



**FEBRUARY 2021**

**Company Overview: Parallel / Ceres Acquisition Corp. SPAC Transaction**





## CAUTIONARY STATEMENT

This presentation is provided for informational purposes only and has been prepared to assist interested parties in making their own evaluation with respect to an investment in securities in connection with a potential business combination between SH Parent, Inc., a Delaware corporation ("Parallel" or the "Corporation") and Ceres Acquisition Corp. ("Ceres") and related transactions (collectively, the "Transaction") and for no other purpose.

This presentation does not contain, nor does it purport to contain, a summary of all the material information concerning Parallel or the terms and conditions of any potential investment in connection with the Transaction. If and when you determine to proceed with discussions and investigations regarding a possible investment in connection with the Transaction, prospective investors are urged to carry out independent investigations in order to determine their interest in investing in connection with the Transaction.

The information contained in this presentation has been prepared by Parallel and Ceres and contains confidential information pertaining to the business and operations of the Corporation following the Transaction (the "Resulting Company"). The information contained in this presentation: (a) is provided as at the date hereof, is subject to change without notice, and is based on publicly available information, internally developed data as well as third party information from other sources; (b) does not purport to contain all the information that may be necessary or desirable to fully and accurately evaluate an investment in the Resulting Company; (c) is not to be considered as a recommendation by the Corporation or Ceres that any person make an investment in connection with the Transaction; and (d) is for information purposes only and shall not constitute an offer to buy, sell, issue or subscribe for, or the solicitation of an offer to buy, sell or issue, or subscribe for any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. Where any opinion or belief is expressed in this presentation, it is based on certain assumptions and limitations and is an expression of present opinion or belief only. This presentation also contains or references certain market, industry and peer group data which is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Any third party information has not been independently verified. While the Corporation and Ceres may not have verified the third party information, they believe that it obtained the information from reliable sources and have no reason to believe it is not accurate in all material respects. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. The Corporation and Ceres disclaim and exclude all liability (to the maximum extent permitted by law), for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information in this presentation, its accuracy, completeness or by reason of reliance by any person on any of it including, without limitation, the choice of comparable companies, or any information related thereto. This presentation should not be construed as legal, financial or tax advice to any individual, as each individual's circumstances are different. Readers should consult with their own professional advisors regarding their particular circumstances. In making an investment decision, investors should not rely solely on the information contained in this presentation.

This presentation does not contain all of the information that would normally appear in a prospectus under applicable Canadian securities laws. Neither the delivery of this presentation, at any time, nor any sale made pursuant to or in connection with this presentation, will imply that the information contained in the presentation is correct as of any time subsequent to the date set forth on the cover page of the presentation or the date at which such information is expressed to be stated, as applicable.

No securities commission, exchange or similar regulatory authority in Canada has reviewed or in any way passed upon the merits of this presentation, and any representation to the contrary is an offence.

All financial information is in U.S. dollars, unless otherwise indicated.



## FORWARD LOOKING STATEMENTS

Certain information set forth in this presentation, together with any supplements and any other information that may be furnished to prospective investors by the Corporation or Ceres in connection therewith, contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities legislation (referred to herein as forward-looking statements). Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include but are not limited to statements related to activities, events or developments that the Corporation or Ceres expects or anticipates will or may occur in the future, statements related to the Corporation’s business strategy objectives and goals, and the Corporation’s management’s assessment of future plans and operations which are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Forward-looking statements can often be identified by the use of words such as “may”, “will”, “could”, “would”, “anticipate”, “believe”, “expect”, “intend”, “potential”, “estimate”, “budget”, “scheduled”, “plans”, “planned”, “forecasts”, “goals” and similar expressions or the negatives thereof. Such statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on the Corporation’s management’s belief or interpretation of information currently available. Forward-looking statements are neither historical facts nor assurances of future performance. Forward-looking statements in this business overview include statements regarding: the Transaction; the Corporation’s retail expansion strategy and plans to grow its market share in existing and new markets; the Corporation’s investment in new technologies and products; the Corporation’s expansion of production capacity; the development and expansion of the Corporation’s brands; strategic acquisition opportunities; the future size of the cannabis market in the United States; the receipt of licences from regulatory authorities; and the Corporation’s future financial performance. Forward-looking statements are based on a number of factors and assumptions made by management and considered reasonable at the time such information is provided, and forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

Risk factors that could cause actual results, performance or achievement to differ materially from those indicated in the forward-looking statements include, but are not limited to the following: (i) the risk that the Transaction may not be completed in a timely manner or at all, which may adversely affect the price of Ceres’ securities, (ii) the risk that the Transaction may not be completed by Ceres’ qualifying transaction deadline and the potential failure to obtain an extension of the qualifying transaction deadline if sought by Ceres, (iii) the failure to satisfy the conditions to the consummation of the Transaction, including the approval of the Transaction by the stockholders of Ceres and Parallel, as applicable, the satisfaction of the minimum trust account amount following any redemptions by Ceres’ shareholders and the receipt of certain governmental and regulatory approvals, (iv) the lack of a third party valuation in determining whether or not to pursue the proposed Transaction, (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the business combination agreement, (vi) the impact of COVID-19 on Parallel’s business and/or the ability of the parties to complete the proposed Transaction, (vii) the effect of the announcement or pendency of the Transaction on Parallel’s business relationships, performance, and business generally, (viii) risks that the proposed Transaction disrupts current plans and operations of Parallel and potential difficulties in Parallel employee retention as a result of the proposed Transaction, (ix) the outcome of any legal proceedings that may be instituted against Parallel or Ceres or their respective, directors, officers and affiliates related to the proposed Transaction, (x) the risk that the Resulting Company’s securities will not be approved for listing on the NEO Exchange or, if approved, that the Resulting Company will be able to maintain the listing, (xi) the price of Ceres’ and the Resulting Company’s securities may be volatile due to a variety of factors, including changes in the competitive and highly regulated industries in which Parallel operates, variations in performance across competitors, changes in laws and regulations affecting Parallel’s business and changes in the combined capital structure and a return on securities of the Resulting Company is not guaranteed, (xii) the ability to implement business plans, forecasts, and other expectations after the completion of the proposed Transaction, and identify and realize additional opportunities, (xiii) the risk of downturns and the possibility of rapid change in the highly competitive industry in which Parallel operates, (xiv) the risk that Parallel and its current and future collaborators are unable to successfully develop and commercialize Parallel’s products, brands or services, or experience significant delays in doing so, (xv) the risk that the Resulting Company may never sustain profitability, (xvi) the risk that the Resulting Company will need to raise additional capital to execute its business plan, which may not be available on acceptable terms or at all, (xvii) the risk that the Resulting Company experiences difficulties in managing its growth and expanding operations, (xviii) the risk that the pharmaceutical industry may attempt to dominate the cannabis industry, and in particular, legal marijuana, through the development and distribution of synthetic products which emulate the effects and treatment of organic marijuana, (xix) the agricultural risks related to insects, plant diseases, unstable growing conditions, water and electricity availability and cost, (xx) the risk that may arise because cannabis continues to be a controlled substance under the United States Federal Controlled Substances Act, (xxi) the risk of product liability or regulatory lawsuits or proceedings relating to Parallel’s products and services, (xxii) the risk that the Resulting Company is unable to secure or protect its intellectual property, (xxiii) tax risks, including U.S. federal income tax treatment, (xxiv) risks relating to the reliance of Parallel on key members of management, (xxv) risks inherent in businesses related to the agricultural industry, (xxvi) risks relating to potentially unfavourable publicity or consumer perception, (xxvii) Parallel may be subject to the risk of competition from synthetic production and technological advances, (xxviii) investors in the Resulting Company and its directors, officers and employees who are not U.S. citizens may be denied entry into the United States, (xxviii) product recalls, (xxix) results of future clinical research, (xxx) difficulty attracting and retaining personnel, (xxxi) fraudulent or illegal activity by employees, contractors and consultants; information technology systems and cyber-attacks, (xxxii) security breaches, (xxxiii) natural disasters and terrorism risk, (xxxiv) restricted access to banking, (xxxv) risks related to the lending facilities, (xxxvi) risks of leverage, (xxxvii) change in enforcement of cannabis laws, (xxxviii) effect of the Rohrabacher-Farr Amendment, (xxxix) civil asset forfeiture, (xl) laws and regulations affecting the cannabis industry are constantly changing, (xli) market for cannabis could decline due to regulatory changes, (xlii) litigation, (xliii) anti-money laundering laws and regulations, (xliv) lack of access to U.S. bankruptcy protections, (cont. on next page)



## FORWARD LOOKING STATEMENTS (CONT'D)

(xlv) heightened scrutiny by regulatory authorities, (xlvi) risk of legal, regulatory or political change, (xlvii) general regulatory and licensing risks, (xlviii) Parallel and the Resulting Company may be subject to the risk of changes in Canadian as well as U.S. federal, state and local laws or regulations, (xlix) limitations on ownership of licenses, (l) Nevada regulatory regime and transfer and grant of licenses, (li) regulatory action and approvals from the FDA, (lii) constraints on marketing products, (liii) anti-money laundering laws and regulation, (liv) the Resulting Company's status as an "Emerging Growth Company" under United States securities laws, (lv) discretion in the use of proceeds, (lvi) subsequent offerings will result in dilution to shareholders of the Resulting Company, (lvii) voting control, and (lviii) unpredictability caused by capital structure and voting control.

Readers are cautioned that the foregoing list is not exhaustive.

All of the forward-looking statements made in this presentation are qualified by these cautionary statements and other cautionary statements or other factors contained herein. Although management believes that the expectations conveyed by forward-looking statements herein are reasonable based on information available on the date such forward-looking statements are made, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Corporation and Ceres undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The forward-looking statements contained herein are presented for the purposes of assisting readers in understanding the Corporation's plan, objectives and goals and may not be appropriate for other purposes. The reader is cautioned not to place undue reliance on forward-looking statements.

Where applicable, readers should also consider the other risks and uncertainties that will be included in the registration statement on Form S-4 ("Form S-4") that Ceres is expected to file with the U.S. Securities and Exchange Commission (the "SEC") and the prospectus and information circular expected to be filed with Canadian securities regulators in connection with the Transaction and other documents filed by Ceres from time to time with the SEC and the Canadian securities regulatory authorities. Ceres and Parallel urge investors, stockholders and other interested persons to read, when available, the Form S-4 and the prospectus and information circular expected to be filed with Canadian securities regulators.

## ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the Transaction, Ceres is expected to file a Form S-4 with the SEC and a prospectus and information circular with Canadian securities regulators. Ceres and Parallel urge investors, stockholders and other interested persons to read, when available, the Form S-4, including the preliminary prospectus and amendments thereto and the definitive prospectus, as well as other documents filed with the SEC and documents (including the prospectus and information circular) expected to be filed with Canadian securities regulatory authorities in connection with the Transaction, as these materials will contain important information about Ceres, Parallel, the Resulting Company and the Transaction.

## CAUTIONARY NOTE TO UNITED STATES AND CANADIAN INVESTORS

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CORPORATION, INCLUDING THE MERITS AND RISKS INVOLVED. SECURITIES OF THE RESULTING COMPANY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN PROVINCIAL SECURITIES REGULATOR PASSED ON THE ACCURACY OR ADEQUACY OF THIS PRESENTATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

## CANNABIS-RELATED PRACTICES OR ACTIVITIES ARE ILLEGAL UNDER U.S. FEDERAL LAWS

Parallel derives 100% of its revenues from doing business in the cannabis industry in the U.S. The concepts of "medical cannabis" and "adult-use cannabis" do not exist under U.S. federal law. The U.S. Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Accordingly, cannabis-related practices or activities, including, without limitation, the manufacture, sale, importation, possession, use or distribution of cannabis and its derivatives, are illegal under U.S. federal law and the enforcement of the relevant laws poses a significant risk. These laws and their enforcement are in flux and vary dramatically from jurisdiction to jurisdiction. The enforcement of these laws and its effect on the Corporation and the Resulting Company and its business, employees, directors and shareholders are uncertain, and accordingly, involve considerable risk. Strict compliance with state laws with respect to cannabis will neither absolve the Corporation of liability under U.S. federal law<sup>4</sup> nor will it provide a defense to any federal proceeding which may be brought against the Corporation. Any such proceedings brought against the Corporation may adversely affect the Corporation's and the Resulting Company's operations and financial performance.



**NON-GAAP MEASURES, RECONCILIATION AND DISCUSSION**

The financial information and data contained in this presentation is unaudited and does not conform to Regulation S-X promulgated by the SEC. Accordingly, such information and data may not be included in, may be adjusted in, or may be presented differently in, any proxy statement, prospectus or registration statement or other report or document to be filed or furnished by Ceres, Parallel or any entity that is party to the proposed Transaction with the SEC.

Furthermore, some of the projected financial information and data contained in this presentation, such as EBITDA, has not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). Parallel and Ceres believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Parallel's financial condition, performance and results of operations. Parallel's management uses these non-GAAP measures for trend analyses and for budgeting and planning purposes. Parallel and Ceres believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating projected operating results and trends in and in comparing Parallel's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Management of Parallel and Ceres do not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in Parallel's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. You should review Parallel's audited financial statements, which will be presented in the prospectus and registration statement to be filed with the SEC and Canadian securities regulators in connection with the proposed Transaction, and not rely on any single financial measure to evaluate Parallel's business. A reconciliation of non-GAAP financial measures in this presentation to the most directly comparable GAAP financial measures is included on page 59 of this presentation.

**NO OFFER OR SOLICITATION**

This presentation is not a proxy statement or a solicitation of a proxy, consent or authorization with respect to the securities or in respect of the proposed business combination. This presentation shall also 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 state or 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 of 1933, as amended, or an exemption therefrom.



- 01 /** Executive Summary
- 02 /** Investment Highlights
- 03 /** Company Overview
- 04 /** Financial Summary
- 05 /** Appendix



# 01

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## EXECUTIVE SUMMARY



# Parallel

is an elite cannabis company well  
positioned to emerge as a global leader



# Parallel is raising the bar

## PIVOTAL POSITION

### SIZE & SCALE

- Projected 2021 Net Revenue - \$447 million<sup>1,2</sup>
- Projected 2021 Adjusted EBITDA - \$102 million<sup>1,2</sup>
- Current - 5 markets; 42 stores
- Superior corporate talent led by **BEAU WRIGLEY**

## GROWTH FUEL

### STRONG BALANCE SHEET + STRATEGIC M&A

- \$430 million pro forma cash balance<sup>1,3</sup>
- Growth - 8 markets; 86 stores by end of 2022<sup>1</sup>
- Embedded organic growth & value-driven M&A in key markets
- Proposed merger with Ceres expected to provide valuable public currency & capital structure<sup>1</sup>

## LOYALTY CREATION

### UNIQUE CONSUMER ACCESS

- Direct access to all consumer segments
- Valuable strategic relationships to increase brand awareness globally
- Well-positioned to drive the “consumerification” of cannabis
- Access to iconic brands and talent led by **SCOOTER BRAUN**





# Our 7 keys to success:

- 01 /** Obtain and execute licenses in limited-license states
- 02 /** Professionalize all aspects of the business
- 03 /** Drive margin expansion through operational scale and excellence
- 04 /** Attract and keep loyal consumers through strategic marketing
- 05 /** Acquire entities through M&A to expand footprint and relevant brands
- 06 /** Maintain a vibrant new product innovation pipeline
- 07 /** Establish social justice and diversity + inclusion advocacy for the benefit of our society





# Two titans of industry align

An exceptional team combining global operations expert and visionary brand builder Beau Wrigley with the boundless consumer reach and access to influential talent of Scooter Braun

## EXECUTION

## PARALLEL LEADERSHIP & VISION



**BEAU WRIGLEY**

Chairman and CEO, Parallel

- Managed some of the world's leading food brands and created more than \$17 billion in value for Wrigley
- Led distribution efforts in 180+ countries with 1 million+ points of sale in China
- Developed rapid iteration product structures and procedures
- Built institutional-grade management teams

- Focus on limited license, high addressable population states
- Proven network to source and execute value-driven M&A and partnerships
- Integration of best-in-class processes from Wrigley provides leading rollout of new product menus in cannabis
- Ability to attract top level CPG and biosciences talent to emerging cannabis industry



**SCOOTER BRAUN**

Co-founder, Ceres Group Holdings and Special Advisor, Parallel

- Launched careers of some of the world's most iconic musicians
- Architected key brand partnerships and grew fan following
- Funded early investments into today's most widely-used technology platforms
- Advised numerous startups on brand development, strategy and consumer awareness

- Early believer in the most innovative companies in the world
- Access to Fortune 500 companies, key brands and personality partnerships
- Expertise to drive major value creation and consumer awareness in all geographies
- Dedication to social equity and charitable platforms



A Wrigley chewing gum heir and a former Patrón CEO go all in on cannabis

# Beau Wrigley: A history of value creation in CPG

Beau Wrigley was the fourth member of the Wrigley family to lead the Wm. Wrigley Jr. Company, a global leader in confections founded in 1891. He began his career with the company in 1985, and after serving in multiple roles became the Chairman, President and CEO in 1999. During his leadership, the Wrigley Company tripled in size and expanded its reach to consumers in 180+ countries. In 2008, Wrigley was sold to privately held and family-owned Mars, Incorporated. Currently, Beau is Chairman and CEO of Wrigley Management Inc., a family office, and WWJr. Enterprises Inc., an investment company that invests in a range of venture capital and private equity interests. Beau is also Co-Founder and Chairman of higi, a wellness and incentive reward platform that empowers individuals to measure and manage their personal health and well-being through 10,000 higi stations nationwide, a higi website, mobile app, wellness competitions and incentives.

