



HIGHTIDE
THE RISING TIDE OF CANNABIS

HIGH TIDE INVESTOR PRESENTATION

JUNE 2021

Over 10 Years in Business

Unique and Diversified Cannabis Ecosystem

Retail-Focused Growth Initiatives

DISCLAIMER

FORWARD-LOOKING STATEMENTS

This presentation does not constitute an “offering memorandum” by High Tide Inc. (“High Tide” or the “Company”) as such term is defined under Canadian securities legislation and confers no statutory, contractual or other similar rights of rescission or other action or remedy to any recipient under securities legislation in Canada, the United States or other jurisdiction for misrepresentation or otherwise. No securities are being offered for sale hereunder. This document does not provide full disclosure of all material facts relating to the securities offered. Readers must conduct their own analysis and review of the Company and of the information contained in this presentation and must contact their own professional advisors.

This presentation contains “forward-looking information”. Forward-looking information includes, without limitation, statements regarding the Company and its business, the Company’s ability to add and/or open additional stores, complete acquisitions, introduction of new programs, including the implementation of a white label program, contributions between recent and future acquisitions of the Company and their anticipated synergies, the ability of the Company to introduce drop shipping technology and other products across additional platforms, the ability of the Company to launch existing and new brands across different geographical markets, macroeconomic factors, future demand and supply dynamics for cannabis, production and development forecasts and timelines, estimates as to the demand for cannabis and cannabis paraphernalia, future cannabis prices, solutions to past problems, valuations, capital and operating expenditures, ability to obtain financing, future currency exchange rates, changes to government regulation of cannabis, and environmental risks. Similarly, forward-looking information also includes economic analysis of the business of the Company and the results thereof, including, without limitation, cash flow projections, estimated capital and operating costs,

and all economic analysis derived from such estimates and forecasts.

In general, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects”, “anticipates”, “believe” “projects”, “forecasts”, “budget”, “estimates”, “schedule”, “intends”, or variations or the negative of such words and phrases or state that certain actions, events or results “may”, “could”, “should” “would”, “might” or “will be taken”, “occur” or “be achieved”. The forward-looking information is based upon factors and assumptions the Company believes is reasonable based on information currently available to them, including assumptions that the Company will be able to add and/or open additional stores, be able to complete new acquisitions, be able to introduce new programs, including the implementation of a white label program, the ability of future and current acquisitions to contribute and provide synergies across the business, the Company introducing drop shipping technology and other products across additional platforms, the Company launching existing and new brands across different geographic markets and that cannabis will become federally legalized in the United States. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance of the Company to differ from forward-looking information, including the risks that the Company will be unable to add and/or open additional stores, be unable to complete new acquisitions, be unable to introduce new programs, including the implementation of a white label program, the inability of future and current acquisitions to contribute and provide synergies across the business, the Company being unable to introduce drop shipping technology and other products across additional platforms, the Company being unable to launch existing and new brands across different geographic markets and cannabis not becoming federally legalized in the United States. There can be no

assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except as required under applicable securities laws.

Financial outlook and future-oriented financial information contained in this presentation about prospective financial performance, financial position or cash flows is based on assumptions about future events, including but not limited to economic conditions and proposed courses of action, based on management’s assessment of the relevant information currently available. Projections included herein contain forward-looking statements and are based on a number of material assumptions and factors set out above. These projections may also be considered to contain future oriented financial information or a financial outlook. The actual results of the Company’s operations for any period will likely vary from the amounts set forth in these projections, and such variations may be material. See the above for a discussion of the factors that could cause actual results to vary. The future-oriented financial information and financial outlooks contained in this presentation have been approved by management. Readers are cautioned that any such financial outlook and future-oriented financial information contained herein should not be used for purposes other than those for which it is disclosed herein.

These materials may contain inaccuracies or typographical errors. The Company shall not be responsible for any errors or omissions contained in these materials and do not guarantee the accuracy, completeness or timeliness of the information contained herein.



COMPANY SNAPSHOT

STOCK SYMBOLS	TSXV:HITI NASDAQ:HITI FRA:2LYA
SHARE PRICE¹	\$11.70
AVERAGE DAILY VOLUME²	523K
SHARE OUTSTANDING (BASIC)¹	48.75 MILLION
MARKET CAPITALIZATION¹	\$570 MILLION
TOTAL EMPLOYEES³	825
LRQ REVENUE⁴	\$38.3 MILLION
LRQ EBITDA⁴	\$4.6 MILLION
TOTAL ASSETS⁵	\$166.57 MILLION

¹ As at May 31 2021.

