



IRUWA

B I O S C I E N C E

Investor Conference Call FY21

August 30th, 2021

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Rob Mitchell
Kaiwhakahāere Matua
Chief Executive Officer



Hamish White
Āpiha Kaiwhakahāere Pūtea
Chief Financial Officer

Overview

- **Achievements at a Glance**
- **Key Appointments**
- **Financial Highlights**
- **Balance Sheet and Cashflow**
- **Regulatory Issues**
- **Next Milestones for Rua**
- **Outlook**



FY21: An Overview

In FY21, Rua's focus has been on building solid foundations for growth – developing the partnerships, places, processes, and people it needs to create a sustainable medicinal cannabis business model.

Rua's commitment to creating shareholder value has seen it working on two fronts - preparing to enter local and global medicinal cannabis markets by calendar year end 2021 / early 2022 and developing long-term opportunities across the medicinal cannabis value chain.

July, 2020 ●
Signed sales agreement with Nimbus Health

August, 2020 ●
Granted commercial licence

October, 2020 ●
Commissioned cultivation centre in Ruatorea

October, 2020 ●
Rua listed on NZX, raises **\$20 million in IPO**

November, 2020 ●
Rua began its GMP certification process

Achievements at a Glance

Mawhiti mai ki nga
whakatutukitanga

March, 2021

Successful export of the first medicinal cannabis flower sample to Germany.

June, 2021

Hyperspectral Imaging project with the University of Waikato announced, targeting entry into the \$2.5b Global cannabis testing industry.

Achievements at a Glance

Mawhiti mai ki nga
whakatutukitanga



Update on Key Milestones

Progress Towards First Export Sales

Rua's first material sales will be through wholesale exports of pharmaceutical-grade products into the German market via its agreement with Nimbus Health.

Rua began the audit of its Gisborne manufacturing facility in November 2020, a process we hope to complete soon.

In March, Rua successfully exported its first sample of dried flower material to Germany for scientific analysis.

Product for New Zealand Patients

Rua has been working to meet the heightened demand for medicinal cannabis products in Aotearoa.

Rua anticipates having product available for New Zealand patients as a prescription-only medicine in calendar year 2022

Progress on Cultivation Optimization and Capacity

Discussions continue with potential grower partners to expand cultivation capacity and increase biomass supplies.

Research and Development (R&D)

Rua announced a ground-breaking, two-year research programme to investigate the application of hyperspectral technology to the cultivation and assessment of medicinal cannabis, paving the way for Rua to enter New Zealand's booming agritech sector



Key Appointments

In FY21, our recruitment strategy focused on two equally critical components; building a capable and committed team that will propel the Company towards commercialisation; creating highly-skilled, well-paid jobs for the people of Te Tairāwhiti.

Key Appointments

Dr Andrea Grant

Āpiha Kaihoko Matua

Chief Commercial Officer

PhD Molecular Neurobiology

Andi has carved out an outstanding international career focused on commercialising medical innovations in the pharmaceutical and biotech sectors across the UK, Europe, USA, NZ and Asia. Andi will drive the Company's domestic and global expansion.



Key Appointments

Dr Dawn Smith

Kaiwhakahāere whanake hua

Product Development Manager

PhD Polymer Science

Dawn joined Rua after a decade at Crown Research Institute Scion, first as Research Leader Polymers and Composites, and as Portfolio Leader Bioproducts and Packaging. Dr Smith is responsible for developing innovative medicines for evolving markets. Dawn comes with a proven track record in producing pharmaceuticals, medical devices, packaging and new products.



Key Appointments

Len Walker

Ngāti Porou, Aitanga-a-Hauti, Te Whānau-a-Apanui

Kaiwhakahāere hangahanga

Production Manager

MBA

Len returns home having carved out an impressive management career in the Dairy industry that takes in Tui Co-operative Dairy Company, the NZ Dairy Research Institute, Edendale, Open Country Miraka, and Westland Milk Product.



Loss before tax \$6.17m

Investment in R&D \$1.90m

Other income \$451k

Income Tax Credit \$1.75m

Loss after tax \$4.42m



Financial Highlights

Profit & Loss

Nga Pūtea

Rua's annual financial results for the year the ended **30 June 2021**.

Cash & Investments was \$16.4m

**Investment in property, plant and
equipment was \$6.17m**

Net Assets \$28.8m

Financial Highlights

Balance Sheet

Nga Pūtea

Rua's annual financial results for the
year the ended **30 June 2021**.

**Net cash outflow from operating
activities \$4.48m**

**Net cash outflow from investing
activities \$14.43m**

**Net cash inflow from financing
activities \$18.3m**

Financial Highlights

Cashflow

Nga Pūtea

Rua's annual financial results for the
year the ended **30 June 2021**.



