

Dear Reader,

Welcome to our Fourth Quarter and Full Year Fiscal 2022 newsletter, created to keep you informed about the developments within Organigram Holdings Inc. through a quarterly newsletter. This being our last newsletter for FY2022, we have highlighted company developments of interest for the last quarter (June '22 – August '22) as well as highlights for the full year.

Q4 FISCAL 2022 FINANCIAL HIGHLIGHTS

- Continued record growth in net revenue, reaching \$45.5 million, the highest in the history of the Company, up 83% from \$24.9 million in the same prior-year period and 19% from \$38.1 million in Q3 Fiscal 2022.
- Adjusted EBITDA¹ of \$3.2 million, the third consecutive quarter of positive Adjusted EBITDA, compared to negative Adjusted EBITDA of \$4.8 million in the same prior-year period.
- Adjusted Gross Margin¹ of \$10.4 million or 23%, compared to \$3.0 million or 12% in the same prior-year period, reflecting improvements from increased efficiencies and higher sales volume.

FISCAL 2022 FINANCIAL HIGHLIGHTS

- Net revenue of \$145.8 million, an increase of 84% over \$79.2 million in Fiscal 2021.
- Adjusted EBITDA¹ of \$3.5 million, compared to a loss of \$27.6 million in Fiscal 2021.
- Adjusted Gross Margin¹ of \$33.4 million or 23%, an increase of 837% over \$3.6 million or 5% in Fiscal 2021.

1. Adjusted gross margin and Adjusted EBITDA are non-IFRS financial measures not defined by and do not have any standardized meaning under IFRS; please refer to "Non-IFRS Financial

SALES AND OPERATIONAL HIGHLIGHTS

- In Q4 Fiscal 2022, held #3 position among Canadian licensed producers with 8.2% market share compared to 7%, in the same prior-year period.
- According to OCS shipped sales data, Organigram achieved the #1 market position in Ontario since January 2022 and maintained it throughout the balance of the fiscal year.²
- Organigram achieved the #1 market position in the Maritimes, since January 2022, until the end of the fiscal year.
- Held the #1 position in dried flower, the largest category of the Canadian cannabis market, the #3 market position nationally in gummies³ and the #1 position for hash in the Quebec market.⁴
- Introduced 18 SKUs in Q4 Fiscal 2022 for a total of 85 in market.
- Generated an 11% increase in yield per plant in Q4 Fiscal 2022, compared to the same prior-year period as a result of environment improvements which contributed to reduced cultivation costs of 23% in Fiscal 2022 versus Fiscal 2021 and provided additional flower to address growing consumer demand.
- In Q4 Fiscal 2022, completed 4C expansion at Moncton growing facility, increasing annual capacity from 45,000 kilograms at the end of Fiscal 2021 to 85,000 kilograms of dry flower at the end of Fiscal 2022, which will drive further cost reductions through operating leverage.
- Shipped \$6.0 million of high margin flower to Australia and Israel in Q4 Fiscal 2022. In Fiscal 2022, Organigram shipped \$15.4 million of flower internationally, compared to \$0.4 million in Fiscal 2021.

2. OCS wholesale sales and e-commerce orders shipped data: Q4 FY 22 and Provincial Boards Data: CNB, NSLC, PEI/LCC, Q4 FY '22.

3. Hifyre data extract from October 18, 2022.

4. Weedcrawler, FY22.

CANADIAN RECREATIONAL MARKET INTRODUCTIONS

SHRED Dankmeister XL Bong Blends

Launched in July 2022, SHRED Dankmeister is a new offering in the popular SHRED milled flower lineup that provides a coarser grind to suit bong and pipe smokers.

SHRED'ems Sour Blue Razzberry

An addition to the SHRED'ems gummy line in an electrifying sour raspberry flavour with a 2:1 ratio of CBD to THC. There are now eight SHRED'ems SKUs in market.

Holy Mountain

Launched subsequent to the end of the quarter, HOLY MOUNTAIN, the Company's newest value brand, features an initial lineup of dried flower strains along with value pressed hash. With the introduction of HOLY MOUNTAIN, Organigram now offers value-priced flower in an expanded range of sizes, starting with 3.5 gram offerings at launch.

RESEARCH AND PRODUCT DEVELOPMENT

Product Development Collaboration ("PDC") and Centre of Excellence ("CoE")

The Organigram and BAT CoE has completed all key spaces including the R&D Laboratories, enhanced Analytics, Quality Assurance and Control laboratory, GPP production space, Sensory Testing Laboratory and state-of-the-art Biolab for advanced plant science research. The CoE has undertaken initial-stage development and safety studies on first-generation edibles and novel beverages as part of its work. As part of the development, the CoE has created and assessed numerous delivery systems and created over 60 unique formulations to develop differentiated products in the future.

Plant Science, Breeding and Genomics R&D in Moncton

Organigram's cultivation program; a key strategic advantage for the Company has continued its expansion with the addition of a dedicated cultivation R&D space. The new space has accelerated rapid assessment and screening, delivering 20 to 30 unique cultivars every two months while freeing up rooms for commercial grow. The Plant Science team continues to move the garden towards unique, high terpene and high THC, in-house grown cultivars, while also leveraging the newly commissioned Biolab for ongoing plant science innovation focusing on quality, potency and disease-resistance marker discovery to enrich the future flower pipeline.

