FOR IMMEDIATE RELEASE

High Tide Reports Second Quarter 2021 Financial Results Featuring a 99% Increase in Revenue and Another Record Adjusted EBITDA of $4.7 Million

Calgary, AB, June 28, 2021 / CNW / − High Tide Inc. ("**High Tide**" or the "**Company**") (NASDAQ: HITI) (TSXV: HITI) (FSE: 2LYA), a retail-focused cannabis corporation enhanced by the manufacturing and distribution of consumption accessories, filed its financial results for the second fiscal quarter of 2021 ending April 30, 2021, the highlights of which are included in this news release. The full set of Condensed Interim Consolidated Financial Statements and Management's Discussion and Analysis can be viewed by visiting High Tide's website at www.hightideinc.com, its profile page on SEDAR at www.sedar.com.

Second Quarter 2021 – Financial Highlights:

- Revenue increased by 99% to $40.9 million in the three months ended April 30, 2021, compared to $20.6 million in the same quarter last year. The second quarter of 2021 financial results incorporate the acquisition of META Growth Corp. on November 18, 2020, and Smoke Cartel, Inc. on March 24, 2021.
- Gross profit increased by 93% to $15.0 million in the three months ended April 30, 2021, compared to $7.8 million in the same quarter last year.
- Gross profit margin in the three months ended April 30, 2021, was 37% compared to 38% in the same quarter last year.
- Adjusted EBITDA(1) for the three months ended April 30, 2021, was $4.7 million compared to $1.8 million for same quarter last year.
- Geographically in the three months ended April 30, 2021, $35.0 million of revenue was earned in Canada, $5.7 million in the United States and $0.2 million internationally.
- Segment-wise in the three months ended April 30, 2021, $38.4 million of revenue was generated by Retail, $2.5 million by Wholesale, and an immaterial amount by Corporate.
- Cash on hand as at April 30, 2021, totaled $29.4 million compared to $7.5 million as at October 31, 2020.

"I am extremely proud of our results this quarter, especially given the macro backdrop we faced. In Ontario, the largest cannabis market in Canada, due to pandemic related restrictions, our stores were closed for in-person shopping throughout most of the second quarter with only click-and-collect and delivery permitted by regulations," said Raj Grover, President and Chief Executive Officer. "Even during this difficult market environment, we continued to advance our bricks and mortar and online business. Despite the challenges and our continued rapid growth, we were able to increase not only our revenue, but also our Adjusted EBITDA sequentially to a new record of $4.7 million. This is a clear testament to the strength of our operations and our management team's ability to outperform in tougher markets. It also highlights the robustness of our unique and diversified ecosystem which includes omni-channel retail of cannabis, consumption accessories and hemp derived CBD products as well as manufacturing and distribution of licensed and proprietary consumption accessories. Ontario has now moved to allow in-store shopping with capacity limits which should bolster sales, coupled with our recent acquisitions of FABCBD and Daily High Club, we expect to deliver continued revenue and EBITDA growth in the third quarter," added Mr. Grover.

Second Quarter 2021 – Operational Highlights:

- The Company completed the acquisition of Smoke Cartel, Inc. on March 24, 2021, enhancing the Company's e-commerce business.
- Over $23.0 million of debt converted into the Company's common shares.
- The Company closed an oversubscribed bought deal equity financing on February 22, 2021, for gross proceeds of $23.0 million.
- The Company launched the sale of hemp derived CBD products on Grasscity.
- The Company extended the maturity date and reduced the related interest rate from 10% to 7% of convertible debt with strategic partner.
- The Company reported sales of approximately $0.8 million on Cannabis holiday "420."
- The Company filed a base shelf prospectus in the amount of $100,000,000.
- The Company opened thirteen cannabis retail locations under the Canna Cabana and META banners: five in Ontario and eight in Alberta.

Subsequent Events:

- Approximately 151,240 (Q121 – 96,629) members have joined Cabana Club to date, with over 50% of our average daily transactions are conducted by Club members.
- The Company completed the acquisition of 80% of Fab Nutrition, LLC (operating as FABCBD) for US$20.6 million. The Company has the option to acquire the remaining 20% over a 3-year period.
- The Company closed an oversubscribed bought deal equity financing on May 26, 2021, for gross proceeds of $23.2 million.
- The Company announced the filing of Form 40-F with the U.S. Securities and Exchange Commission fulfilling a significant milestone for the NASDAQ listing.
- The Company completed a 15:1 share consolidation on May 14, 2021, and began trading on the Nasdaq on June 2, 2021, under the symbol "HITI".
- The Company was added to two prominent ETFs: Cannabis ETF ('THCX") and AdvisorShares Pure Cannabis ETF ("YOLO").
- The Company announced the elimination of its senior secured debt.
- The Company opened three new stores in Alberta.
- Through the COVID-19 pandemic, all retail branded locations have remained operational, despite the complex conditions facing the retail industry across Canada. On Friday June 11, 2021, the Company stores in Ontario reopened to in-store shopping at 15% capacity as per revised provincial regulations.
- The Company announced the acquisition of DHC Supply LLC (operating as Daily High Club) for US$10.0 million. The transaction is expected to close imminently.

Selected financial information for the three and six months ended April 30, 2021:

(Expressed in thousands of Canadian Dollars)

	Three Months Ended April 30,			**Six Months Ended April 30,**		
	2021 $	2020 $	% Change	**2021 $**	2020 $	% Change
Revenue	**40,868**	20,571	99%	**79,187**	34,286	131%
Gross profit	**14,998**	7,755	93%	**29,766**	12,548	137%
Total operating expenses	**(19,509)**	(7,599)	157%	**(36,322)**	(14,509)	150%
Adjusted EBITDA[a]	**4,720**	1,733	166%	**9,322**	951	880%
Net (loss) income from operations	**(4,511)**	156	(2992%)	**(6,556)**	(1,961)	234%
Net loss	**(12,266)**	(4,912)	150%	**(29,111)**	(8,857)	229%
Loss per share (basic)	**(0.02)**	(0.02)	0%	**(0.06)**	(0.04)	50%

(a) Adjusted EBITDA is a non-IFRS financial measure.

The following is a reconciliation of Adjusted EBITDA to Net Loss:

	Three Months Ended April 30,		**Six Months Ended April 30,**	
	2021	2020	**2021**	2020
Net loss	**(12,266)**	(4,912)	**(29,111)**	(8,858)
Income taxes	**(124)**	162	**464**	77
Accretion and interest	**2,838**	2,529	**5,540**	4,263
Depreciation and amortization	**7,714**	1,545	**13,808**	2,814
EBITDA (1)	**(1,838)**	(676)	**(9,299)**	(1,704)
Foreign exchange	**5**	(17)	**94**	(21)
Transaction and acquisition costs	**889**	173	**2,470**	795
Debt restructuring (gain) loss	**-**	-	**(1,145)**	-
Revaluation of derivative liability (2)	**3,988**	125	**14,472**	(314)
(Gain) Loss on extinguishment of debenture	**-**	186	**516**	186
Impairment loss	**-**	247	**-**	247
Share-based compensation	**1,517**	72	**2,070**	99
Revaluation of marketable securities	**159**	1,663	**144**	1,663
Adjusted EBITDA (1)	**4,720**	1,773	**9,322**	951

(1) Earnings before interest, taxes, depreciation, and amortization ("EBITDA") and Adjusted EBITDA. These measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-IFRS measures provide investors with a supplemental measure of the Company's operating performance and therefore highlight trends in Company's core business that may not otherwise be apparent when relying solely on IFRS measures. Management uses non-IFRS measures in measuring the financial performance of the Company.

(2) The Company recorded a loss from the revaluation of derivative liability of $3,988 during the second quarter of 2021 (2020: loss of $125). This non-cash accounting charge primarily relates to warrants issued to Windsor Private Capital in connection with the loan agreement entered into on January 6, 2020. The cashless exercise feature in the warrants creates a derivative liability which is required to be revalued each reporting period. The increase in our share price during the quarter resulted in an increase in the derivative liability.

Outlook

High Tide continues to have a leading position in the Canadian bricks and mortar cannabis market with 87 locations across the country. The Company is focused on expanding its footprint in Ontario and expects to increase its store count in the province from 18 today, and reach 30 open stores by September 30, 2021, the date on which the cap that any one retailer can own is set to increase from 30 to 75. COVID related restrictions in the second quarter limited the Company's stores in Ontario to click and collect and delivery only, which negatively impacted sales. On June 11, 2021, in store shopping resumed in our stores in Ontario. While still early, we have seen a boost in sales as a result – which would be consistent with our prior experience coming out of the previous two lockdowns in the province. The Company also expects to enter British Columbia in the coming months.

In addition to continued expansion in Canadian bricks and mortar cannabis, the Company expects further growth ahead as a result of its U.S.-focused businesses. Specifically, the second quarter's results included only 37 days of contribution from Smoke Cartel. Since the end of the second quarter, High Tide has closed the acquisition of FABCBD and expects to close the acquisition of Daily High Club imminently. We believe that strengthening our unique cannabis ecosystem across the value chain by geography and segment offers meaningful synergy opportunities and creates a stronger company which is better positioned to thrive regardless of short-term dynamics in any one area.

The Company has been actively following developments in the U.S. cannabis sector, and while it appears that further liberalisation regarding the federal regulatory and legislative environment is possible, our immediate strategy does not rely on regulatory change. Despite this, we remain just one transaction away from entering the bricks and mortar retail market in the U.S. when federally permissible. High Tide believes it is well positioned to take advantage of the growing ancillary and hemp derived CBD markets and estimates its current revenue run rate in the U.S., pro forma for the announced acquisitions, to be approximately $50 million today.

About High Tide Inc.

High Tide is a retail-focused cannabis company enhanced by the manufacturing and distribution of consumption accessories. The Company is the most profitable Canadian retailer of recreational cannabis as measured by Adjusted EBITDA,[1] with 87 current locations spanning Ontario, Alberta, Manitoba, and Saskatchewan. High Tide's retail segment features the Canna Cabana, KushBar, Meta Cannabis Co., Meta Cannabis Supply Co., and NewLeaf Cannabis banners, with additional locations under development across the country. High Tide has been serving consumers for over a decade through its established e-commerce platforms including Grasscity.com and Smokecartel.com, and more recently in the hemp-derived CBD space through CBDcity.com and FABCBD.com as well as its wholesale distribution division under Valiant Distribution, including the licensed entertainment product manufacturer Famous Brandz. High Tide's strategy as a parent company is to extend and strengthen its integrated value chain, while providing a complete customer experience and maximizing shareholder value. Key industry investors in High Tide include Tilray Inc. (TSX: TLRY) (Nasdaq: TLRY) and Aurora Cannabis Inc. (TSX: ACB) (Nasdaq: ACB).

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1 Adjusted EBITDA is a non-IFRS financial measure.

For more information about High Tide Inc., please visit www.hightideinc.com and its profile page on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this news release are forward-looking information or forward-looking statements, including, but not limited to (i) the Company's application to list on the NASDAQ; (ii) the Company's plans to adjust its business model and pursue expansion opportunities in the United States and Europe (iii) the Alcohol and Gaming Commission of Ontario's intentions to increase the pace of Retail Store Authorizations it issues from 20 to 30 a week; (iv) the Company's expectation to reach 30 open stores in Ontario by September, 30, 2021; (v) the Company's expectations to profitably open new stores in Alberta, including several locations in the month of April; (vi) the Company's belief that it is well positioned to take advantage of the growing ancillary and hemp derived CBD markets in the United States and estimates regarding its current revenue run rate in the United States, pro forma for the Smoke Cartel acquisition, to be over $25 million as of the date of this release; (vii) the Company's expectations to further expand the Company's operations in the United States through discussions with various parties across the federally permissible ecosystem in the United States; and (viii) the Company's belief that its application to list its shares on the Nasdaq may accelerate the Company's growth. Such information and statements, referred to herein as "forward-looking statements" are made as of the date of this news release or as of the date of the effective date of information described in this news release, as applicable. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations, or beliefs regarding future events. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (generally, forward-looking statements can be identified by use of words such as "outlook", "expects", "intend", "forecasts", "anticipates", "plans", "projects", "estimates", "envisages, "assumes", "needs", "strategy", "goals", "objectives", or variations thereof, or stating that certain actions, events or results "may", "can", "could", "would", "might", or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions, and other similar terminology) are not statements of historical fact and may be forward-looking statements.

Such forward-looking statements are based on assumptions that may prove to be incorrect, including but not limited to the Company's ability to execute on its business plan and that the Company will have sufficient funds to execute on its strategic growth objectives in 2021, including the ability of the Company to pursue and finance the potential acquisitions and new store openings referenced in this release; the Company's ability to successfully list its shares on the Nasdaq; and that the Company will not be required to implement any measures to address unanticipated developments (including developments relating to COVID-19) affecting the Company's business, which could adversely affect the Company's proposed business plan. However, there can be no assurance that any one or more of the governments, industry, market, operational or financial targets as set out herein will be achieved. Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking statements.

The forward-looking statements contained herein are current as of the date of this news release. Except as required by law, High Tide does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances. Any and all forward-looking statements included in this news release are expressly qualified by this cautionary statement, and except as otherwise indicated, are made as of the date of this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.

CONTACT INFORMATION

Media Inquiries
Omar Khan
Senior Vice President, Corporate and Public Affairs
omar@hightideinc.com

Investor Inquiries
Vahan Ajamian
Capital Markets Advisor
vahan@hightideinc.com

Management's Discussion & Analysis

For the three and six months ended April 30, 2021 and 2020

This Management's Discussion and Analysis ("MD&A") of High Tide Inc. ("High Tide" or the "Company") for the three and six months ended April 30, 2021, and 2020 is dated June 28, 2021. This MD&A should be read in conjunction with the audited Consolidated Financial Statements of the Company for the years ended October 31, 2020 (hereafter the "Financial Statements") and with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB").

In this document, the terms "we", "us" and "our" refer to High Tide. This document also refers to the Company's three reportable operating segments: (i) the "Retail" Segment represented by brands, including Canna Cabana, NewLeaf Cannabis, Meta Cannabis Co, KushBar, Grasscity, Smoke Cartel, and CBDcity, (ii) the "Wholesale" Segment represented by brands, including Valiant Distribution ("Valiant") and Famous Brandz ("Famous Brandz"), and (iii) the "Corporate" Segment.

High Tide is a retail-focused cannabis corporation enhanced by the manufacturing and distribution of consumption accessories. The Company's shares are listed on the Nasdaq Capital Market ("Nasdaq") under the ticker symbol "HITI" as of June 2, 2021, the TSX Venture Exchange ("TSXV") under the symbol "HITI", and the Frankfurt Stock Exchange ("FSE") under the securities identification code 'WKN: A2PBPS' and the ticker symbol "2LYA". The address of the Company's corporate and registered office is # 120 – 4954 Richard Road SW, Calgary, Alberta T3E 6L1, while the address of the Company's headquarters is #112, 11127 15 Street NE, Calgary, Alberta, T3K 2M4.

Additional information about the Company, including the October 31, 2020 audited Consolidated Financial Statements, news releases, the Company's short-form prospectus, and other disclosure items of the Company can be accessed at www.sedar.com and at www.hightideinc.com.

