

Business Overview

- MJardin Group, Inc. (“**Mjar**” or the “**Company**”), through its operating subsidiaries, produces and sells premium grade cannabis from state-of-the-art licensed production facilities in Brampton, Ontario (the “**WILL Facility**”) and Dunnville, Ontario (the “**GRO Facility**”) (collectively, the “**Production Facilities**”). The Company also has a 39% indirect ownership interest in Atlanticann Medical Inc. (“**AMI**”), an operator of an industry leading cannabis production facility in Halifax, Nova Scotia (the “**AMI Interest**”).
- An opportunity exists to invest in or acquire any or all of the assets of Mjar and its subsidiaries that are subject to the Restructuring Proceedings (the “**Opportunity**”).

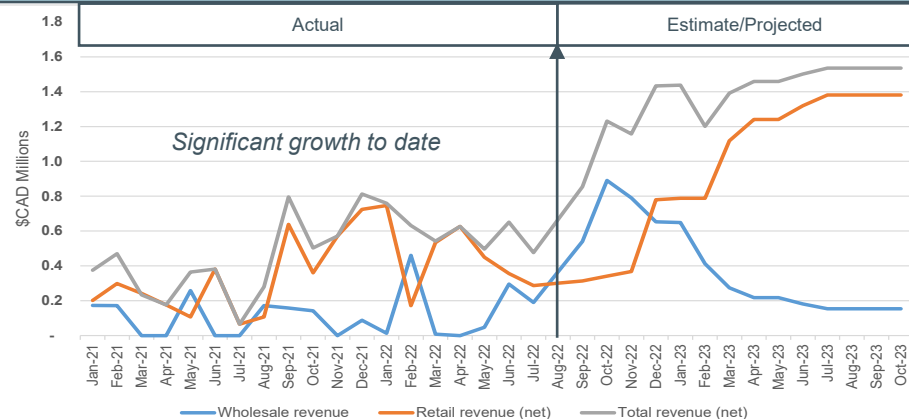
Key Assets

- The WILL Facility:** Mjar indirectly owns 100% of the shares of 8586985 Canada Corporation (“**858**”) which operates the WILL Facility, a 32,800 sq. ft. leased indoor CUMCS certified cultivation and processing facility. At full capacity, the WILL Facility produces ~3,000 kg of ultra premium dried flower per year sold primarily into the Canadian retail market. The WILL Facility became fully operational in Q3 2020.
- The GRO Facility:** Mjar indirectly owns a 75.51% interest in Highgrade MMJ Corporation (“**Highgrade**”) which owns and operates the GRO Facility, a 11,000 sq. ft. indoor cultivation facility located in Dunnville, Ontario (~1.5-hour drive from the WILL Facility). At full capacity, the GRO Facility produces ~1,200 kg of premium dried flower per year which is packaged and shipped to the WILL Facility for further testing and processing. The GRO Facility became fully operational in Q3 2020.
- The AMI Interest:** AMI is a licensed cannabis producer which operates a 68,000 sq. ft. leased EU-GMP and GACP certified, state-of-the-art and vertically integrated indoor cultivation facility located in Halifax, Nova Scotia (the “**AMI Facility**”). At full capacity, the AMI Facility produces ~6,300 kg of product per year. The AMI Facility became fully operational in October 2018. Mjar has representation on the Board of AMI but does not participate in its management.

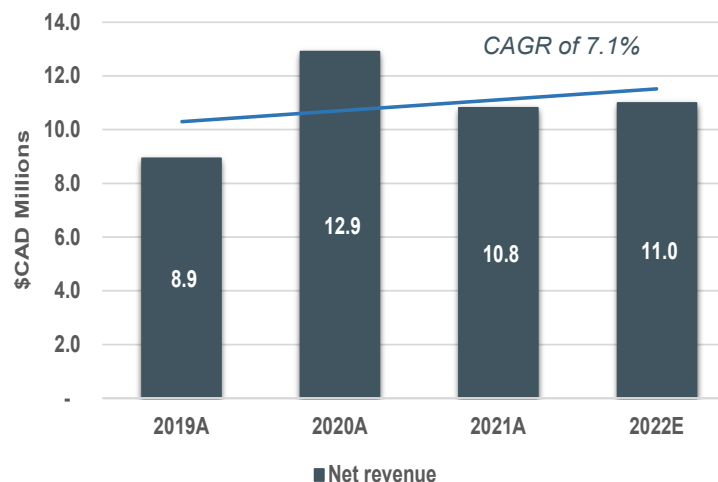
Financial Highlights

The Production Facilities (Combined)

Cross-Canada rollout of rapidly growing B2C brands in the ultra-premium segment



AMI



Growth driven by expanding retail footprint across Canada, scaling up capacity, introducing new and innovative products, and expanding into certain export markets

Opportunity Highlights – The Production Facilities

Established, Rapidly Growing Ultra Premium Products

- Launched new retail brand across Canada in October 2022. Firmly positioned in the ultra premium market (~\$6.60/gram to OCS)
- Industry leading THC potency levels
- Attractive production yields

