



CEA INDUSTRIES

**A PLATFORM FOR
AGRICULTURAL INNOVATION**

November 2023 Presentation





DISCLAIMER

Forward Looking Statements

This investor presentation may contain statement of a forward-looking nature relating to future events. These forward-looking statement are subject to the inherent uncertainties in predicting future results and conditions. These statement reflect our current beliefs, and a number of important factors could cause actual results to differ materially from those expressed in this investor presentation, including the factors set forth in "Risk Factors" set forth in our annual and quarterly reports filed with the Securities and Exchange Commission ("SEC"). and subsequent filings with the SEC. Please refer to our SEC filings for a more detailed discussion of the risks and uncertainties associated with our business, including but not limited to the risks and uncertainties associated with our business prospects and the prospects of our existing and prospective customers; the inherent uncertainty of product development; regulatory, legislative and judicial developments, especially those related to changes in, and the enforcement of, cannabis law; increasing competitive pressures in our industry; and relationships with our customers and suppliers. Except as required by the federal securities laws, we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events of otherwise. The reference to CEA Industries' website has been provided as a convenience, and the information contained on such website is not incorporated by reference into this investor presentation.

Non-GAAP Financial Measures

To supplement our financial results on U.S. generally accepted accounting principles ("GAAP") basis, we use non-GAAP measures including net bookings and backlog, as well as adjusted net income (loss) which reflects adjustments for certain non-cash expenses such as stock-based compensation, certain debt-related items and depreciation expense. We believe these non-GAAP measures are helpful in understanding our past performance and are intended to aid in evaluating our potential future results. The presentation of these non-GAAP measures should be prepared or presented in accordance with GAAP. We believe the non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with out GAAP results, provide a more complete understanding of factors and trends affecting our business. For purposes of this presentation, (i) "adjusted net income (loss)" and "adjusted operating income (loss)" mean GAAP net income (loss) and operating income (loss), respectively, after adjustment for non-cash equity compensation expense, debt-related items and depreciation adjustments including cancelations and change orders during the quarter.

Statement about Cannabis Markets

The use, possession, cultivation, and distribution of cannabis is prohibited by U.S. federal law. This includes medical and recreational cannabis. Although certain states have legalized medical and recreational cannabis, companies and individuals involved in the sector are still at risk of being prosecuted by federal authorities. Further, the landscape in the cannabis industry changes rapidly. This means that at any time the city, county, or state where cannabis is permitted can change the current laws and/or the federal government can supersede those laws and take prosecutorial action. Given the uncertain legal nature of the cannabis industry, it is imperative that investors understand that investments in the cannabis industry should be considered very high risk. A change in the current laws or enforcement policy can negatively affect the status and operation of our business, require additional fees, stricter operational guidelines and unanticipated shut-downs.



COMPANY OVERVIEW

CEA SERVICES & SOLUTIONS

Equipment and
Control Systems

Licensed Architectural
& MEP Engineering

“One-stop-shop” services and solutions to controlled environment agriculture (CEA) facilities across North America



Headquarters: Louisville, CO



End Markets include both
Cannabis & Traditional
Agriculture



Recently Began Strategic
Review Process to Identify
Opportunities to Maximize
Shareholder Value



TTM Revenue of \$8.1 Million



September 30 Cash Balance
of \$13.3 Million



CONTROLLED ENVIRONMENT AGRICULTURE



40%+

**arable land has suffered
farming degradation**

– PNAS, 2018

70%+

**global freshwater
used by agriculture**

– Worldbank, 2019



**CEA is capable of
increasing output
yield by 10-50x
versus traditional field farming.**



ENGINEERING SERVICES AND SOLUTIONS

CEA Industries provides both turnkey and a la carte services and solutions.



Services





CUSTOMER LANDSCAPE

Surna primarily targets medium and large sized operators as well as small multi-state operators across the US and Canada

United States

Canada



Large Multi-State Operator

Large Multi-State Operator

Public multi-state operators in numerous states. Top 10 market share across most legal cannabis markets in which they operate.



Small Multi-State Operator

Small Multi-State Operator

Privately held multi-state operators, operating in limited number of states.



Large Sized Operator

Large Sized Operator

Single facility operator (40,000+ sq ft).



Medium Sized Operator

Medium Sized Operator

Single facility operators (5,000 – 39,999 sq ft).



