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TILT Holdings President Gary Santo to Succeed Mark Scatterday as CEO; Scatterday to Continue Serving as Chairman of the Board

PHOENIX, May 14, 2021 (GLOBE NEWSWIRE) -- [TILT Holdings Inc.](#) ("TILT" or the "Company") ([CSE: TILT](#)) ([OTCQX: TLLTF](#)), a global provider of cannabis business solutions that include inhalation technologies, cultivation, manufacturing, processing, brand development and retail, announced that current President [Gary Santo](#) will be appointed as the Company's new Chief Executive Officer ("CEO"), effective June 1, 2021. Current CEO Mark Scatterday will continue to serve as Chairman of the Board and will work closely with Mr. Santo and the senior management team. He will also serve as a special advisor to TILT's research and development team as they continue to create new technology and product innovations.

"This is an exciting time for TILT and the cannabis industry as consumer adoption and demand continues to accelerate," said Mark Scatterday, current Chairman & CEO of TILT. "Since joining TILT last year, Gary has been an integral part of our leadership team as he brought a wealth of experience in both cannabis and other highly regulated sectors. His development and implementation of our long-term strategy has been key to our return to growth and profitability. I look forward to continuing to work closely with him, our board and the research and development team."

Current TILT President Gary Santo added, "It is an honor to become the CEO of such a forward-thinking, innovative company and to work alongside such a talented and passionate team. TILT has been given a rare opportunity in the cannabis sector to have a second act, and the Company has proven its commitment to value creation by divesting unprofitable business segments and repositioning itself to better serve consumers, MSOs, licensed producers and cannabis brands around the globe. These efforts have enabled our robust growth outlook for 2021, which has us nearly doubling adjusted EBITDA to \$30-\$32 million. As we continue to execute on our growth initiatives, I am excited to lead the team into what promises to be an exciting few years ahead."

Santo continued, "I'd like to express my deepest gratitude to Mark for this opportunity. Together with our prior President and Chief Operating Officer Tim Conder, Mark successfully stabilized TILT's foundation during a pivotal transition period for the Company. I look forward to continuing to work closely with him as we lead TILT into its next chapter of growth."

Mr. Santo was appointed President of TILT in October 2020. Since that time, he has solidified TILT's B2B strategy, executed on strategic distribution and brand partnerships, and made key hires across compliance, marketing and human resources. Mr. Santo brings more

than 25 years of experience leading lean, high-performance teams in consumer credit, financial services, gaming and technology, higher education and specialty-pharma. He has held a variety of senior roles at The First Marblehead Corporation, Fitch Ratings, International Game Technology, Lantheus Medical Imaging and most recently, Columbia Care Inc., a leading multi-state operator in the cannabis industry. Santo holds an Investor Relations Charter® certification from the National Investor Relations Institute, as well as a degree in Political Science from Boston University.

About TILT

[TILT](#) helps cannabis businesses build brands. Through a portfolio of companies providing technology, hardware, cultivation and production, TILT services brands and cannabis retailers across 36 states in the U.S., as well as Canada, Israel, Mexico, South America and the European Union. TILT's core businesses include [Jupiter Research LLC](#), a wholly-owned subsidiary and leader in the vaporization segment focused on hardware design, research, development and manufacturing; and cannabis operations, [Commonwealth Alternative Care, Inc.](#) in Massachusetts, [Standard Farms LLC](#) in Pennsylvania and [Standard Farms Ohio, LLC](#) in Ohio. TILT is headquartered in Phoenix, Arizona. For more information, visit www.tiltholdings.com.

Non-IFRS Financial and Performance Measures

In addition to providing financial measurements based on International Financial Reporting Standards ("IFRS"), the Company provides additional financial metrics that are not prepared in accordance with IFRS. Management uses non-IFRS financial measures, in addition to IFRS financial measures, to understand and compare operating results across accounting periods, for financial and operational decision making, for planning and forecasting purposes and to evaluate the Company's financial performance. These non-IFRS financial measures are EBITDA and Adjusted EBITDA.

EBITDA and Adjusted EBITDA are financial measures that are not defined under IFRS. The Company uses these non-IFRS financial measures, and believes they enhance an investor's understanding of the Company's financial and operating performance from period to period, because they exclude certain material non-cash items and certain other adjustments management believes are not reflective of the Company's ongoing operations and performance. The Company calculates EBITDA as net income (loss), plus (minus) income taxes (recovery), plus (minus) interest expense (income), plus depreciation and amortization expense. Adjusted EBITDA excludes certain one-time non-operating expenses, as determined by management, including stock compensation expense, unrealized gain/loss on changes in fair value of biological assets, fair value changes in biological assets included in inventory sold and business acquisition expense. There are components of fair value of biological assets and other one-time non-operating expenses required for the reconciliation of Adjusted EBITDA to Net Income that are currently in the process of finalization. Therefore, a reconciliation of the range of Adjusted EBITDA to net income will be provided when actual results are released.

Management believes that these non-IFRS financial measures reflect the Company's ongoing business in a manner that allows for meaningful comparisons and analysis of trends in the business, as they facilitate comparing financial results across accounting periods and to those of peer companies. Management also believes that these non-IFRS financial measures enable investors to evaluate the Company's operating results and future

prospects in the same manner as management. These non-IFRS financial measures may also exclude expenses and gains that may be unusual in nature, infrequent or not reflective of the Company's ongoing operating results.

As there are no standardized methods of calculating these non-IFRS measures, the Company's methods may differ from those used by others, and accordingly, the use of these measures may not be directly comparable to similarly titled measures used by others. Accordingly, these non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Forward-Looking Information

This news release contains forward-looking information based on current expectations. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward looking information may include, without limitation, projections regarding 2021 full-year outlook, the opinions or beliefs of management, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of TILT, and includes statements about, among other things, future developments, the future operations, strengths and strategy of TILT. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". These statements should not be read as guarantees of future performance or results. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including TILT's experience and perceptions of historical trends, the ability of TILT to maximize shareholder value, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

This press release also contains future oriented financial outlook and financial information (collectively, "**FOFI**") within the meaning of applicable Canadian securities laws. The FOFI included herein has been approved by management of TILT as of the date hereof to demonstrate TILT's current expectations regarding the future financial results of the Company. TILT believes that the FOFI has been prepared on a reasonable basis, reflecting best estimates and judgments, and based on a number of assumptions that TILT's management believes are reasonable under the current circumstances. However, because this information is highly subjective and subject to numerous risks, including the risks discussed above, it should not be relied on as necessarily indicative of future results. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the FOFI prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although management of TILT has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended.

Although such statements are based on management's reasonable assumptions at the date

such statements are made, there can be no assurance that it will be completed on the terms described above and that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on the forward-looking information. TILT assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

By its nature, forward-looking information is subject to risks and uncertainties, and there are a variety of material factors, many of which are beyond the control of TILT, and that may cause actual outcomes to differ materially from those discussed in the forward-looking statements.

For additional information regarding forward-looking statements and their related risks, please refer to the “Risk Factors and Uncertainties” section in the Management Discussion and Analysis of the Company for the quarter ended on September 30, 2020, which is available on the Company’s SEDAR profile at www.sedar.com.

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