

SHAREHOLDER Q&A from prior to the AGM, During and follow up

Shareholder questions:

For what time period can the company keep going without a further equity or debt raise?

Our current operations are generating sufficient cash to cover the costs associated with running the group, so any future fund raise is likely to be linked mainly to our growth strategy through mergers and acquisitions. Therefore, we would decide what requirements we had at the time each opportunity was identified.

What thoughts do the board have on why the share price hasn't moved and what catalysts do they feel will change this?

The share price has been disappointing recently considering the clear strategy set out by the board and the results this has generated. The board is currently working on a shareholder communications plan to strengthen investor relations in parallel to delivering its strategic objectives which will, we hope, be reflected in the future share price.

Does Sativa Wellness Group have any plans to list on a different exchange, such as AIM for example?

Sativa Wellness Group is listed on 4 exchanges, the CSE in Canada, AQSE in the UK, Frankfurt in Germany and the OTC in the US. The board constantly keep the exchanges we are listed on under review, but any advantage of any change has to be balanced with costs and the distraction to the core business. The board will however make changes if considered it is in the best interest of shareholders.

What are the plans for shareholder engagement in Germany?

There are a number approaches we are taking to improve shareholder communication through formal announcements, informal new channels, and Social Media. The overall activity is planned to increase significantly between now and the end of the year. Initiatives are:

On-Going – releases to market to include:

- Corporate site to evolve with 3 business units
- Pro-Active Investor/Director Talks Videos
- General PR Releases
- News Distribution
- Other Engagement including Forums

On-Going – direct communications to shareholders to include:

- Discounted Products
- Quarterly Newsletters
- Email responses
- Social Medial Updates

Goodbody clinics business stream

There are close to 1million Covid tests done in the UK. Breaking down the numbers shared by Sativa so far, the calculated daily number of tests performed by all Goodbody Clinics is around 1,000-2,000 tests per day. What will Sativa do in a timely manner to expand market share and grab more of the potential revenue?

We cannot confirm these figures but we continue to increase the number of clinics that we have and we're broadening the product range that our clinic operators can offer to their customers. The Covid testing market is a continually changing landscape due to reflecting the changes in government guidance which we monitor and respond to as soon as possible while continuing to develop other relevant services.

CBD business stream

Strong sales growth was shown with the half year revenue figures. This is probably due to the increased Covid Test sales. This can unfortunately only be assumed, as there is no separation of revenues by business stream yet. When can we expect the actual core business CBD to contribute the main part to Sativa's sales? And what is being done to make Sativa's high quality products better known in the market?

As the clinic business was piloted at a time when the landscape was difficult to predict due to COVID there was no separation of clinics from CBD initially as both staff and resources were shared. We are now going through a process of splitting income and costs to clearly reflect the three areas of the business.

We are looking to change the CBD marketplace with our new pricing and membership pricing model. We are re-enforcing the quality of our products but also introducing a pricing structure to allow all to gain access to CBD.

As part of the road map we plan to increase our product range to promote ourselves via b2c but also increasing our offering for the white label and wholesale routes to market.

B2C- Goodbodystore

We are restricted by Google on cheaper and fast routes to market such as Pay Per Click and Social Media advertising – all of which are not allowed for CBD. We have recruited an internal team to implement the agreed marketing road map which will be invested in line with the revenue generated including an SEO specialist who is tasked to increase our Google rankings and reach.

Trust, loyalty and word of mouth are key to this industry. We are addressing this in a number of ways including.

- We have brought on Live Chat
- We have a PR agency who generate publicity through a variety of methods.
- We are due to launch a CBD swap programme.
- We are building relationships with customers and ambassadors to endorse our products.
- We are instigating a member recruitment programme.
- Social media is part of the programme - albeit we can only do organic activity.

Beverages and Food - CBD isolate

In a previous exchange, it was confirmed that Sativa is already producing a usable isolate, which can be used directly in beverage and food production. Is this true? If so, why is this possibility not being marketed throughout Europe? If partnerships already exist, why are they not known? Will there be further exclusive partnerships? What is the short-term, medium-term plan here? What other products in the area of food are conceivable here and are being considered in the medium term?

We are currently looking at a number of opportunities to expand our portfolio in the current arena through either partnering with, or potentially acquisition of, relevant businesses. For obvious reasons we cannot divulge confidential discussions with parties until agreement is

reached. As soon as any agreements are reached, we will share the information with shareholders.

White label product

Sativa offers a white label solution for the CBD area. So far, there is little to be read about this in the press. How big is the customer base in the meantime? Is this offer in demand? Why is this opportunity not really marketed? And if cooperations already exist, why are they not publicized to the outside world? What exactly is the medium-term plan with the white label business?

We have a dedicated team member who, in conjunction with the overall marketing team, has made great headway in establishing good relationships with our existing white label customers and setting procedures in place to expand this more profitable route to market. Our team have worked hard to develop these existing customers and are in negotiations with many white label customers to agree their long-term production needs.

We need to adhere to strict guidance with regards to Novel Foods in promoting to new customers to stay within the regulations.

We are creating a white label customer package to include a PDF catalogue, price list and expanded product range. There will be an update soon on the website.

As part of the road map we have a planned extension of the product ranges we would aim to promote to white label customers.

Medical Cannabis

Through the announcement of the cooperation with Lexamed (Germany), the topic of medical cannabis is becoming more and more interesting, in addition to the distribution of new, joint CBD products in the German and other European markets. What are the medium/long-term plans here?

Medicinal cannabis remains an area of interest and that is why we have continued to fund research through King's College London. We do however have to focus on our strengths in the wellness sector. What we will be looking for is collaboration to support research that demonstrates genuine benefits for CBD usage to individual's health that can be published to support the use of our products.