Beau also has significant experience serving on public company boards, such as Hyatt Hotels Corporation for which he was a director, as well as the boards of various private and not-for-profit organizations, such as the Everglades Foundation for which he is a director. Inspired by his passion for ocean conservation and diving, he was the originator and provided the founding grant for the Ocean Health Index (OHI), the first comprehensive global measurement of ocean health that scientifically compares and combines all dimensions of ocean health – biological, physical, economic and social.

Beau is a 1985 graduate of Duke University with a B.A. in Economics and attended the Wharton School of Business Advanced Management Program in 1994. Beau is a 1997 Henry Crown Fellow of the Aspen Institute and a member of the Aspen Global Leadership Network.



## The Rainmaker

# Scooter Braun: Unique Influence

Scooter Braun, the founder and Chairman of Ithaca Holdings LLC., founder of SB Projects, co-founder of TQ Ventures and co-founder of Ceres Group Holdings, is one of the major forces and innovators in the entertainment industry, an entrepreneur, philanthropist, studio head, record executive and manager.

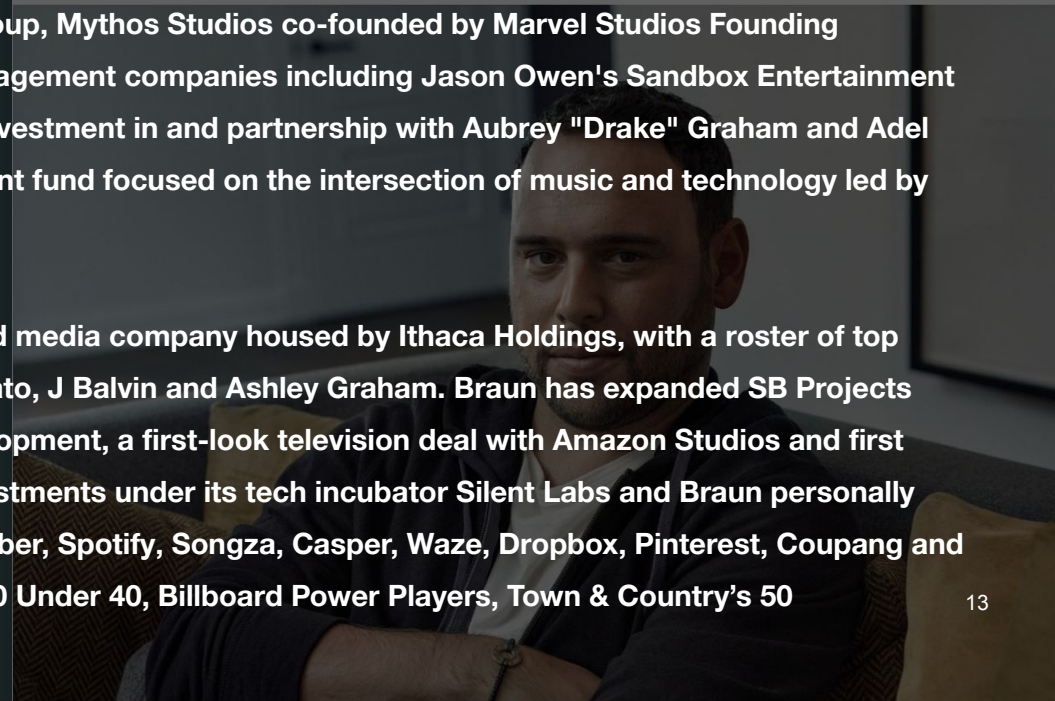
Braun leads Ithaca Holdings, a fully integrated holding company with interests across music, technology, film, television, brands, and culture, which invests in some of the largest management, media, and rights companies in the industry. Ithaca has built an elite portfolio of acquisitions and partnerships resulting in one of the most powerful and diverse holding groups in entertainment and media with interests in a number of companies including Big Machine Label Group, Mythos Studios co-founded by Marvel Studios Founding Chairman David Maisel, Atlas Publishing and partnerships with management companies including Jason Owen's Sandbox Entertainment and Morris Higham Management. Ithaca also has a long-standing investment in and partnership with Aubrey "Drake" Graham and Adel "Future" Nur. In 2019, Ithaca launched Raised in Space, an investment fund focused on the intersection of music and technology led by former BMG President Zach Katz.

In 2007, Braun launched SB Projects, a diversified entertainment and media company housed by Ithaca Holdings, with a roster of top pop-culture icons including Justin Bieber, Ariana Grande, Demi Lovato, J Balvin and Ashley Graham. Braun has expanded SB Projects film and television production division with over 20 projects in development, a first-look television deal with Amazon Studios and first look podcasting deal with Spotify. SB Projects has a number of investments under its tech incubator Silent Labs and Braun personally impacts new verticals through his own investments which include Uber, Spotify, Songza, Casper, Waze, Dropbox, Pinterest, Coupang and Grab, to name a few. Braun has been named to TIME 100, Fortune 40 Under 40, Billboard Power Players, Town & Country's 50 Philanthropists and Variety500 four years in a row.



## WSJ | MAGAZINE Scooter Braun's Hit Factory

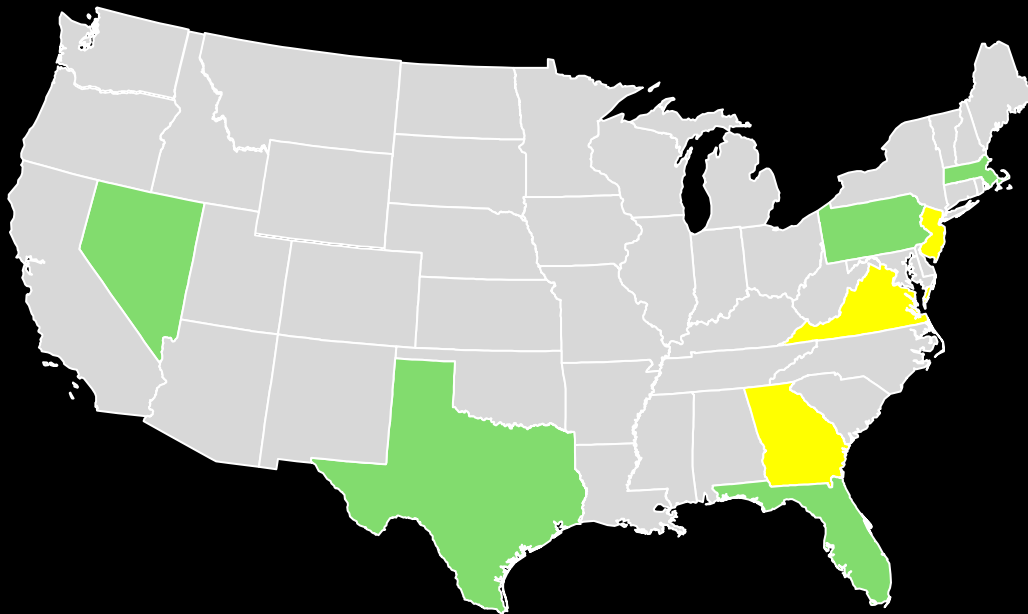
The top talent manager has shaped the careers of worldwide stars from Justin Bieber to Ariana Grande. Now the man behind the music is evaluating his own next act





# Disciplined growth & strategic footprint

Parallel is a leading cannabis company with vertically-integrated operations in five states, a world-class management team, unprecedented consumer reach, a diverse portfolio of high quality, proprietary consumer brands, and a robust R&D platform supporting new product development



■ Current Parallel markets ■ Pending Parallel markets

2021E NET REVENUE<sup>1</sup>
**\$447M**
2021E ADJUSTED EBITDA<sup>1,2</sup>
**\$102M**

FOUNDED

**2014**

HEADQUARTERS

**Florida**

CURRENT

**5 markets**
PLANNED<sup>1</sup>
**8 markets**
**42 stores**
**86 stores**

EMPLOYEES

**~1,700**
CULTIVATION<sup>3</sup>
**444,000 sq. ft.**
**41% female**
**94,000 lbs/yr**
**37% minority**

CAPITAL RAISED TO DATE

**\$400M**

AVG. DAILY TRANSACTIONS

**7,500**





# Dedicated to corporate social responsibility

Parallel focuses on corporate social responsibility through meaningful actions that help drive impact in our industry and within the communities in which we live and work

## SOCIAL EQUITY

- Focused initially on women as well as Black and Latinx communities
- Created Employee Resource Groups to ensure diversity and inclusion initiatives and to stand up processes whereby we can reflect different employee perspectives throughout our operations
- Launched Get Out the Vote to provide employees tools and resources to exercise their civic duty safely
- Partnered with organizations like CultivatED in MA, where we participated in a panel discussion on expungement in cannabis

## COMMUNITY RELATIONS

- Partnered with Cannaclusive, the leading national organization created to facilitate inclusion for both business owners and consumers in the cannabis industry
- Joined the Minority Cannabis Business Association, and are actively planning events around expungement and employment opportunities
- Collaborating with CannaLab to create cannabis industry focused education for business leaders and communication / media opportunities for industry professionals

## GIVING / VOLUNTEERING

- Parallel Cares platform empowers employees to give – and receive company matching – to the causes that matter the most to them
- Annual holiday food and clothing drives help give back to those in need



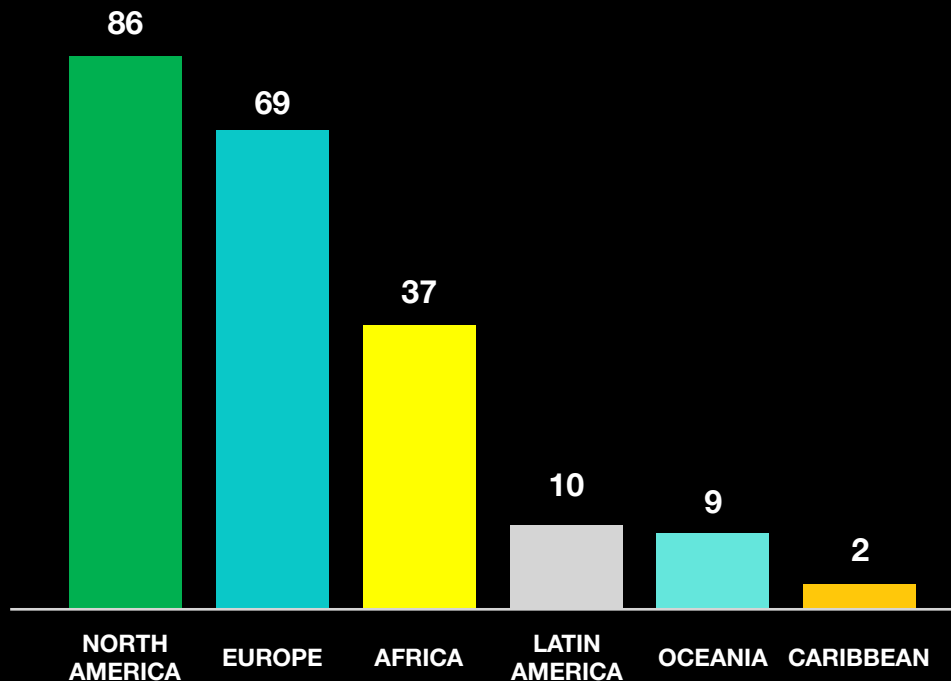


# Global cannabis estimated at \$340 billion

## Robust potential total addressable market as legalization spreads

### LEGAL + ILLICIT MARKET DEMAND BY REGION<sup>1</sup>

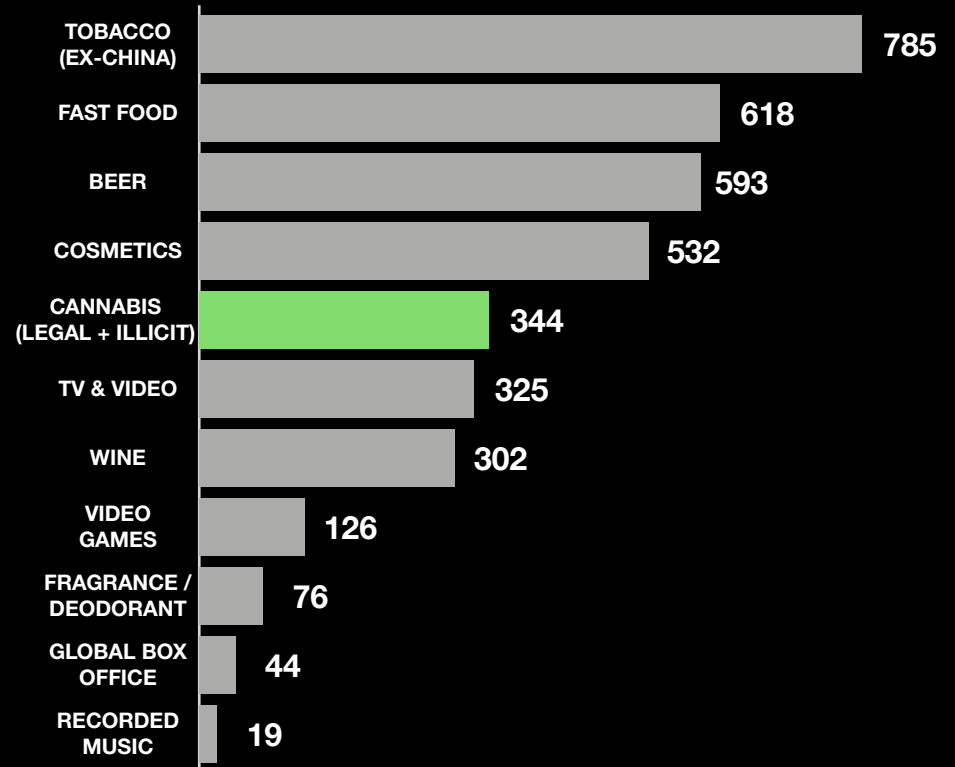
(\$USD in billions)



## Cannabis compares favorably to a variety of established industries

### ANNUAL GLOBAL REVENUE BY INDUSTRY<sup>1,2</sup>

(\$USD in billions)