² 3-month average daily total from all 3 major exchanges as at May 31, 2021.

³ As at May 27, 2021 including all direct retail staff.

⁴ For the last reported quarter ending January 31, 2021.

⁵ As at January 31, 2021.

High Tide is a retail-focused cannabis corporation enhanced by the manufacturing and distribution of consumption accessories:

RETAIL SEGMENT:

Over 10 years focused on the cannabis consumer

- 87 branded retail cannabis stores across Canada
- Grasscity.com – world's best online headshop
- SmokeCartel.com – US online headshop since 2013
- FABCBD.com – a leading US online CBD retailer
- CBDcity.com – CBD e-shop, launched May 2020

WHOLESALE SEGMENT:








Designs, manufactures and distributes proprietary and licensed consumption accessories.

- Valiant Distribution and Famous Brandz features over 5,000 SKUs including celebrity and studio licensed products

Tilray Inc. and Aurora Cannabis Inc. are strategically invested in High Tide



UNIQUE DIVERSIFIED ECOSYSTEM ACROSS THE VALUE CHAIN - BY GEOGRAPHY & SEGMENT

Retail			Wholesale
BRICKS & MORTAR	ONLINE		
<p>Leading network of 87 recreational cannabis retail stores across Canada.</p> <p></p>	<p>ACCESSORIES</p> <p>Own the world’s two largest online stores for consumption accessories (revenue 80+% in the U.S.)¹</p> <p></p> <p></p>	<p>U.S. CBD</p> <p>FABCBD is a leading online retailer of hemp- derived proprietary CBD products in the U.S</p> <p>CBDcity.com houses some of the best U.S. CBD products</p> <p></p> <p></p>	<p>Global designer, manufacturer and distributor of proprietary designed and celebrity-licensed consumption accessories and lifestyle products</p> <p></p> <p></p>

¹ As of March 23rd, 2021, based on traffic analytics data provided by SEMrush Inc.



COMPLETELY TRANSFORMED ACROSS ALL KEY AREAS OVER THE PAST SIX MONTHS

OPERATIONAL SIZE / SCALE / PROFITABILITY:

- Number of stores gone from 66 to 87 (long-term target is 200)
- Trailing Revenue increased from \$70MM to \$108MM (current pro forma run rate of **\$175MM** with acquisitions)¹
- **Trailing Adjusted EBITDA improved from \$-2MM to \$13MM** (current pro forma run rate of **\$25MM** with acquisitions)²
- **U.S. revenue run rate** increased from \$22MM to **\$40MM**³

BALANCE SHEET STRENGTHENED:

- Cash balance increased from **\$~21MM to \$~33MM** (two recent equity financings)⁴
- **Debt cut by more than half from \$72MM to \$34MM** (minimal near-term maturities)⁴

CAPITAL MARKETS PROFILE:

- Canada – **uplisted from CSE to TSXV** in November 2020
- U.S. – **uplisted from OTC to Nasdaq** in June 2021
- 10-day average daily value **traded increased from \$0.3MM to \$6.6MM**⁵

VALUATIONS:

- Market cap increase from \$79MM to \$570MM⁶
- **Share price up from \$2.70 to \$11.70**⁶

¹ \$70MM represents trailing revenue for the four quarters ending Q3/20 (July 2020). \$108MM represents trailing revenue for the four quarters ending Q1/21 (January 2021). \$175MM represents last reported quarter (January 2021) annualized plus 2020 disclosed financial results of Smoke Cartel and FABCBD.

² \$-2MM represents trailing Adjusted EBITDA for the four quarters ending Q3/20 (July 2020). \$13MM represents trailing revenue for the four quarters ending Q1/21 (January 2021). \$25MM represents last reported quarter (January 2021) annualized plus 2020 disclosed results of Smoke Cartel and FABCBD.

³ \$22MM represents U.S. revenue during Q3/20 (July 2020) of \$5.6MM annualized. \$40MM represents current annual run rate of revenue in the U.S. including recent acquisitions.

