



CEA INDUSTRIES

**INVESTOR PRESENTATION
JUNE 2025**





DISCLAIMERS

► 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.



CEA INDUSTRIES - CORPORATE STRUCTURE



Fat Panda is central Canada's largest retailer and manufacturer of e-cigarettes, vape devices and e-liquids. Fat Panda operates 33 retail locations and serves a wide range of customers through its online e-commerce platform. Its retail footprint is complemented by a comprehensive portfolio of products, including its own line of premium e-liquids manufactured in-house, along with a robust portfolio of trademarks and intellectual property.



CEA INDUSTRIES



Surna provides a suite of complementary and adjacent offerings to the controlled environment agriculture industry. Surna's comprehensive solutions, when aligned with industry operators' product and sales initiatives, support the development of the global ecosystem for indoor cultivation.



FAT PANDA - AT A GLANCE

Fat Panda Ltd is central Canada's largest retailer and manufacturer of e-cigarettes, vape devices, and e-liquids.

Market Leader in Central Canada

Strong retail footprint with 33 brick-and-mortar stores in high-traffic locations with a market share exceeding 50%¹ in the region.

Vertically Integrated Operations

In-house, ISO-certified, e-liquid manufacturing and direct domestic and international supplier relationships drive strong margin profile.

Seasoned Executive Team

Deep industry experience and proven track record of effectively scaling retail, wholesale and product development operations.

Attractive Financial Profile²

In FY 2024, the Company generated double digit growth on the top and bottom line with approximately CAD \$38.5 million revenue, \$8.0 million of Adjusted EBITDA, and gross margins of 39%.



33 retail stores across Manitoba, Ontario, and Saskatchewan



Robust e-commerce platform serving customers throughout Canada



In-house R&D lab produces retail ready products at scale



Multiple levers for growth and margin expansion

¹ Market share as of December 31, 2024.

² Reflects preliminary unaudited Fat Panda financials in Canadian dollars.

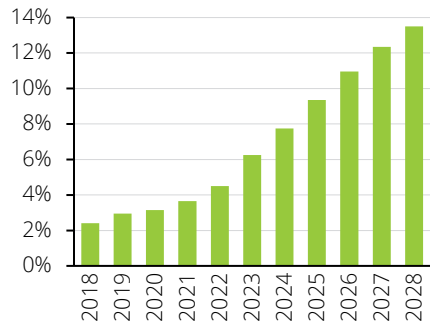


CANADIAN NICOTINE VAPE MARKET

- The Canadian vape market operates within a fully legalized and regulated framework, with Health Canada providing formal oversight and approval of products under the Tobacco and Vaping Products Act (TVPA)—underscoring the sector's legitimacy, consumer safety standards, and long-term viability
- Vapor is the fastest growing segment of the nicotine market
- Vapor sales globally totaled US\$21B in 2023, +8% YoY, outpaced by Canada (+13%) and accounting for 10% of global share¹
- Global e-cig and vape market forecasted to grow at 35%+ CAGR 2024-2030 reaching US\$183B, more than doubling share of nicotine category to 14%¹

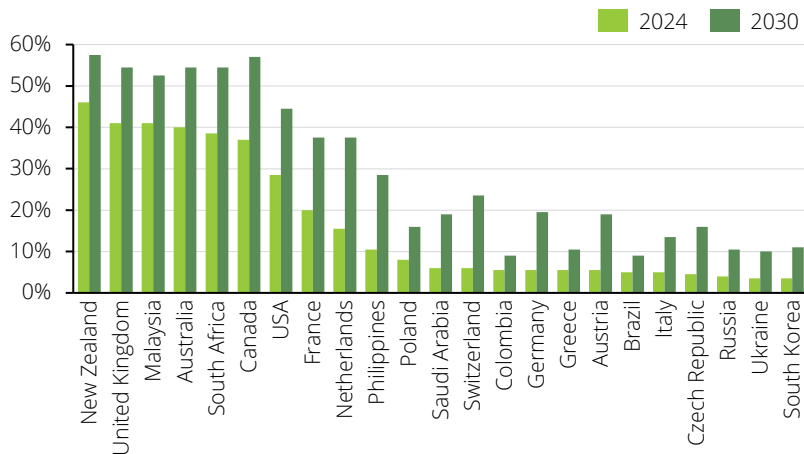
Figures on this page highlight historic and future growth trends for nicotine/vapor