The NZ Market

- April 2020 - Misuse of Drugs (Medicinal Cannabis) Regulations
- The purpose of the Scheme is to improve access to quality medicinal cannabis products for patients
- Licensable activities:
 - Cultivation
 - Nursery
 - Research
 - Manufacture
 - Supply
- Domestic Market – \$70m
- Export Market opportunity will be key to our financial performance

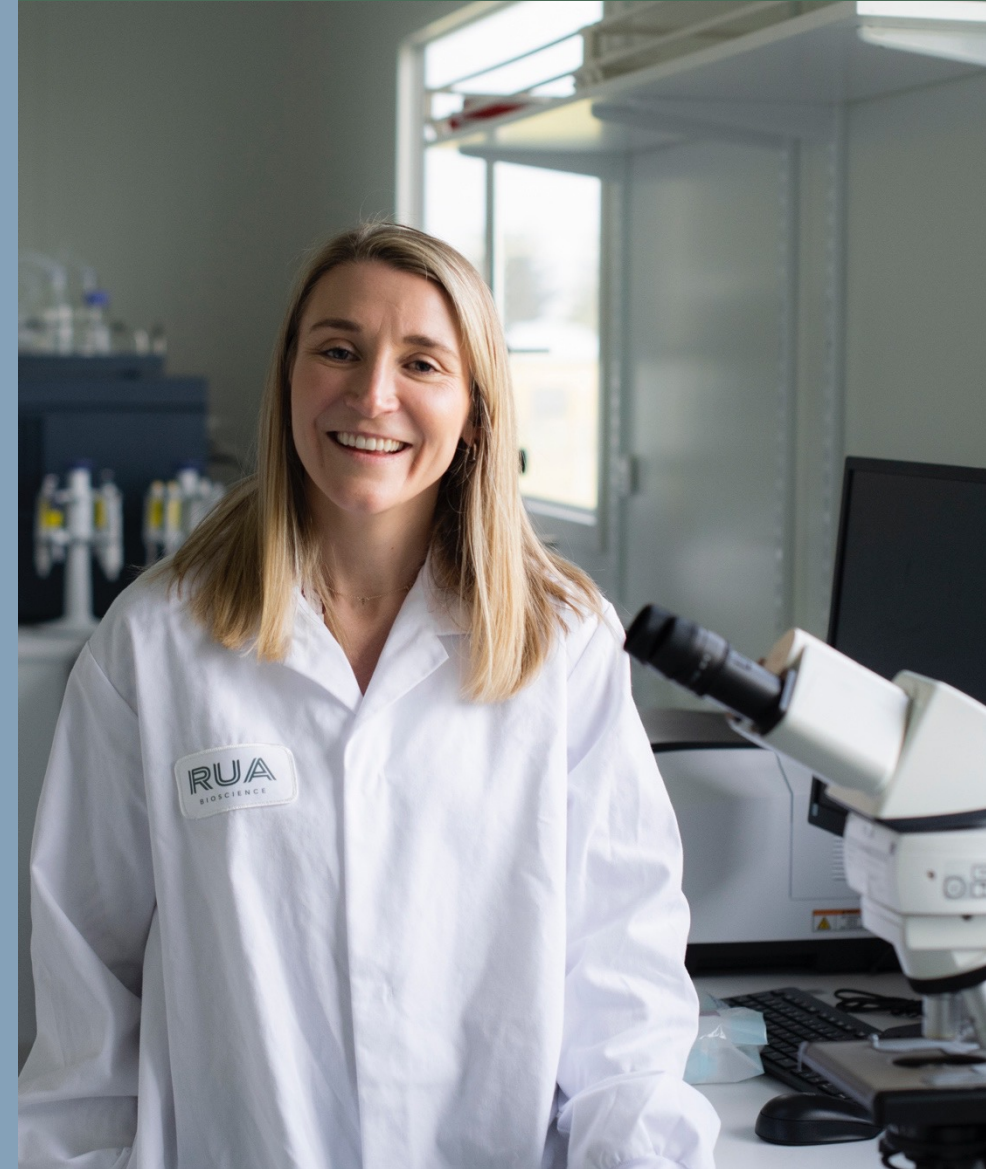


Access in NZ

- Requires a prescription from a GP or specialist.
- Doctors or pharmacies dispense the product.
- Legally you cannot purchase medicinal cannabis products online or from a third party.
- Any doctor can prescribe CBD or THC products.
- Sativex is the only approved registered medical cannabis product.
- Other unregistered products are available such as the Tilray range of products.

The New Zealand Medicinal Cannabis Market

- Subsidies for cannabis-derived medicines.
- Provisional consent for medicines with Phase 1 and 2 clinical trial data, enabling some marketing to healthcare professionals.
- Low-dose CBD (which has a low-risk profile) available over the pharmacy counter.
- ACC and MSD funding of legitimate medicinal cannabis prescriptions for their clients.
- Government recognition of the production standards and requirements of each export jurisdiction on a case-by-case basis.



Good Manufacturing Practice

- Globally recognised minimum standards for the manufacture of medicines.
- Prerequisite for commercial production.
- Key step on the path to revenue.
- Rua began audit in November with a result due soon.



- New Medicinal Cannabis Product Application
- Stability / Shelf Life Testing
- First Export Revenues
- Development of the Grower Partner programme
- First Cultivation Partner Production

Future Milestones



Outlook

Focused and realistic export strategy.

Clear path to revenue extending along the medicinal cannabis value chain.

Join us for the AGM

12:00pm

19 October, 2021

Waikanae Surf Club, Gisborne
and online.