⁴ \$~21MM of cash and debt of \$72MM represent most recent publicly disclosed balances following the acquisition of META in November 2020. \$~33MM of cash represents most recent public disclosures regarding cash balance. \$34MM represents total debt as at May 31, 2021.

⁵ Represents average value traded across three major exchanges for the last 10 trading days of November 2020 vs. May 2021.

⁶ Represents changes from November 30, 2020 and May 31, 2021.



RECENT FINANCIAL HIGHLIGHTS (IN THOUSANDS OF CAD)

SUMMARY INCOME STATEMENT					
	1Q20 (UNAUDITED)	2Q20 (UNAUDITED)	3Q20 (UNAUDITED)	4Q20 (UNAUDITED)	1Q21 (UNAUDITED)
REVENUE	\$13,715	\$20,570	\$24,104	\$24,876	\$38,319
GROSS PROFIT	\$4,777	\$7,388	\$9,228	\$9,419	\$14,768
ADJUSTED EBITDA	(\$821)	\$1,773	\$3,397	\$3,626	\$4,602
INCOME (LOSS) FROM OPS	(\$2,117)	\$156	\$1,624	\$1,133	(\$2,045)
NET INCOME (LOSS)	(\$3,946)	(\$4,911)	\$3,827	(\$1,324)	(\$16,845)

SUMMARY BALANCE SHEET					
CASH & EQUIVALENTS	\$4,099	\$7,044	\$7,108	\$7,524	\$16,576
INVENTORY	\$7,088	\$7,016	\$6,439	\$5,702	\$9,723
TOTAL ASSETS	\$69,330	\$73,155	\$75,874	\$69,811	\$166,574
CURRENT LIABILITIES	\$27,905	\$40,531	\$32,669	\$27,464	\$46,972
NON-CURRENT LIABILITIES	\$30,711	\$24,649	\$29,554	\$30,624	\$65,803
TOTAL EQUITY	\$10,714	\$7,975	\$13,651	\$11,723	\$53,799
TOTAL LIABILITIES & EQUITY	\$69,330	\$73,155	\$75,874	\$69,811	\$166,574

In 2Q20, HITI became the first Canadian public cannabis retailer to report positive Adjusted EBITDA





RETAILERS ARE NOT LPS

- Years into legalization, many licensed producers are facing excess supply, inventory writedowns, shuttered facilities, goodwill impairments and negative EBITDA.
- Retailers often benefit from issues faced by LPs, and generally experience completely different dynamics (revenue growth, positive EBITDA, minimal capex requirements etc.).

Retailers are a separate asset class for investors. High Tide has a superior financial profile when compared to its peers due to:

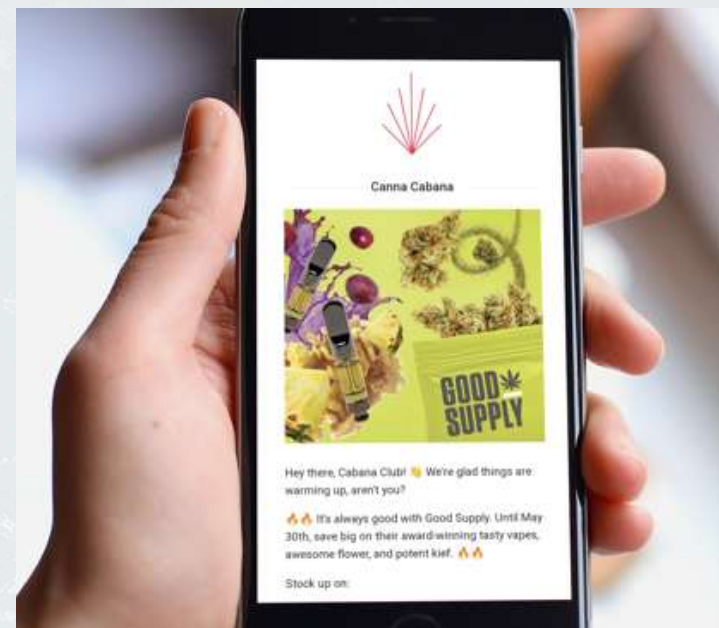
- Over a decade of experience in selling to cannabis customers
- Structural advantages of diversified ecosystem (accessories, U.S. hemp-derived CBD, e-commerce and wholesale)
- Excellent management team of leading operators