# 02

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## INVESTMENT HIGHLIGHTS





**High quality assets and leading positions in high-growth markets**



**Blue-chip management team with track record of building global brands**



**Significant embedded growth pipeline**



**Proven ability to deliver profitable inorganic growth at attractive valuations**



**Organizational emphasis on R&D and innovation**



**High quality assets in high-growth markets**



**Blue-chip pedigree management team**



**Significant embedded growth potential**



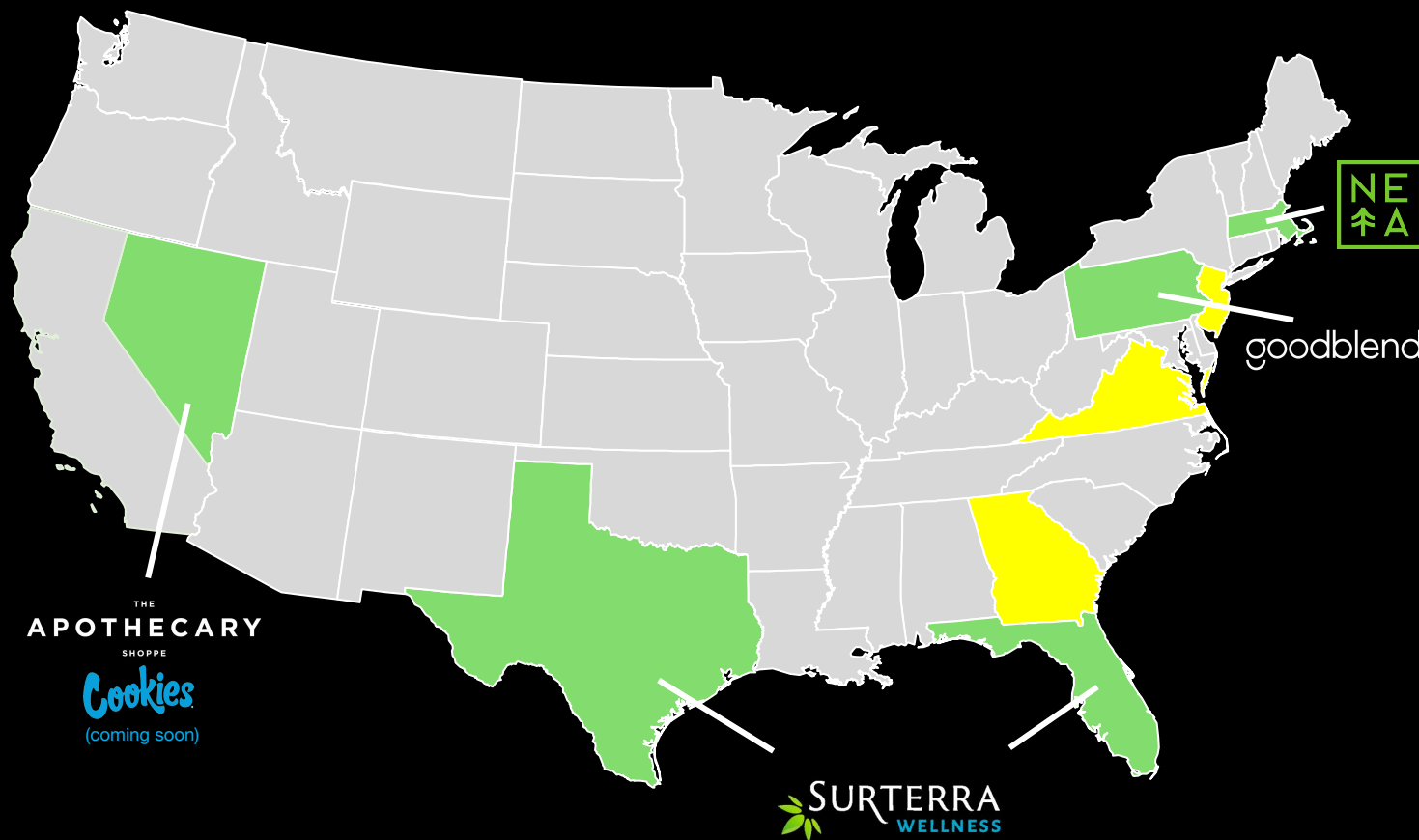
**Demonstrated ability to consolidate**



**Organizational emphasis on R&D and innovation**

# Leading position in the best markets

Our strong retail presence in key limited-license, vertically integrated states enables us to control the supply chain from seed to sale, ensuring quality and safety



## Florida

- #2 market share
- 39 stores open, 18 opening in 2022<sup>1</sup>
- 270K SF of cultivation by end of 2021<sup>1</sup>

## Massachusetts

- #1 market share<sup>2</sup>
- 2 stores open, 1 opening in Q2 2021<sup>1</sup>
- Starting expansion to 100K SF of cultivation in 2021<sup>1</sup>

## Nevada

- JV with industry leader
- 1 store open, flagship **Cookies** (coming soon)<sup>1</sup>

## Texas

- 1 of only 3 licenses
- Market expansion in 2021<sup>1</sup>

## Pennsylvania

- 6 stores opening by end of 2021<sup>1</sup>
- Partnership with UPMC
- Poised for adult-use

■ Current Parallel markets ■ Pending Parallel markets





**High quality assets in  
high-growth markets**



**Blue-chip pedigree  
management team**



**Significant embedded  
growth potential**



**Demonstrated ability to  
consolidate**



**Organizational emphasis  
on R&D and innovation**

## Limited access markets with high barriers

Parallel's continued success and dominant positions in Massachusetts and Texas, combined with our highly competitive position in Florida highlight our ability to execute an aggressive and efficient growth strategy

	FL	MA	PA	TX	NV
<b>POPULATION</b> →	22M	7M	13M	29M	3M
<b>ADDRESSABLE CONSUMERS<sup>1</sup></b> →	112M	27M	160M	200M	43M
<b>CONSUMERS PER RETAIL LICENSEE<sup>1</sup></b> →	5M	400K	2M	67M	652K
<b>2021E MARKET SIZE<sup>2</sup></b> →	\$1.7B	\$0.9B	\$1.2B	\$22M	\$1.0B
<b>PARALLEL 2021E NET REVENUE<sup>2</sup></b> →	\$217M	\$190M	\$18M	\$3M	\$10M

1. Company estimates of residents and tourists over the age of 21. 2. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. Sources: U.S. Census Bureau, statistics from each state's tourism bureau, Arcview Market Research / BDS Analytics, *The State of Legal Cannabis Markets, 8th Edition*, Kaiser Family Foundation, Florida Office of Medical Marijuana Use, Massachusetts Cannabis Control Commission, Company estimates.



**High quality assets in high-growth markets**



**Blue-chip pedigree management team**



**Significant embedded growth potential**



**Demonstrated ability to consolidate**



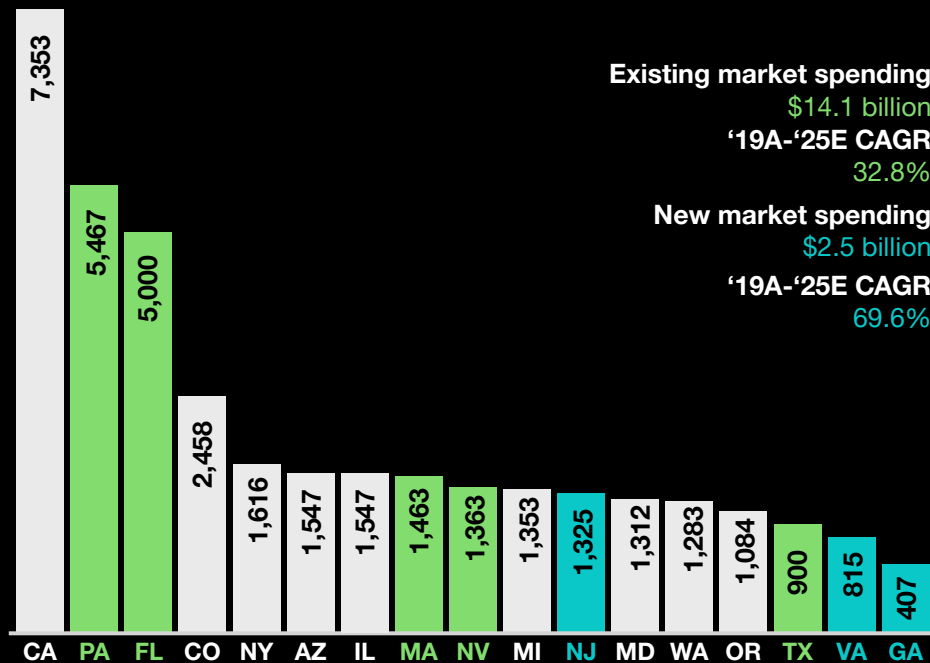
**Organizational emphasis on R&D and innovation**

# Focused on the fastest growing U.S. markets

Parallel's strong cash position, established infrastructure, and strategic focus on the best markets are expected to facilitate its position as an industry-leading MSO

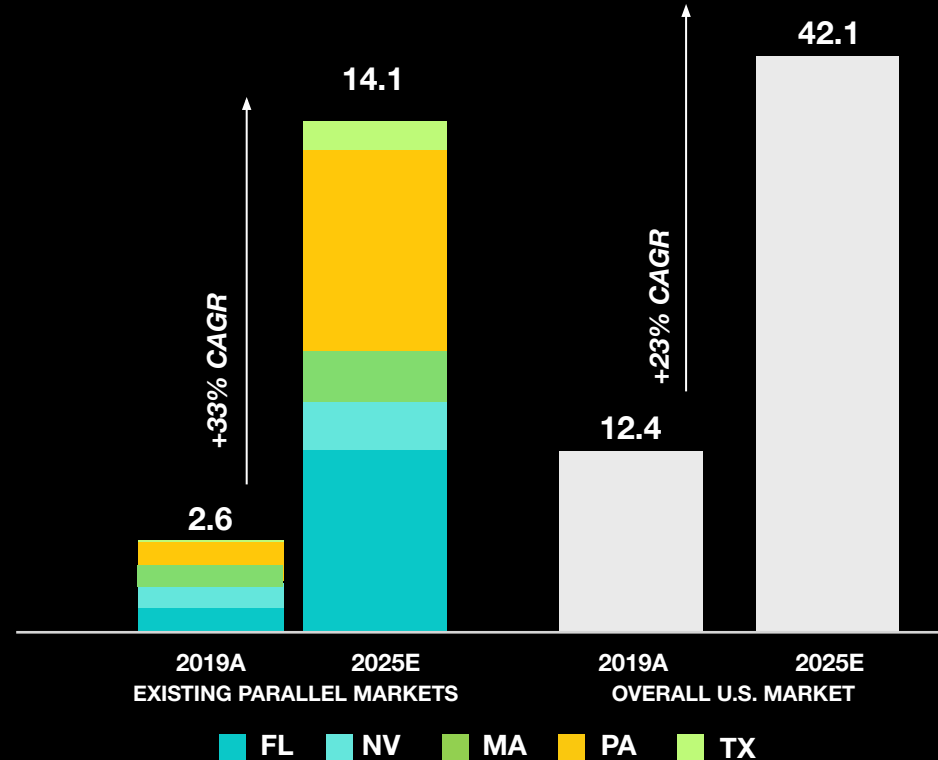
## 2025E LEGAL CANNABIS SPENDING TOP 15 U.S. MARKETS + OTHER PARALLEL MARKETS<sup>1,2</sup>

(\$USD in millions)



## LEGAL CANNABIS SPENDING GROWTH – 2019A – 2025E EXISTING PARALLEL MARKETS VS. OVERALL U.S. MARKET<sup>1,2</sup>

(\$USD in billions)



1. Market size estimates for Texas assume a full medical-use program, and market size estimates for Florida and Pennsylvania assume full adult-use programs. 2. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. Sources: Arcview Market Research / BDS Analytics, *The State of Legal Cannabis Markets, 8th Edition*, Brightfield Group, Virginia JLARC November 2020 report, Company estimates.





High quality assets in  
high-growth markets



Blue-chip pedigree  
management team



Significant embedded  
growth potential



Demonstrated ability to  
consolidate



Organizational emphasis  
on R&D and innovation



**Beau Wrigley**  
Chairman & Chief Executive  
Officer

Former CEO of Wrigley until sale to Mars for \$23 billion. Initially invested in Parallel in 2017 before assuming day-to-day operations in late 2018



**James Whitcomb**  
Chief Financial Officer

A decade of M&A and restructuring experience. Built Parallel's initial platform as Co-Founder and first CFO; executed \$22 billion of transactions at Perella Weinberg



**Stevens Sainte-Rose**  
Chief HR Officer

More than 20 years of experience at global CPGs developing and executing HR strategy, including serving as CHRO at Walgreens and Dawn Foods and SVP of HR at Coca-Cola



**Phil Harris**  
General Counsel

More than 30 years of experience as former General Counsel of Northwestern University and Partner at Jenner & Block



**Laurie MacKenzie**  
EVP, Communications

More than two decades of corporate affairs experience at Jazz Pharmaceuticals, Resolute Communications, and Fleishman-Hillard

Companies we've  
worked with:

**WRIGLEY**  
**PATRÓN.**



**BACARDI.**

Enjoy  
**Coca-Cola**

**Gillette**

**U** **Unilever**

Jazz Pharmaceuticals

**Walgreens**

**AVON**

**P / W / P**

**William Blair**



**NORTHWESTERN**  
UNIVERSITY



**Neil Hampshire**  
Chief Information Officer

More than two decades of experience leading global technology operations for multinational corporations such as Wrigley, Gillette, and Avon



**Jay Holmes**  
Chief Strategy Officer

12 years of principal investing representing more than \$1 billion in transactions and significant operational experience at Wychwood Asset Management and Caerus Ventures



**Ed Brown**  
Senior Advisor

20 years as President and CEO of Patrón Spirits until sale to Bacardi for \$5 billion



**Surinder Kumar**  
Senior Advisor

40 years of senior product innovation positions at various companies including Unilever, Mead Johnson, PepsiCo, Frito-Lay, and Warner Lambert



**Marina Bozilenko**  
Senior Advisor

30 years of investment banking and other healthcare expertise, including raising >\$30B and executing numerous M&A transactions. Currently Senior Advisor at William Blair & Co.



High quality assets in  
high-growth markets



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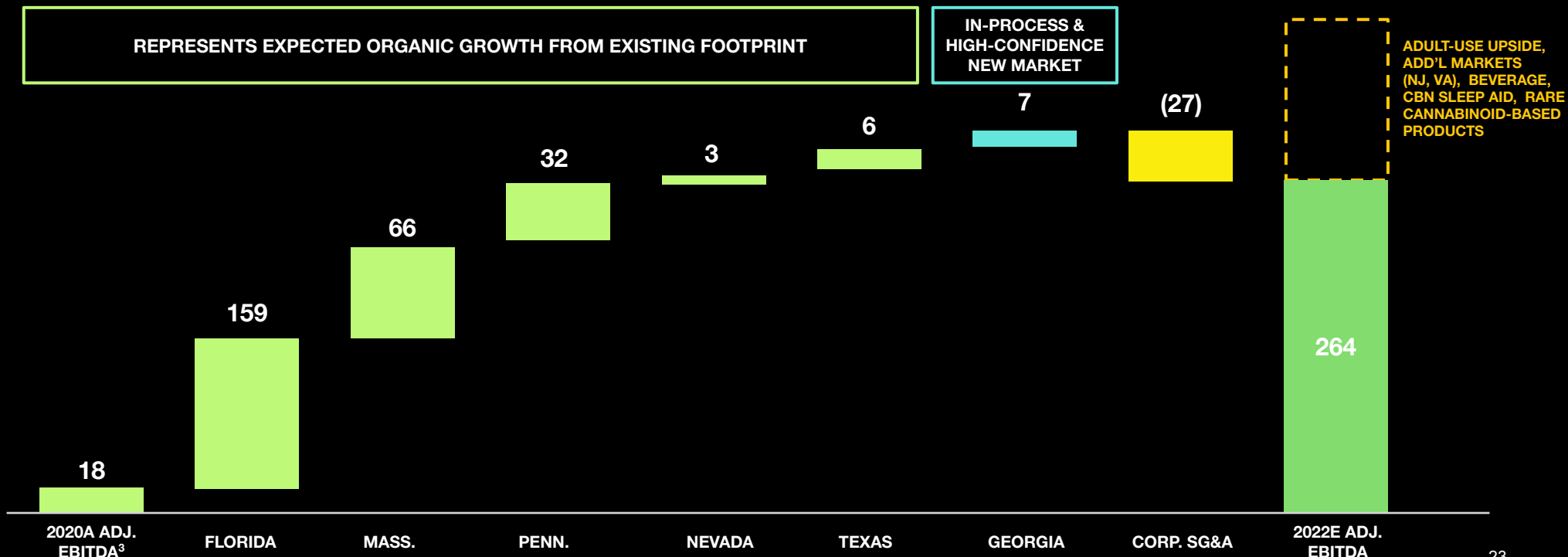
Organizational emphasis  
on R&D and innovation

## Executable path to \$260M+ Adj. EBITDA in 2022<sup>1,2</sup>

- Florida will remain a supply-strained market and is expected to legalize adult-use in the next 24 months<sup>1</sup>
- Massachusetts has significant upside with the addition of a 3<sup>rd</sup> retail store and expected wholesale opportunities
- Pennsylvania operations expected to commence in 2021 with plans for 6 dispensaries by year end<sup>1</sup>

### ADJUSTED EBITDA BRIDGE: 2020A – 2022E<sup>2</sup>

(\$USD in millions)



1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. See "Non-GAAP Measures, Reconciliation and Discussion" disclaimer on page 5 and Adjusted EBITDA reconciliation on page 59. 3. 2020 financials are preliminary and are subject to change upon finalization of Parallel's audited financials.





High quality assets in high-growth markets



Blue-chip pedigree management team



Significant embedded growth potential



**Demonstrated ability to consolidate**



Organizational emphasis on R&D and innovation

# Demonstrated ability to consolidate

Despite a challenging M&A environment, Parallel has successfully:

- Closed multiple transformative and highly accretive acquisitions, minimizing dilution to shareholders while achieving scale
- Successfully integrated complex assets, creating cost synergies and adding disciplined management teams to our platform
- Made significant investment in retail, cultivation, and production in order to continue to scale our operations
- Maintained responsible leverage to fund growth for robust prior returns to shareholders

## HISTORICAL ACQUISITION MULTIPLES: PARALLEL VS. INDUSTRY<sup>1</sup>



1. Parallel acquisition multiples calculated as weighted average of MA and NV acquisition multiples at time of deal. Trading multiples based on set of comparable cannabis companies as of February 10, 2021. Trading multiples sourced from Capital IQ, Public Filings, and Company management. 2. See "Non-GAAP Measures, Reconciliation and Discussion" disclaimer on page 5 and Adjusted EBITDA reconciliation on page 59.