Forward-Looking Information and Statements

Certain statements contained within this MD&A, and in certain documents incorporated by reference into this document, constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

In particular, this MD&A contains forward-looking statements pertaining, without limitation, to the following: changes in general and administrative expenses; future business operations and activities and the timing thereof; the future tax liability of the Company; the estimated future contractual obligations of the Company; the future liquidity and financial capacity of the Company; and its ability to fund its working capital requirements and forecasted capital expenditures.

We believe the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this MD&A should not be unduly relied upon.

These forward-looking statements speak only as of the date of this MD&A or as of the date specified in the documents incorporated by reference into this MD&A. The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A: counterparty credit risk; access to capital; limitations on insurance; changes in environmental or legislation applicable to our operations, and our ability to comply with current and future environmental and other laws; changes in income tax laws or changes in tax laws and incentive programs relating to the cannabis industry; and the other factors discussed under "Financial Instruments and Risk Management" in this MD&A.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this MD&A and the documents incorporated by reference herein are expressly qualified by this cautionary statement. The forward-looking statements contained in this document speak only as of the date of this document and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

Changes in Accounting Policies and Critical Accounting Estimates

The significant accounting policies applied in preparation of the unaudited condensed interim consolidated financial statements for the three and six months ended April 30, 2021, and 2020 are consistent with those applied and disclosed in Note 3 of the Company's Consolidated Financial Statements for the year ended October 31, 2020 and 2019.

Non-IFRS Financial Measures

Throughout this MD&A, references are made to non-IFRS financial measures, including earnings before interest, taxes, depreciation, and amortization ("EBITDA") and Adjusted EBITDA. These measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-IFRS measures provide investors with a supplemental measure of the Company's operating performance and therefore highlight trends in Company's core business that may not otherwise be apparent when relying solely on IFRS measures. Management uses non-IFRS measures in measuring the financial performance of the Company.

Corporate Overview

Nature of Operations

The Company's vision is to offer a full range of best-in-class products and services to cannabis consumers, while growing organically and through acquisitions, to become the world's premier retail-focused and vertically integrated Cannabis enterprise.

The Company's retail operations are focused on business-to-consumer markets. The operations of Canna Cabana, KushBar, NewLeaf Cannabis and META Cannabis Co are focused on the retail sale of recreational cannabis products for adult use as well as consumption accessories. The Company's e-commerce operations are made up of Grasscity and the newly acquired Smoke Cartel. Grasscity has been operating as a major e-commerce retailer of consumption accessories for over 20 years. It has significant brand equity in the United States and around the world, while providing an established online sales channel for High Tide to sell its proprietary products. Smoke Cartel was founded in 2013 and has grown to become one of the most searchable sites of its kind, further establishing the Company's e-commerce presence.

The wholesale operations of Valiant supports the retail operations of the Company and are primarily focused on the manufacturing and distribution of consumption accessories. Valiant designs and distributes a proprietary suite of branded consumption accessories including overseeing their contract manufacturing by third parties. Valiant also focuses on acquiring celebrity licenses, designing, and distributing branded consumption accessories. Additionally, it also distributes a minority of products that are manufactured by third parties. Valiant does not sell its products directly to consumers but operates an e-commerce platform for wholesale customers.

Established Consumer Brands:

Competitive Landscape

As of the date of this MD&A, the Company operates 80 corporately owned retail cannabis locations represented by 52 Canna Cabana locations, 16 NewLeaf Cannabis locations, 9 META Cannabis Co locations, and 3 KushBar locations. Further, the Company has a 50% interest in a partnership that operates a branded retail Canna Cabana location in Sudbury, Ontario and two joint venture operations with 49% interest that operates three branded retail META Cannabis Co locations in Manitoba. The Company is also represented by three branded locations with 1 location in Toronto, Ontario, 1 in Scarborough, Ontario, and 1 in Guelph, Ontario, as well as one franchise in Calgary. In total, the Company currently has a total of 87 branded retail cannabis stores operating across Canada.

The Company's retail recreational cannabis products segment operates amongst many competitors, both consolidated chains and independent operators. Notable competitors include Fire & Flower, Nova Cannabis, Spiritleaf and Tokyo Smoke, as well as numerous independent retailers.

Most of the Company's competitors applicable to its Wholesale Segment operate primarily as product distributors, while Valiant designs, sources, imports and distributes majority of their own products. This creates advantages through vertical integration, thereby enabling Valiant to bring unique product designs to market and offer wholesale customers favourable terms, proprietary products, and flexible pricing.

In the future, the Company expects its brick-and-mortar retail operations to experience increased competition from the recreational cannabis industry as a greater number of third-party stores are established across Canada, offering both cannabis products and consumption accessories. However, the Company believes that its vertically integrated e-commerce and wholesale operations, product knowledge, and operational expertise will enable it to operate profitably over the long term. In addition, the Company expects opportunities to arise from the legalization of recreational cannabis for its Wholesale Segment to acquire new clients by supplying third-party retailers with consumption accessories on a wholesale basis, thereby offsetting some of the risks associated with the increased competition expected to affect the Retail Segment. While the Company is presently focused on its existing markets in the Provinces of Ontario, Alberta, Saskatchewan, and Manitoba, the Company is looking to expand its presence in Ontario and enter the market in British Columbia. The Company is currently evaluating entering other provinces and territories including Northwest Territories, and the Yukon as regulations permit and anticipates being able to grow both organically as well as through acquisitions in the future.

(In thousands of Canadian dollars, except share and per share amounts or otherwise stated)

Select Financial Highlights and Operating Performance

	Three months ended April 30			Six months ended April 30		
	2021	2020	Change	**2021**	2020	Change
	$	$		**$**	$	
Revenue	**40,868**	20,571	99%	**79,187**	34,286	131%
Gross Profit	**14,998**	7,755	93%	**29,766**	12,548	137%
Gross Profit Margin	**37%**	38%	(1%)	**38%**	37%	1%
Total Operating Expenses	**(19,509)**	(7,599)	157%	**(36,322)**	(14,509)	150%
Adjusted EBITDA [(a)]	**4,720**	1,773	166%	**9,322**	951	880%
Net (loss) income from Operations	**(4,511)**	156	(2992%)	**(6,556)**	(1,961)	234%
Net loss	**(12,266)**	(4,912)	150%	**(29,111)**	(8,857)	229%
Loss per share (Basic)	**(0.02)**	(0.02)	nm	**(0.06)**	(0.04)	50%

(a) Adjusted EBITDA is a non-IFRS financial measure. A reconciliation of the Adjusted EBITDA to Net Loss is found under "EBITDA and Adjusted EBITDA" in this MD&A.
nm = not material

Revenue increased by 99% to $40,868 in the second quarter of 2021 (2020: $20,571) and gross profit increased by 93% to $14,998 in the second quarter of 2021 (2020: $7,755). Loss from operations was $4,511 in the second quarter of 2021 (2020: income $156).

The key factors affecting the results for the three-month period ended April 30, 2021, were:

- **Merchandise Sales** – Merchandise sales increased by 91% for the three-month period ended April 30, 2021, as compared to 2020. Growth in merchandise sales was largely driven by acquired businesses representing $16,941 of total sales increase; the organic increase in the number of Canna Cabana stores and a shift in consumer spending towards e-commerce, which accounts for $950 in total sales increase.

- **Operating Expenses** – Operating expenses increased by 157% for the three-months ended April 30, 2021, compared to 2020, and as a percentage of revenue increased by 11% in the first quarter of 2021 to 48% (2020: 37%). Operating expenses increased over the same period in 2021 due to the Company's continued growth of their Retail Segment through new store openings and the acquisition of META and Smoke Cartel.

Revenue

Revenue increased by 99% to $40,868 in the second quarter of 2021 (2020: $20,571) and by 131% to $79,187 in the six-month period ended April 30, 2021 (2020: $34,286).

The increase in revenue was driven primarily by the Company's Retail Segment through the acquisition of Meta Growth Corp ("META") on November 18, 2020.

For the three-month period ended April 30, 2021, additions of new stores and the business combination of META and Smoke Cartel into the Company contributed $19,304 of the increase in merchandise revenue. For the six-month period ended April 30, 2021, new stores and business combinations contributed $35,168 to the increase in merchandise revenue.

(In thousands of Canadian dollars, except share and per share amounts or otherwise stated)

Canna Cabana, NewLeaf, and META all provide a unique customer experience focused on retention and loyalty through its Cabana Club membership platform. Members of Cabana Club receive short message service ("SMS") and email communications highlighting new and upcoming product arrivals, member-only events, and other special offers. The database communicates with highly relevant consumers who are segmented at the local level by delivering regular content that is specific to their local Canna Cabana, NewLeaf, and META locations. As of the date of this MD&A, approximately 151,240 members have joined Cabana Club, with the majority subscribing in-store, while completing purchase transactions. Over 50% of the Company's daily business is conducted with regular Cabana Club members. During the quarter, Cabana Club members spent, on average, 13% more than non-Cabana Club members, which enhanced the Retail Segment's overall basket-size. This is a confirmation that the Company's one-stop shop ecosystem helps to attract and retain new and existing customers.

Gross Profit

For the three-month period ended April 30, 2021, gross profit increased by 93% to $14,998 (2020: $7,755) and by 137% to $29,766 for the six-month period ended April 30, 2021 (2020: $12,548). The increase in gross profit was driven by the acquisition of META, Smoke Cartel, and an increase in sales volume. The gross profit margin decreased to 37% in the three-month period ended April 30, 2021 (2020: 38%) and increased to 38% in the six-month period ended April 30, 2021 (2020: 37%).

Operating Expenses

Total operating costs increased by 157% to $19,509 in the first quarter of 2021 (2020: $7,599) and by 150% to $36,322 for the six-month period ended April 30, 2021 (2020: $14,509). Operating expenses increased over the same period in 2021 due to the Company's continued growth of their Retail Segment through new store openings and the acquisition of META and Smoke Cartel, resulting in a total of 85 branded retail stores operating across Canada compared to 33 branded retail stores as of April 30, 2020 (increase of 52 stores).

Salaries, wages, and benefits expenses increased by 85% to $6,205 in the second quarter of 2021 (2020: $3,357) and by 85% to $12,055 for the six-month period ended April 30, 2021 (2020: $6,531). The increase in staffing was due primarily to the acquisition of META, Smoke Cartel, and the need for additional personnel within the Retail Segment to facilitate growth in the number of cannabis locations and, by extension, an increase in revenue. For the six-month period ended April 30, 2021, the Company received $264 in Canada Emergency Wage Subsidy, which has been offset against salaries and wages in the consolidated statements of net loss.

Share-based compensation increased by 2,007% for the second quarter of 2021 compared to the same period in the prior year, and by 1,991% for the six-month period ended April 30, 2021, compared to the same period in the prior year. The increase in share-based compensation was primarily due to granting options and RSUs to employees and directors of the company.

General and administrative expenses increased by 97% for the second quarter of 2021 compared to the same period in 2020, and as a percentage of revenue decreased by 0.1% to 7.4% in the second quarter of 2021 compared to the same period in 2020 primarily because of the acquisition of META and Smoke Cartel.

Amortization expense on property, equipment, intangibles, and right-of-use assets of $7,714 for the second quarter of 2021 increased by 399% compared to same period in 2020 primarily because of $78,440 of assets acquired by the acquisition of META.

The Company is progressing well in integrating META's operations. As of the date of this MD&A, the Company has achieved approximately 71% of the synergies. Following is a breakdown of the annualized synergies achieved:

Synergy category	Actual savings ($)	Target savings ($)	% Achieved
Overhead SG&A and other	3,700	4,500	82%
Store optimization and leases	2,300	4,000	58%
Total	**6,000**	**8,500**	**71%**

(In thousands of Canadian dollars, except share and per share amounts or otherwise stated)

Financing and Other Costs

Financing and other costs of $3,727 was recorded during the second quarter of 2021 (2020: $2,702), representing the expense associated with the interest expense related to convertible debentures, the accretion of lease liabilities, as well as transaction costs related to the Company's acquisitions and business development.

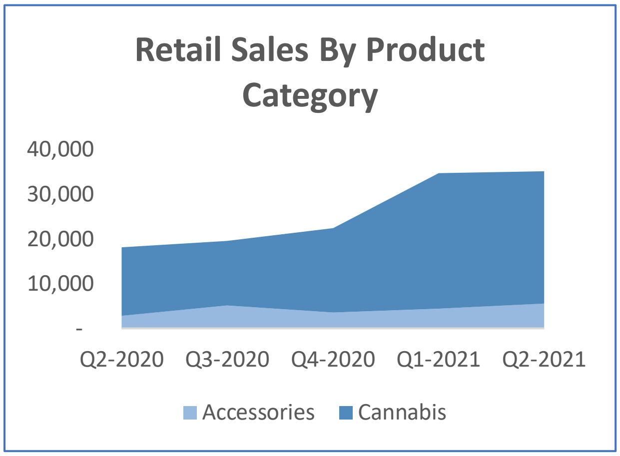
Revaluation of Derivative Liability

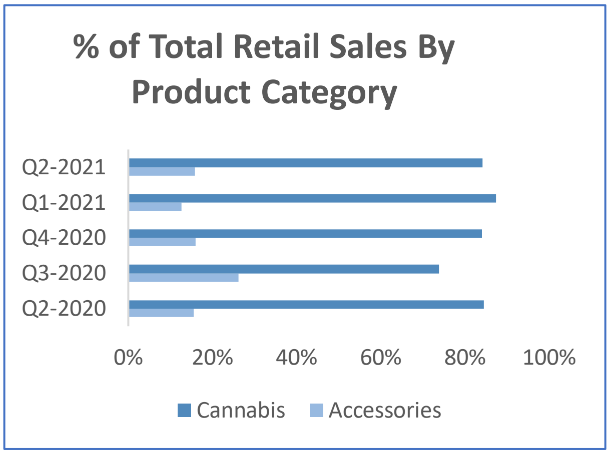
The Company recorded a loss from the revaluation of derivative liability of $3,988 during the second quarter of 2021 (2020: loss of $125). This non-cash accounting charge primarily relates to warrants issued to Windsor Private Capital in connection with the loan agreement entered into on January 6, 2020. The cashless exercise feature in the warrants creates a derivative liability which is required to be revalued each reporting period.

Segment Operations

For the three months ended April 30,	**Retail 2021 ($)**	Retail 2020 ($)	**Wholesale 2021 ($)**	Wholesale 2020 ($)	**Corporate 2021 ($)**	Corporate 2020 ($)	**Total 2021 ($)**	Total 2020 ($)
Total Revenue	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571
Gross Profit	**14,188**	7,093	**790**	572	**20**	90	**14,998**	7,755
Income (loss) from operations	**(1,058)**	1,757	**25**	(356)	**(3,478)**	(1,245)	**(4,511)**	156
Total assets	**86,532**	46,678	**6,331**	5,972	**107,207**	17,161	**200,070**	69,811
Total liabilities	**54,598**	22,893	**2,055**	1,894	**36,875**	33,301	**93,528**	58,088

Retail Segment Performance





The Company's Retail Segment demonstrated significant sales growth with an increase in revenue of 104% to $38,362 in the second quarter of 2021 compared to the same period in the prior year. Revenue growth is primarily attributable to its acquired businesses, which resulted in an increased number of retail locations and transactions on Grasscity.com due to shifting consumer habits.

Gross profit for the three-month period ending April 30, 2021, increased by $7,095 compared to the same period in the prior year and the gross profit margin decreased to 37% (2020: 38%). The decrease in the gross margin was due to a change in pricing strategy. The shift in pricing strategy was due to competitive landscape especially in Alberta. In Alberta, as of April 30, 2020, the province had granted 369 cannabis license vs 582 by end of April 30, 2021.