A LEADING RETAIL CANNABIS NETWORK ACROSS CANADA

- **Industry leading Cabana Club loyalty plan** offering members instant discounts at checkout, and promotions direct to their phone – **over 50% of store revenue comes from club members**
- **'Cabanalytics' data subscription** selling retail insights to industry stakeholders
- **Built on data** from existing customer base and a decade of experience catering to cannabis consumers
- Target location size of **1,200-1,500 sq. ft.**





RETAIL

CANNA
Cabana



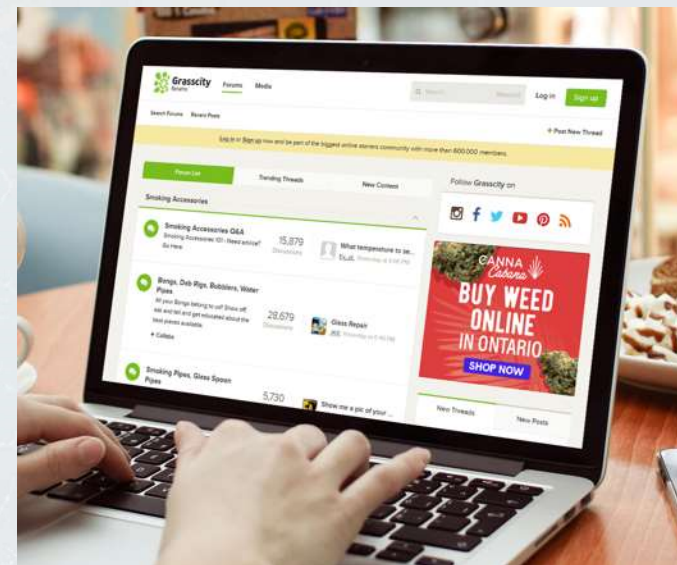
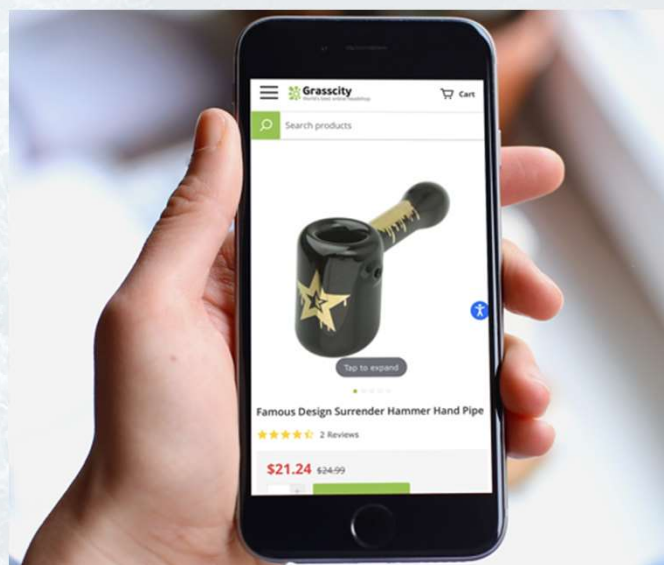
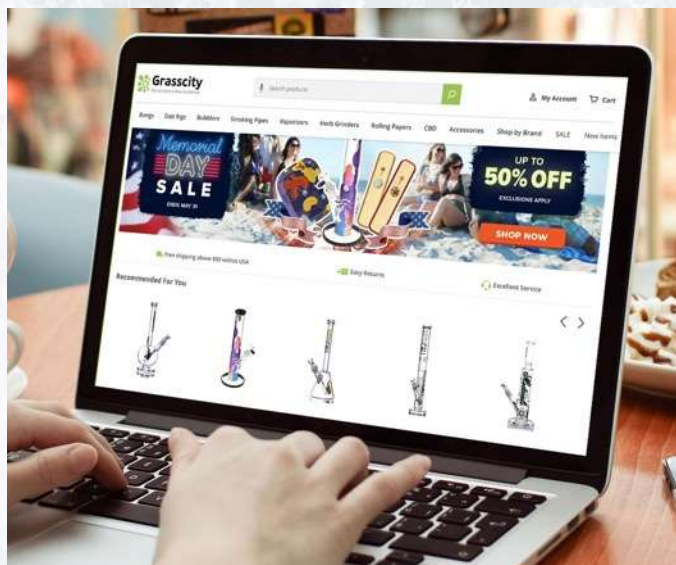
- Stores laid out in an open environment, allowing customers to view products
- Walls surrounded by up to 700 SKUs of accessories
- Employee training program results in premier customer service

STORE COUNTS BY PROVINCE	
PROVINCE	CURRENT STORES OPEN
AB	57
ON	18
MB	9
SK	3
TOTAL	87

Store counts represent Canna Cabana stores, as well as stores operated under other banners (NewLeaf, META, KushBar) as at May 31, 2021.