Vapor volume as % of total nicotine



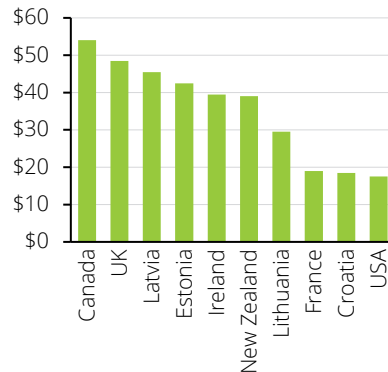
Source: UBS Tobacco Transformation Model (TTM)

Vaping volume penetration of total nicotine by market



Vapor – top per cap \$

Canada, the UK and Latvia are the top per cap spenders on vapor products



¹ Source: BofA - The Black Book on Nicotine, 2024 edition and UBS -Tobacco's Transformation in 2025 and beyond.



REGULATORY LANDSCAPE



The Tobacco and Vaping Products Act (TVPA) is the cornerstone of the regulatory framework governing vaping products in Canada. Enacted in 2018, the TVPA aims to:

- Protect youth and non-users from nicotine addiction
- Provide adult smokers with access to less harmful alternatives
- Regulate the manufacture, sale, labeling, and promotion of vaping products



Key Provisions of TVPA

Product Standards

Regulations ensure products meet safety and quality standards, including restrictions on nicotine concentration (maximum 20 mg/mL) and prohibitions on harmful ingredients

Packaging and Labeling

Mandates child-resistant packaging and health warnings, including information on nicotine content and addiction risks

Advertising and Promotion

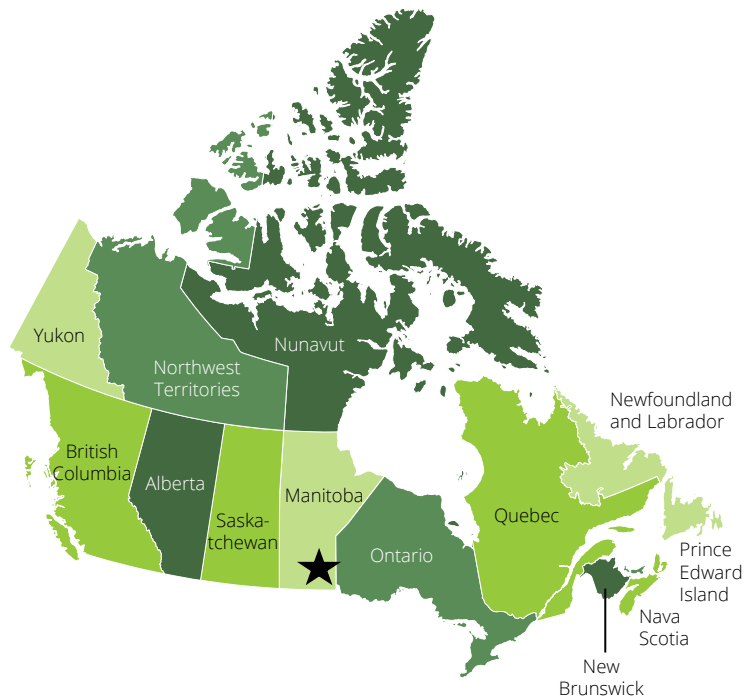
Strict rules on advertising, especially targeting youth. Celebrity endorsements, sponsorships, and lifestyle ads are prohibited

Sales and Distribution

Age verification requirements to prevent sales to minors (under 18). Retailers must comply with specific sale and distribution rules



Unlike the US and most of Europe, Canada has taken a proactive approach to vaping which positions high-quality operators like Fat Panda to establish itself as a trusted leader nationwide





SCALABLE, RESILIENT, AND FLEXIBLE

Established in 2012, Fat Panda has demonstrated long-term resilience and scalability, accelerating its growth through a strategic expansion initiative launched in 2018 that has expanded its footprint to 33 retail locations across central Canada.