For the three-month period ending April 30, 2021, the Retail Segment recorded a loss from operations of $1,058 compared to income from operations of $1,757 for the same period in the prior year. The loss from operations is primarily due to higher depreciation of property, plant and equipment and higher amortization of the right-of-use assets related to leases of a larger retail store network compared to Q2 2020. Additionally, amortization on intangibles related to licences from acquired Meta locations that were operational during the current period but did not exist in the prior quarter and amortization on proprietary software from Smoke Cartel acquisition also contributed to loss from operations.

Same-store retail revenue

Same-store sales refers to the change in revenue generated by the Company's existing retail cannabis locations over the period. The Company had 27 cannabis locations that were operational for full three-month period ended April 30, 2021, and April 30, 2020. For these 27 cannabis locations, same-store sales decreased by 17% compared to the three-month period ended April 30, 2020. The decrease was primarily related to lockdown brought on by the COVID-19 pandemic in the province of Ontario. Excluding the same-store sales from the Ontario locations, the same-store sales for the remaining locations decreased by only 2% compared to the three-month period ended April 30, 2020, which is primarily due to increased competition.

Grasscity.com

During the second quarter of 2021, Grasscity processed 35,925 orders (2020: 28,442) and increased its customer base by 14% to 577,100 (2020: 506,000). High Tide continues to invest in Grasscity to refresh its online sales platform, increase its searchability, align its supply chain with Valiant, and optimize its distribution channels. Grasscity enables the Company to leverage its vertical integration to improve order fulfillment, customer reach, product margins and its overall profitability.

Smokecartel.com

On March 24, 2021, the Company closed the acquisition of Smoke Cartel Inc. ("Smoke Cartel"). Founded in 2013, SmokeCartel.com has grown to become one of the most searchable websites of its kind. The Company expects Smoke Cartel's proprietary and licensable drop-shipping technology to enhance existing e-commerce businesses. During the second quarter of 2021, for the period Smoke Cartel operated under the Company, Smoke Cartel processed 20,133 orders (2020: 20,157) and increased its customer base by 62% to 255,000 (2020: 157,000).

Wholesale Segment Performance

Revenues in the Company's Wholesale Segment increased by 50% to $2,487 for the three-month period ending April 30, 2021 (2020: $1,660). The Company's Wholesale Segment benefitted from more normalized levels of inventory availability for its customer base.

Gross profit increased by 38% to $790 for the three-month period ending April 30, 2021 (2020: $572).

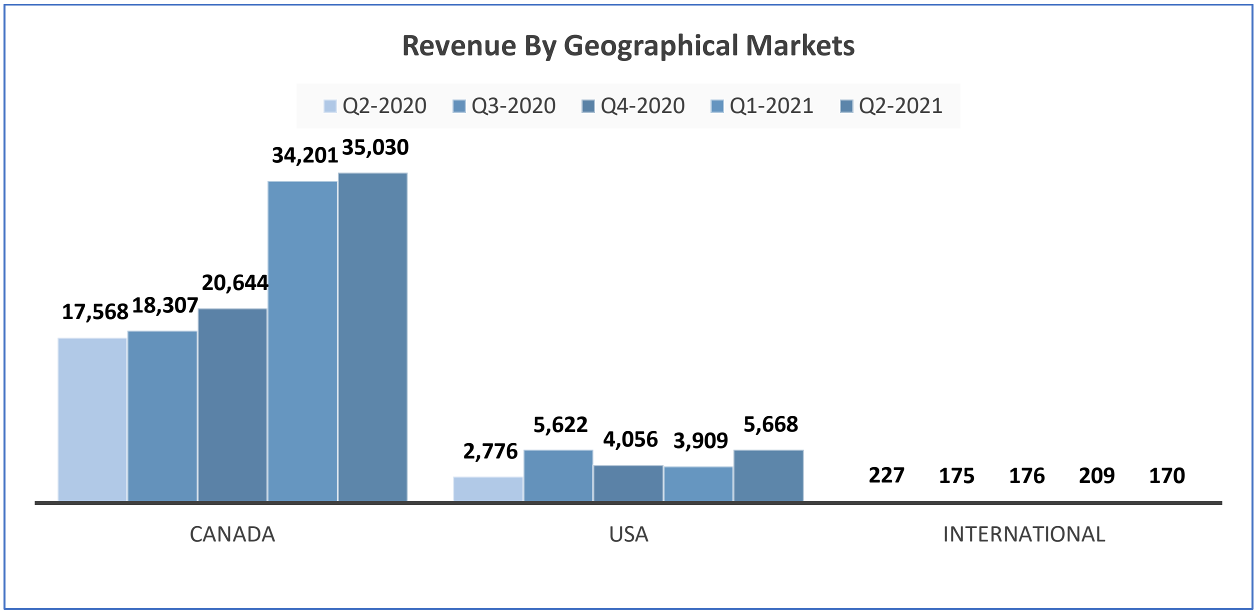
The Wholesale Segment reported income from operations of $25 for the three-month period ending April 30, 2021 (2020: loss $356).

Corporate Segment Performance

The Corporate Segment's main function is to administer the other two Segments (Retail and Wholesale) and is responsible for the executive management and financing needs of the business. The Corporate Segment earned revenues of $19 for the three-month period ending April 30, 2021 (2020: $90). The revenue was made up of royalty fees and other revenues.

Geographical Markets

Geographical markets represent revenue based on the geographical locations of the customers who have contributed to the revenue. The following is a representation of these geographical markets:



* USA and international revenues are related to sale of consumption accessories and CBD and not related to sale of cannabis.

The following presents information related to the Company's geographical markets:

For the three months ended April 30	2021 Retail	2020 Retail	2021 Wholesale	2020 Wholesale	2021 Corporate	2020 Corporate	2021 Total	2020 Total
	$	$	$	$	$	$	$	$
Primary geographical markets [i]								
Canada	**33,827**	16,705	**1,184**	773	**19**	90	**35,030**	17,568
USA	**4,365**	1,888	**1,303**	888	**-**	-	**5,668**	2,776
International	**170**	227	**-**	-	**-**	-	**170**	227
Total revenue	**38,362**	18,820	**2,487**	1,661	**19**	90	**40,868**	20,571

(i) Represents revenue based on geographical locations of the customers who have contributed to the revenue generated in the applicable segment.

Sales performance increased significantly, on average, with Canna Cabana leading Canadian sales and Grasscity and Smoke Cartel contributing to USA and International sales. Revenues in the International market are comprised of sales made to all countries outside of North America.

Summary of Quarterly Results

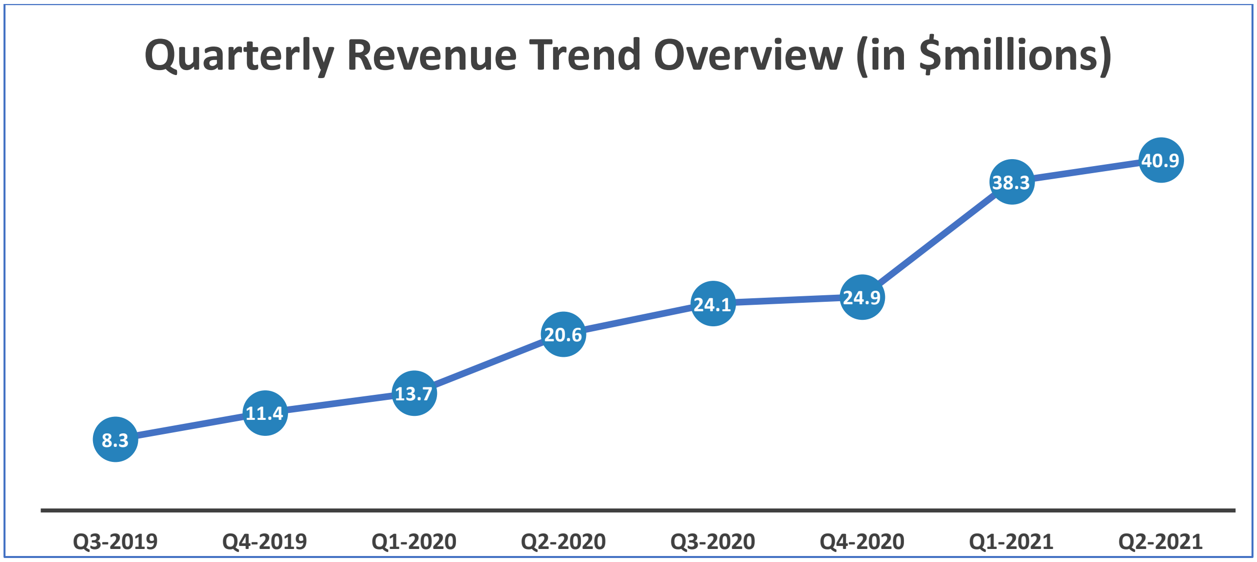
(C$ in thousands, except per share amounts)	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Revenue	40,868	38,319	24,876	24,104	20,571	13,715	11,409	8,288
Adjusted EBITDA	4,720	4,602	3,626	3,397	1,773	(822)	(5,698)	(3,369)
(Loss) income from Operations	(4,511)	(2,045)	1,133	1,624	156	(2,117)	(6,393)	(4,038)
Net (loss) income	(12,266)	(16,845)	(1,324)	3,827	(4,912)	(3,945)	(15,427)	(3,724)
Net (loss) income per share (Basic)	(0.02)	(0.04)	(0.02)	0.02	(0.02)	(0.02)	(0.07)	(0.02)

(a) Adjusted EBITDA is a non-IFRS financial measure. A reconciliation of the Adjusted EBITDA to Net Loss is found under "EBITDA and Adjusted EBITDA" in this MD&A.

Aside from the seasonal increase in consumer spending leading up to the winter holiday period, which occurs in the first quarter of the Company's fiscal year, quarter over quarter revenues are increasing as the Company aggressively expands Canna Cabana operations and integrates acquired businesses such as META into the Company's business.

The adjusted EBITDA increased by 166% or $2,947 in the second quarter of 2021 compared to same period in the prior year due to higher revenues.

(In thousands of Canadian dollars, except share and per share amounts or otherwise stated)



EBITDA and Adjusted EBITDA

The Company defines EBITDA and Adjusted EBITDA as per the table below. It should be noted that these performance measures are not defined under IFRS and may not be comparable to similar measures used by other entities. The Company believes that these measures are useful financial metrics as they assist in determining the ability to generate cash from operations. Investors should be cautioned that EBITDA and Adjusted EBITDA should not be construed as an alternative to net earnings or cash flows as determined under IFRS. The reconciling items between net earnings, EBITDA, and Adjusted EBITDA are as follows:

	2021(1)		2020(2)				2019(3)			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net (loss) income	(12,266)	(16,845)	(1,324)	3,827	(4,912)	(3,946)	(15,429)	(3,724)	(3,319)	(3,820)
Income taxes (recovery)	(124)	588	(165)	316	162	(85)	2,998	(1,310)	(1,166)	(1,230)
Accretion and interest	2,838	2,702	573	2,456	2,529	1,734	1,676	1,040	231	36
Depreciation and amortization	7,714	6,094	2,213	1,771	1,545	1,269	478	462	275	186
EBITDA	**(1,838)**	**(7,461)**	**1,297**	**8,370**	**(676)**	**(1,028)**	**(10,277)**	**(3,532)**	**(3,979)**	**(4,828)**
Foreign exchange loss (gain)	5	89	(64)	4	(17)	(4)	49	(41)	(39)	75
Transaction and acquisition costs	889	1,581	1,729	193	173	622	-	-	-	106
Debt restructuring gain	-	(1,145)	-	-	-	-	-	-	-	-
Inventory write- off	-	-	252	-	-	-	-	-	-	-
Loss (gain) revaluation of derivative liability	3,988	10,484	706	67	125	(439)	(732)	-	-	-
(Gain) loss on settlement of convertible debenture	-	-	142	-	-	-	-	-	-	-
Gain on extinguishment of debenture	-	516	(418)	(3,576)	186	-	-	-	-	-
Impairment loss	-	-	458	-	247	-	4,820	-	-	-
Share-based compensation	1,517	553	29	2	72	27	180	207	590	1,232
Revaluation of marketable securities	159	(15)	-	(1,663)	1,663	-	-	-	-	-
Gain on extinguishment of financial liability	-	-	(505)	-	-	-	(129)	-	-	-
Related party balances written off	-	-	-	-	-	-	34	-	-	-
Loss (gain) on disposal of property and equipment	-	-	-	-	-	-	-	2	-	(2)
Discount on accounts receivable	-	-	-	-	-	-	87	(5)	(58)	(24)
Adjusted EBITDA	**4,720**	**4,602**	**3,626**	**3,397**	**1,773**	**(822)**	**(5,968)**	**(3,369)**	**(3,486)**	**(3,441)**

(1) Cash outflow for the lease liabilities during the three-months ended April 30, 2021, were $1,265, three months ended January 31, 2021 were $1,088.

(2) Cash outflow for the lease liabilities during the three-months ended October 31, 2020, were $987, three-months ended July 31, 2020 were $783, three-months ended April 30, 2020 were $728 and $693 for three months ended January 31, 2020.

(3) Financial information for 2019 has not been restated for the adoption of IFRS 16.

(In thousands of Canadian dollars, except share and per share amounts or otherwise stated)

Financial Position, Liquidity and Capital Resources

Assets

As at April 30, 2021, the Company had a cash balance of $29,353 (October 31, 2020: $7,524).

Working capital including cash as of April 30, 2021 was a surplus of $13,308 (October 31, 2020: deficit $8,183). The change is mainly due to the closing of a bought deal of $23,000 that happened in the second quarter of 2021. These transactions and positive cash flow from operations provide the Company enough liquidity for its working capital needs and to pursue its near-term expansion plan.

Total assets of the Company were $200,070 on April 30, 2021, compared to $69,811 on October 31, 2020. The increase in total assets is primarily due to the acquisition of META, which resulted in significant increases in intangible assets, property and equipment, and right-of-use assets. Assets also increased due to capital asset additions and prepaid lease deposits due to the expansion during the period.

Liabilities

Total liabilities increased to $93,528 at April 30, 2021, compared to $58,088 on October 31, 2020 primarily due to the acquisition of META.

Summary of Outstanding Share Data

The Company had the following securities issued and outstanding as at the date of this MD&A:

Securities [1]	**Units Outstanding [2]**
Issued and outstanding common shares	49,646,702
Warrants	7,991,784
Stock options and RSUs	1,832,740
Convertible debentures	2,484,758

(1) Refer to the Company's Consolidated Financial Statements for a detailed description of these securities.
(2) Unit's outstanding are post-consolidation of common shares on May 14, 2021 in preparation for listing on the Nasdaq.

Cash Flows

During the period ended April 30, 2021, the Company had an overall increase in cash of $21,829 (2020: $6,238).

Total cash used in operating activities was $2,603 for the period ended April 30, 2021 (2020: $3,134 cash generated in operating activities). The decrease in operating cash inflows is primarily driven by an increase in operating expenses. Cash used by investing activities was $866 (2020: cash used $1,942). Cash provided by financing activities was $25,298 (2020: cash provided $5,046) because of the bought financing of $23,000 closed in the second quarter of 2021.

Liquidity

In addition to cash and non-cash working capital discussed above, the Company acquired META during the first quarter of 2021, and closed a bought deal financing for $23,000 in the second quarter of 2021. These transactions provide the Company enough liquidity for its working capital needs and to pursue its near-term expansion plan.