High quality assets in high-growth markets



Blue-chip pedigree management team



Significant embedded growth potential



Demonstrated ability to consolidate



Organizational emphasis on R&D and innovation

# Organizational emphasis on R&D and innovation

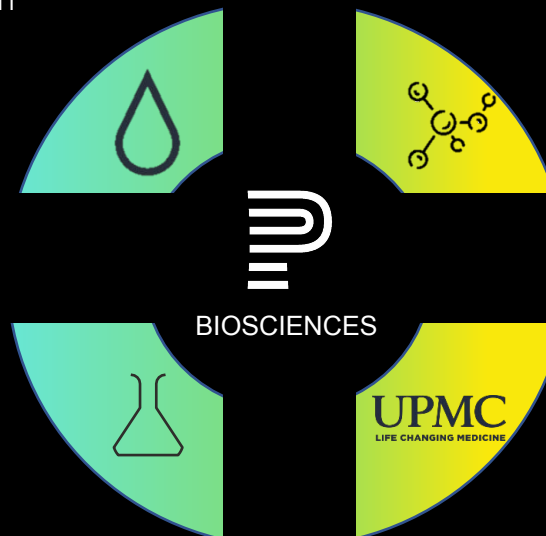
## CUTTING EDGE PRODUCT DEVELOPMENT

Highly decorated team developing unique product offerings with expected mass market potential, highlighted by a patent-pending nanoemulsion beverage:

**8-minute onset time**

**Enhanced flavoring profile**

**Micro-dosage**



## MICROBIALY PRODUCED CANNABINOIDS

Exclusive technology partnership with Intrexon enables low-cost production of rare cannabinoids:

**New drug discovery platform**

**Unique product offerings (i.e. THC-V, CBG)**

**Supply and cost advantages over competitors who operate traditional cultivation and production platforms**

## PARALLEL BIOSCIENCES

Parallel's internal R&D arm, leads all internal research and product development (i.e. proprietary form factors such as CBN drops)

## RESEARCH PARTNERSHIPS

Parallel is an important player in cannabinoid research, partnering with renowned domestic and international research institutions like University of Pittsburgh Medical Center to address biological research and drug discovery

# 03

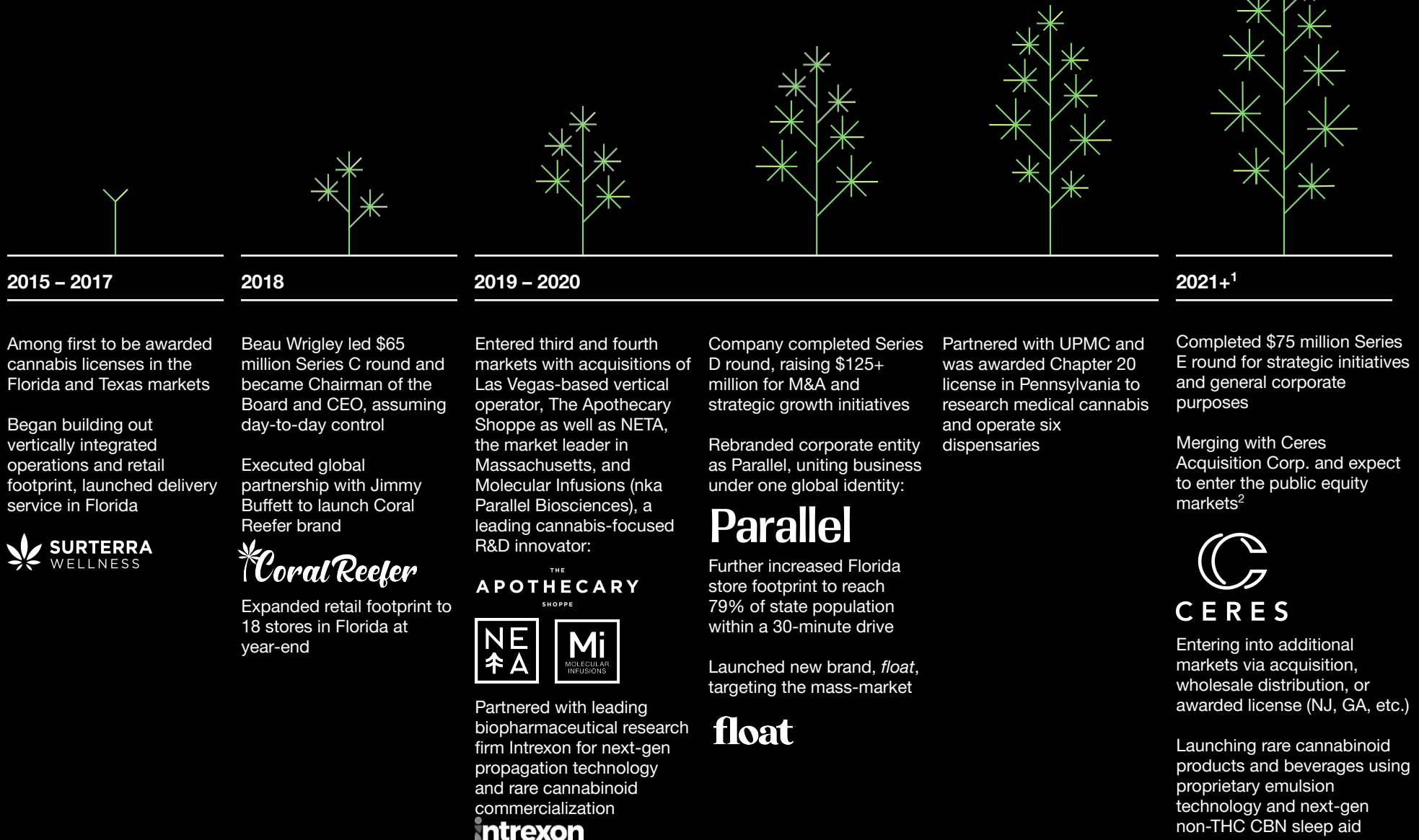
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## COMPANY OVERVIEW





# Building a foundation for growth



1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. Assumes closing of the Transaction with Ceres, which is subject to a number of conditions, including regulatory and securityholder approvals.










# Key markets with scalable assets

STATE	MARKET INFORMATION <sup>1,2</sup>	ASSET OVERVIEW <sup>2</sup>
<b>FL</b> 	<ul style="list-style-type: none"> <li>Population: 22 million</li> <li>Medical market</li> <li>2025E market size: \$5 billion</li> </ul>	<ul style="list-style-type: none"> <li>39 operating dispensaries, 18 additional opened by YE 2022</li> <li>Currently operating 2 cultivation and production facilities with 225,000 square feet of canopy, will total 270,000 SF of canopy by YE 2021</li> </ul>
<b>MA</b> 	<ul style="list-style-type: none"> <li>Population: 7 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$1.5 billion</li> </ul>	<ul style="list-style-type: none"> <li>2 operating dispensaries, 1 additional opening in Q2 2021</li> <li>Currently operating 1 cultivation and production facility with 33,000 square feet of canopy, expected to start construction in late 2021 on a second facility to increase canopy to state statutory limit of 100,000 square feet</li> </ul>
<b>NV</b> 	<ul style="list-style-type: none"> <li>Population: 3 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$1.4 billion</li> </ul>	<ul style="list-style-type: none"> <li>1 operating dispensary, transforming to a <b>Cookies</b> flagship store</li> <li>Currently operating a cultivation and production facility with 11,000 square feet of canopy; real estate is owned</li> </ul>
<b>TX</b> 	<ul style="list-style-type: none"> <li>Population: 29 million</li> <li>Medical market</li> <li>2025E market size: \$900 million</li> </ul>	<ul style="list-style-type: none"> <li>1 of only 3 license holders</li> <li>Building a multi-phase cultivation and production facility in San Marcos, TX that is expected to total 12,500 square feet of canopy by the end of 2021</li> </ul>
<b>PA</b> 	<ul style="list-style-type: none"> <li>Population: 13 million</li> <li>Medical market</li> <li>2025E market size: \$5.5 billion</li> </ul>	<ul style="list-style-type: none"> <li>1 of only 8 vertically-integrated Clinical Research licenses</li> <li>6 dispensaries by the end of 2021</li> <li>Building a multi-phase cultivation and production facility that is expected to total 50,625 square feet of canopy by mid-2022</li> </ul>



# Pending applications and target markets

STATE	MARKET INFORMATION <sup>1</sup>	KEY FACTS <sup>1</sup>
GA 	<ul style="list-style-type: none"> <li>Population: 11 million</li> <li>Medical market</li> <li>2025E market size: \$407 million</li> </ul>	<ul style="list-style-type: none"> <li>Application submitted in January 2021 for cultivation, production, and retail               <ul style="list-style-type: none"> <li>— We believe our status as the only MSO domiciled in Georgia (corporate office) will benefit us during the review process</li> </ul> </li> </ul>
VA 	<ul style="list-style-type: none"> <li>Population: 9 million</li> <li>Medical market</li> <li>2025E market size: \$815 million</li> </ul>	<ul style="list-style-type: none"> <li>Application submitted in December 2020 for cultivation, production, and retail</li> </ul>
NJ 	<ul style="list-style-type: none"> <li>Population: 9 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$1.3 billion</li> </ul>	<ul style="list-style-type: none"> <li>Expecting to be awarded license by March 2021</li> </ul>
IL 	<ul style="list-style-type: none"> <li>Population: 13 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$1.5 billion</li> </ul>	<ul style="list-style-type: none"> <li>Large, high-growth market driven by start of adult-use sales in 2020. Market has already achieved ~\$1.3Bn run-rate sales<sup>2</sup></li> </ul>
NY 	<ul style="list-style-type: none"> <li>Population: 19 million</li> <li>Medical market</li> <li>2025E market size: \$1.6 billion</li> </ul>	<ul style="list-style-type: none"> <li>Expecting adult-use to be in effect by 2022, will become top 5 state market by 2025 with \$1.6 billion in legal spending</li> </ul>
MI 	<ul style="list-style-type: none"> <li>Population: 10 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$1.4 billion</li> </ul>	<ul style="list-style-type: none"> <li>Adult-use roll-out in 2020 resulted in &gt;\$500 million in sales and 482% growth between January and December of last year</li> </ul>
CA 	<ul style="list-style-type: none"> <li>Population: 40 million</li> <li>Medical and adult-use market</li> <li>2025E market size: \$7.4 billion</li> </ul>	<ul style="list-style-type: none"> <li>Currently single-largest cannabis market in the world, forecasted to reach \$7.4 billion in legal spending by 2025               <ul style="list-style-type: none"> <li>— Currently own 11% of Elefante, a leading gummies brand in California</li> </ul> </li> </ul>

1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. Sources: Arcview Market Research / BDS Analytics, *The State of Legal Cannabis Markets, 8th Edition*, Brightfield Group, Virginia JLARC November 2020 report, Company estimates. 2. Illinois Department of Financial and Professional Regulation, as of January 5, 2021.





# Vast cultivation and manufacturing expertise

LOCATION	PLANNED FACILITIES	TYPE	CULTIVATION <sup>1</sup>				PRODUCTION				
			CURRENT SQFT	YE 2022 SQFT	CURRENT LBS / YR <sup>2</sup>	YE 2022 LBS / YR <sup>2</sup>	CO2	ETHANOL	HYDRO CARBON	SOLVENT LESS	MIP
FLORIDA	2	Indoor Greenhouse	225,000	270,000	45,000	54,000	●	●		●	●
MASSACHUSETTS	2	Indoor	33,000	100,000	8,300	25,000	●	●	●		●
NEVADA	1	Indoor	11,000	11,000	2,200	2,200	●	●			●
TEXAS	1	Indoor	-	12,500	-	2,500	●				
PENNSYLVANIA	1	Indoor	-	50,675	-	10,135		●			
EXISTING FOOTPRINT	7		269,000	444,175	55,500	93,835	●	●	●	●	●
GEORGIA	1	Indoor	-	3,000	-	600					
NEW JERSEY	1	Indoor	-	30,000	-	6,000	TO BE DETERMINED ONCE APPROVED				
VIRGINIA	1	Indoor	-	21,250	-	4,250					
EXISTING + NEW FOOTPRINT	10		269,000	498,425	55,500	104,685	●	●	●	●	●

1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. Whole flower capacity, does not include other biomass capable of being used in production.

# Innovative national retail footprint

Parallel continues to expand our dominant Florida footprint and invest in additional locations in protected, limited-license markets with favorable economics

# goodblend



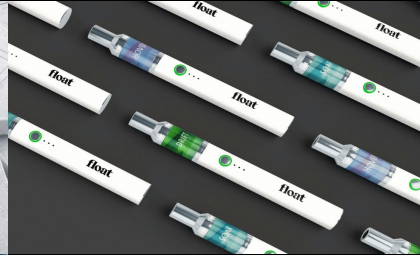
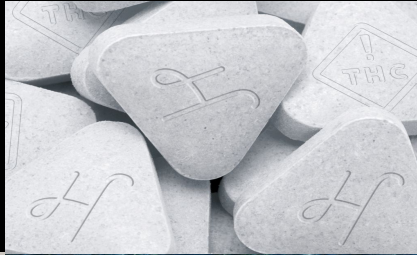
**Our new retail store concept evokes a futuristic and modern aesthetic and features an open layout designed to promote self-education.**

STATE	CURRENT STORES	FUTURE STORES <sup>1</sup>	TOTAL STORES
LOCATIONS IN CURRENTLY LICENSED STATES			
FLORIDA	39	18	57
TEXAS	0	1	1
MASSACHUSETTS	2	2 <sup>2</sup>	4 <sup>2</sup>
PENNSYLVANIA	0	6	6
NEVADA	1	0	1
LOCATIONS IN STATES PENDING GRANT OF LICENSE			
GEORGIA	0	10 <sup>3</sup>	10 <sup>3</sup>
NEW JERSEY	0	1	1
VIRGINIA	0	6	6
TOTAL	42	44	86

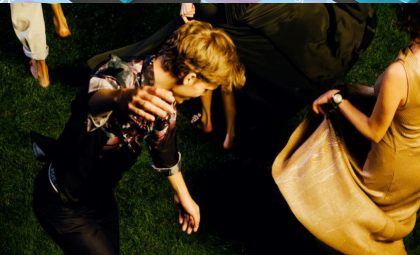
1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. The current statutory cap on ownership by a single entity is three adult-use dispensaries and three medical-use dispensaries. Should the cap be raised or removed, Parallel has plans to pursue the necessary steps to open additional locations. If the cap is not removed, we plan to decouple our adult-use and medical-use licenses in Brookline to open a fourth location solely for medical-use sales. 3. The regulations surrounding retail infrastructure in Georgia have not yet been finalized, and the cap set could be higher or lower than this number.

# A portfolio of brands for the spectrum of consumers

Parallel



 **SURTERRA**  
WELLNESS





The background of the slide features silhouettes of several people standing on a beach, looking out at the ocean during a sunset. The sky is a gradient of orange, yellow, and blue, with the sun low on the horizon. The water shows gentle waves. The overall mood is relaxed and social.

# float™

**Good times.**

MEN AND WOMEN, 20-40

GOOD TIMES WITH FRIENDS

VALUE CONSCIOUS

CANNABIS EXPERIENCED



# MUSE

---

**No regrets.**

LUXURY SEEKING

WELLNESS-MINDED

SOPHISTICATED

PLAYFUL





# *Coral Reefer*

**Paradise within reach.**

MEN AND WOMEN, 45-65

YOUNG AT HEART

MUSIC ENTHUSIASTS

FAMILIAR WITH CANNABIS



A photograph of three people standing on a grassy hill at sunset. A woman on the left is looking towards the right. A man in the center has his arms outstretched, pointing towards the horizon. Another man on the right is also looking towards the horizon. The sky is a warm orange and yellow, and the hills in the background are silhouetted against the light. The overall mood is one of adventure and achievement.