Operational Excellence

- Highly experienced operational and restructuring teams
- Efficient, well-designed, and automated equipment and systems
- CUMCS Certified (the WILL Facility)

Revenue Stream Ramping To +\$17MM for NTM

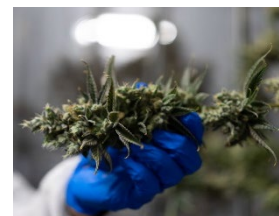
- Expanded retail distribution across all major Canadian markets through strong relationships with provinces and retailers
- Advanced opportunities to export to several international markets

Restructured, Profitable, & Scaled Business Model

- Cost reduction measures implemented
- Strong unit economics based on low production costs, attractive yields, and high potency levels
- **Projected cash flow positive starting Nov 22**
- **\$2.3MM projected NTM operating cash flow**

Synergistic Acquisition Opportunity

- Opportunity for a large Canadian LP to obtain additional production capacity of high premium product with minimal overhead
- Accretive on an EBITDA and valuation basis



Opportunity Highlights – AMI

EBITDA and Cash Flow Positive

A key differentiator compared to other Canadian licensed producers

Passionate and Experienced Management Team

Successfully completed 100+ harvests to date, has little turnover and holds decades of horticulture experience

Large & Growing Canadian Retail Market

Presence in most Canadian provinces and continues to expand across the country

International Expansion

Recent completion of EU GMP certification allows for export to certain international markets. Supply contracts in place.

Operational Efficiency

Proven cultivation methodologies generating attractive yields

Vertically Integrated Operations

Designed to cultivate, process, and package cannabis products. Contains a tissue culture lab, hydrocarbon lab, and an automated pre-roll packaging area.

Restructuring Process

On June 2, 2022, pursuant to an application made by PricewaterhouseCoopers Inc., in its capacity as Court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds (the “**Bridging Receiver**” or “**DIP Lender**”), MJardin Group, Inc., Growforce Holdings Inc., 8586985 Canada Corporation and Highgrade MMJ Corporation were granted protection under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) pursuant to an order (the “**Initial Order**”) of the Ontario Superior Court of Justice (the “**Court**”) (such proceedings, the “**Restructuring Proceedings**”). AMI is not subject to the Restructuring Proceedings.

The primary purposes of the Restructuring Proceedings are to create a stabilized environment to allow the Company to: (i) implement an operational and financial restructuring, and (ii) conduct a Court-approved sale and investment solicitation process (“**SISP**”) for a sale of, or investment in, all or part of the assets and business operations of the Company.

The operations of the Company are otherwise unaffected by the Restructuring Proceedings.

Pursuant to the Initial Order, KSV Restructuring Inc. was appointed as the CCAA monitor (“**Monitor**”). The Monitor is working with the Company and CRO (defined below) to carry out the SISP.

In connection with the Restructuring Proceedings, Howards Capital Corp. was appointed as chief restructuring officer of the Company (the “**CRO**”) in order to lead an operational restructuring of the Company’s business. Howard Steinberg, a senior executive and experienced restructuring professional in the cannabis space, is the principal of the CRO.

The DIP Lender has agreed to fund the Company’s business and operations during the Restructuring Proceedings through a Court-approved loan facility.

Phase 1 Offer Process

The SISP was approved pursuant to a Court Order dated November 4, 2022. A copy of the SISP is attached to the Monitor’s Fourth Report to Court dated October 28, 2022, which is available on the Monitor’s website at [MJardin Group, Inc.](#) Prospective bidders are strongly encouraged to review the terms and conditions of the SISP, including the requirements to participate in the SISP and the criteria that must be satisfied to be a “Phase 1 Qualified Bidder” under the SISP.

Additional financial information and other information about the Opportunity will be made available to Phase 1 Qualified Bidders that execute and return the attached non-disclosure agreement (“**NDA**”) to the Monitor, attention Eli Brenner (ebrenner@ksvadvisory.com).

Phase 1 Qualified Bidders wishing to pursue the Opportunity must submit a non-binding letter of intent (a “**LOI**”) to the Monitor and the Company with the details prescribed by the SISP so as to be received not later than **5:00 pm (Toronto time) on December 15, 2022.**

The Monitor and the Company, in consultation with the DIP Lender, will assess the LOIs received to determine if they are a “Qualified LOI” within the meaning of the SISP and may determine to proceed to a second phase of the SISP (“**Phase 2**”), or alternatively elect to proceed to negotiate and execute definitive documentation with respect to a transaction contemplated by a Qualified LOI or with respect to a Credit Bid (as defined in the SISP), or elect to terminate the SISP.

Neither the Monitor nor the Company is obligated to accept any offer in the SISP, and the Monitor and the Company are entitled to preclude any party from participating in the SISP. Any transaction resulting from the SISP will be subject to Court approval.

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