Capital Management

The Company's objectives when managing capital resources are to:

I. Explore profitable growth opportunities.
II. Deploy capital to provide an appropriate return on investment for shareholders.
III. Maintain financial flexibility to preserve the ability to meet financial obligations; and
IV. Maintain a capital structure that provides financial flexibility to execute on strategic opportunities.

The Company's strategy is formulated to maintain a flexible capital structure consistent with the objectives stated above as well to respond to changes in economic conditions and to the risks inherent in its underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year-over-year sustainable profitable growth. The Company is not subject to any externally imposed capital requirements. The Company's capital structure consists of equity and working capital. To maintain or alter the capital structure, the Company may adjust capital spending, take on new debt and issue share capital. The Company anticipates that it will have adequate liquidity to fund future working capital, commitments, and forecasted capital expenditures through a combination of cash flow, cash-on-hand and financings as required.

Off Balance Sheet Transactions

The Company does not have any financial arrangements that are excluded from the Financial Statements as at April 30, 2021, nor are any such arrangements outstanding as of the date of this MD&A.

Transactions Between Related Parties

As at April 30, 2021, the Company had the following transactions with related parties as defined in IAS 24 – *Related Party Disclosures*, except those pertaining to transactions with key management personnel in the ordinary course of their employment and/or directorship arrangements and transactions with the Company's shareholders in the form of various financing.

Financing transactions

A Director of the Company is Chief of the Opaskwayak Cree Nation ("OCN"). On November 18, 2020, the Company acquired all of the issued and outstanding shares of META which included notes payable to Opaskwayak Cree Nation ("OCN"). As of April 30, 2021 the Company has drawn $13,000 and has $6,750 available to be drawn under the credit facility.

On February 22, 2021, the Company issued, on a bought deal basis, 47,916,665 units of the Company at a price of $0.48 (3,194,444 units at a price of $7.20 post-consolidation) per unit. Two of the officers and the corporate secretary of the Company, collectively participated in the offering and acquired an aggregate of 3,112,084 units (207,472 units post-consolidation) pursuant to the Offering.

Operational transactions

An office and warehouse unit has been developed by Grover Properties Inc., a company that is related through a common controlling shareholder and the President & CEO of the Company. The office and warehouse space were leased to High Tide to accommodate the Company's operational expansion. The lease was established by an independent real estate valuations services company at prevailing market rates and has annual lease payments totalling $386 per annum. The primary lease term is 5 years with two additional 5-year term extensions exercisable at the option of the Company.

An office and warehouse unit located in Savannah Georgia has been leased out by 2G Realty, LLC, a company that is related through the Chief Technology Officer of the company. The office and warehouse space were leased to accommodate the Company's operational needs for Smoke Cartel. The lease was established at prevailing market rates and has annual lease payments totalling $52 per annum. The primary lease term is 1 years with one additional 1-year term extensions exercisable at the option of the Company.

Subsequent events

(i) On May 10, 2021, the Company acquired 80% of Fab Nutrition, LLC, operating as FABCBD ("FABCBD") for US$20,640, and has been granted a three-year option to acquire the remaining 20% of FABCBD at any time. The consideration was comprised of: (i) 15,608,727 common shares of High Tide (the "HT Shares") (1,040,582 HT Shares post-consolidation), having an aggregate value of US$8,080; and (ii) US$12,560 in cash. The cash portion of the Transaction has been funded entirely with cash on hand. In addition, pursuant to the acquisition agreement the vendor may be entitled to an earn out bonus of US$612 if FABCBD exceeds gross revenues of at least US$13,500 in 2021, which will be paid, if due, in High Tide Shares based on the volume weighted average price per High Tide Share for the 10 consecutive trading days preceding payment, subject to a maximum of 1,425,106 (95,007 post-consolidation) High Tide Shares.

(ii) On May 14, 2021, the Company announce that it will be consolidating all of its issued and outstanding common shares ("Common Shares") on the basis of one (1) post-consolidation Common Share for each fifteen (15) pre-consolidation Common Shares (the "Share Consolidation"). The Share Consolidation represented another major step towards the listing of the Common Shares on The Nasdaq Stock Market LLC ("Nasdaq") by meeting the minimum share price requirement set by Nasdaq. The Company listed on Nasdaq om June 2, 2021.

(iii) On May 19, 2021, the Company closed its previously announced "bought deal" short-form prospectus offering (the "Offering") units of the Company (the "Units"), including the exercise in full of the underwriters' over-allotment option. The Offering was led by ATB Capital Markets Inc. and Echelon Wealth Partners Inc., on behalf of the syndicate underwriters. In connection with the Offering, the Company issued an aggregate of 2,100,000 Units at a price of $9.60 per Unit, for aggregate gross proceeds of $20,160. The over-allotment option allowed to purchase an additional 315,000 Units at a price of $9.60 per Unit, for aggregate gross proceeds of $3,024. Each Unit is comprised of one common share of the Company (each, a "Common Share") and one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of $12.25, for a period of 36 months following the closing of the Offering.

(iv) On June 25, 2021, the Company entered into a defininitve agreement pursuant to which the Company, will acquire 100% of the issued and outstanding shares of DHC Supply LLC operating as Daily High Club. The consideration will be comprised of: (i) common shares of High Tide ("High Tide Shares"), having an aggregate value of US$6,750 on the basis of a deemed price per High Tide Share equal to the volume weighted average price per High Tide Share on Nasdaq for the 10 consecutive trading days preceding the closing of the Transaction; and (ii) US$3,250 in cash. The cash portion of the Transaction will be funded entirely with cash on hand.

(v) Subsequent to the period ended April 30, 2021, $2,680 of debt was converted into common shares.

(vi) Subsequent to the period ended April 30, 2021, 1,754 warrants were converted to 115,903 common shares for net proceeds of $831.

Financial Instruments

The Company's activities expose it to a variety of financial risks. The Company is exposed to credit, liquidity, and market risk because of holding certain financial instruments. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Risk management is carried out by senior management in conjunction with the Board of Directors.

Financial instruments that subject the Company to credit risk consist primarily of cash, accounts receivable, marketable securities and loans receivable. The credit risk relating to cash and cash equivalents balance is limited because the counterparties are large commercial banks. The amount reported for trade receivable in the statement of financial position is net of expected credit loss and the net carrying value represents the Company's maximum exposure to credit risk. Trade receivable credit exposure is minimized by entering into transactions with creditworthy counterparties and monitoring the age and balances outstanding on an ongoing basis. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk.

The Company performs a regular assessment of collectability of accounts receivables. In determining the expected credit loss amount, the Company considers the customer's financial position, payment history and economic conditions.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on funds generated from operations as well as debt and equity financings to provide sufficient liquidity to meet budgeted operating requirements and to supply capital to expand its operations.
Foreign currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains cash balances and enters into transactions denominated in foreign currencies, which exposes the Company to fluctuating balances and cash flows due to variations in foreign exchange rates.

Outlook

High Tide continues to have a leading position in the Canadian brick and mortar cannabis market with 87 locations across the country. The Company is focused on expanding its footprint in Ontario, and expects to increase its store count in the province from 18 today, and reach 30 open stores by September 30, 2021, the date on which the cap for any one retailer can own is set to increase from 30 to 75. Recent COVID related restrictions limited the Company's stores in Ontario to click and collect and delivery only which negatively impacted sales. On June 11, 2021, in store shopping resumed in our stores in Ontario. While still early, we have seen a boost in sales as a result – which would be consistent with our prior experience coming out of the prior two lockdowns in the province. The Company also expects to enter British Columbia in the coming months.

In addition to continued expansion in Canadian brick and mortar cannabis, the Company expects further growth ahead as a result of its U.S.-focused businesses. Specifically, the second quarter's results included only 37 days contribution of Smoke Cartel. Since the end of the second quarter, High Tide has closed the acquisition of FABCBD and expects to close the acquisition of Daily High Club imminently. We believe that strengthening our unique cannabis ecosystem across the value chain by geography and segment offers meaningful synergy opportunities and creates a stronger company which is better positioned to thrive regardless of short-term dynamics in any one area.

The Company has been actively following developments in the U.S. cannabis sector, and while it appears that further liberalisation regarding the federal regulatory and legislative environment is possible, our immediate strategy does not rely on regulatory change. Despite this, we remain just one transaction away from entering the bricks and mortar retail market in the U.S. when federally permissible. High Tide believes it is very well positioned to take advantage of the growing ancillary and hemp derived CBD markets and estimates its current revenue run rate in the U.S., pro forma for the announced acquisitions, to be approximately $50 million today.

Risk Assessment

Management of High Tide defines risk as the evaluation of probability that an event might happen in the future that could negatively affect the financial condition, results of operations and/or reputation of the Company. The following section describes specific and general risks that could affect the Company. The following descriptions of risk do not include all possible risks as there may be other risks of which management is currently unaware.

Changes in Laws and Regulations

The Company is subject to a variety of applicable laws, including those relating to the marketing, acquisition, manufacturing, management, transportation, storage, sale, packaging and labeling, and disposal of cannabis and cannabis products. The Company is also subject to applicable laws relating to health and safety, the conduct of operations, taxation of products and the protection of the environment. As applicable laws pertaining to the cannabis industry are relatively new, it is possible that significant legislative amendments may still be enacted – either provincially or federally – that address current or future regulatory issues or perceived inadequacies in the regulatory framework. Changes to applicable laws could have a Material Adverse Effect.

The legislative framework pertaining to the Canadian adult-use cannabis market is subject to significant provincial and territorial regulation. The legal framework varies across provinces and territories and results in asymmetric regulatory and market environments. Different competitive pressures, additional compliance requirements, and other costs may also limit the Company's ability to participate in such market.

Failure to Manage Growth Successfully

The Company's business has grown rapidly in the last year. The Company's growth places a strain on managerial, financial, and human resources. The Company will need to provide adequate operational, financial and management controls and reporting procedures to manage the continued growth in the number of employees, scope of operations and financial systems as well as the geographic area of operations. Expanding the business into new geographic areas requires the Company to incur costs, which may be significant, before any associated revenues materialize. Future growth beyond the next 12 months will depend upon several factors, including but not limited to the Company's ability to:

- issue further equity and/or take on further debt to fund the completion of the Company's expansion plans, including the build-out of new recreational cannabis stores and the expansion of its client base.
- hire, train, and manage additional employees to provide agreed upon services.
- execute on and successfully integrate acquisitions; and
- expand the Company's internal management to maintain control over operations and provide support to other functional areas within High Tide.

High Tide's inability to achieve any of these objectives could harm the Company's business, financial condition, reputation, and operating results.

Dependence on Key Personnel

The success of High Tide is largely dependent on the performance of its key employees and directors. Failure to retain key employees and directors and to attract and retain additional key employees with necessary skills could have a material adverse impact on the Company's growth and profitability. The departure of any key personnel could have a material adverse effect on the Company's business, results of operations and financial condition.

Ancillary Business in the United States Cannabis Industry

The Company derives a portion of its revenues from the cannabis industry in certain States. The Company is not directly or indirectly engaged in the manufacture, importation, possession, use, sale, or distribution of cannabis in the recreational or medical cannabis industry in the U.S., however, the Company may be considered to have ancillary involvement in the U.S. cannabis industry. Due to the current business and any future opportunities, the Company may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Company may be subject to significant direct or indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Company's ability to invest in the United States or any other jurisdiction, in addition to those described in this MD&A.

Competition

The Company faces, and will continue to face, intense competition from other companies, some of which can be expected to have longer operating histories and greater financial resources (including technical, marketing, and other resources compared to the Company). Such companies may be able to devote greater resources to the development, promotion, sale and support of their respective products and services. Such companies may also have more extensive customer bases and broader customer relationships and may make it increasingly difficult for the Company to, among other things, enter into favorable business agreements, negotiate favourable prices, recruit, or retain qualified employees, and acquire the capital necessary to fund capital investments by the Company.
In addition, Management estimates that, as of the date of this MD&A, there may be currently hundreds of applications for Retail Store Authorizations being processed by applicable cannabis regulatory authorities. The number of Authorizations granted, and the number of retail cannabis store operators ultimately authorized by applicable cannabis regulatory authorities, could have an adverse impact on the ability of the Company to compete for market share in the cannabis market within various jurisdictions in Canada. The Company also faces competition from illegal cannabis dispensaries, engaged in the sale and distribution of cannabis

to individuals without valid Authorizations.

Lastly, as the cannabis market continues to mature, both domestically and internationally, the overall demand for products and the number of competitors may be expected to increase significantly. Such increases may also be accompanied by shifts in market demand, and other factors that Management cannot currently anticipate, and which could potentially reduce the market for the products of the Company, and ultimately have a Material Adverse Effect.

To remain competitive in the evolving cannabis market, the Company will need to invest significantly in, among other things, operational efficiencies, marketing, growing distribution channels, and investing in additional human resources to support growth initiatives. If the Company is not successful in obtaining sufficient resources to invest in these areas, the ability of the Company to compete in the cannabis market may be adversely affected, which could have a Material Adverse Effect.

Failure to Secure Retail Locations

One of the factors in the growth of the Company's Cannabis retail business depends on the Company's ability to secure attractive locations on terms acceptable to the Company. The Company faces competition for retail locations from its competitors and from operators of other businesses. There is no assurance that future locations will produce the same results as past locations.

Cyber Risks

The Company and its third-party services provider's information systems are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the respective organizations. The operations of the Company depend, in part, on how well networks, equipment, information technology systems and software are protected against damage from several threats. The failure of information systems or a component of information system could, depending on the nature of any such failure, could have a material adverse effect on the Company's, business, its reputation, results of operations and financial condition.

Risk of Enforcement of U.S. Federal Laws

There can be no assurance that the U.S. federal government will not seek to prosecute cases involving cannabis businesses, including those of the Company, notwithstanding compliance with the securities laws of the applicable state of the United States. Such proceedings could have a Material Adverse Effect.

Further, violations of any U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions, or settlements arising from civil proceedings conducted by either the U.S. federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a Material Adverse Effect, including on its reputation and ability to conduct business, its ability to list its securities on stock exchanges, its financial position, its operating results, its profitability or liquidity or the value of its securities. In addition, the time of Management and advisors of the Company and resources that would be needed for the investigation of any such matters, or their final resolution could be substantial.

Epidemics and Pandemics (including COVID-19)

The Company faces risks related to health epidemics, pandemics, and other outbreaks of communicable diseases, which could significantly disrupt its operations and could have a Material Adverse Effect. In particular, the Company could be adversely impacted by the effects of COVID-19, an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). Since December 31, 2019, the outbreak of COVID-19 has led governments worldwide to enact emergency measures to combat the spread of the virus. These measures, which include, among other things, the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a Material Adverse Effect.

As of the date of this MD&A, the duration and the immediate and eventual impact of COVID-19 remains unknown. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its industry partners. To date, several businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. However, the exact extent to which COVID-19 impacts, or will impact the Business will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the pandemic and the actions taken to contain or treat COVID-19 (including recommendations from public health officials). In particular, the continued spread of COVID-19 globally could materially and adversely impact the Business, including without limitation, store closures or reduced operational hours or service methods, employee health, workforce productivity, reduced access to supply, increased insurance premiums, limitations on travel, the availability of experts and personnel and other factors that will depend on future developments beyond the Company's control, which could have a Material Adverse Effect. There can be no assurance that the personnel of the Company will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased costs because of these health risks. In addition, COVID-19 represents a widespread global health crisis that could adversely affect global economies and financial markets resulting in an economic downturn that could have a Material Adverse Effect.