# HEIGHTS™

**Keep reaching.**

MEN AND WOMEN, 20-40

ADVENTURE SEEKERS

OPTIMISTIC

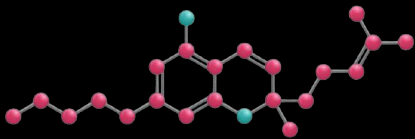
PASSION CHASERS



# Pioneering rare cannabinoid production

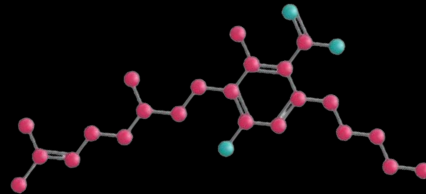
Parallel is a leader in production and commercialization of rare cannabinoids, and we are well-positioned to market and partner on both OTC and pharma products

**There are more than 110 cannabinoids in the cannabis plant with significant therapeutic potential...**<sup>1</sup>



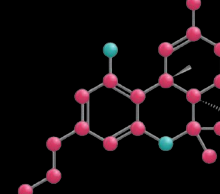
**CBC**

Pain reduction, anti-inflammatory, antibiotic, antifungal, and anticancer



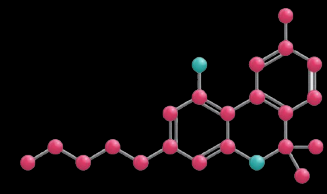
**CBG**

Antidepressant, a muscle relaxant, antibiotic and antifungal agent, and blood pressure reducer



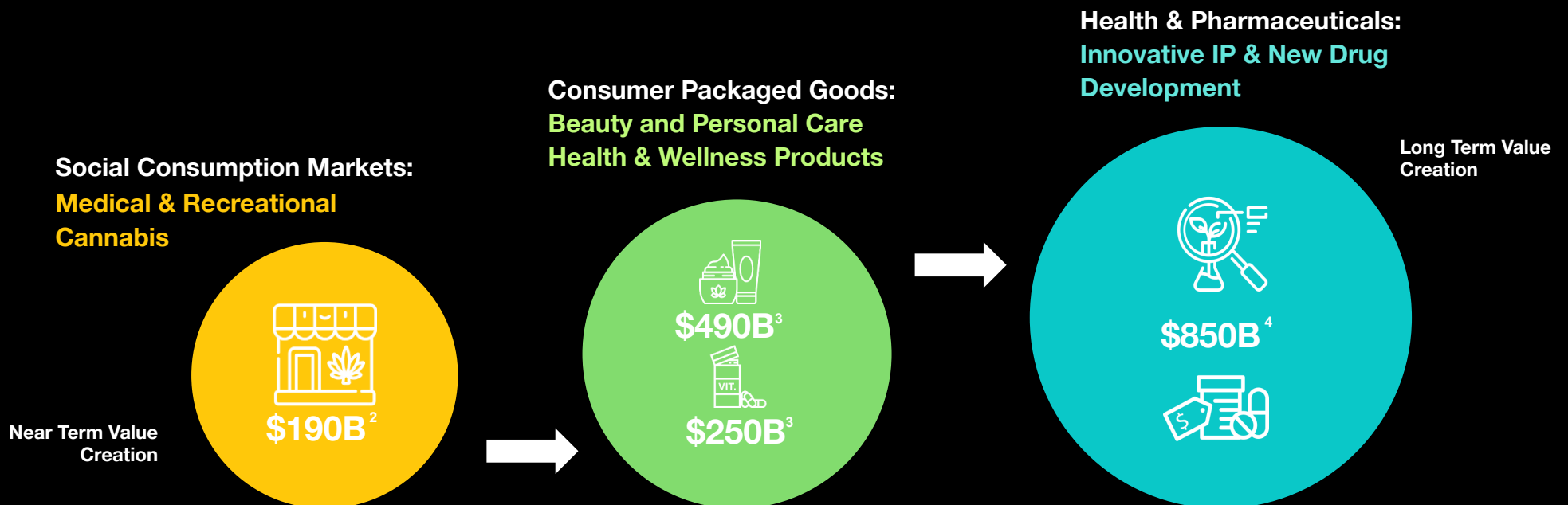
**THC-V**

Appetite-suppressant and antiseizure



**CBN**

Useful for aiding sleep, reducing pain, and reducing muscle spasms



1. Currently more than 113 cannabinoids have been isolated in the cannabis plant with potentially therapeutic value of the newly researched "exotic" molecules. 2. Represents 2020E market value based on BofAML Global Research. 3. Represents 2018A market sizes based on Euromonitor, Jefferies. 4. Represents 2019E Global prescription drug sales based on EvaluatePharma, World Preview Report, August 2017. Source: Company filings, Cantor Fitzgerald Equity Research.

# 04

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## FINANCIAL SUMMARY





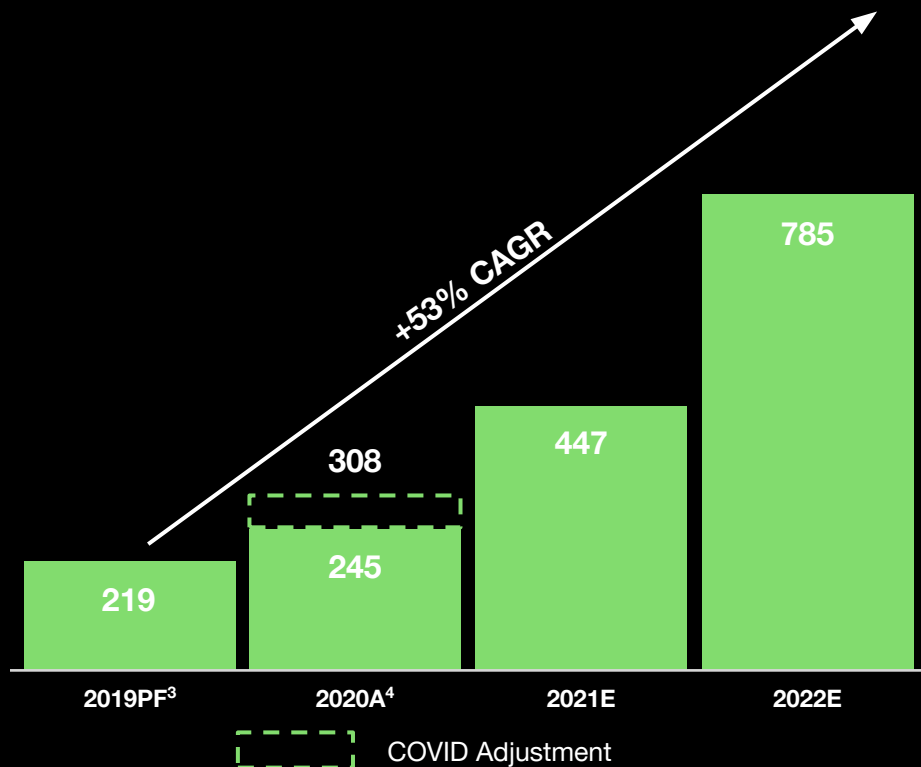
# Strong growth and operating leverage

Parallel has spent several years investing heavily for future growth and has started to reap the benefits as we've transitioned to profitability over the last 18 months

Organic growth and anticipated entry into new markets are expected to drive strong top-line expansion while increased scale and lower cost of production are anticipated to steadily boost margins over time<sup>1</sup>

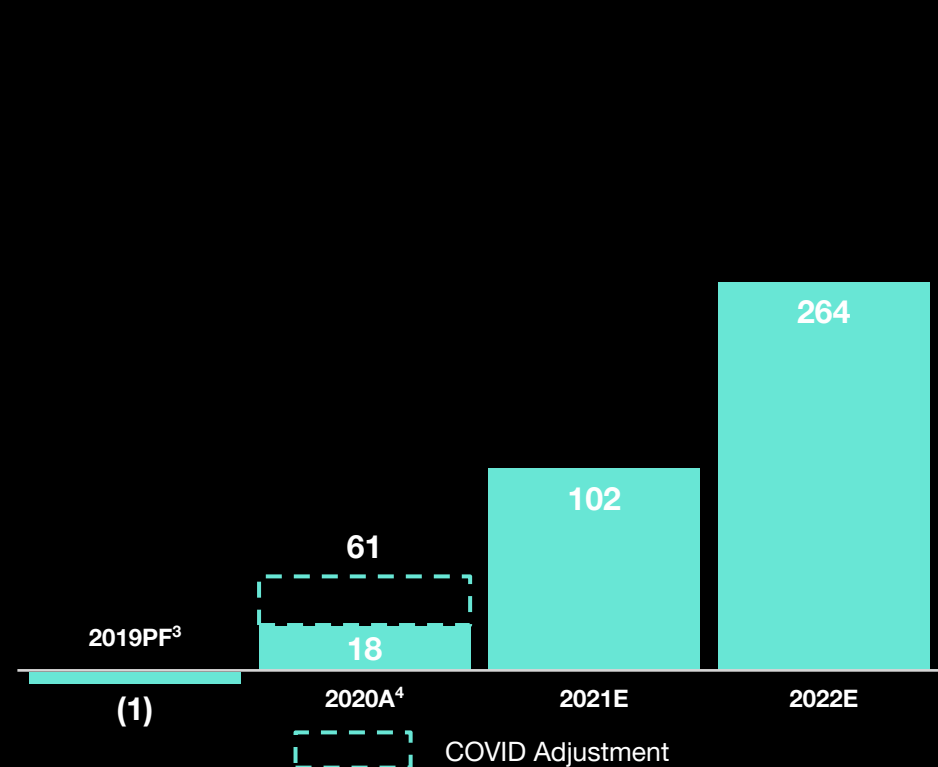
## TOTAL NET REVENUE<sup>1</sup>

(\$USD in millions)



## TOTAL ADJUSTED EBITDA<sup>1,2</sup>

(\$USD in millions)



1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. See "Non-GAAP Measures, Reconciliation, and Discussion" disclaimer on page 5 and Adjusted EBITDA reconciliation on page 59. 3. Pro forma as if Massachusetts acquisitions closed on December 31, 2018. 4. 2020 financials are preliminary and are subject to change upon finalization of Parallel's audited financials. Note: COVID adjustments calculated based on normalized net revenue and margins in Massachusetts and Nevada.



# Transaction overview

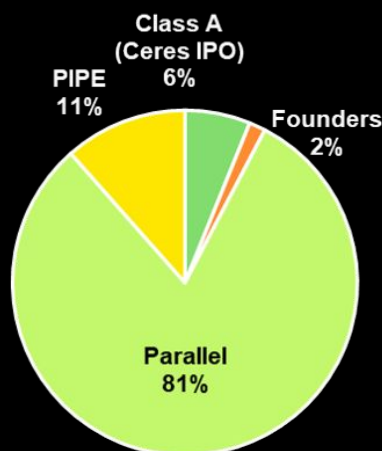
## TRANSACTION HIGHLIGHTS<sup>1</sup>

- Total upfront estimated equity consideration of \$1.591M
  - 100% share consideration (159.1M shares at \$10 per share)
- \$225M PIPE financing and \$120M in funds held in escrow
- Ceres to assume \$348M in debt from Parallel
  - \$165.4M in Senior Secured Notes
  - \$150.0M in Junior Notes<sup>3</sup>
  - \$32.5M in Promissory Notes
- Transaction expected to close in H1 2021, subject to regulatory and securityholder approvals

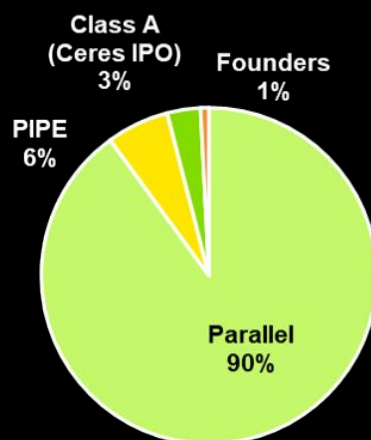
## PRO FORMA CAPITALIZATION<sup>1</sup>

<i>(US\$ millions)</i>		
F.D. Shares Outstanding <sup>2</sup>		196.6
Share Price		\$10.00
<b>Equity Value</b>		<b>\$1,966</b>
Add: Debt		\$348
Less: Cash		(\$430)
<b>Enterprise Value</b>		<b>\$1,884</b>
<b>Trading Metrics</b>	<b>2021E</b>	<b>2022E</b>
<b>TEV / Net Revenue</b>	<b>4.2x</b>	<b>2.4x</b>
Net Revenue	\$447	\$785
<b>TEV / Adj. EBITDA</b>	<b>18.5x</b>	<b>7.1x</b>
Adj. EBITDA	\$102	\$264

## PRO FORMA EQUITY OWNERSHIP<sup>1,4</sup> (%)



## PRO FORMA VOTING RIGHTS<sup>1,4</sup> (%)



## SOURCES & USES<sup>1</sup>

*(US\$ millions)*

### Sources

Funds in Escrow Post Redemptions	\$120
Shares Issued to Parallel	\$1,591
PIPE Proceeds	\$225
Parallel & Ceres Cash on Hand <sup>5</sup>	\$102
<b>Total Sources</b>	<b>\$2,038</b>

### Uses

Total Purchase Price Paid in Equity	\$1,591
Transaction Costs and Other Expenses	\$17
Remaining Working Capital	\$430
<b>Total Uses</b>	<b>\$2,038</b>

Note: Transaction assumes no redemptions. 1. See "Forward-Looking Statements" disclaimer on pages 3-4. 2. Fully diluted share count of 196.6M includes 12.0M Class A Ceres Shares (IPO), 3.0M Class B Ceres Shares (Founders Shares), 146.4M Class A Shares (Parallel), 12.7M Class B Shares, 22.5M PIPE Shares, and Parallel RSUs, options and warrants to be exchanged for equivalent securities in Ceres. Excludes OTM Warrants (6.0M Class A Warrants and 4.1M Sponsor Warrants with an exercise price of \$11.50 per Warrant) and Management Equity Incentive Plan. 3. The refinancing of \$150M in Junior Notes is a closing condition to the Transaction. 4. Parallel includes both Class A and Class B shares, Class B shares are unlisted super-voting shares with 15 votes each, Founders shares remain subject to lock-ups from the IPO prospectus, shares issued to entities affiliated with the Wrigley family are subject to lock-ups releasing 33.3% 6 months, 12 months, and 18 months after close. 5. Ceres cash on hand as of September 30, 2020; Parallel cash on hand as of December 31, 2020 plus proceeds from recent fundraising.



# Comparable company analysis

(US\$ millions, except per share amounts)	Mkt. Cap	TEV	TEV / Net Revenue			TEV / Adjusted EBITDA <sup>1</sup>			Net Revenue CAGR		Adjusted EBITDA Margins <sup>1</sup>		
			CY20E <sup>2</sup>	CY21E <sup>3</sup>	CY22E <sup>3</sup>	CY20E	CY21E <sup>3</sup>	CY22E <sup>3</sup>	22E/20E <sup>3</sup>	21E/20E <sup>3</sup>	CY20E	CY21E <sup>3</sup>	CY22E <sup>3</sup>
Curaleaf	\$12,688	\$12,639	19.8x	10.0x	6.8x	87.5x	32.8x	19.5x	70%	98%	23%	31%	35%
GTI	\$8,447	\$8,447	15.3x	10.3x	7.9x	48.6x	29.4x	21.5x	39%	50%	32%	35%	37%
Cresco	\$6,725	\$6,785	14.2x	8.4x	6.3x	60.1x	25.6x	17.6x	50%	69%	24%	33%	36%
Trulieve	\$6,730	\$6,714	13.0x	8.3x	6.7x	26.6x	18.4x	14.4x	40%	56%	49%	45%	46%
TerrAscend	\$4,314	\$4,370	28.2x	15.0x	10.4x	98.1x	36.9x	23.7x	65%	88%	29%	41%	44%
AYR Wellness	\$2,370	\$2,496	15.9x	6.1x	3.5x	43.5x	15.2x	8.4x	113%	163%	37%	40%	42%
Columbia Care	\$2,444	\$2,340	12.7x	4.9x	3.3x	neg	26.8x	12.3x	95%	159%	neg	18%	27%
Jushi	\$2,013	\$1,976	24.5x	9.0x	5.7x	neg	45.1x	19.9x	107%	174%	neg	20%	29%
Harvest	\$1,742	\$1,870	8.2x	5.2x	4.2x	89.0x	22.8x	15.7x	40%	57%	9%	23%	27%
Planet 13	\$1,596	\$1,470	20.0x	10.4x	7.8x	nmf	34.5x	23.5x	61%	93%	19%	30%	33%
4Front	\$1,160	\$1,188	18.3x	8.2x	5.2x	nmf	25.7x	16.0x	87%	123%	8%	32%	33%
Average			17.3x	8.7x	6.2x	64.8x	28.5x	17.5x	70%	103%	25%	32%	35%
Parallel <sup>2,3</sup>	\$1,966	\$1,884	7.7x	4.2x	2.4x	NA	18.5x	7.1x	79%	82%	8%	23%	34%
Parallel (COVID-Adjusted) <sup>2,3</sup>			6.1x			30.9x			60%	45%	20%		

1. See "Non-GAAP Measures, Reconciliation and Discussion" disclaimer on page 5 and Adjusted EBITDA reconciliation on page 59. 2. Parallel cash and debt reflect pro-forma capitalization shown on slide 40. 2020 financials are preliminary and are subject to change upon finalization of Parallel's audited financials. 3. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. Note: Adjusted for subsequent events, market data as of February 10, 2021. Sources: Capital IQ, public filings, and Company management.