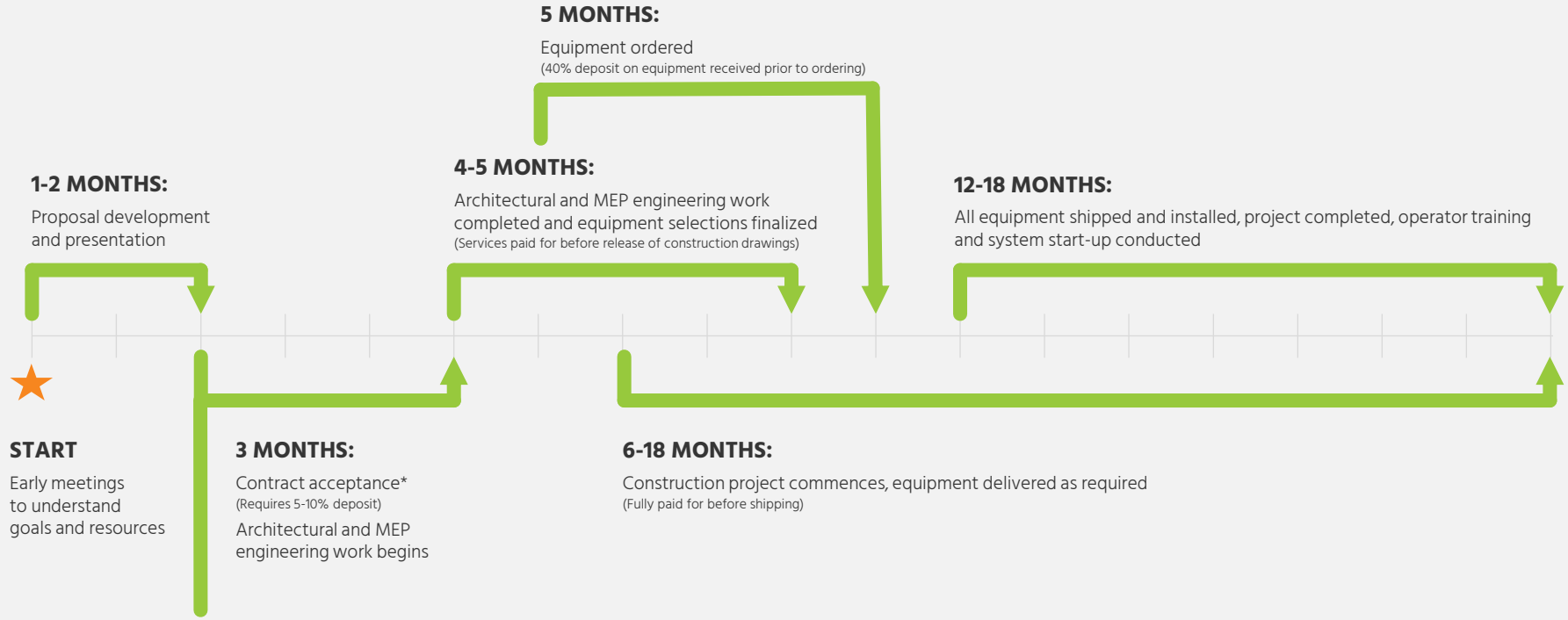
Small Grower

Small Grower

Home cultivators, caregivers, hydro stores, micro businesses (400 – 4,999 sq ft).



PROJECT TIMELINE

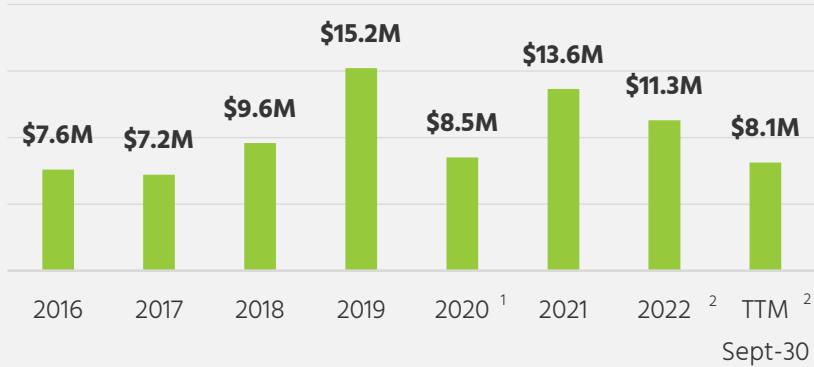


*A booking is recognized at contract acceptance, which converts to revenue over the next ~18 months as equipment is delivered and services are completed.

