



# Presentation

## CLS Holdings USA, Inc.

OTCQB: CLSH / CSE: CLSH

October 2020

# Forward Information and Risk Acknowledgement

“This document contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to, among other things, the future impact of the COVID-19 virus on our business, the future results of our initiatives to retain our employees and strengthen our relationships with our customers and community during the pandemic, the future effect of our initiatives to retain and expand market share and achieve growth following the pandemic, results of operations during the pandemic, and the effectiveness of our business practices during the pandemic. The continued spread of COVID-19 could have, and in some cases already has had, an adverse impact on our business, operations and financial results, including through disruptions in our processing activities, sales channels, and retail dispensary operations as well as a deterioration of general economic conditions including a possible national or global recession. Due to the speed with which the COVID-19 situation is developing and the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on our business, operations or financial results; however, the impact could be material. These forward-looking statements also relate to anticipated future events, future results of operations, and our future financial performance, and include, without limitation, statements relating to our ability to finance our operations, identify, finance and close potential acquisitions, market acceptance of our services and product offerings, our ability to protect and commercialize our intellectual property and our ability to grow our wholesale and processing businesses. In some cases, you can identify forward-looking statements by terminology such as “may,” “might,” “will,” “should,” “intends,” “expects,” “plans,” “goals,” “projects,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these terms or other comparable terminology.”

These forward-looking statements are only predictions, are uncertain and involve substantial known and unknown risks, uncertainties and other factors which may cause our (or our industry’s) actual results, levels of activity or performance to be materially different from any expected future results, levels of activity or performance expressed or implied by these forward-looking statements.

We cannot guarantee future results, levels of activity or performance. You should not place undue reliance on these forward-looking statements, which speak only as of the date that they were made. These cautionary statements should be considered together with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, we do not intend to update any of the forward-looking statements to conform these statements to reflect actual results, later events or circumstances or to reflect the occurrence of unanticipated events.

# Company Introduction

## “PEOPLE POWER PROFITS”

-Andrew Glashow, President/COO

Our motto, People Power Profits, applies to all aspects of our business. Our dedicated teams, our incredibly loyal customer base, and the communities they belong to are prioritized in all decision making.

We aim to provide the cleanest, safest cannabis products and environments in the market to give customers confidence in their purchases.

We've committed substantial resources to community improvement and engagement opportunities through corporate giving at both of our Nevada subsidiaries, including a sizable donation to a local organization providing aid to those most affected by the War on Drugs, and an ongoing supportive partnership with the Arbor Day Foundation.

This people-first approach is rapidly driving our majority-local consumer base to our brands in Nevada, and is allowing us to explore synergistic growth opportunities in new markets

# Company Milestones



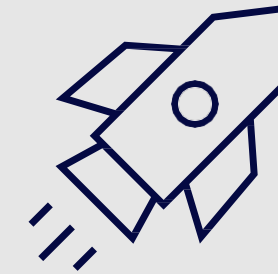
Completed purchase of  
Oasis Cannabis Dispensary in  
Las Vegas



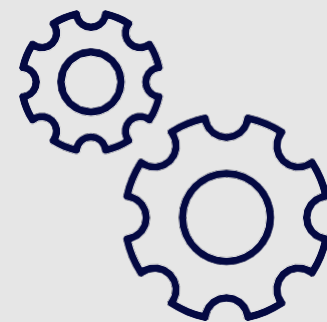
Completed purchase of City Trees  
Production and Innovation Facility  
in North Las Vegas



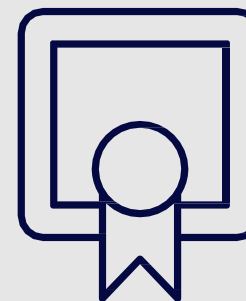
Successfully completed  
multiple capital infusions



Rapid growth of Oasis brand



Completed build out of approximately  
\$4M state of the art conversion and  
extraction facility capable of producing  
\$20 million in revenue annually



Obtained patents for extraction IP  
in the US, EU and Canada



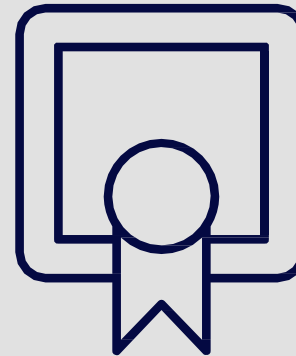
USD \$7.5 million in cash and current  
assets