Licenses and Permits

The ability of the Company to continue the Business is dependent on the good standing of various Authorizations from time to time possessed by the Company and adherence to all regulatory requirements related to such activities. The Company will incur ongoing costs and obligations related to regulatory compliance, and any failure to comply with the terms of such Authorizations, or to renew the Authorizations after their expiry dates, could have a Material Adverse Effect.

Although Management believes that the Company will meet the requirements of applicable laws for future extensions or renewals of the applicable Authorizations, there can be no assurance that applicable governmental entities will extend or renew the applicable Authorizations, or if extended or renewed, that they will be extended or renewed on the same or similar terms. If the applicable governmental entities do not extend or renew the applicable Authorizations, or should they renew the applicable Authorizations on different terms, any such event or occurrence could have a Material Adverse Effect.

The Company remains committed to regulatory compliance. However, any failure to comply with applicable laws may result in additional costs for corrective measures, penalties, or restrictions on the operations of the Company. In addition, changes in applicable laws or other unanticipated events could require changes to the operations of the Company, increased compliance costs or give rise to material liabilities, which could have a Material Adverse Effect.

Cannabis Prices

A major part of the Company's revenue is derived from the sale and distribution of cannabis in Canada, as such, the profitability of the Company may be regarded as being directly related to the price of cannabis. The cost of production, sale, and distribution of cannabis is dependent on several key inputs and their related costs, including equipment and supplies, labour and raw materials related to the growing operations of cannabis suppliers, as well other overhead costs such as electricity, water, and utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could have a Material Adverse Effect. Further, any inability to secure required supplies and services or to do so on favourable terms could have a Material Adverse Effect. This includes, among other things, changes in the selling price of cannabis and cannabis products set by the applicable province or territory. There is currently no established market price for cannabis and the price of cannabis is affected by numerous factors beyond the Company's control. Any price decline could have a Material Adverse Effect.

The operations of the Company may be sensitive to changes in the price of cannabis and the overall condition of the cannabis industry.

Difficulty to Forecast

The Company relies, and will need to rely, largely on its own market research to forecast industry statistics as detailed forecasts are not generally obtainable, if obtainable at all, from other sources at this early stage of the adult-use cannabis industry. Failure in the demand for the adult-use cannabis products because of competition, technological change, change in the regulatory or legal landscape or other factors could have a Material Adverse Effect.

Political and Other Risks Operating in Foreign Jurisdictions

The Company has operations in various foreign markets and may have operations in additional foreign and emerging markets in the future. Such operations expose the Company to the socioeconomic conditions as well as the laws governing the controlled substances industry in such foreign jurisdictions. Inherent risks with conducting foreign operations include, but are not limited to, high rates of inflation; fluctuations in currency exchange rates, military repression, war or civil unrest, social and labour unrest, organized crime, terrorism, violent crime, expropriation and nationalization, renegotiation or nullification of existing Authorizations, changes in taxation policies, restrictions on foreign exchange and repatriation, and changes political norms, currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction.

Condensed Interim Consolidated Financial Statements

For the three and six months ended April 30, 2021 and 2020

(Stated in thousands of Canadian dollars, except share and per share amounts)

(Unaudited)

Condensed Interim Consolidated Financial Statements for the three and six months ended April 30, 2021 and 2020.

The accompanying unaudited condensed interim consolidated financial statements of High Tide Inc. ("High Tide" or the "Company") have been prepared by and are the responsibility of the Company's management and have been approved by the Audit Committee and Board of Directors of the Corporation.

Approved on behalf of the Board:

(Signed) "Harkirat (Raj) Grover"
President and Chair of the Board

(Signed) "Nitin Kaushal"
Director and Chair of the Audit Committee

(Unaudited – In thousands of Canadian dollars)

	Notes	2021	2020
		$	$
Assets			
Current assets			
Cash		**29,353**	7,524
Marketable securities	*16*	**1,185**	50
Trade and other receivables	*8*	**4,804**	2,861
Inventory		**11,851**	5,702
Prepaid expenses and deposits	*7*	**5,981**	3,070
Current portion of loans receivable		**1,482**	74
Assets classified as held for sale	*22*	**1,674**	-
Total current assets		**56,330**	19,281
Non-current assets			
Loans receivable		**230**	230
Property and equipment	*6*	**21,520**	13,085
Net Investment - Lease	*19*	**842**	1,716
Right-of-use assets, net	*19*	**25,969**	16,413
Long term prepaid expenses and deposits	*7*	**1,511**	809
Deferred tax asset		**250**	250
Intangible assets and goodwill	*3, 5*	**93,418**	18,027
Total non-current assets		**143,740**	50,530
Total assets		**200,070**	69,811
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**12,373**	6,421
Notes payable current	*11*	**4,068**	1,939
Deferred liability		**1,700**	1,700
Current portion of convertible debentures	*10*	**3,403**	14,446
Current portion of lease liabilities	*19*	**5,152**	2,194
Derivative liability	*14*	**15,236**	764
Liabilities held for sale	*22*	**1,090**	-
Total current liabilities		**43,022**	27,464
Non-current liabilities			
Notes payable	*11*	**12,568**	2,589
Convertible debentures	*10*	**9,187**	11,376
Lease liabilities	*19*	**20,938**	14,474
Deferred tax liability		**7,813**	2,185
Total non-current liabilities		**50,506**	30,624
Total liabilities		**93,528**	58,088
Shareholders' equity			
Share capital	*12*	**145,666**	32,552
Warrants	*14*	**8,671**	5,796
Contributed surplus		**11,197**	4,704
Convertible debentures – equity		**1,511**	1,965
Accumulated other comprehensive income		**(406)**	(487)
Accumulated deficit		**(63,561)**	(34,359)
Equity attributable to owners of the Company		**103,078**	10,171
Non-controlling interest	21	**3,464**	1,552
Total shareholders' equity		**106,542**	11,723
Total liabilities and shareholders' equity		**200,070**	69,811

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three and six months ended April 30, 2021 and 2020
(Unaudited – In thousands of Canadian dollars)

	Notes	Three months ended 2021	Three months ended 2020	Six months ended 2021	Six months ended 2020
		$	$	$	$
Revenue					
Merchandise sales		**37,620**	19,729	**73,906**	32,736
Other revenue		**3,248**	842	**5,281**	1,550
Total Revenue	*4*	**40,868**	20,571	**79,187**	34,286
Cost of sales		**(25,870)**	(12,816)	**(49,421)**	(21,738)
Gross profit		**14,998**	7,755	**29,766**	12,548
Expenses					
Salaries, wages and benefits		**(6,205)**	(3,357)	**(12,055)**	(6,531)
Share-based compensation	*13*	**(1,517)**	(72)	**(2,070)**	(99)
General and administration		**(3,035)**	(1,537)	**(5,943)**	(2,983)
Professional fees		**(534)**	(853)	**(1,670)**	(1,617)
Advertising and promotion		**(244)**	(160)	**(315)**	(247)
Depreciation and amortization	*5,6,19*	**(7,714)**	(1,545)	**(13,808)**	(2,814)
Interest and bank charges		**(260)**	(75)	**(461)**	(218)
Total expenses		**(19,509)**	(7,599)	**(36,322)**	(14,509)
(Loss) income from operations		**(4,511)**	156	**(6,556)**	(1,961)
Other income (expenses)					
Loss on extinguishment of debenture	*10*	-	(186)	**(516)**	(186)
Debt restructuring gain	*11*	-	-	**1,145**	-
Loss on sale of marketable securities		-	(1,186)	-	(1,186)
Revaluation of marketable securities		**(159)**	(477)	**(144)**	(477)
Impairment loss		-	(247)	-	(247)
Finance and other costs	*9*	**(3,727)**	(2,702)	**(8,010)**	(5,058)
Revaluation of derivative liability	*10,14*	**(3,988)**	(125)	**(14,472)**	314
Foreign exchange (loss) gain		**(5)**	17	**(94)**	21
Total other expenses		**(7,879)**	(4,906)	**(22,091)**	(6,819)
Loss before taxes		**(12,390)**	(4,750)	**(28,647)**	(8,780)
Current income tax recovery (expense)		**124**	(162)	**(464)**	(77)
Net loss		**(12,266)**	(4,912)	**(29,111)**	(8,857)
Other comprehensive income (loss)					
Translation difference on foreign subsidiary		**(23)**	103	**82**	171
Total comprehensive loss		**(12,289)**	(4,809)	**(29,029)**	(8,686)
Net income (loss) and comprehensive income (loss) attributable to:					
Owners of the Company		**(12,355)**	(4,754)	**(29,120)**	(8,634)
Non-controlling interest		**66**	(55)	**91**	(52)
		(12,289)	(4,809)	**(29,029)**	(8,686)
Loss per share					
Basic	*15*	**(0.02)**	(0.02)	**(0.06)**	(0.04)

Subsequent Events (Note 23)

High Tide Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited – In thousands of Canadian dollars)

	Note	Share capital	Warrants	Contributed surplus	Equity portion of convertible debt	Accumulated other comprehensive income (loss)	Accumulated deficit	Attributable to owners of the Company	NCI	Total
		$	$	$	$	$	$	$	$	$
Opening balance, November 1, 2019		**26,283**	**6,609**	**2,119**	**1,637**	**(366)**	**(26,696)**	**9,586**	**(179)**	**9,407**
Fee paid in shares		860	-	-	-	-	-	860	-	860
Warrants		-	1,543	-	-	-	-	1,543	-	1,543
Share-based compensation		-	-	99	-	-	-	99	-	99
Equity portion of convertible debentures		-	-	-	241	-	-	241	-	241
Cumulative translation adjustment		-	-	-	-	171	-	171	-	171
Prepaid Interest paid in shares		848	-	-	-	-	-	848	-	848
Purchase of minority interest - KushBar Inc.		500	-	-	-	-	(695)	(195)	187	(8)
Acquisition - 2680495 Ontario Inc.		1,100	-	-	-	-	-	1,100	-	1,100
Acquisition - Saturninus Partners		1,218	316	-	-	-	-	1,534	930	2,464
Acquisition - 102088460 Saskatchewan Ltd.		975	-	-	-	-	-	975	-	975
Asset acquisition		104	-	-	-	-	-	104	-	104
Comprehensive loss for the period		-	-	-	-	-	(8,805)	(8,805)	(55)	(8,860)
Balance, April 30, 2020		31,888	8,468	2,218	1,878	(195)	(36,196)	8,061	883	8,944
Opening balance, November 1, 2020		**32,552**	**5,796**	**4,704**	**1,965**	**(487)**	**(34,359)**	**10,171**	**1,552**	**11,723**
Acquisition - Meta Growth	*3*	35,290	2,739	240	9,008	-	-	47,277	1,821	49,098
Prepaid Interest paid in shares		1,458	-	-	-	-	-	1,458	-	1,458
Share-based compensation	*13*	-	-	2,070	-	-	-	2,070	-	2,070
Equity portion of convertible debentures		-	-	-	157	-	-	157	-	157
Exercise options	*13*	865	-	(167)	-	-	-	698	-	698
Warrants expired	*14*	-	(4,725)	4,725	-	-	-	-	-	-
Issued to pay fees in shares		174	-	-	-	-	-	174	-	174
Extension of convertible debenture		-	-	340	-	-	-	340	-	340
Conversion of convertible debentures		40,532	-	-	(9,619)	-	-	30,913	-	30,913
Warrants	*14*	10,644	(1,631)	28	-	-	-	9,041	-	9,041
Cumulative translation adjustment		-	-	-	-	81	-	81	-	81
Acquisition - Smoke Cartel, Inc.		8,396	-	-	-	-	-	8,396	-	8,396
Shares issued through equity financing		18,237	6,492	-	-	-	-	24,729	-	24,729
Share issuance costs		(3,225)	-	-	-	-	-	(3,225)	-	(3,225)
Vesting of RSUs (Note 13)		743	-	(743)	-	-	-	-	-	-
Comprehensive loss for the period		-	-	-	-	-	(29,202)	(29,202)	91	(29,111)
Balance, April 30, 2021		**145,666**	**8,671**	**11,197**	**1,511**	**(406)**	**(63,561)**	**103,078**	**3,464**	**106,542**

(Unaudited – In thousands of Canadian dollars)

	Notes	2021	2020
		$	$
Operating activities			
Net loss		**(29,111)**	(8,857)
Adjustments for items not effecting cash and cash equivalents			
Income tax expense		**464**	77
Accretion expense		**3,597**	2,673
Fee for services and interest paid in shares and warrants	*12*	**1,632**	746
Acquisition costs paid in shares		**-**	600
Depreciation and amortization	*5,6,19*	**13,808**	2,814
Revaluation of derivative liability	*10,14*	**14,472**	(314)
Debt restructuring gain	11	**(1,145)**	-
Impairment loss		**-**	247
Foreign exchange gain (loss)		**94**	(21)
Share-based compensation	*13*	**2,070**	99
Loss on extinguishment of debenture	*10*	**516**	186
Loss on sale of marketable securities		**-**	1,186
Revaluation of marketable securities		**144**	477
		6,541	(87)
Changes in non-cash working capital			
Trade and other receivables		**72**	174
Inventory		**(2,483)**	541
Prepaid expenses and deposits		**(1,153)**	460
Accounts payable and accrued liabilities		**(5,580)**	2,046
Net cash (used in) provided by operating activities		**(2,603)**	3,134
Investing activities			
Purchase of property and equipment	*6*	**(3,793)**	(627)
Purchase of intangible assets	*5*	**(103)**	(289)
Proceeds from sale of marketable securities		**-**	1,458
Loans receivables		**(340)**	-
Cash paid for business combination, net of cash acquired	*3*	**3,370**	(2,484)
Net cash used in investing activities		**(866)**	(1,942)
Financing activities			
Repayment of finance lease obligations		**(11)**	(3)
Proceeds from convertible debentures net of issue costs	*10*	**980**	8,855
Proceeds from equity financing		**21,590**	-
Proceeds from notes payable		**-**	200
Repayment of convertible debentures		**(3,613)**	(1,867)
Interest paid on debentures and loans		**(985)**	-
Lease liability payments	*19*	**(2,353)**	(2,139)
Warrants exercised		**9,005**	-
Options exercised		**685**	-
Net cash provided by financing activities		**25,298**	5,046
Net increase in cash		**21,829**	6,238
Cash, beginning of period		**7,524**	806
Cash, end of period		**29,353**	7,044

1. Nature of Operations

High Tide Inc. (the "Company" or "High Tide") is a retail-focused cannabis company enhanced by the manufacturing and distribution of consumption accessories. The Company's shares are listed on the Nasdaq Capital Market ("Nasdaq") under the symbol "HITI"(listed as of June 2, 2021), the TSX Venture Exchange ("TSXV") under the symbol "HITI", and on the Frankfurt Stock Exchange ("FSE") under the securities identification code 'WKN: A2PBPS' and the ticker symbol "2LYA". The address of the Company's corporate and registered office is # 120 – 4954 Richard Road SW, Calgary, Alberta T3E 6L1.

High Tide does not engage in any U.S. cannabis-related activities as defined by the Canadian Securities Administrators Staff Notice 51-352.