# 05

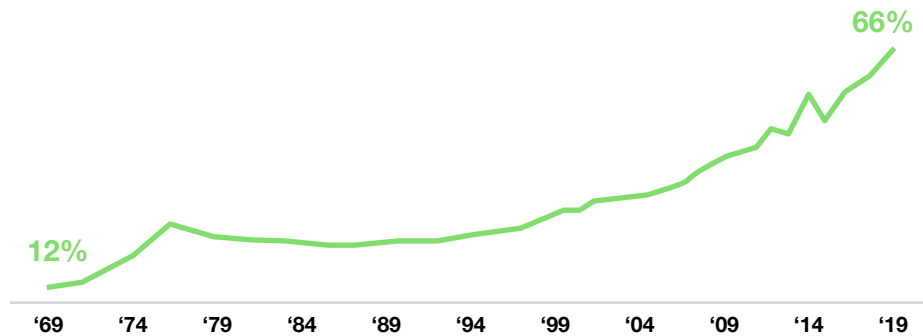
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**APPENDIX**

# Acceptance of cannabis is rapidly changing

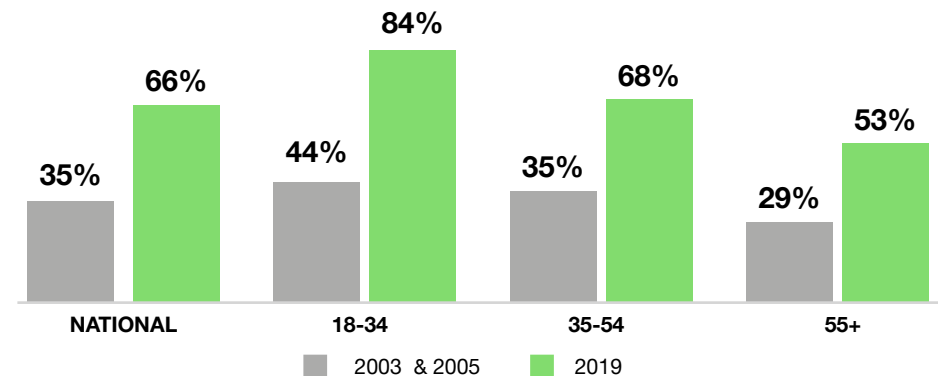
## National support for cannabis has increased in the last 20 years

SHOULD CANNABIS BE LEGAL?<sup>1</sup>



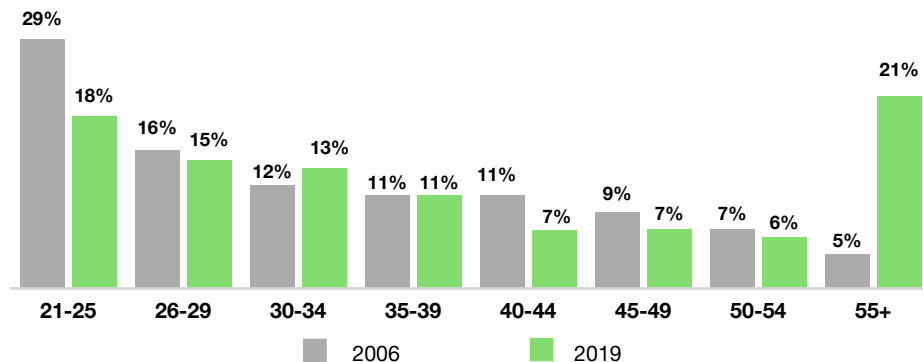
## All age groups are showing increased support for cannabis legalization

SUPPORT FOR CANNABIS LEGALIZATION BY AGE<sup>1</sup>



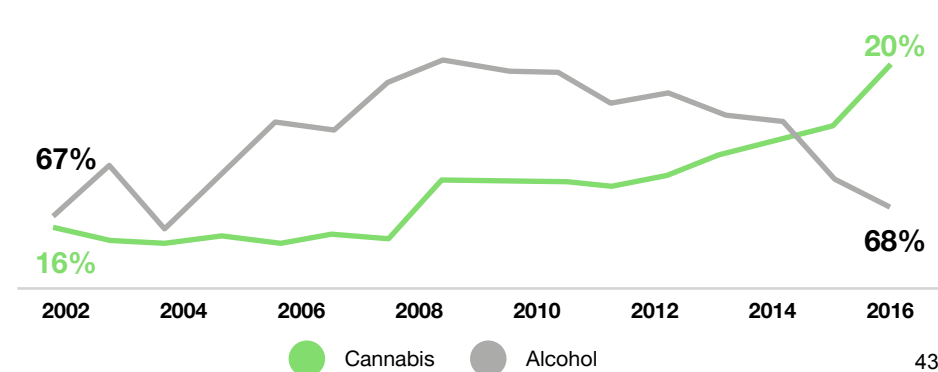
## 21-25-year-olds remain largest group, but 55+ is fastest growing group

PAST MONTH USER MIX<sup>2</sup>



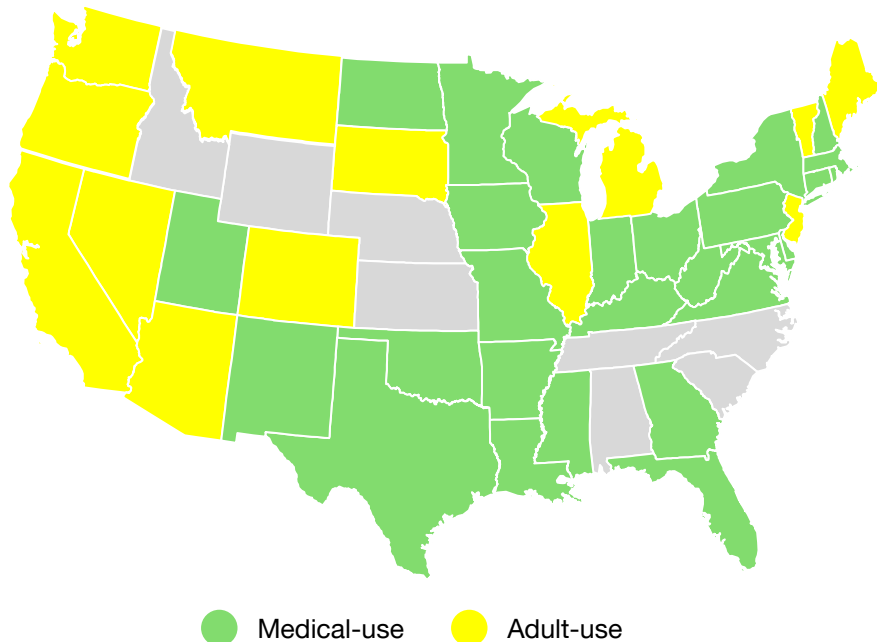
## 21-25-year-olds are drinking alcohol less and using cannabis more

PAST MONTH INCIDENCE (21-25-YEAR-OLDS)<sup>2</sup>



# 298 million Americans have access to legal cannabis

While cannabis is still illegal federally, access is widespread and there is significant momentum for additional medical and adult-use legalization



## Key Legalization Updates

### NOVEMBER LEGALIZATION ACTIVITY

- New Jersey and Arizona voters approved adult-use consumption
- Montana approved adult-use legislation
- Mississippi voters approved medical-use consumption
- South Dakota approved measures legalizing medical and adult use, considered to be an industry first

### SAFE BANKING ACT

#### SECURE AND FAIR ENFORCEMENT BANKING ACT

- Creates protections for banks that provide financial services to legitimate cannabis businesses; broad bipartisan support in the House
- Bill passed U.S. House of Representatives in 2019

### STATES ACT

#### STRENGTHENING THE TENTH AMENDMENT THROUGH ENTRUSTING STATES ACT

- Amends Controlled Substances Act of 1970 to exempt from federal enforcement individuals or corporations in states who are in compliance with state, territory, district, or tribal laws in relation to cannabis
- Reintroduced in April 2019 and likely to pass in next 18 months with Democratic control of Senate<sup>1</sup>

### MORE ACT OF 2019

#### MARIJUANA OPPORTUNITY REINVESTMENT AND EXPUNGEMENT ACT

- Would decriminalize and deschedule cannabis at the federal level, and expunge certain cannabis-related offenses
- 5% federal sales tax would fund job training, small business loans, and minimize barriers to licensing
- Symbolic House vote passed in December 2020

1. See "Forward-Looking Statements" disclaimer on pages 3-4.



# Traditional industries are embracing cannabis

## ALCOHOL

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## PHARMACEUTICALS

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## PHARMACIES

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## TOBACCO

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## CONSUMER ANALYTICS

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## RETAIL

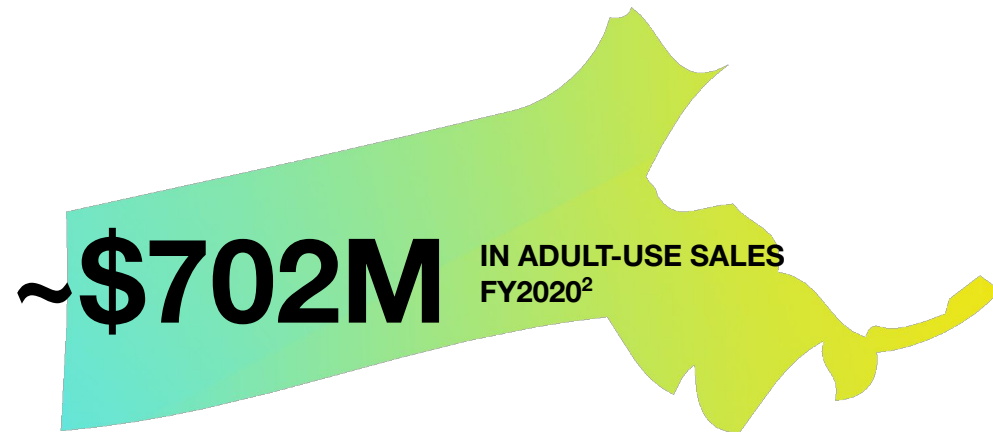
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## PRO SPORTS RESEARCH PARTNERSHIPS

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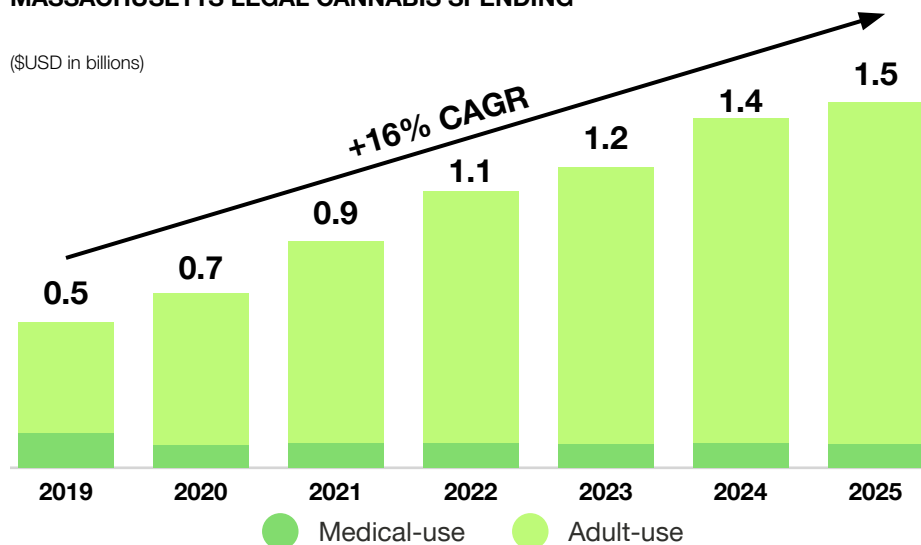
# Massachusetts market overview

- Parallel is the market share leader by net revenue in Massachusetts and controls two highly successful dispensaries with plans to open a third in Q2 2021<sup>1</sup>
- Following a slow rollout in 2018, the Massachusetts adult-use market eclipsed \$445 million in legal sales in 2019, and despite a statewide moratorium in April and May 2020, sales grew 58% year-over-year to the tune of \$702 million<sup>2</sup>
- Annual legal cannabis spend is expected to reach \$1.5 billion by 2025, growing 16% per year and becoming the eighth-largest market in the country<sup>1,3</sup>



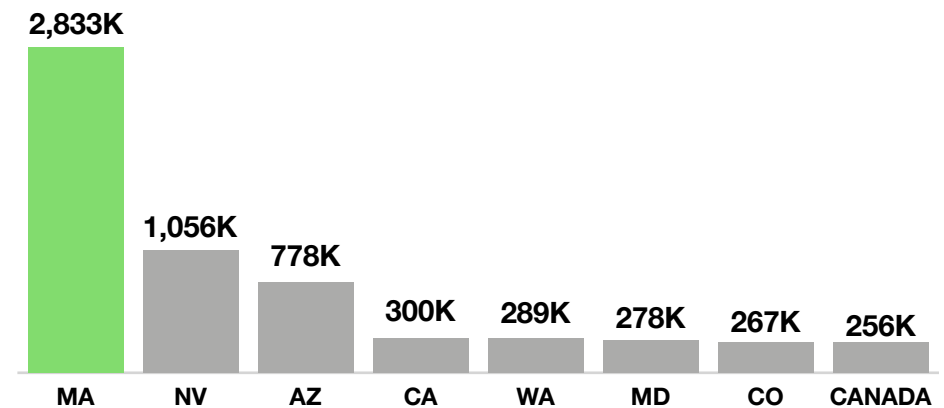
## MASSACHUSETTS LEGAL CANNABIS SPENDING<sup>1,3</sup>

(\$USD in billions)



## MONTHLY REVENUE PER DISPENSARY (FIRST 9 MONTHS OF ADULT-USE SALES)<sup>4</sup>

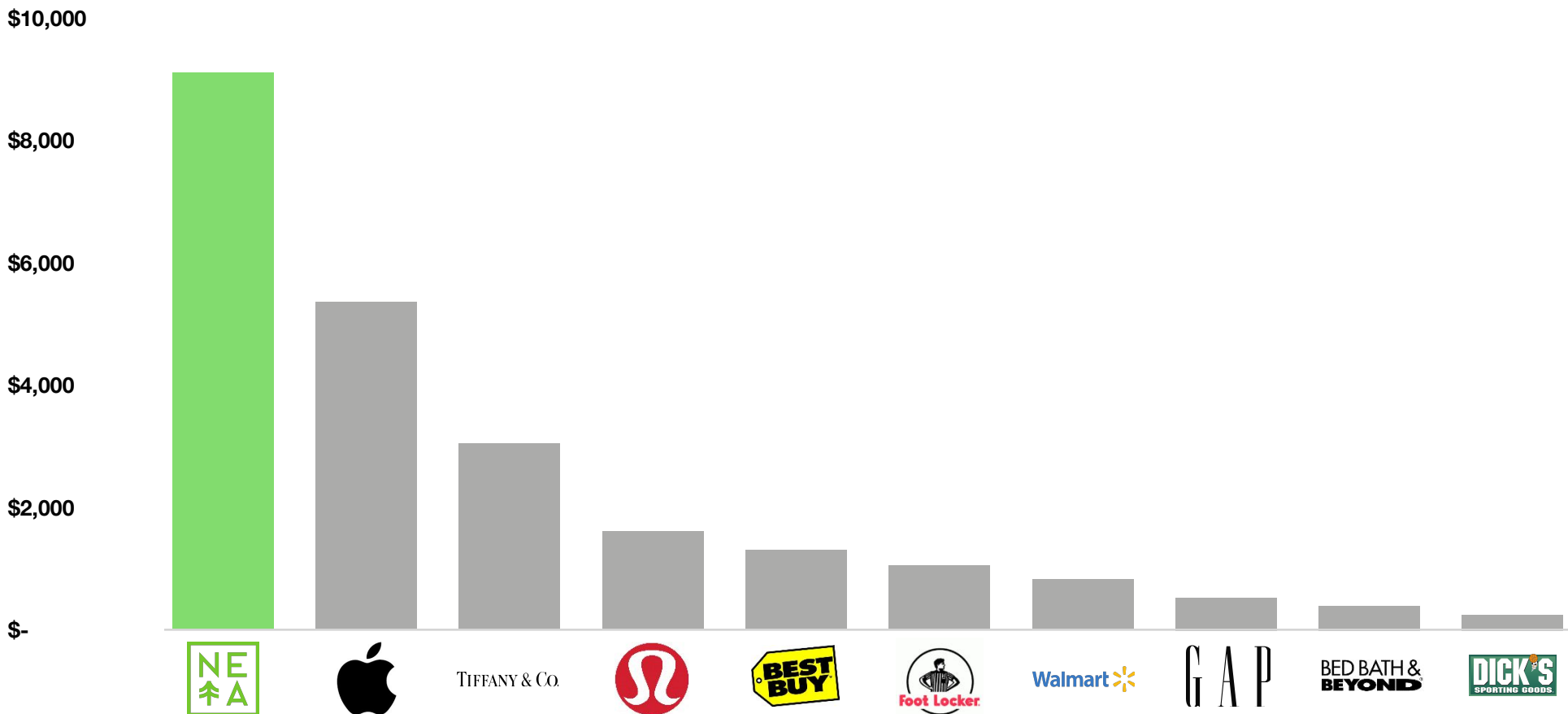
(\$USD in thousands)