# Investment Overview



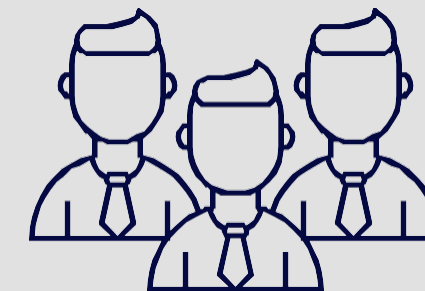
## Oasis Cannabis dispensary in downtown Las Vegas supported by City Trees branded products and innovation

- Voted best dispensary for Pot Pros
- Currently completing over **700** orders per day at ~\$55 per order
- Successfully pivoted from in-store operations to 3 distinct forms of business: In-store, Curbside Pickup, and Delivery



## Expanding national footprint creates licensing opportunities for core extraction technologies

- CLSH's proprietary extraction and conversion process has been patented with the US Patent Office
- Future revenue stream opportunities from licensing our patented extraction and conversion process to third party producers in major U.S and global cannabis markets where we do not intend to operate.



## Strength of Management team and Board to lead future growth through M&A

- Track record of successfully raising capital and integrating acquisitions
- Unique strengths in start-ups, business management, community involvement and organizational leadership
- \$8M USD cash investment in company by founding members



# Oasis Cannabis Dispensary



## Dispensary Overview

- Open 7 days a week from 7AM to 2:30AM
- Successfully operating 3 distinct business models: In-store, curbside, and delivery
- Walking Distance from the Strip and Downtown Las Vegas
- Operating since 2015

## Highlights

- Production facility capable of producing \$20M annual revenue
- Completing over 700 orders per day at ~\$55 per order
- Recognized as dispensary of choice for locals



THE LOCAL CHOICE



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# Oasis voted best dispensary for Pot Pros

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# Giving Back

## Oasis Summer of Giving

From June 19, 2020 to September 20, 2020, we set aside 1% of all net sales at Oasis to donate to CEICNV - the Cannabis Equity and Inclusion Community of Nevada.

These funds will go toward providing legal, medical, and additional community resources to members of our community most directly impacted by the War on Drugs.

This +\$30,000 donation represents the largest non-profit contribution made by CLS Holdings to date, and we are honored to have contributed to this vital cause.

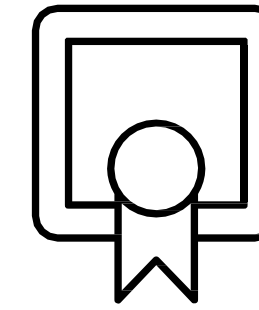


CEICNV provides direct relief through the Nevada Cannabis Community Reinvestment Fund. This fund provides support for programs that address inequities in mental healthcare and legal services exacerbated by cannabis prohibition. Through community outreach programs and grant distribution, this fund also provides support with job placement and skills training opportunities for communities most impacted by previous cannabis policies.



# City Trees

## About



Focused on quality & sustainability, we bridge the gap between the city and the trees.



10,000 sq ft production and manufacturing facility based out of North Las Vegas, Nevada, capable of producing approximately \$1.7M each month in revenue.

We provide Nevada with high quality THC distillate products infused with terpenes in either effect-based or strain-specific flavors.

We use ethanol-distilled pure THC distillate and botanically derived terpenes to create our vape products. We never use Vitamin E Acetate, Propylene Glycol, Vegetable Glycerin, Polyethylene Glycol, Medium Chain Triglyceride oil, or any other additives in our vape products.

In addition to vape products, we also have a separate line of ingestible products tinctures.

Recently introduced our Live and Cured concentrate lines providing a full-spectrum product produced with our closed-loop hydrocarbon extraction system that retains the full flavor and cannabinoid profile of the flower that is extracted.

We use USP Grade 200 Proof Ethanol to extract pure THC distillate and formulate that oil with botanically derived terpenes to create our signature vape products.







Innovation Production Distribution

**70%**  
Market penetration  
pre-COVID

**2017**  
Founded

# BUY 1 PLANT 1

WE PLANT 1 TREE FOR EVERY 1:1 PRODUCT SOLD

citytrees.com

KEEP OUT OF REACH OF CHILDREN. FOR USE ONLY BY ADULTS 21 YEARS OF AGE AND OLDER.