Business fundamentals



Fat Panda now bolstered with capital from CEA to execute growth initiatives



Diversified revenue mix through wide range of products mitigates risk while meeting consumer demand



In-house production capabilities unlock attractive margin opportunities



Competitive positioning

Largest seller in central Canada of e-cigarettes, vape devices and e-liquid with **+50%** market share

Established distribution channels (e-commerce, retail, wholesale) drive customer wallet share with access to untapped markets

One of few domestic companies with in-house e-liquid production facilities that meet regulatory standards

Intellectual property and regulatory expertise serve as a competitive moat in the rapidly expanding Canadian vapor market



FAT PANDA'S CUSTOMER-FIRST ADVANTAGE



Comprehensive Offering

Full spectrum of vape products—from entry-level disposables to premium hardware and proprietary formulations



Best-in-Class Customer Service

Trained retail staff provide tailored product recommendations, education, and compliance-focused guidance, creating a trusted shopping experience



Vertical Integration for Seamless Experience

Direct control of product sourcing, distribution and retail operations ensures consistent product availability, better pricing, and responsive in-store support



Customer Retention & Satisfaction

One-stop model fosters brand loyalty, driving repeat purchases and word-of-mouth growth across retail channels



Combining product breadth, vertical integration, and premium service to redefine vape retail



GROWTH LEVERS

1

Drive Organic Growth Through Retail Expansion



Accelerate revenue growth by opening new high-traffic retail locations in underserved Canadian markets. Further invest in e-commerce platform to provide convenient access to products beyond the store. Expand Fat Panda (house brand) manufactured products to third party retailers.

2

Pursue Inorganic Growth via Targeted Acquisitions



Expand market presence and customer base through strategic acquisitions of complementary vape retailers and regional chains.

3

Optimize Retail Footprint for Profitability



Enhance store-level performance by streamlining underperforming locations, improving operational efficiency, and investing in high-performing formats.



LEADERSHIP TEAM



TONY McDONALD

Chief Executive Officer

- CEO of CEA Industries since 2018; led company's strategic growth and transformation
- Former Head of Sales & Business Development at Coolerado Corp
- 10+ years in private equity across technology, manufacturing and energy development industries
- Ex-Director for Keating Capital and international bank consultant with KPMG
- U.S. Army veteran; B.S. West Point, MBA Harvard



JORDAN VEDOYA

President, Fat Panda

- Co-founder of Fat Panda; Scaled operations to 33+ stores with CAD \$38.5M revenue in FY24
- Oversaw 50%+ YoY revenue growth in FY21 - FY22
- Pioneered online channel in 2015; generating \$2M+ annually
- Led acquisitions and franchise agreements; active in national vape industry advocacy
- Active with Canadian Vaping Association, representing 200+ businesses



RENEE LARSON

VP & Financial Controller

- 9+ years with CEA Industries; Key leadership in financial strategy and operations
- Expertise in cost accounting, FP&A, and operational efficiency
- Prior Accounting Manager at Dot Hill Systems, Array BioPharma, and Circle Graphics
- Proven track record of supporting sustainable growth and strategic decision-making for businesses
- B.S. in Accounting



NICK ETTEN

Director

- CEO of LoneStar Bioscience; Hybrid operating & investing expertise
- Ex-Head of External Affairs, Acreage Holdings & VP Global BD at FreightWatch Intl.
- Former Director of Corp Dev at Triple Canopy; ex-Trident Capital investment professional
- \$750M+ equity offerings raised as IB at Thomas Weisel Partners
- B.S., U.S. Naval Academy; MBA, Northwestern