GRASSCITY - WORLD'S BEST KNOWN ONLINE HEAD SHOP



WORLD'S TOP ACCESSORIES E-RETAILER

- Founded in 2000, High Tide acquired 100% in 2018
- Over **26 million site visits in 2020**
- Over **100,000 orders in 2020**
- **Database holds over 560,000 customers**
- Over 310,000 newsletter subscribers
- More than 45,550 verified reviews

LARGE U.S. CUSTOMER BASE

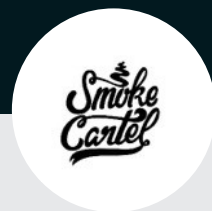
- Visitors: 77% North America; 9% United Kingdom; 14% Other
- Order fulfilment in Europe and North America launched in 2019
- Large opportunity to add new customers and products – and cannabis, should federal laws/regulations change

FORUMS & SOCIAL MEDIA

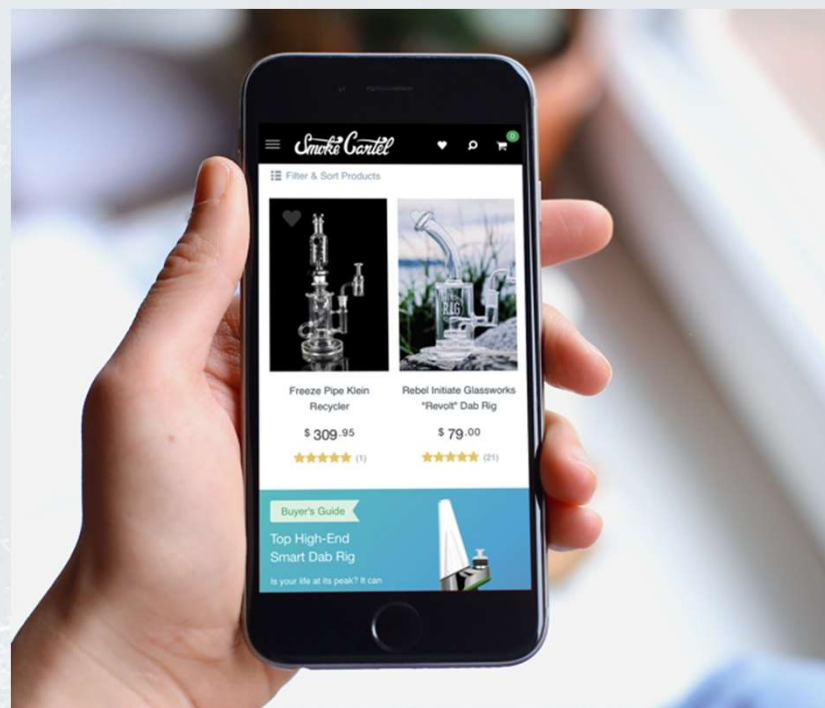
- Over 34 million unique users in Grasscity Forums since inception
- Over 30 million page views and over 15 million site visits in 2020
- 6,808,000 current Forum members
- Over 290,000 followers on social media



RETAIL



SMOKE CARTEL



- Founded in 2013, High Tide acquired 100% in March 2021
- **Proprietary drop-shipping technology seamlessly** connects brands and vendors with Smoke Cartel's growing customer base
- Carries over **15,000 SKUs on the platform without holding any inventory**
- In 2020, **approximately 7 million site visits and 110,000+ orders**
- Currently in contact with over 1 million email accounts and social media subscribers
- Trusted by over 550,000 total customers to date
- Provides a marketplace of high-quality products, subscription boxes and reliable customer service with rapid shipping across the United States
- Winner of the High Times Cup Best Glass Award and featured on Forbes, Leafly and Weedmaps



