2,263
Equity investment share of loss	-	-	-	64
Other expense, net	50	109	31	220
Income tax provision	68	296	68	296
Adjusted EBITDA (Non-GAAP Measure)	(4,607)	(4,568)	(12,402)	(16,271)

Adjusted Gross Profit / Adjusted Gross Margin (%) Reconciliation

Non-GAAP Financial Measures

In this presentation, Clever Leaves may reference certain non-GAAP financial measures, including Adjusted Gross Profit and Adjusted Gross Margin. Non-GAAP measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies.

Adjusted Gross Profit is defined as gross profit excluding inventory provision. Adjusted Gross Margin is defined as gross profit excluding inventory provision divided by Net Revenue.

Clever Leaves considers Adjusted Gross Profit and Adjusted Gross Margin (%) to be a meaningful indicator of the operating performance of its business. Non-GAAP measures, including Adjusted Gross Profit and Adjusted Gross Margin (%), should neither be considered in isolation nor as a substitute for the financial measures prepared in accordance with U.S. GAAP. For a reconciliation of non-GAAP measures, including Adjusted Gross Profit and Adjusted Gross Margin (%), to the most directly comparable U.S. GAAP measure, see the relevant schedules provided with this presentation.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue	\$ 4,638	\$ 4,402	\$ 17,417	\$ 16,410
Cost of sales, before inventory provision	(4,216)	(2,643)	(9,502)	(7,175)
Inventory provision	(768)	(915)	(1,359)	(2,018)
Gross (loss) profit	\$ (346)	\$ 844	\$ 6,556	\$ 7,217
Inventory provision	(768)	(915)	(1,359)	(2,018)
Adjusted Gross Profit (Non-GAAP Measure)	\$ 422	\$ 1,759	\$ 7,915	\$ 9,235
Gross Profit Margin (%)	-7.5%	19.2%	37.6%	44.0%
Adjusted Gross Profit Margin (Non-GAAP Measure) (%)	9.1%	40.0%	45.4%	56.3%