**CITYTREES**

@citytreesnv

## Wide Variety of Products, Consistent Results

- Disposable Vape Pens and Cartridges
- Distillate dab and refill oil
- Premium Cannabis Concentrates
- Highest Quality Tinctures



# City Trees

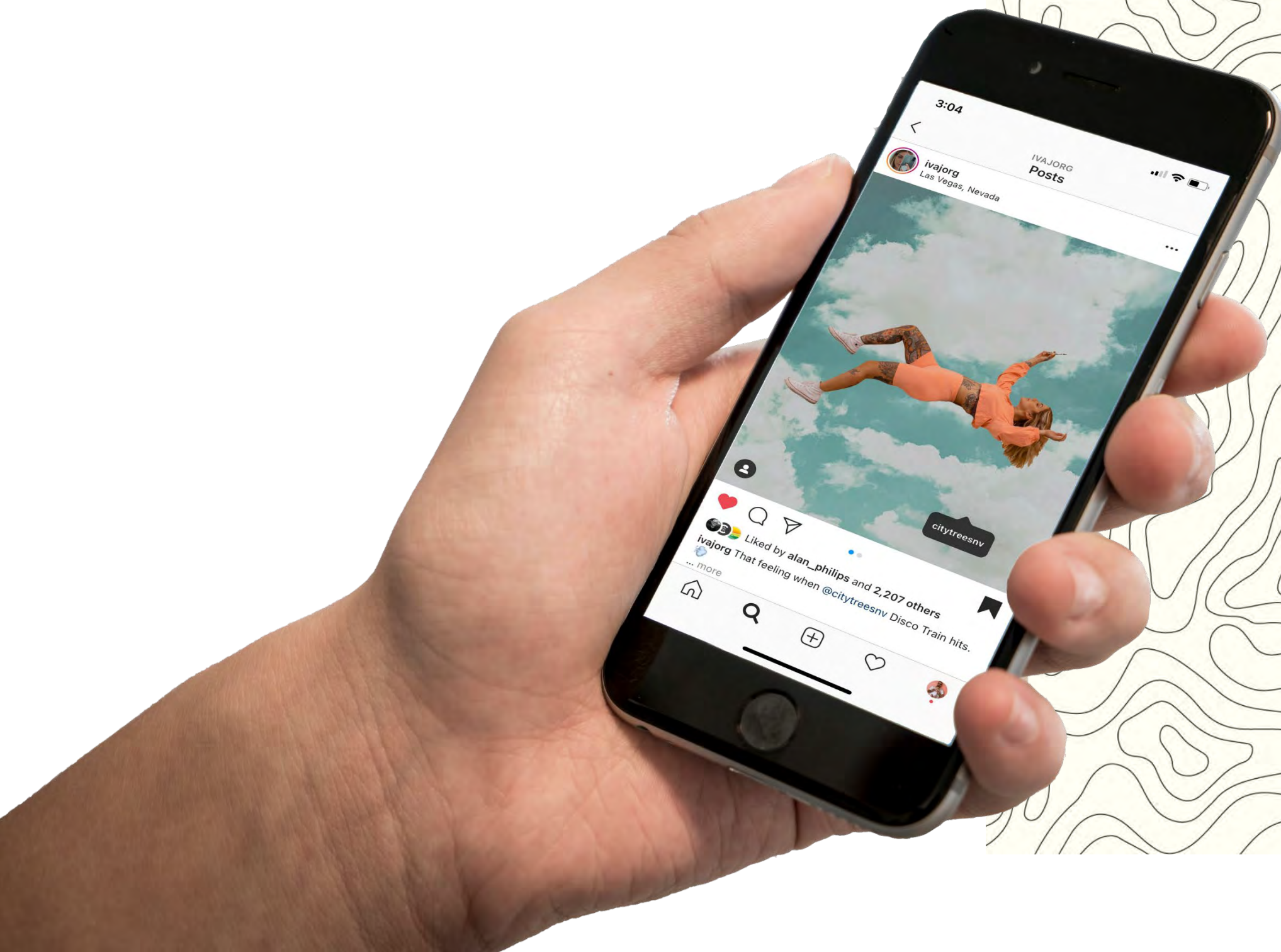
New brand identity





# City Trees

In the wild





# Award Winning Products



**CALM 1:1 CARTRIDGE**  
**BEST VAPE CARTRIDGE 2019**



**BLUE AGAVE 750**  
**BEST TINCTURE 2019**



**JACK HERER DAB OIL**  
**BEST SYRINGE 2020**



**Plant it Forward**

## **BUY 1 : PLANT 1**

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At City Trees we feel a responsibility to give back to where we take from. We are proud to partner with the Arbor Day Foundation, to plant one tree for every City Trees 1:1 product purchased.