MATT TARALLO

Director

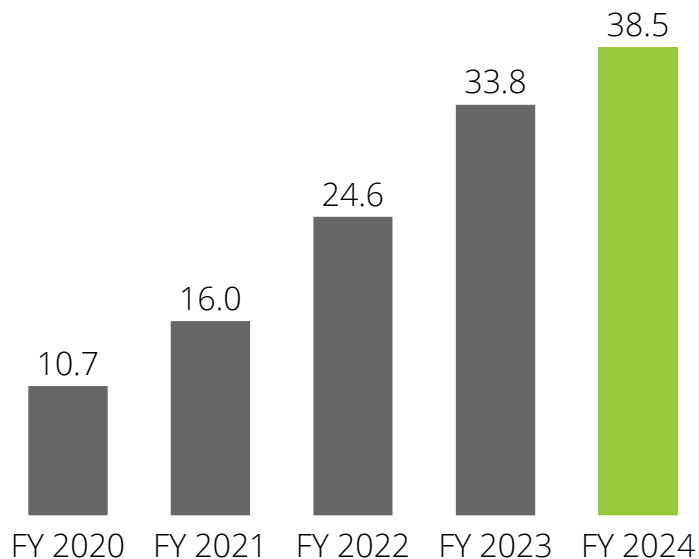
- Founder & Principal, AETHER Brand Group, focused on alcohol & cannabis brands
- Former SVP, BD & Beyond Nicotine at Reynolds American
- Built and led transformational division for wellbeing & cannabis innovation
- Former Global Vice President of Amazon Business Unit at The Coca-Cola Company
- B.S. in Business Management, Saint Vincent College



STRONG REVENUE AND ADJUSTED EBITDA TRAJECTORY

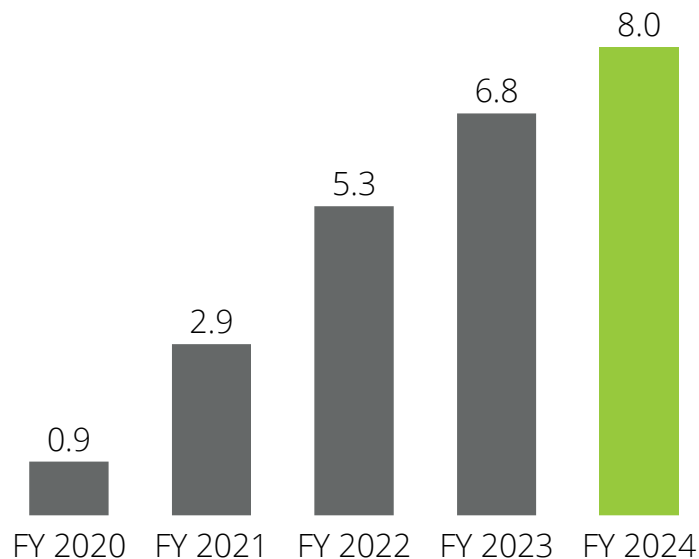
Total Revenue, (CAD \$M)

38%
CAGR



Adjusted EBITDA, (CAD \$M)

71%
CAGR

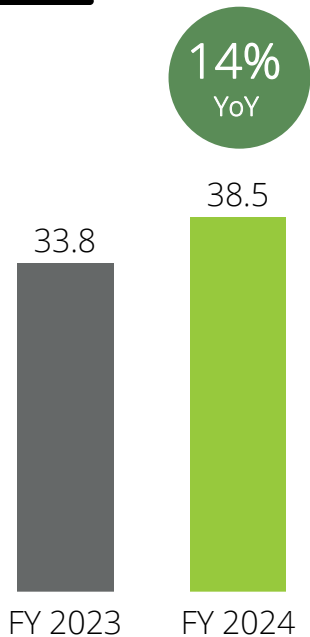


¹ Represents preliminary unaudited Fat Panda financials in Canadian dollars for the fiscal years ended April 30.