# Blue-chip revenue generation capabilities

NETA is the market leader in Massachusetts and is generating higher revenue per square foot than many other major retailers

AVERAGE ANNUAL REVENUE PER SQUARE FOOT

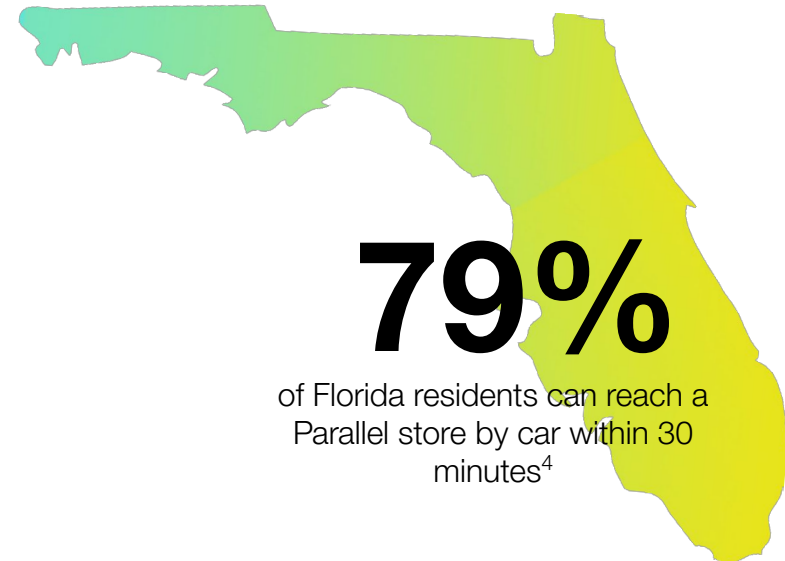


Source: Company filings and presentations, Investopedia. Note: NETA metrics based on FY 2019 net revenue. All data as of FY 2018 other than WMT (FY 2019). GAP is inclusive of all retail brands under the GAP umbrella. GAP, WMT, BBY, and BBBY data uses total revenue and may include non-store revenue. DKS data is based on net sales, which excludes e-commerce, and gross square feet which includes ~17% of total store area attributed to non-retail space. BBBY data is based on net sales. Foot Locker data is based on gross square footage.



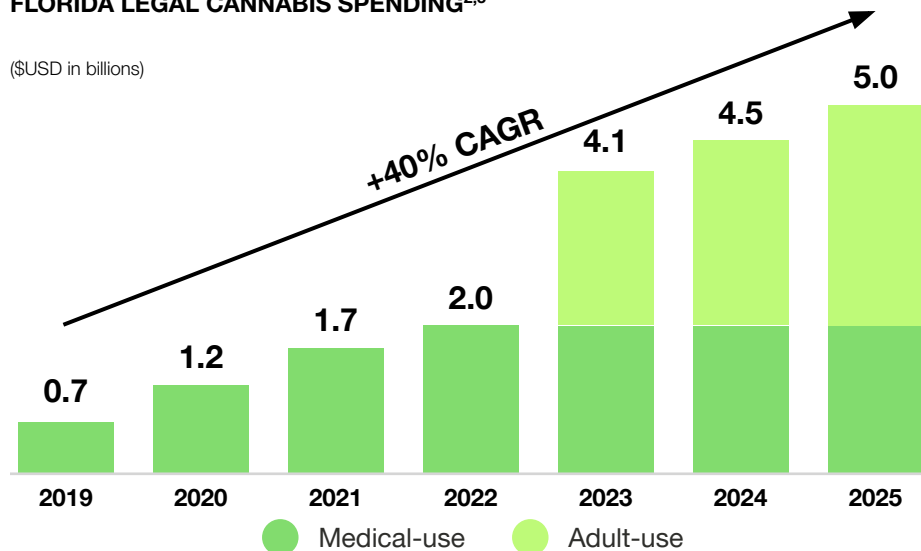
# Florida market overview

- Since the opening of the market in 2016, Florida has been the fastest growing medical-only cannabis market in the world
- Florida currently has 462,000+ active patients on the medical cannabis registry<sup>1</sup>, a ~53% year/year increase
- Following the successful introduction of flower in 2019, rules for the introduction of edibles/marijuana-infused products (MIPs) were put in place in August 2020 and are likely to stimulate additional market growth<sup>2</sup>
- Adult-use legislation is strongly anticipated by 2022<sup>2</sup>
- Legal cannabis spending in Florida will likely reach \$5B by 2025 and create the third-largest market in the U.S.<sup>2,3</sup>

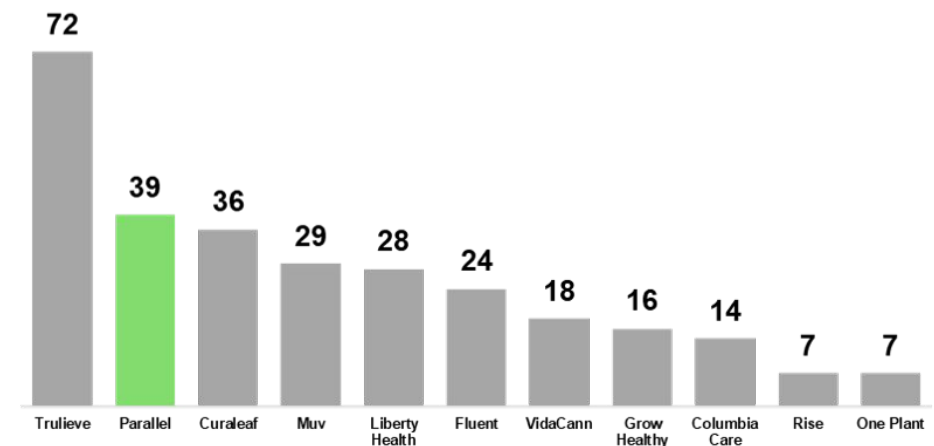


## FLORIDA LEGAL CANNABIS SPENDING<sup>2,3</sup>

(\$USD in billions)



## NUMBER OF DISPENSARIES<sup>1,5</sup>



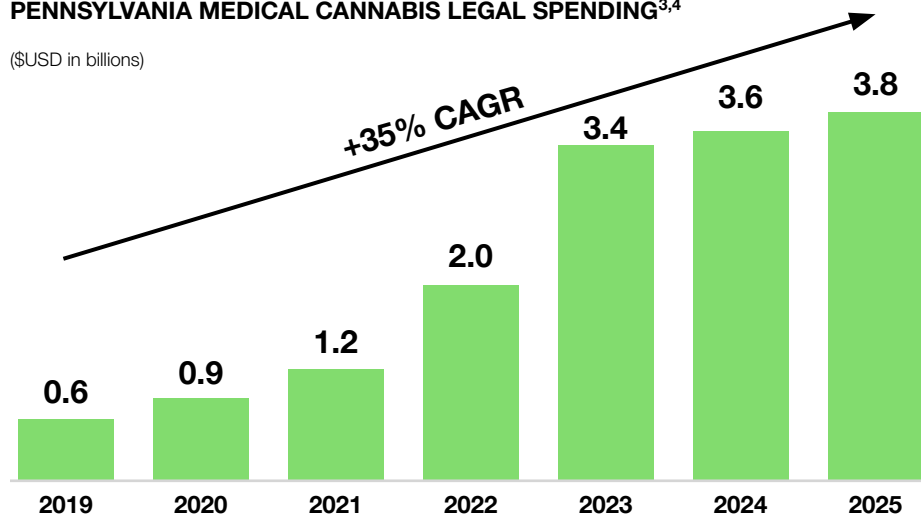
# Pennsylvania market overview

- Pennsylvania's medical cannabis program has exploded in popularity since the state Department of Health added anxiety disorders to the list of qualifying conditions in July 2019<sup>1</sup>
- More than 230,000 Pennsylvanians are enrolled in the medical cannabis program<sup>2</sup>
- With 103 open dispensaries and a population of just under 13 million, Pennsylvania represents a medical market opportunity of more than \$1B<sup>2,3</sup>
- Adult-use is expected to be legalized in 2022, strengthened by Governor Tom Wolf's ask of the state legislature in the fall of 2020 to legalize it to help assist with COVID-19-related budget shortfalls<sup>4</sup>

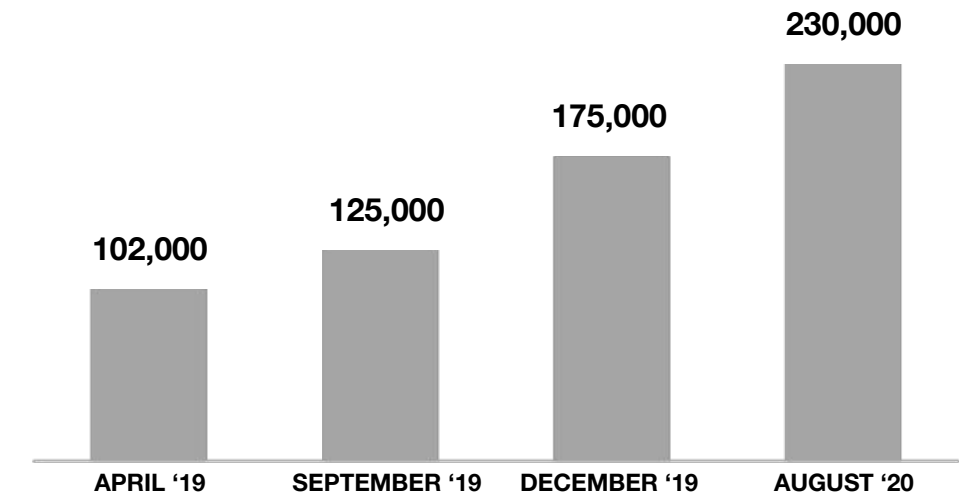


## PENNSYLVANIA MEDICAL CANNABIS LEGAL SPENDING<sup>3,4</sup>

(\$USD in billions)



## ACTIVE PATIENT COUNT GROWTH<sup>1,2</sup>

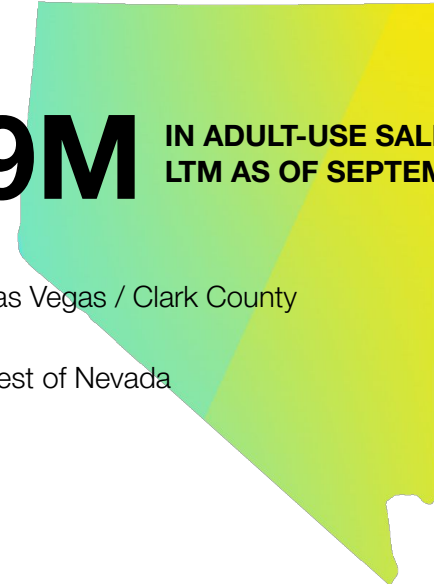


# Nevada market overview

- Despite just three million residents, Nevada has become an extremely attractive cannabis market since adult-use sales began in 2017; 40 million+ tourists visit Las Vegas annually; the vast majority are over 21 years old and price insensitive
- Nevada is expected to become the 9th-largest cannabis market by 2025 and possess the highest spend per resident<sup>1,2</sup>
- We have agreed to preliminary terms with **Cookies**, a leading cannabis brand, to enter a joint venture to rebrand The Apothecary Shoppe, our dispensary in Las Vegas, as a Cookies-branded store
- The Apothecary Shoppe is in a prime location just off the Strip, directly across the street from Palms Casino Resort

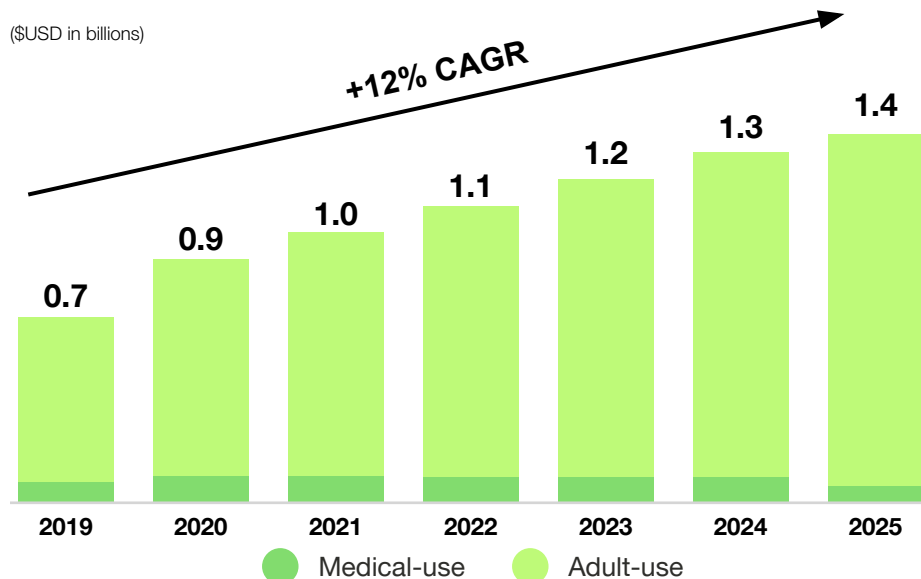
**\$739M** IN ADULT-USE SALES  
LTM AS OF SEPTEMBER 2020<sup>3</sup>

**78%** Las Vegas / Clark County  
**22%** Rest of Nevada



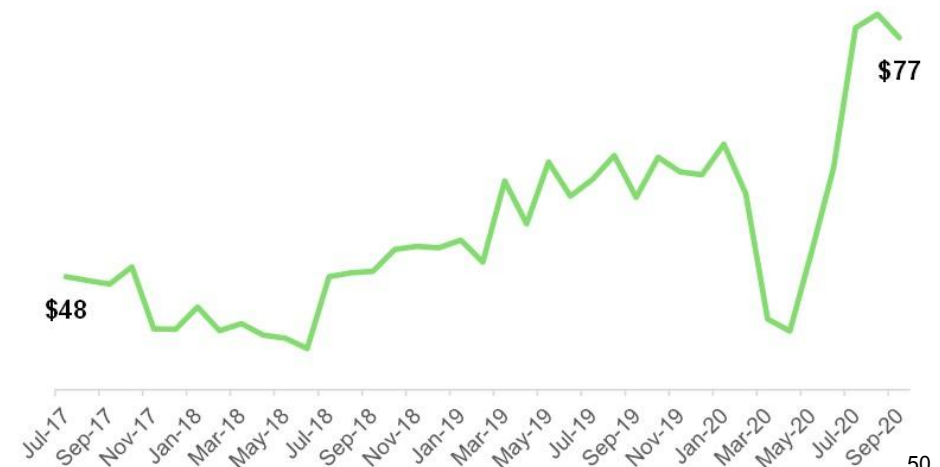
## NEVADA LEGAL CANNABIS SPENDING<sup>1,2</sup>

(\$USD in billions)



## NEVADA MONTHLY LEGAL CANNABIS SPENDING<sup>3</sup>

(\$USD in millions)