RETAIL

FAB CBD

FAB CBD



- Founded in 2017, High Tide acquired 80% in May 2021 with an option to acquire the remaining 20%.
- One of the most popular brands for hemp-derived CBD products across the U.S.
- FABCBD carries multiple exclusive product formulations that are manufactured by contract manufacturers across the U.S.
- 100% of sales are direct-to-consumer from FABCBD's website
- In 2020, over 1 million unique site visitors, more than 124,000 orders, in excess of 1.3MM online impressions and an average order value of US\$91.90
- **Revenue of US\$10.8 Million and EBITDA of US\$4.3 Million in 2020**
- Potential to list FABCBD products on CBDcity, Grasscity and Smoke Cartel and bring the FABCBD brand to Canada and the E.U.
- Founder, Josh Delaney, is now part of the High Tide team overseeing its CBD business globally



RETAIL



CBDcity

Featuring some of the best U.S. CBD products & brands





WHOLESALE



VALIANT DISTRIBUTION

Distribution network extends from our network of facilities in Calgary, Las Vegas and Amsterdam

Manufacturing contracts with industry leading factories in China, the United States and the European Union

10 YEARS
Experience in the design and branding of in demand consumption accessories

>5,000 SKUs
Extensive product catalog with 75% manufactured in-house



DOPEZILLA

VODKA GLASS

FAMOUS BRANDZ





WHOLESALE



CELEBRITY LICENSES

First to secure licenses from movie studios, musicians & other celebrities for consumption accessories including:





FUTURE GROWTH DRIVERS



- **FUTURE ACQUISITIONS** – TYPICAL TARGET CRITERIA:
 - Complementary to our existing ecosystem
 - Immediately accretive to earnings (vs turnaround stories)
- Increased store count in Canada (long-term target of 200 stores)
- Introducing a **white label program** for our retail network
- Contributions from recent acquisitions (**Smoke Cartel & FABCBD**) and related synergies
- Implementing drop shipping tech across all e-commerce platforms
- Introducing **FABCD products on our existing e-commerce sites** (CBDcity, Grasscity, Smoke Cartel)
- Potential to bring the **FABCBD brand to Canada** via an agreement with an LP
- Potential to launching the **FABCBD brand in Europe**
- **U.S. federal legalization** – can lever our existing presence and customer base to sell cannabis in U.S. if federally legal (our experience in Canada offers a good precedent).



EXECUTIVE TEAM

MANAGEMENT TEAM



Raj Grover

Founder, President & Chief Executive Officer



Rahim Kanji

Chief Financial Officer



Andy Palalas

Chief Revenue Officer



Aman Sood

Chief Operating Officer



Sean Geng

Chief Technology Officer



Omar Khan

Senior Vice President of Corporate & Public Affairs



Joy Avzar

Vice President & Legal Counsel

ADVISORS



Shimmy Posen

SECRETARY-TREASURER
Partner, Garfinkle Biderman LLP



Vahan Ajamian

Capital Markets Advisor

BOARD OF DIRECTORS



Raj Grover

Executive Chairman



Andrea Elliott

EVP Direct to Consumer, Moose Knuckles Canada



Nitin Kaushal

President, Anik Capital Corp.



Arthur Kwan

President & CEO of Aspen Island Therapeutics Inc. DBA The Newly Institute



Chief Christian Sinclair

Co-chair of Manitoba's Northern Economic Development Strategy



SHARES OUTSTANDING



SHARE CAPITALIZATION TABLE	AS AT MAY 26, 2021
COMMON SHARES - ISSUED AND OUTSTANDING	48,745,653
POTENTIAL SHARES FROM EXERCISE OF WARRANTS	9,745,783
POTENTIAL SHARES FROM STOCK OPTIONS AND RSUS	1,908,574
POTENTIAL SHARES FROM CONVERTIBLE DEBENTURES	3,184,983
FULLY-DILUTED COMMON SHARES OUTSTANDING	63,584,993

1.Options have exercise price range of \$3.00-\$11.85 per share.

2.Convertible debentures have a weighted average exercise price of \$5.19 per share.



HIGHTIDE
THE RISING TIDE OF CANNABIS

THANK YOU

Raj Grover

Founder, President,
CEO & Executive Chairman
raj@hightideinc.com

High Tide Inc.

11127 15th St. NE
Unit #112
Calgary, AB T3K 2M4

T (403) 265.4207 **TF** 1.888.9.420.420 hightideinc.com