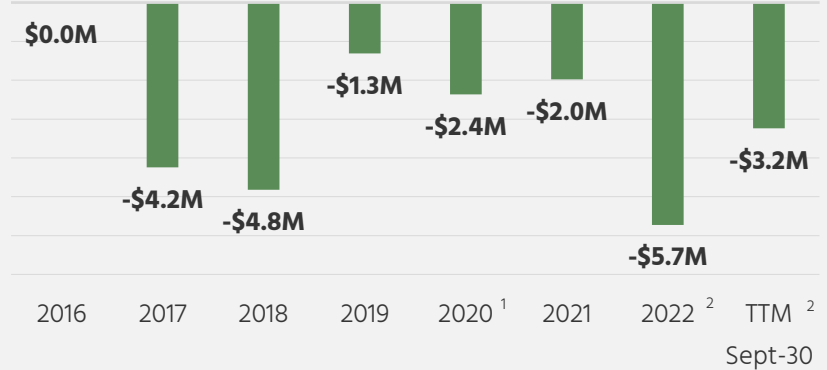


FINANCIAL OVERVIEW

Revenue



Operating Income (Loss)



1) COVID-19 pandemic.

2) Results impacted by industry headwinds as the Company's customers contend with pricing and inflationary pressure.



FORTIFIED BALANCE SHEET

*In Millions USD	Sept 30, 2023	Dec 31, 2022
Cash	\$13.3	\$18.6
Inventory	\$0.3	\$0.3
Other Assets	\$1.1	\$2.1
Total Assets	\$14.7	\$21.0
Deferred Revenue	\$0.5	\$4.3
Total Debt	\$0	\$0
Other Liabilities	\$1.0	\$1.8
Total Liabilities	\$1.5	\$6.1
Shareholders' Equity	\$13.2	\$14.9

As of 11/16/2023	
Stock Price	\$0.49
Shares Outstanding	8.1M
Market Cap	\$4.0M
Enterprise Value	\$(9.3)M



APPENDIX



MANAGEMENT TEAM



Tony McDonald

Chairman & CEO

- On Board and as CEO since 2018
- Former VP/Sales, Coolerado Inc., a cleantech HVAC company
- Former Managing Director/VP Acquisitions private equity, consultant KPMG, author Cleantech Sell
- MBA Harvard; BS Engineering, US Military Academy, West Point, NY
- US Army veteran, former Cavalry officer



Ian Patel

CFO

- 20+ years of experience as a senior financial executive
- Former Interim CFO of fintech start-up Maxwell Financial Labs
- Former Vice President, Finance and Treasurer for FourPoint Energy, a multi-billion-dollar energy platform
- MBA Wharton; JD Harvard Law; BS University of California Riverside



BOARD OF DIRECTORS

Tony McDonald

Chairman & CEO

- On Board and as CEO since 2018
- Former VP/Sales, Coolerado Inc., a cleantech HVAC company
- Former Managing Director/VP Acquisitions private equity, consultant KPMG, author Cleantech Sell
- MBA Harvard; BS Engineering, US Military Academy, West Point, NY
- US Army veteran, former Cavalry officer

Troy Reisner

Independent Director, Audit Committee Chair

- CFO, Keystone Tower Systems, Inc.
- Retired Audit Partner, Deloitte
- Over 30 years of experience with public companies; accounting & audit matters, SEC reporting, M&A, capital raising and internal controls over financial reporting
- Certified Public Accountant, Missouri (inactive)
- BS Accounting, Southern Illinois University at Edwardsville

Nick Etten

Independent Director

- Former Head of Government Affairs with Acreage Holdings
- Founder of Veteran's Cannabis Project and passionate advocate for veteran's cannabis access
- Former investment banker with Thomas Weisel Partners
- MBA Kellogg, BS US Naval Academy
- US Navy veteran, former SEAL Teams officer

Marion Mariathan

Independent Director

- CEO/Co-founder, Simplifya LLC, a regulatory and operational compliance software platform
- Chairman & Founder, Ceylon Solutions, a software development company
- Successful serial entrepreneur, founded or invested in numerous start-ups, both domestic and international
- Sri Lankan native, BS Computer Science, University of Kansas. BS CIS and Business Management, Emporia State University

Randy Shipley

Independent Director

- Founder & CEO, RSX Enterprises; Former VP/Sales of VividGro and Chief Strategy Officer of GroAdvisor
- Six-year veteran of the cannabis industry; founder of Marijuana Investor Summit
- Former communications technology executive and product manager; Chief Revenue Officer and corporate officer with Carrier Access Corp, a \$2B+ revenue NASDAQ listed high growth company



CONTACT US



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