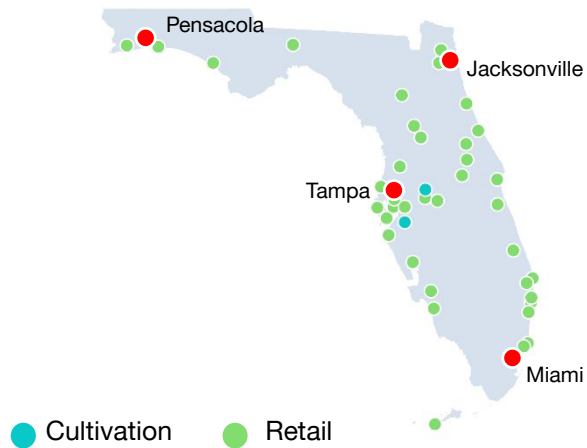




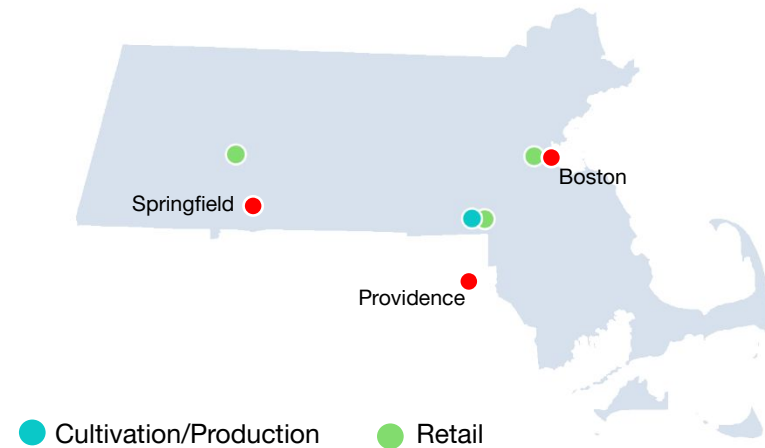
# Overview of operations by state

● Key Cities

## FLORIDA LOCATION OVERVIEW



## MASSACHUSETTS LOCATION OVERVIEW



## PENNSYLVANIA LOCATION OVERVIEW



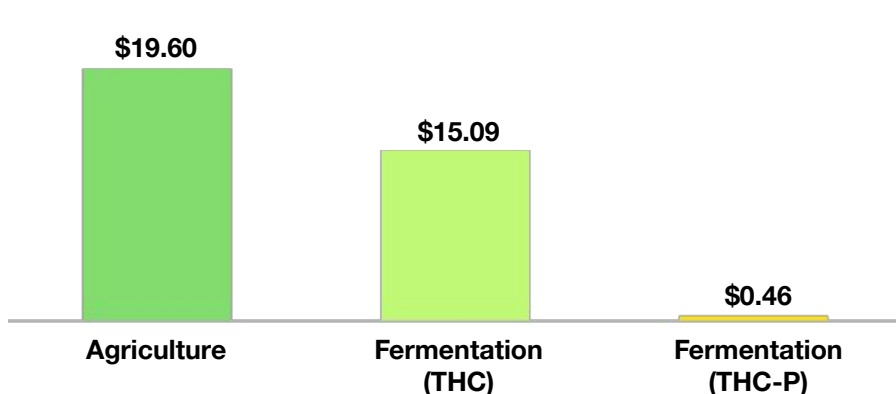


# Economic highlights of rare cannabinoid production

## RARE CANNABINOID OUTPUT

- Based upon our target yields, production of cannabinoids from fermentation delivers significant production cost savings
  - Production of THC represents more than 23% cost savings
  - When using the more potent THC-P, production savings exceeds 97%
- When applied to 2021 output forecasts, the cost savings for THC would be \$12.8M<sup>1</sup>
- When applied to 2021 output forecasts, the cost savings for THC-P would be >\$52M<sup>1</sup>
- With savings applied to 14x entry EBITDA multiple, implied enterprise value boost exceeds \$729M<sup>2</sup>

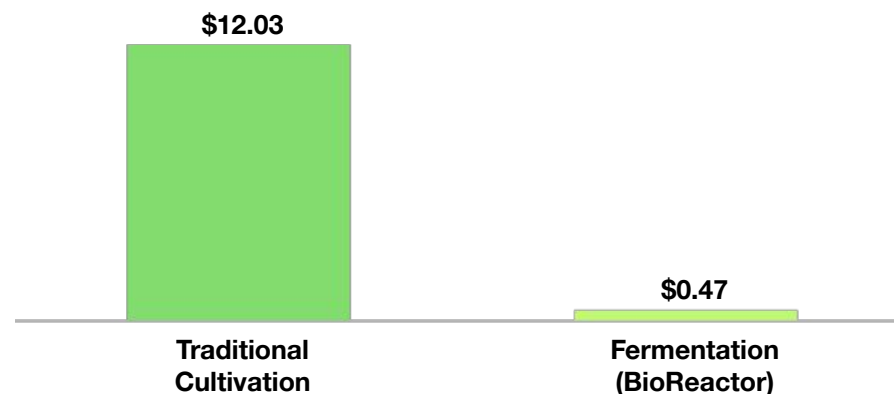
## MICROBIAL PRODUCTION (COST PER GRAM)



## IN HOUSE FERMENTATION VS. CULTIVATION

- There is a significant speed advantage to get production up and running when compared to cultivation construction
  - In a world where each market requires a separate supply chain, this is critical to accelerate revenue
- On top of speed, fermentation provides a significant cost savings over agriculture
  - To match cannabinoid output of a 145K square foot facility, a fermentation setup would require \$1.3M of equipment and 4 FTEs in 4,000 square feet
- Estimated Cost savings for Parallel existing Infrastructure for infused products: \$45M+<sup>1</sup>

## CAPITAL EXPENDITURES PER GRAM



1. See "Forward-Looking Statements" disclaimer on pages 3-4 and financial assumptions on pages 57-58. 2. See "Non-GAAP Measures, Reconciliation, and Discussion" disclaimer on page 5.

# UPMC: unique partnership & research opportunity

Our Chapter 20 Clinical Registrant license, awarded in partnership with University of Pittsburgh Medical Center (“UPMC”), provides an opportunity for Parallel to (i) study the beneficial effects of cannabis and (ii) operate facilities in Pennsylvania

## PARTNER OVERVIEW

- UPMC is a \$21 billion integrated global health enterprise that has 89K+ employees, 40 hospitals, 700+ clinical locations, and a 3.7M+ member health insurance division
- UPMC is a leading American health care provider - ranked in U.S. News and World Report "Honor Roll" of the approximately 15 to 20 best hospitals in America - for 15+ years
- UPMC is one of only eight academic institutions in Pennsylvania that has been selected to receive the Chapter 20 research license in conjunction with the state's medical cannabis program

## CLINICAL REGISTRANT LICENSE OVERVIEW<sup>1</sup>

- Through our partnership with UPMC, we are one of only 8 companies in Pennsylvania operating under the Chapter 20 Clinical Registrant licensure program, which includes:
  - A cultivation and processing license (1 of up to 25)
  - A retail license for up to six retail stores (103 exist today, non-Clinical Registrant license-holders can only operate three)
  - A clinical research license to conduct studies and human trials utilizing cannabinoids to treat acute medical conditions
  - Parallel is participating in research studies, one of which will initially focus on Sickle Cell Disease (“SCD”)
    - SCD afflicts 100,000+ people annually and disproportionately affects the African-American community and is typically treated with opiates
    - Lifetime treatment cost can often exceed \$1M, providing an opportunity for significant cost savings with cannabis
- 10 year partnership allows Parallel to conduct future research initiatives with proprietary products and formulations



1. See “Forward-Looking Statements” disclaimer on pages 3-4 and financial assumptions on pages 57-58.



# Redefining retail

# goodblend

## Effortlessly Cool Retail Concept

- Approachable for new-to-cannabis users
- Instant authenticity for cannabis veterans
- Malleable environment with clean design and heavy use of digital displays with ever evolving brand content

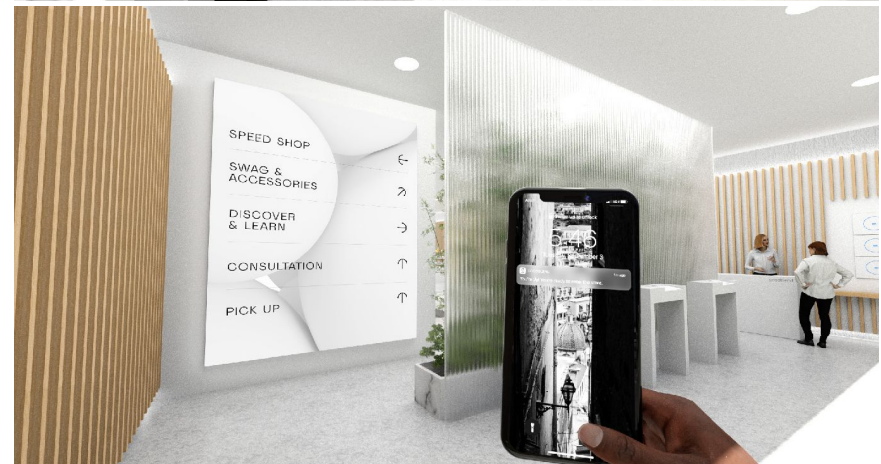
## Blurring of Digital and Physical

- AR marketing features & digital displays
- Omni-channel e-commerce experience
- Bluetooth locker pickup

## Designed to Accommodate All Shoppers

- Consultation rooms for novices
- Experienced goodblend guides
- Frictionless pickup on order-ahead

*Brand Concept & Design by innovative agency Firstborn*



# Overview of Ceres Acquisition Corp.

## Core Investment Team



**JOE CROUTHERS**  
Chairman & CEO

- CEO & Co-Founder of Ceres Group Holdings, Chairman & CEO of Ceres Acquisition Corp. (CERE.U), and Director of Fotmer Life Sciences Uruguay, Inc.
- Founded Greenlinc Inc., a cannabis distribution and transportation company in Northern California
- Former Goldman Sachs portfolio manager and advisor
- Graduate of Vanderbilt University | Completed Level II of the CFA Program



**MICHAEL VUKMANOVICH**  
COO

- COO & Co-Founder of Ceres Group Holdings and COO of Ceres Acquisition Corp. (CERE.U)
- Advisor to investors and cannabis companies for nearly two decades
- Former AOL, Hearst, Cox Media, and Zeta business development executive
- Graduate of Southern Connecticut University | Division 1 basketball at Duquesne University



**JORDAN COHEN**  
President & CFO

- President & CFO of Ceres Acquisition Corp. (CERE.U)
- Former Managing Director of Sierra Bonita Holdings, LLC, a Los Angeles based family investment office
- Founder and CEO of PLAYLIST., one of Los Angeles' premiere lifestyle fitness brands
- Former Weil, Gotshal & Manges corporate law associate
- Graduate of Tulane University (Magna Cum Laude) | Emory University School of Law (With Honors)



**ZACH LOMIS**  
VP of Strategic Finance

- VP of Strategic Finance of Ceres Group Holdings
- Partner of Monica's House, advisor & mentor to several start ups, and active investor
- Led cannabis investing for an early stage consumer fund based in New York, Outbound Ventures
- Former Tang Media Partners VP of Strategic Finance, Sony Pictures Television business development associate, and Goldman Sachs investment banking analyst
- Graduate of Washington University in St. Louis (Summa Cum Laude)

# Overview of Ceres Acquisition Corp. (Cont'd)

## Strategic Partnerships



- Founded and grew 72andSunny, a leading global marketing, advertising, and design company
- Voted two-time “Agency of the Year” winner for Advertising Age and Adweek
- Advised leading international companies such as Adidas, Google, Match, NFL, General Mills, Unilever, and Samsung



- MGMT Ent., founded by David Schiff, is a producer of FX’s “Atlanta” and manager to high profile talent such as Melissa McCarthy, Jeff Bridges, Ethan Hawke, Kevin Bacon, Maggie Gyllenhaal, Eminem, Aubrey Plaza, Dan Levy, Glenn Close, and Kyra Sedgewick
- Schiff is an Executive Producer on Showtime’s upcoming limited series “The Good Lord Bird” and FX’s upcoming series “Old Man”



- Founded by Coran Capshaw in 1991, Red Light has developed into the largest independent music management company in the world focused on touring, commerce, festivals, licensing, branded entertainment, and artist-driven philanthropy
- Talent roster includes artists such as the Dave Matthews Band, Luke Bryan, Lionel Richie, Enrique Iglesias, Dierks Bentley, ODESZA, Chris Stapleton, Lady Antebellum, Alabama Shakes, and Phish





# Financial model assumptions<sup>1</sup>

## Florida:

- Assumes existing two cultivation facilities continue to produce inputs for sellable cannabis products in 2021 and 2022
- Assumes incremental cultivation capacity being added in 2021 is able to produce product inputs for sellable cannabis products in 2022
- Assumes we are able to execute our plan to build out 18 additional stores during 2022
- Assumes operating expenses increase by ~\$11M in 2021 relative to 2020 and an incremental ~\$11M in 2022 relative to 2021

## Massachusetts<sup>2</sup>:

- Assumes a 3rd store opens in Q2 2021 and 4th in Q4 2022
- Assumes we start construction on a second cultivation facility in late 2021, which is expected to be finished in 2022 and increase our total canopy in Massachusetts to the state statutory cap of 100,000 square feet
- Assumes we will be able to source some supply from wholesalers, which may be sold at lower gross margins than supply we cultivate ourselves
- Assumes operating expenses increase by ~\$10M in 2021 relative to 2020 and an incremental ~\$0.2M in 2022 relative to 2021

## Nevada:

- Assumes an uptick in traffic in 2021 relative to 2020 given COVID-19 impact
- Assumes we are able to sell 3rd-party products in store
- Assumes operating expenses decrease by ~\$0.6M in 2021 relative to 2020<sup>3</sup> and operating expenses increase by less than \$0.1M in 2022 relative to 2021

## Texas:

- Assumes expansion of Texas medical cannabis program to take effect in Q4 2021
- Assumes we expand our cultivation capabilities in 2021 with further expansion in 2022
- Assumes 1 store opens in 2021
- Assumes operating expenses increase by ~\$5M in 2021 relative to 2020 and an incremental ~\$10M in 2022 relative to 2021

## Pennsylvania:

- Assumes 6 stores open in 2021
- Assumes we finish initial phase of cultivation facility buildout in mid-2021 with further expansion to the facility in 2022
- Assumes we will be able to source products from wholesalers, which may be sold at lower gross margins than supply we cultivate ourselves
- Assumes adult-use sales by Q4 2022
- Assumes operating expenses increase by ~\$15M in 2022 relative to 2021

## Georgia<sup>4</sup>:

- Assumes 3 medical stores open in Q4 2021 and another 7 by the end of 2022
- Assumes operating expenses increase by ~\$15M in 2022 relative to 2021

1. See "Forward-Looking Statements" disclaimer on pages 3-4. 2. The current statutory cap on ownership by a single entity is three adult-use dispensaries and three medical-use dispensaries. Should the cap be raised or removed, Parallel has plans to pursue the necessary steps to open additional locations. If the cap is not removed, we plan to decouple our adult-use and medical-use licenses in Brookline to open a fourth location solely for medical-use sales. 3. In order to create comparability between years, Nevada 2020 operating expenses being compared exclude a 1-time ~\$23M asset impairment charge. 4. The regulations surrounding retail infrastructure in Georgia have not yet been finalized, and the cap set could be higher or lower than this number.





# Planned market assumptions<sup>1</sup>

## **New Jersey:**

- Though we have not forecasted any revenue in this state, our claim that we have plans to be in 8 markets with 86 stores assumes our license application will be approved and we will be able to open 1 store in the state

## **Virginia:**

- Though we have not forecasted any revenue in this state, our claim that we have plans to be in 8 markets with 86 stores assumes our license application will be approved and we will be able to open 6 stores in the state

1. See "Forward-Looking Statements" disclaimer on pages 3-4.



# Non-GAAP measures reconciliation<sup>1,2</sup>

Below is a bridge from GAAP net loss to Adjusted EBITDA for 2019 and 2020. For future periods, Adjusted EBITDA excludes stock-based compensation expense.

	<u>2019</u>	<u>2020</u>
Net Loss (GAAP) <sup>3</sup>	(\$263M)	(\$140M)
Plus: Net Interest Expense	+ \$32M	+ \$53M
Plus: Depreciation and Amortization	+ \$13M	+ \$20M
Less: Tax Benefit	(\$8M)	(\$2M)
<b>EBITDA</b>	<b>(\$226M)</b>	<b>(\$69M)</b>
Plus: Stock-based Compensation	+ \$95M	+ \$35M
Plus: Severance	+ \$2M	+ \$5M
Plus: Other Adjustments <sup>4</sup>	+ \$127M	+ \$51M
Plus/Less: Loss/(Gain) on Sale	+ \$1M	(\$4M)
<b>Adjusted EBITDA</b>	<b>(\$1M)<sup>5</sup></b>	<b>\$18M</b>

1. See "Forward-Looking Statements" disclaimer on pages 3-4. 2. See "Non-GAAP Measures, Reconciliation, and Discussion" disclaimer on page 5. 3. 2019 and 2020 net loss figures are not from a PCAOB audit and thus are subject to change. 4. 2019 other adjustments include ~\$79M early settlement of contingent consideration, ~\$11M of litigation and transaction fees, and \$36M of EBITDA generated in Massachusetts in 2019 prior to acquisitions closing. 2020 Other Adjustments include ~\$23M of non-recurring impairment charges, ~\$18M loss on extinguishment of loan, ~\$4M of inventory writedowns, and ~\$6M of other adjustments. 5. 2019 Adjusted EBITDA is pro forma as if Massachusetts acquisitions closed on December 31, 2018.





# Shifting the paradigm

History is in the making with cannabis around the globe, and we want to set the standards for how to do it right for the long-term. Our vision extends beyond cannabis; we want to be a force for positive change by developing innovative products and services that support the path to wellbeing.

Join us as we develop innovative, effective cannabis well-being products for every consumer.