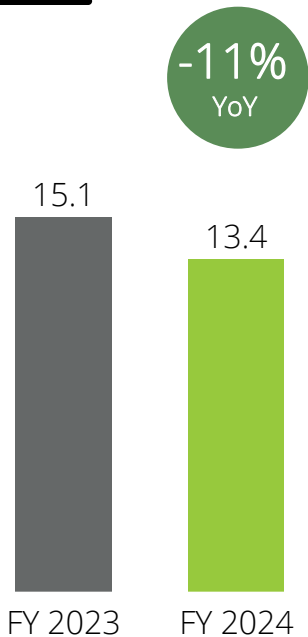


FAT PANDA PRELIMINARY 2024 FINANCIAL HIGHLIGHTS

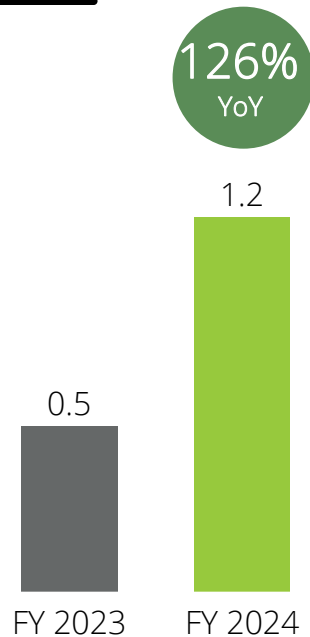
Total Revenue (CAD \$M)



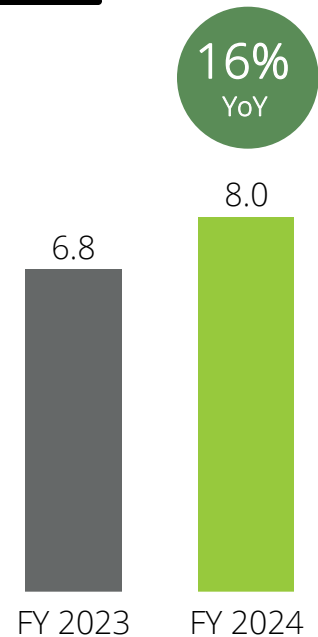
Operating Expense (CAD \$M)



Net Income (CAD \$M)



Adjusted EBITDA (CAD \$M)



¹ Represents preliminary unaudited Fat Panda financials in Canadian dollars for the fiscal years ended April 30.



INVESTMENT HIGHLIGHTS

1

Market Leadership with Established Retail Footprint

Dominant position in Central Canada with 33 corporate-owned stores and over 50% regional market share.

2

Vertically Integrated Operations

In-house, ISO-certified, e-liquid manufacturing and direct domestic and international supplier relationships drive strong margin profile.

3

Attractive Growth Opportunities

With a newly fortified balance sheet for Fat Panda, the Company is well positioned to capitalize on organic retail expansion, M&A, product development, and reinvestment in people and infrastructure to further improve operating efficiencies and profitability.

4

Seasoned Executive Team

Deep operational experience and proven track record of effectively scaling retail, wholesale and product development operations.



FINANCIAL STATEMENT

Financial Summary ¹ (CAD \$000s)	FY 2023	FY 2024
Revenue	33,784	38,492
Gross Profit	15,666	14,997
<i>Gross Margin</i>	<i>46%</i>	<i>39%</i>
Operating Expense	15,064	13,375
Operating Income	602	1,622
<i>Operating Margin</i>	<i>2%</i>	<i>4%</i>
Net Income	544	1,228
<i>Profit Margin</i>	<i>2%</i>	<i>3%</i>
EBITDA	1,540	3,041
Adjusted EBITDA²	6,837	7,959


¹ Represents preliminary, unaudited Fat Panda financials in Canadian dollars for the fiscal years ended April 30.

² Adjusted EBITDA accounts for ownership distributions



Investor Relations

Sean Mansouri, CFA or Aaron D'Souza
Elevate IR

 720-330-2829

 info@ceaindustries.com