COVID-19

The Company's business could be significantly adversely affected by the effects of the recent outbreak of novel coronavirus ("COVID-19"). Several significant measures have been implemented in Canada and the rest of the world in response to the increased impact from COVID-19. The Company cannot accurately predict the impact COVID-19 will have on third parties' ability to meet their obligations with the Company, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, workplace productivity, and other factors that will depend on future developments beyond the Company's control. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries resulting in an economic downturn that could negatively impact the Company's financial position, financial performance, cash flows, and its ability to raise capital. Since the initial outset of the pandemic, the Company did not experience a significant decline in sales for most of the operating businesses.

2. Accounting Policies

A. Basis of Preparation

These condensed interim consolidated financial statements ("Financial Statements") have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). They are condensed as they do not include all of the information required for full annual financial statements, and they should be read in conjunction with the audited consolidated financial statements of the Company for the year ended October 31, 2020 which are available on SEDAR at www.sedar.com.

For comparative purposes, the Company has reclassified certain immaterial items on the comparative condensed interim consolidated statement of financial position and the condensed interim consolidated statement of loss and comprehensive income (loss) to conform with current period's presentation.

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 28, 2021.

B. Use of estimates

The estimates and assumptions are reviewed on an ongoing basis. Revisions in accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. Significant judgements, estimates, and assumptions within these condensed interim consolidated financial statements remain the same as those applied to the consolidated financial statements for the year ended October 31, 2020.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

3. Business Combinations

In accordance with IFRS 3, Business Combinations, these transactions meet the definition of a business combination and, accordingly, the assets acquired, and the liabilities assumed have been recorded at their respective estimated fair values as of the acquisition date.

A. Meta Growth Corp. Acquisition

Total consideration	**$**
Common shares	35,290
Conversion feature of convertible debt	9,008
Warrants	2,739
Options	86
Restricted stock units	154
	47,277
Purchase price allocation	
Cash and cash equivalents	10,209
Trade and other receivables	2,015
Inventory	3,547
Prepaid expenses	2,479
Marketable securities	635
Notes receivable	312
Property and equipment	6,849
Loan receivable	756
Intangible assets - license	37,700
Right of use asset	12,490
Goodwill	26,462
Non-controlling interest	(1,821)
Accounts payable and accrued liabilities	(6,336)
Deferred tax liability	(2,998)
Lease liability	(12,887)
Convertible debenture	(18,809)
Notes payable	(13,326)
	47,277

On November 18, 2020, the Company closed the acquisition of 100% of the outstanding common shares of Meta Growth Corp (“Meta Growth” or “META”). Pursuant to the terms of the Arrangement, holders of common shares of META (“META Shares“) received 0.824 (the “Exchange Ratio“) High Tide Shares for each META Share held. In total, High Tide acquired 237,941,274 META Shares in exchange for 196,063,610 High Tide Shares, resulting in former META shareholders holding approximately 45.0% of the total number of issued and outstanding High Tide Shares.

In accordance with IFRS 3, Business Combinations (“IFRS 3”), the substance of this transaction constituted a business combination. Management is in the process of gathering the relevant information that existed at the acquisition date to determine the fair value of the net identifiable assets acquired. As such, the initial purchase price was provisionally allocated based on the Company's estimated fair value of the identifiable assets acquired on the acquisition date. The values assigned are, therefore, preliminary, and subject to change. Management continues to refine and finalize its purchase price allocation for the fair value of identifiable intangible assets, property plant and equipment, right of use asset, non-controlling interest, income taxes and the allocation of goodwill. The goodwill is primarily related to the opportunities to grow the retail cannabis business, expanded access to capital and greater financial flexibility. For the six months ended April 30, 2021, Meta Growth accounted for $30,110 in revenues and $7,099 in net loss. If the acquisition had been completed on November 1, 2020, the Company estimates it would have recorded an increase of $3,422 in revenues and an increase of $401 in net loss for the six months ended April 30, 2021. The Company also incurred $1,354 in transaction costs, which have been expensed to finance and other costs during the period.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

B. Smoke Cartel, Inc. Acquisition

Total consideration	**$**
Cash	2,600
Common shares	8,396
Contingent consideration	1,366
	12,362
Purchase price allocation	
Cash and cash equivalents	1,738
Intangible assets - Brand	3,997
Intangible assets - Software	7,325
Goodwill	2,017
Deferred tax liability	(1,521)
Accounts payable and accrued liabilities	(1,194)
	12,362

On March 24, 2021, the Company closed the acquisition of 100% of the outstanding common shares of Smoke Cartel Inc. (“Smoke Cartel”). Pursuant to the terms of the Arrangement, the consideration was comprised of: (i) 9,540,754 common shares of High Tide, having an aggregate value of $8,396; (ii) $2,600 in cash; and (iii) a contingent consideration depending on certain revenue targets being achieved by December 31, 2021. Contingent consideration was calculated using Monte Carlo simulation due to the uncertain nature of the potential future revenue of the Company.

In accordance with IFRS 3, Business Combinations (“IFRS 3”), the substance of this transaction constituted a business combination. Management is in the process of gathering the relevant information that existed at the acquisition date to determine the fair value of the net identifiable assets acquired. As such, the initial purchase price was provisionally allocated based on the Company's estimated fair value of the identifiable assets acquired on the acquisition date. The values assigned are, therefore, preliminary, and subject to change. Management continues to refine and finalize its purchase price allocation for the fair value of identifiable intangible assets, income taxes and the allocation of goodwill. The goodwill is primarily related to the opportunities to grow the business, expanded access to capital and greater financial flexibility. For the six months ended April 30, 2021, Smoke Cartel accounted for $1,692 in revenues and $86 in net income. If the acquisition had been completed on November 1, 2020, the Company estimates it would have recorded an increase of $4,526 in revenues and an increase of $541 in net income for the six months ended April 30, 2021. The Company also incurred $70 in transaction costs, which have been expensed to finance and other costs during the period.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

C. 2686068 Ontario Inc. Acquisition

Total consideration	**$**
Cash	5,980
	5,980
Purchase price allocation	
Cash and cash equivalents	3
Inventory	120
Property and equipment	274
Intangible assets - license	4,187
Right of use asset	1,148
Goodwill	2,570
Lease liability	(1,148)
Accounts payable and accrued liabilities	(65)
Deferred tax liability	(1,109)
	5,980

On April 28, 2021, the Company closed the acquisition of 100% of the outstanding common shares of 2686068 Ontario Inc. ("2686068"). Pursuant to the terms of the Arrangement, the consideration was comprised of: (i) $5,980 in cash.

In accordance with IFRS 3, Business Combinations ("IFRS 3"), the substance of this transaction constituted a business combination. Management is in the process of gathering the relevant information that existed at the acquisition date to determine the fair value of the net identifiable assets acquired. As such, the initial purchase price was provisionally allocated based on the Company's estimated fair value of the identifiable assets acquired on the acquisition date. The values assigned are, therefore, preliminary, and subject to change. Management continues to refine and finalize its purchase price allocation for the fair value of identifiable intangible assets, income taxes and the allocation of goodwill. The goodwill is primarily related to the opportunities to grow the retail cannabis business. If the acquisition had been completed on November 1, 2020, the Company estimates it would have recorded an increase of $1,107 in revenues and an increase of $123 in net loss for the six months ended April 30, 2021.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

4. Revenue from Contracts with Customers

For the three months ended April 30	2021 Retail	2020 Retail	2021 Wholesale	2020 Wholesale	2021 Corporate	2020 Corporate	2021 Total	2020 Total
	$	$	$	$	$	$	$	$
Primary geographical markets (i)								
Canada	**33,827**	16,706	**1,184**	772	**19**	90	**35,030**	17,568
USA	**4,365**	1,888	**1,303**	888	**-**	-	**5,668**	2,776
International	**170**	227	**-**	-	**-**	-	**170**	227
Total revenue	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571
Major products and services								
Cannabis	**29,570**	15,339	**-**	-	**-**	-	**29,570**	15,339
Consumption accessories	**5,571**	2,815	**2,479**	1,575	**-**	-	**8,050**	4,390
Data analytics services	**2,874**	448	**-**	-	**-**	-	**2,874**	448
Other revenue	**347**	219	**8**	85	**19**	90	**374**	394
Total revenue	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571
Timing of revenue recognition								
Transferred at a point in time	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571
Total revenue	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571

For the six months ended April 30	2021 Retail	2020 Retail	2021 Wholesale	2020 Wholesale	2021 Corporate	2020 Corporate	2021 Total	2020 Total
	$	$	$	$	$	$	$	$
Primary geographical markets (i)								
Canada	**67,109**	27,474	**2,092**	1,643	**30**	307	**69,231**	29,424
USA	**7,631**	3,081	**1,946**	1,395	**-**	-	**9,577**	4,476
International	**379**	386	**-**	-	**-**	-	**379**	386
Total revenue	**75,119**	30,941	**4,038**	3,038	**30**	307	**79,187**	34,286
Major products and services								
Cannabis	**59,947**	24,996	**-**	-	**-**	-	**59,947**	24,996
Consumption accessories	**9,953**	4,845	**4,006**	2,895	**-**	-	**13,959**	7,740
Data analytics services	**4,362**	448	**-**	-	**-**	-	**4,362**	448
Other revenue	**857**	652	**32**	143	**30**	307	**919**	1,102
Total revenue	**75,119**	30,941	**4,038**	3,038	**30**	307	**79,187**	34,286
Timing of revenue recognition								
Transferred at a point in time	**75,119**	30,941	**4,038**	3,038	**30**	307	**79,187**	34,286
Total revenue	**75,119**	30,941	**4,038**	3,038	**30**	307	**79,187**	34,286

(i) Represents revenue based on geographical locations of the customers who have contributed to the revenue generated in the applicable segment.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

5. Intangible Assets and Goodwill

	Software	Licenses	Lease Buyout	Brand Name	Goodwill	Total
Cost	$	$	$	$	$	$
Balance, October 31, 2019	1,848	2,594	2,557	1,539	4,466	13,004
Transition adjustment - IFRS 16	-	-	(2,557)	-	-	(2,557)
Additions	474	-	-	-	-	474
Additions from business combinations	-	7,382	-	-	1,896	9,278
Balance, October 20, 2020	**2,322**	**9,976**	**-**	**1,539**	**6,362**	**20,199**
Additions	103	-	-	-	-	103
Additions from business combinations	7,325	41,887	-	3,997	31,049	84,258
Balance, April 30, 2021	**9,750**	**51,863**	**-**	**5,536**	**37,411**	**104,560**
Accumulated depreciation						
Balance, October 31, 2019	111	75	191	-	-	377
Transition adjustment - IFRS 16	-	-	(191)	-	-	(191)
Amortization	495	1,113	-	-	-	1,608
Balance, October 20, 2020	**606**	**1,188**	**-**	**-**	**-**	**1,794**
Amortization	378	8,510	-	-	-	8,888
Balance, April 30, 2021	**984**	**9,698**	**-**	**-**	**-**	**10,682**
Foreign currency translation						
Balance, October 31, 2019	60	-	-	57	336	453
Recorded in other comprehensive loss	(20)	-	-	(20)	(35)	(75)
Balance, October 20, 2020	**40**	**-**	**-**	**37**	**301**	**378**
Recorded in other comprehensive loss	10	-	-	8	64	82
Balance, April 30, 2021	**50**	**-**	**-**	**45**	**365**	**460**
Balance, October 31, 2020	1,676	8,788	-	1,502	6,061	18,027
Balance, April 30, 2021	**8,716**	**42,165**	**-**	**5,491**	**37,046**	**93,418**

6. Property and Equipment

	Office equipment and computers	Leasehold improvements	Vehicles	Buildings	Total
Cost	$	$	$	$	$
Balance, October 31, 2019	452	10,505	167	2,800	13,924
Additions	306	1,989	-	-	2,295
Additions from business combinations	31	1,180	-	-	1,211
Impairment loss	(11)	(694)	-	-	(705)
Balance, October 20, 2020	**778**	**12,980**	**167**	**2,800**	**16,725**
Additions	159	3,634	-	-	3,793
Additions from business combinations	1,691	5,432	-	-	7,123
Assets classified as held for sale	-	(646)	-	-	(646)
Balance, April 30, 2021	**2,628**	**21,400**	**167**	**2,800**	**26,995**
Accumulated depreciation					
Balance, October 31, 2019	127	1,265	148	2	1,542
Depreciation	125	1,953	10	10	2,098
Balance, October 20, 2020	**252**	**3,218**	**158**	**12**	**3,640**
Depreciation	506	1,322	2	5	1,835
Balance, April 30, 2021	**758**	**4,540**	**160**	**17**	**5,475**
Balance, October 31, 2020	526	9,762	9	2,788	13,085
Balance, April 30, 2021	**1,870**	**16,860**	**7**	**2,783**	**21,520**

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

7. Prepaid expenses and deposits

As at	April 30, 2021	October 31, 2020
	$	$
Deposits on cannabis retail outlets	767	809
Prepaid insurance and other	2,753	311
Prepayment on inventory	3,972	2,759
Total	**7,492**	**3,879**
Less current portion	(5,981)	(3,070)
Long-term	1,511	809

8. Trade and other receivables

As at	April 30, 2021	October 31, 2020
	$	$
Trade accounts receivable	4,535	2,673
Sales tax receivable	269	188
Total	**4,804**	**2,861**

9. Finance and other costs

Finance and other costs are comprised of the following:

	Three months ended April 30		Six months ended April 30	
	2021	2020	2021	2020
	$	$	$	$
Accretion convertible debt	1,016	1,312	1,820	2,136
Interest on convertible debenture	129	843	1,150	1,426
Interest on notes payable	496	82	793	164
Accretion notes payable	625	35	736	56
Accretion of lease liability	572	257	1,041	481
Transaction cost	819	149	1,046	171
Acquisition costs	70	24	1,424	624
Total	**3,727**	**2,702**	**8,010**	**5,058**

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

10. Convertible Debentures

As at	April 30, 2021	October 31, 2020
	$	$
Convertible debentures, beginning of year	25,822	19,664
Debt assumed(i)	18,809	-
Gain (loss) on extinguishment of debenture(ii)	516	(3,808)
Cash advances from debt (iii)	980	9,115
Debt issuance to settle liabilities	-	2,700
Debt issuance costs paid in cash	-	(260)
Conversion of debenture into equity(iv)	(30,822)	(550)
Transfer of warrants component to equity	-	(420)
Transfer of conversion component to equity(v)	(717)	(523)
Transfer of conversion component to derivative liability	-	(921)
Repayment of debt(vi)	(3,818)	(1,637)
Accretion on convertible debentures(vii)	1,820	2,462
Total	**12,590**	**25,822**
Less current portion	(3,403)	(14,446)
Long-term	9,187	11,376

(i) During the six-months ended, April 30, 2021, the Company assumed convertible debt through the acquisition of Meta, refer to note 3.
(ii) During the six-months ended, April 30, 2021, the Company incurred a gain of $516 in relation to the amendment and the extinguishment of convertible debentures within this period.
(iii) During the six months ended, the Company drew $980 from the Windsor convertible debt.
(iv) During the six months ended, the Company converted $30,822 of convertible debentures into 146,505,958 shares.
(v) As of April 30, 2021, $717 was recorded as the equity component related to the extensions of the convertible debenture throughout the period.
(vi) During the six months ended, April 30, 2021, the Company made payments on the principal balances of $3,533 on unsecured convertible debentures and $285 on secured convertible debentures.
(vii) For the six months ended April 30, 2021 the Company recorded accretion of $1,820 related to convertible debentures.
(viii) For the six months ended April 30, 2021, the Windsor loan was amended and resulted in the embedded derivative liability component to be removed which resulted in a gain of $498.