INTERNATIONAL

In Fiscal Q4 2022, the Company completed three international shipments totaling \$6.0 million to Israel and Australia. In Fiscal 2022, seven international shipments were made for total shipped sales of \$15.4 million.

Recent political changes and cannabis election ballot initiatives for medical and recreational use in the United States suggest that the potential movements to U.S. federal legalization of cannabis (THC) remain difficult to predict. The Company continues to monitor and develop a potential U.S. entry strategy that could include THC, CBD and other minor cannabinoids. The Company is also monitoring recreational legalization opportunities in European jurisdictions based on the size of the addressable market and recent regulatory changes with a particular focus on Germany.

[For a detailed update on our Q4 earnings please refer to our press release here](#)

WANT TO LEARN MORE ABOUT ORGANIGRAM?

Please write to us at investors@organigram.ca and we will be happy to assist you.

Forward Looking Statements

This newsletter contains forward-looking information. Forward-looking information, in general, can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "could", "would", "might", "expect", "intend", "estimate", "anticipate", "believe", "plan", "continue", "budget", "schedule" or "forecast" or similar expressions suggesting future outcomes or events. They include, but are not limited to, statements with respect to expectations, projections or other characterizations of future events or circumstances, and the Company's objectives, goals, strategies, beliefs, intentions, plans, estimates, forecasts, projections and outlook, including statements relating to the Company's future performance and growth trajectory, statements regarding the Company's expansion of the Moncton growing facility, statements regarding the Company's plans and objectives including around the CoE, statements regarding the expansion of the Company's cultivation program, including around its dedicated cultivation R&D space, and statements regarding the future of the Canadian and international cannabis markets. These statements are not historical facts but instead represent management beliefs regarding future events, many of which, by their nature are inherently uncertain and beyond management control. Forward-looking information has been based on the Company's current expectations about future events. This newsletter contains information concerning our industry and the markets in which we operate, including our market position and market share, which is based on information from independent third-party sources. Although we believe these sources to be generally reliable, market and industry data is inherently imprecise, subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of such data, the voluntary nature of the data gathering process, and other limitations and uncertainties inherent in any statistical survey or data collection process. We have not independently verified any third-party information contained herein. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectations. Important factors - including the heightened uncertainty as a result of COVID-19 including any continued impact on production or operations, impact on demand for products, effect on third party suppliers, service providers or lenders; general economic factors; receipt of regulatory approvals or consents and any conditions imposed upon same and the timing thereof; ability to meet regulatory criteria which may be subject to change, change in regulation including restrictions on sale of new product forms, changing listing practices, ability to manage costs, timing and conditions to receiving any required testing results and certifications, results of final testing of new products, timing of new retail store openings being inconsistent with preliminary expectations, changes in governmental plans including related to methods of distribution and timing and launch of retail stores, timing and nature of sales and product returns, customer buying patterns and consumer preferences not being as predicted given this is a new and emerging market; material weaknesses in the Company's internal controls over financial reporting, the complexity of regulatory processes and registrations including for new products and forms, market demand and acceptance of new products and forms, unforeseen construction or delivery delays including of equipment and commissions, increases to expected costs, competitive and industry conditions, customer buying patterns and crop yields - that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time under the Company's issuer profile on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and reports and other information filed with or furnished to the United States Securities and Exchange Commission ("SEC") from time to time on the SEC's Electronic Document Gathering and Retrieval System ("EDGAR") at www.sec.gov, including the Company's most recent MD&A and AIF. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this newsletter. The Company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking information is subject to risks and uncertainties that are addressed in the "Risk Factors" section of the MD&A and AIF dated November 28, 2022 and November 24, 2022, respectively, and there can be no assurance whatsoever that these events will occur.

Non-IFRS Financial Measures

This newsletter refers to certain financial performance measures (including adjusted gross margin and Adjusted EBITDA) that are not defined by and do not have a standardized meaning under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Non-IFRS financial measures are used by management to assess the financial and operational performance of the Company. The Company believes that these non-IFRS financial measures, in addition to conventional measures prepared in accordance with IFRS, enable investors to evaluate the Company's operating results, underlying performance and prospects in a similar manner to the Company's management. As there are no standardized methods of calculating these non-IFRS measures, the Company's approaches may differ from those used by others, and accordingly, the use of these measures may not be directly comparable. Accordingly, these non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Adjusted EBITDA is a non-IFRS measure that the Company defines as net income (loss) before: financing costs, net of investment income; income tax expense (recovery); depreciation, amortization, reversal of impairment, (gain) loss on disposal of property, plant and equipment (per the statement of cash flows); share-based compensation (per the statement of cash flows); share of loss from investments in associates and impairment loss from loan receivables; otherwise. Forward-looking information is subject to risks and uncertainties that are addressed in the "Risk Factors" section of the MD&A and AIF dated November 28, 2022 and November 24, 2022, respectively, and there can be no assurance whatsoever that these events will occur.