During the six months ended April 30, 2021, the Company entered into restructuring agreements for two of the unsecured convertible debenture agreements and the Windsor loan agreement that resulted in a total loss on the extinguishment of debentures of $516 (April 30, 2020 - loss of $186).

On April 18, 2021, the Company entered into a debt restructuring agreement of $2,000 of the Company's outstanding debt under an 10% senior unsecured convertible debenture issued in April 2019. As part of the debt restructuring, the parties have also (i) extended the maturity date of the amended debenture to April 18, 2023, (ii) amended the conversion price such that the deferred amount is convertible into common shares of High Tide ("HITI shares") at a conversion price of $0.75 per HITI share, (iii) lowered the interest rate from 10% to 7%. Management calculated the fair value of the liability component as $1,774 using a discount rate of 15% along with forecasted scheduled payments, with the residual amount of $225 net of deferred tax of $52 being allocated to equity.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

11. Notes Payable

As at	April 30, 2021	October 31, 2020
	$	$
Vendor loan	1,600	1,600
Term loan	1,974	1,939
OCN – notes payable	11,804	-
Loan to partners (Note 3)	494	-
Dreamweavers – notes payable	139	162
Saturninus Partners – notes payable	540	690
Long term contract liability	50	53
Government loan	35	84
Total	**16,636**	**4,528**
Less current portion	(4,068)	(1,939)
Long-term	12,568	2,589

During the six months ended, April 30, 2021, the Company incurred accretion of $736 (April 30, 2020 - $56) and paid interest in the amount of $793 (April 30, 2020 - $164) in relation to the outstanding notes payable.

During the second quarter of 2020, the Company obtained a government loan under the Canada Emergency Response Benefit, part of Canada's COVID-19 economic response plan. The loan bears no interest and has a maturity date of December 31, 2025. During the six-months ended April 30, 2021, the Company repaid $40 towards the principal amount. Due to early payment, $20 was forgiven and was recognized in the statement of net loss and comprehensive loss for the period ended April 30, 2021 as other income.

On November 18, 2020, the Company acquired all of the issued and outstanding shares of Meta which included notes payable to Opaskwayak Cree Nation ("OCN"). Notes payable were valued at $12,783 at the date of acquisition by discounting it over two years at market interest rate of 15%. On January 6, 2021, the Company entered into another amended loan agreement with OCN to remove the annual administration fee and extend the maturity date of the loan until December 31, 2024. As a result of the debt restructuring, the Company recognized a $1,145 debt restructuring gain in the statement of net loss and comprehensive loss for the period ended April 30, 2021. The carrying value of the loan balance as at April 30, 2021 amounts to $11,804. During the six-months ended April 30, 2021, the Company made $853 in payment towards the outstanding balance.

On January 6, 2021, the Company entered into an Amended Loan Agreement with OCN to remove the annual administration fee and to extend the maturity date of the original notes payable, dated November 18, 2020, until December 31, 2024. As a result of the debt restructuring the Company recognized a $1,145 debt restructuring gain in the statement of net loss and comprehensive loss for the period ending April 30, 2021.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

12. Share Capital

(a) Issued:

Common shares:

	Number of shares	Amount
	#	$
Balance, October 31, 2019	**207,406,629**	**26,283**
Issued to pay fees in shares	3,852,319	860
Issued to pay interest via shares	6,782,011	1,168
Acquisition - KushBar	2,645,503	500
Acquisition - 2680495	4,761,905	1,048
Acquisition - Saturninus	5,319,149	1,064
Acquisition - 102088460	5,000,000	975
Lease acquisition - Canmore	612,764	104
Exercise - Convertibile Debt	3,709,916	550
Balance, October 31, 2020	**240,090,196**	**32,552**
Acquisition - Meta Growth (Note 3)	196,063,610	35,290
Acquisition - Smoke Cartel, Inc. (Note 3)	9,540,754	8,396
Issued to pay fees via shares (i)	1,025,477	174
Issued to pay interest via shares	7,646,923	1,458
Shares issued through equity financing (ii)	47,916,665	18,237
Conversion of convertible debentures (Note 10)	146,936,976	40,532
Share issuance costs (ii)	-	(3,225)
Excersie options (Note 13)	2,498,160	865
Excersie warrants	22,208,027	10,644
Vested restricted share units (Note 13)	844,655	743
Balance, April 30, 2021	**674,771,443**	**145,666**

(i) During the six months period ended April 30, 2021, Company settled payables of $174 through issuance of 1,025,477 common shares of the Company. The fair value of $174 was based on the closing price of $0.175 on the date of issuance.

(ii) On February 22, 2021, the Company issued, on a bought deal basis, 47,916,665 units of the Company at a price of $0.48 per unit. The Company closed the offering for total gross proceeds of $23,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share at a price of $0.58 for a period of 36 months from the closing date of the offering. The warrants were attributed a relative fair value of $4,968 using the Black-Scholes option pricing model with the following assumptions: fair value of common shares of $0.70; exercise price of options of $0.58; expected life of three years; 71% volatility; and a risk-free interest rate of 1.30%. The underwriters received a cash commission fee of 6% of gross proceeds and 3% of gross proceeds for the presidents list in cash and respectively same percentage of broker warrants for the number of units issued because of conducting the bought deal financing. The broker units issued included one and a half warrants, totaling 3,920,587 warrants. The 2,613,725 broker warrants were attributed a fair value of $1,046 using the Black-Scholes option pricing model with the following assumptions: fair value of common shares of $0.70; exercise price of options of $0.48; expected life of three years; 71% volatility; and a risk-free interest rate of 1.30% and the remaining 1,306,862 broker warrants were attributed a fair value of $478 using the Black-Scholes option pricing model with the following assumptions: fair value of common shares of $0.70; exercise price of options of $0.58; expected life of three years; 71% volatility; and a risk-free interest rate of 1.30%

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

13. Share – Based Compensation

(a) Stock Option Plan:

The Company's stock option plan limits the number of common shares reserved under the plan from exceeding a "rolling maximum" of ten (10%) percent of the Company's issued and outstanding common shares from time to time. The stock options vest at the discretion of the Board of Directors, upon grant to directors, officers, employees and consultants of the Company and its subsidiaries. All options that are outstanding will expire upon maturity, or earlier, if the optionee ceases to be a director, officer, employee or consultant or there is a merger, amalgamation or change in control of the Company. The maximum exercise period of an option shall not exceed 10 years from the grant date. Changes in the number of stock options, with their weighted average exercise prices, are summarized below:

	April 30, 2021		October 31, 2020	
	Number of options	Weighted Average Exercise Price ($)	Number of options	Weighted Average Exercise Price ($)
Balance, beginning of year	9,310,000	0.50	10,610,000	0.50
Granted (i)	29,733,280	0.38	200,000	0.50
Forfeited	(7,100,000)	0.50	(1,500,000)	0.50
Exercised	(2,498,160)	0.20	-	-
Balance, end of period	29,445,120	0.38	9,310,000	0.50
Exercisable, end of period	9,942,450	0.38	7,370,625	0.50

For the period ended April 30, 2021, the Company recorded share-based compensation of $1,790 (2020 - $99) related to stock options.

(i) On November 18, 2020, the Company acquired all the issued and outstanding shares of Meta which resulted in acquiring 3,683,280 options outstanding on the date of closing. The fair value of the options acquired were calculated using the Black-Scholes option pricing model valued using the Black-Scholes model and the following assumptions were used: stock price of $0.18; expected life of 1 years; $nil dividends; expected volatility of 100%; exercise price as per the plan times the exchange ratio of 0.824; and a risk-free interest rate of 0.52%. During the six months ended April 30, 2021 the Company granted 26,050,000 options to directors, officers, employees and consultants of the Company and its subsidiaries. The 18,950,000 options issued on November 20, 2020 were valued using the Black-Scholes model and the following assumptions were used: stock price of $0.19; expected life of 3 years; $nil dividends; expected volatility of 140%; exercise price of $0.20; and a risk-free interest rate of 0.52%. The 6,100,000 options issued on March 19, 2021 were valued using the Black-Scholes model and the following assumptions were used: stock price of $0.81; expected life of 3 years; $nil dividends; expected volatility of 140%; exercise price of $0.81; and a risk-free interest rate of 0.52%.

(b) Restricted Share Units ("RSUs") plan

On November 18, 2020, the Company acquired all the issued and outstanding shares of Meta which resulted in acquiring 943,579 RSUs outstanding on the date of closing based on the exchange ratio of 0.824 agreed upon in the arrangement agreement. The Company's RSU plan is applicable to directors, officers, and employees of the Company. The RSUs are equity-settled and each RSU can be settled for one common share for no consideration. These RSUs were recorded in contributed surplus using the Black-Scholes model and the following assumptions were used: stock price of $0.18; expected life of 0.35 years; $nil dividends; expected volatility of 70%; exercise price of $0.18; and a risk-free interest rate of 0.52%.

On March 12, 2021, the Company granted 1,000,000 RSUs to directors of the Company and were valued at $780. For the period ended April 30, 2021, the Company recorded share-based compensation of $280 (2020 - nil) related to RSUs. The number of RSUs outstanding at April 30, 2021 amounts to 1,000,000.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

14. Warrants

	Number of warrants	Warrants amount	Derivative liability amount	Weighted average exercise price	Weighted average number of years to expiry	Expiry dates
	#	$	$	$		
Opening balance, November 1, 2019	**43,677,333**	**6,609**	**-**	**0.6083**	**0.43**	
Re-class warrants on convertible debt to equity	-	(660)	-	-	-	
Issued warrants for services	300,000	64	-	0.3800	-	September 3, 2021
Issued warrants for services	3,500,000	204	-	0.3000	0.01	November 12, 2021
Issued warrants for services	1,000,000	111	-	0.3000	-	November 12, 2021
Issued warrants on convertible debt November 14, 2019	7,936,507	80	-	0.5000	0.03	November 14, 2021
Issued warrants on convertible debt December 4, 2019	8,392,857	109	-	0.5000	0.04	December 4, 2021
Issued warrants on convertible debt December 14, 2019	7,936,508	135	-	0.5000	0.04	December 12, 2021
Issued warrants for acquisition - Saturninus	3,750,000	100	-	0.4000	0.02	January 26, 2022
Issued warrants on convertible debt January 6, 2020	58,823,529	-	266	0.2550	0.30	December 31, 2021
Issued warrants on debt September 14, 2020	1,600,000	55	-	0.3000	0.01	September 30, 2021
Warrants terminated	(1,600,000)	(105)	-	-	-	
Warrants expired	(4,252,620)	(906)	-	-	-	
Balance October 31, 2020	**131,064,114**	**5,796**	**266**	**0.4043**	**0.88**	
Warrants expired	(28,682,303)	(4,725)	-	-	-	
Issued warrants for acquisition - Meta	741,600	3	-	1.3110	-	December 14, 2021
Issued warrants for acquisition - Meta	37,454,590	2,445	-	0.3520	0.49	February 6, 2023
Issued warrants for acquisition - Meta	2,621,821	171	-	0.3520	0.03	February 6, 2023
Issued warrants for acquisition - Meta	4,120,000	120	-	1.1040	0.06	April 11, 2023
Issued warrants on convertible debt January 6, 2020	-	-	14,970	-	-	December 31, 2022
Warrants issued - equity financing	26,572,057	6,014	-	0.5800	0.55	February 22, 2024
Warrants issued - equity financing	1,306,862	478	-	0.4800	0.03	February 22, 2024
Warrants cancelled	(23,529,412)	-	-	-	-	
Warrants exercised	(23,594,259)	(1,631)	-	-	-	
Balance April 30, 2021	**128,075,070**	**8,671**	**15,236**	**0.4559**	**2.01**	

As at April 30, 2021, 126,768,208 warrants were exercisable.

i) The Company issued 300,000 warrants for business development consultancy. Each warrant will allow the holder to acquire one common share at $0.38. The warrants were valued at $64 using the Black-Scholes model, as the fair value of the services provided cannot be measured reliably and the following assumptions were used: stock price of $0.37; expected life of two years; $nil dividends; expected volatility of 111% based on comparable companies; exercise price of $0.38; and a risk-free interest rate of 1.6%.

ii) The Company issued 3,500,000 warrants for business development consultancy. Each warrant will allow the holder to acquire one common share at $0.30. The warrants were valued at $204 using the Black-Scholes model, as the fair value of the services provided cannot be measured reliably and the following assumptions were used: stock price of $0.22; expected life of two years; $nil dividends; expected volatility of 70% based on comparable companies; exercise price of $0.30; and a risk-free interest rate of 1.6%.

iii) The Company issued 1,000,000 warrants for business development consultancy. Each warrant will allow the holder to acquire one common share at $0.30. The warrants were valued at $111 using the Black-Scholes model, as the fair value of the services provided cannot be measured reliably and the following assumptions were used: stock price of $0.22; expected life of two years; $nil dividends; expected volatility of 111% based on comparable companies; exercise price of $0.30; and a risk-free interest rate of 1.6%.

iv) The Company measured the derivative liability to be $15,236 and recognized $14,970 as a loss on revaluation of derivative liability in the statement of net loss and comprehensive loss for the period ended April 30, 2021.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

15. Loss Per Share

	Three months ended		Six months ended	
		April 30		April 30
	2021	2020	**2021**	2020
	$	$	**$**	$
Net loss for the period	**(12,266)**	(4,912)	**(29,111)**	(8,857)
Non-controlling interest	**(66)**	55	**(91)**	52
Net income (loss) for the period attributable to owners of the Company	**(12,332)**	(4,857)	**(29,202)**	(8,805)
	#	#	**#**	#
Weighted average number of common shares - basic	**619,812,908**	219,221,313	**509,073,969**	213,832,523
Basic income (loss) per share	**(0.02)**	(0.02)	**(0.06)**	(0.04)

16. Financial Instruments and Risk Management

The Company's activities expose it to a variety of financial risks. The Company is exposed to credit, liquidity, and market risk due to holding certain financial instruments. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by senior management in conjunction with the Board of Directors.

Fair value

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, marketable securities, loans receivable, accounts payable and accrued liabilities, notes payable, convertible debentures, contingent consideration and derivative liabilities.

IFRS 13 establishes a three-level hierarchy that prioritizes the inputs relative to the valuation techniques used to measure fair value. Fair values of assets and liabilities included in Level 1 of the hierarchy are determined by reference to quoted prices in active markets for identical assets and liabilities. Fair value of assets and liabilities in Level 2 are determined using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Fair value of assets and liabilities in Level 3 are determined based on inputs that are unobservable and significant to the overall fair value measurement. Accordingly, the Company has categorized its financial instruments carried at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. The Company's cash and cash equivalents are subject to Level 1 valuation.

The marketable securities have been recorded at fair value based on level 1 inputs and derivative liability have been recorded at fair value based on level 2 inputs. The carrying values of accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term maturities of these financial instruments. The carrying value of the notes payable and convertibile debentures approximate their fair value as they are discounted using a market rate of interest.

Loans receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The fair value of these assets were estimated on discounted future interest and principal payments using current market interest rates of instruments using similar terms.

Marketable securities

In connection with the Company's acquisition of META on November 18, 2020, the Company acquired 1,350,000 shares of THC Global Group Limited ("THC"). The fair value of the THC shares amounting to $606 has been recognized as a marketable security, based on the trading price of THC's shares. In addition, to this the Company has also recorded $245 in GICs as a marketable security.

Credit risk

Credit risk arises when a party to a financial instrument will cause a financial loss for the counter party by failing to fulfill its obligation. Financial instruments that subject the Company to credit risk consist primarily of cash, accounts receivable, marketable securities and loans receivable. The credit risk relating to cash and cash equivalents and restricted marketable securities balances is limited because the counterparties are large commercial banks. The amounts reported for accounts receivable in the statement of consolidated financial position is net of expected credit loss and the net carrying value represents the Company's maximum exposure to credit risk. Accounts receivable credit exposure is minimized by entering into transactions with creditworthy counterparties and monitoring the age and balances outstanding on an ongoing basis. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

16. Financial Instruments and Risk Management (continued)

The following table sets forth details of the aging profile of accounts receivable and the allowance for expected credit loss:

As at	April 30, 2021	October 31, 2020
	$	$
Current (for less than 30 days)	3,400	1,822
31 – 60 days	386	246
61 – 90 days	298	202
Greater than 90 days	620	762
Less allowance	(169)	(359)
	4,535	2,673

For the six months ended April 30, 2021, $190 in trade receivables were written off against the loss allowance due to bad debts (year ended October 31, 2020 – $1,280). Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The remaining accounts receivable are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the estimated losses of these receivables.

The Company performs a regular assessment of collectability of accounts receivables. In determining the expected credit loss amount, the Company considers the customer's financial position, payment history and economic conditions. For the period ended April 30, 2021, management reviewed the estimates and have not created any additional loss allowances on trade receivable.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on funds generated from operations, equity and debt financings to provide sufficient liquidity to meet budgeted operating requirements and to supply capital to expand its operations. The Company continues to seek capital to meet current and future obligations as they come due. Maturities of the Company's financial liabilities are as follows:

	Contractual cash flows	Less than one year	1-5 years	Greater than 5 years
	$	$	$	$
October 31, 2020				
Accounts payable and accrued liabilities	6,421	6,421	-	-
Notes payable	4,528	1,939	2,589	-
Convertible debentures	25,822	14,446	11,376	-
Total	**36,771**	**22,806**	**13,965**	-
April 30, 2021				
Accounts payable and accrued liabilities	12,373	12,373	-	-
Notes payable	16,636	4,068	12,568	-
Convertible debentures	12,590	3,403	9,187	-
Total	**41,599**	**19,844**	**21,755**	-

Interest rate risk

The Company is not exposed to significant interest rate risk as its interest-bearing financial instruments carry a fixed rate of interest.

Foreign currency risk

Foreign currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains cash balances and enters into transactions denominated in foreign currencies, which exposes the Company to fluctuating balances and cash flows due to variations in foreign exchange rates.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

16. Financial Instruments and Risk Management (continued)

The Canadian dollar equivalent carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities as at April 30, 2021 was as follows:

(Canadian dollar equivalent amounts of US dollar and Euro balances)	April 30, 2021 (Euro)	April 30, 2021 (USD)	**April 30, 2021 Total**	October 31, 2020
	$	$	**$**	$
Cash	380	17,549	**17,929**	975
Accounts receivable	-	364	**364**	653
Accounts payable and accrued liabilities	(1,132)	(2,173)	**(3,305)**	(1,728)
Net monetary assets	(752)	15,740	**14,988**	(100)

Assuming all other variables remain constant, a fluctuation of +/- 5.0 percent in the exchange rate between the United States dollar and the Canadian dollar would impact the carrying value of the net monetary assets by approximately +/- $787 (October 31, 2020 - $34). Maintaining constant variables, a fluctuation of +/- 5.0 percent in the exchange rate between the Euro and the Canadian dollar would impact the carrying value of the net monetary assets by approximately +/- $38 (October 31, 2020 - $39). To date, the Company has not entered into financial derivative contracts to manage exposure to fluctuations in foreign exchange rates.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

17. Segmented Information

Segments are identified by management based on the allocation of resources, which is done on a basis of selling channel rather than by legal entity. As such, the Company has established two main segments, being retail and wholesale, with a Corporate segment which includes oversight and start up operations of new entities until such time as revenue generation commences. The reportable segments are managed separately because of the unique characteristics and requirements of each business.

For the three months ended April 30,	**Retail 2021 ($)**	Retail 2020 ($)	**Wholesale 2021 ($)**	Wholesale 2020 ($)	**Corporate 2021 ($)**	Corporate 2020 ($)	**Total 2021 ($)**	Total 2020 ($)
Total revenue	**38,362**	18,821	**2,487**	1,660	**19**	90	**40,868**	20,571
Gross profit	**14,188**	7,093	**790**	572	**20**	90	**14,998**	7,755
Income (loss) from operations	**(1,058)**	1,757	**25**	(356)	**(3,478)**	(1,245)	**(4,511)**	156
Total assets	**86,532**	46,678	**6,331**	5,972	**107,207**	17,161	**200,070**	69,811
Total liabilities	**54,598**	22,893	**2,055**	1,894	**36,875**	33,301	**93,528**	58,088

For the three months ended April 30,	**Canada 2021 ($)**	Canada 2020 ($)	**USA 2021 ($)**	USA 2020 ($)	**Europe 2021 ($)**	Europe 2020 ($)	**Total 2021 ($)**	Total 2020 ($)
Total revenue	**34,386**	18,488	**3,638**	-	**2,844**	2,083	**40,868**	20,571
Gross profit	**12,389**	6,559	**1,325**	-	**1,284**	1,196	**14,998**	7,755
Income (loss) from operations	**(5,199)**	56	**125**	(204)	**563**	304	**(4,511)**	156
Total assets	**174,127**	46,678	**17,233**	5,972	**8,710**	17,161	**200,070**	69,811
Total liabilities	**88,260**	22,893	**3,676**	1,894	**1,592**	33,301	**93,528**	58,088

For the six months ended April 30,	**Retail 2021 ($)**	Retail 2020 ($)	**Wholesale 2021 ($)**	Wholesale 2020 ($)	**Corporate 2021 ($)**	Corporate 2020 ($)	**Total 2021 ($)**	Total 2020 ($)
Total revenue	**75,119**	30,941	**4,038**	3,038	**30**	307	**79,187**	34,286
Gross profit	**28,383**	11,199	**1,352**	1,043	**31**	306	**29,766**	12,548
Income (loss) from operations	**180**	1,119	**(197)**	(732)	**(6,539)**	(2,348)	**(6,556)**	(1,961)

For the six months ended April 30,	**Canada 2021 ($)**	Canada 2020 ($)	**USA 2021 ($)**	USA 2020 ($)	**Europe 2021 ($)**	Europe 2020 ($)	**Total 2021 ($)**	Total 2020 ($)
Total revenue	**68,588**	30,785	**4,281**	-	**6,318**	3,501	**79,187**	34,286
Gross profit	**25,373**	10,621	**1,544**	-	**2,849**	1,927	**29,766**	12,548
Income (loss) from operations	**(7,688)**	(1,691)	**11**	(385)	**1,121**	115	**(6,556)**	(1,961)

18. Related Party Transactions

As at April 30, 2021, the Company had the following transactions with related parties as defined in IAS 24 – *Related Party Disclosures*, except those pertaining to transactions with key management personnel in the ordinary course of their employment and/or directorship arrangements and transactions with the Company's shareholders in the form of various financing.

Financing transactions

A Director of the Company is Chief of the Opaskwayak Cree Nation ("OCN"). On November 18, 2020, the Company acquired all of the issued and outstanding shares of Meta which included notes payable to Opaskwayak Cree Nation ("OCN"). As at April 30, 2021, the Company has drawn $13,000 and has $6,750 available to be drawn under the credit facility.

On February 22, 2021, the Company issued, on a bought deal basis, 47,916,665 units of the Company at a price of $0.48 per unit. Two of the officers and the corporate secretary of the Company, collectively participated in the offering and acquired an aggregate of 3,112,084 units pursuant to the Offering.

Operational transactions

An office and warehouse unit has been developed by Grover Properties Inc., a company that is related through a common controlling shareholder and the President & CEO of the company. The office and warehouse space were leased to High Tide to accommodate the Company's operational expansion. The lease was established by an independent real estate valuations services company at prevailing market rates and has annual lease payments totalling $386 per annum. The primary lease term is 5 years with two additional 5-year term extensions exercisable at the option of the Company.

An office and warehouse unit located in Savannah, Georgia has been leased out by 2G Realty, LLC, a company that is related through the Chief Technology Officer of the company. The office and warehouse space were leased to accommodate the Company's operational needs for Smoke Cartel. The lease was established at prevailing market rates and has annual lease payments totalling $52 per annum. The primary lease term is 1 year with one additional 1-year term extension exercisable at the option of the Company.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

19. Right of Use Assets and Lease Obligations

The Company entered into various lease agreements predominantly to execute its retail platform strategy. The Company leases properties such as various retail stores and offices. Lease contracts are typically made for fixed periods of 5 to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Right of use assets	
	$
Balance at November 1, 2020	16,413
Net additions	13,669
Right of use assets – held for sale	(1,028)
Depreciation expense for the period	(3,085)
Balance at April 30, 2021	**25,969**

Lease Liabilities	
	$
Balance at November 1, 2020	16,668
Lease Liabilities associated with – assets held for sale	(1,090)
Net additions	11,824
Cash outflows in the period	(2,353)
Accretion (Interest) expense for the period ended	1,041
Balance at April 30, 2021	**26,090**
Current	(5,152)
Non-current	20,938

As at April 30, 2021, $842 is due to the Company in respect of sublease arrangements for franchise cannabis retail locations. For the period ended April 30, 2021, $195 was received in respect of sublease arrangements, which was recognized as other revenue. During the period ended April 30, 2021, the Company also paid $1,415 in variable operating costs associated to the leases which are expensed under general and adminstrative expenses.

The following is a summary of the contractual undiscounted cash outflows for lease obligations as of April 30, 2021:

	$
Less than one year	7,840
Between one and five years	20,447
Greater than five years	5,297
	33,584

20. Contingent liability

In the normal course of business, the Company and its subsidiaries may become defendants in certain employment claims and other litigation. The Company records a liability when it is probable that a loss has been incurred and the amount can be reasonably estimated. The Company is not involved in any legal proceedings other than routine litigation arising in the normal course of business, none of which the Company believes will have a material adverse effect on the Company's business, financial condition or results of the operations.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

21. Non-controlling interest

The following table presents the summarized financial information for the Company's subsidiaries which have non-controlling interests. This information represents amounts before intercompany eliminations.

	2021	2020
	$	$
Total current assets	5,486	2,540
Total non-current assets	4,097	3,696
Total current liabilities	(5,761)	(942)
Total non-current liabilities	(1,145)	(1,080)
Revenues for the year ended	6,508	6,011
Net income for the year ended	774	1,320

The net change in non-controlling interests is as follows:

As at	April 30, 2021	October 31, 2020
	$	$
Balance, beginning of the year	1,552	(179)
Share of income for the period	91	614
Purchase of minority interest - KushBar Inc.	-	187
Purchase of - Saturninus Partners	-	930
Purchase of – Meta (Note 3)	1,821	-
	3,464	1,552

As of October 31, 2019, the Company held a 50.1% ownership interest in KushBar, with $179 NCI. As well, the Company owed the non-controlling interest shareholder $701 (2018 - $36). The loan carries no interest and is due on demand. On December 10, 2019, the Company entered into a definitive share purchase agreement with 2651576 Ontario Inc. (the "Minority Shareholder"), a private Ontario company, to acquire the remaining 49.9% interest (the "Minority Interest") in High Tide's majority-owned subsidiary, KushBar Inc. ("KushBar").

On January 27, 2020, the Company acquired a 50% interest in the Saturninus Partners ("Saturninus") which operates a licensed retail cannabis store in Sudbury, Ontario. The Company has classified this arrangement as a joint venture with controlling interest.

On November 18, 2020, the Company acquired all of the issued and outstanding shares of Meta which included four joint ventures with controlling interest. These joint ventures operate as a licensed cannabis retail store in Manitoba.

(Unaudited – In thousands of Canadian dollars, except share and per share amounts)

22. Assets held for sale

On September 2, 2020, the Company entered into an amended asset sale agreement with Halo Labs Inc. (“Halo”), under which High Tide will sell its KushBar retail cannabis assets and the rights to three permitted retail cannabis stores to Halo. All regulatory approval required for the sale was received by Halo during the second quarter of 2021, therefore the Company classified the following assets and liabilities as held for sale:

	$
Leasehold improvements	646
Right of use assets	1,028
Total Assets held for sale	**1,674**
Lease liabilities	1,090
Total liabilities held for sale	**1,090**

23. Subsequent events

(i) On May 10, 2021, the Company acquired 80% of Fab Nutrition, LLC, operating as FABCBD (“FABCBD”) for US$20,640, and has been granted a three-year option to acquire the remaining 20% of FABCBD at any time. The consideration was comprised of: (i) 15,608,727 common shares of High Tide (the “HT Shares”), having an aggregate value of US$8,080; and (ii) US$12,560 in cash. The cash portion of the Transaction has been funded entirely with cash on hand. In addition, pursuant to the acquisition agreement the vendor may be entitled to an earn out bonus of US$612 if FABCBD exceeds gross revenues of at least US$13,500 in 2021, which will be paid, if due, in High Tide Shares based on the volume weighted average price per High Tide Share for the 10 consecutive trading days preceding payment, subject to a maximum of 1,425,106 High Tide Shares.

(ii) On May 14, 2021, the Company announce that it will be consolidating all of its issued and outstanding common shares (“Common Shares”) on the basis of one post-consolidation Common Share for fifteen pre-consolidation Common Shares (the “Share Consolidation”). The Share Consolidation represented another major step towards the listing of the Common Shares on The Nasdaq Stock Market LLC (“Nasdaq”) by meeting the minimum share price requirement set by Nasdaq. The Company listed on Nasdaq on June 2, 2021.

(iii) On May 19, 2021, the Company closed its previously announced "bought deal" short-form prospectus offering (the "Offering") units of the Company (the "Units"), including the exercise in full of the underwriters' over-allotment option. In connection with the Offering, the Company issued an aggregate of 2,100,000 Units at a price of $9.60 per Unit, for aggregate gross proceeds of $20,160. The over-allotment option allowed to purchase an additional 315,000 Units at a price of $9.60 per Unit, for aggregate gross proceeds of $3,024. Each Unit is comprised of one common share of the Company (each, a "Common Share") and one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of $12.25, for a period of 36 months following the closing of the Offering.

(iv) On June 25, 2021, the Company entered into a defininitve agreement pursuant to which the Company, will acquire 100% of the issued and outstanding shares of DHC Supply LLC operating as Daily High Club. The consideration will be comprised of: (i) common shares of High Tide ("High Tide Shares"), having an aggregate value of US$6,750 on the basis of a deemed price per High Tide Share equal to the volume weighted average price per High Tide Share on Nasdaq for the 10 consecutive trading days preceding the closing of the Transaction; and (ii) US$3,250 in cash. The cash portion of the transaction will be funded entirely with cash on hand.

(v) Subsequent to the period ended April 30, 2021, $2,680 of debt was converted into common shares.

(vi) Subsequent to the period ended April 30, 2021, 1,754 warrants were converted to 115,903 common shares for net proceeds of $831.