We are determined to make a difference in our community and the surrounding environment, bringing the same balance to our world as our 1:1 products bring to you.

We plant 1 tree for every 1:1 or 1:1:1 product sold. Over 3,000 trees planted to date!

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Calm Cartridges  
Calm All-in-One Vape Pen  
Calm Dab Oil Distillate Applicator Syringe  
Blue Agave 1:1  
Chocolate Agave 1:1  
Orange Cream Tincture  
Hemp Seed Oil 1:1 Tincture  
Hemp Seed Oil 1:1:1 Tincture

SUSTAIN  
YOUR  
STATE

1:1



# CLS Board of Directors and Founding Members



**Jeffrey Binder**  
Co-Founder,  
Chairman & CEO

- Prior to founding CLSH, Mr. Binder served as founder, Chairman and President of Power 3 Network, Inc., a company that develops websites and back offices for home-based businesses
- Mr. Binder received his Juris Doctorate from the National Law Center, George Washington University, in 1971, and served as a legislative assistant to Adlai Stevenson II, an Illinois Senator



**Andrew Glashow**  
President & COO,  
Director

- • Mr. Glashow has an extensive background in finance, specializing in micro-cap transactions and placement of capital for small and emerging growth companies, and has used this experience to develop strategies for building strong, vertically-integrated businesses.
- • Under Mr. Glashow's leadership and people-first approach, CLS' Nevada subsidiaries have tripled their total net revenue across all divisions since acquisition in 2018.
- • A New England native, Mr. Glashow is a graduate of the University of New Hampshire's Whitmore School of Business and Economics.

**Frank Koretsky**  
Co-Founder &  
Director

- Mr. Koretsky has served as the President of East Coast News Corp., a leader in consumer packaged goods, since 1995
- As a result of business experience, Mr. Koretsky brings a strong background in management, marketing and branding to CLSH



# CLS Management Team



**Jeffrey Binder**  
Co-Founder,  
Chairman & CEO

- Prior to founding CLSH, Mr. Binder served as founder, Chairman and President of Power 3 Network, Inc., a company that develops websites and back offices for home-based businesses
- Mr. Binder received his Juris Doctorate from the National Law Center, George Washington University, in 1971, and served as a legislative assistant to Adlai Stevenson II, an Illinois Senator



**Greg Carlson**  
CFO

- Mr. Carlson brings over twenty years of accounting and finance related experience in the gaming, lodging, real estate and retail industries to CLS. Most recently, Mr. Carlson assisted the private company that owns the Essence Cannabis Dispensaries and Desert Grown Farms cannabis wholesale facility in Las Vegas, NV close its books and prepare financial statements in connection with its year-end audit and sale for US \$290 million to a public company in the cannabis industry, known as Green Thumb Industries



**Andrew Glashow**  
President & COO,  
Director

- • Mr. Glashow has an extensive background in finance, specializing in micro-cap transactions and placement of capital for small and emerging growth companies, and has used this experience to develop strategies for building strong, vertically-integrated businesses.
- • Under Mr. Glashow's leadership and people-first approach, CLS' Nevada subsidiaries have tripled their total net revenue across all divisions since acquisition in 2018.
- • A New England native, Mr. Glashow is a graduate of the University of New Hampshire's Whittemore School of Business and Economics.



**Charlene Soco**  
VP Finance  
CLS Nevada

- Ms. Soco brings 9 years of accounting experience from various industries. She started her career as a Staff Accountant at Litigation Services, a multi-state law support firm. During her time there, she was recognized as employee of the month for her work ethic while the company underwent a merger and became The LIT Group.
- After leaving the company, Ms. Soco took on the role of Lead Auditor with Treasure Island Hotel and Casino, a Las Vegas strip property. She was promoted to the position of Non- Gaming Audit Manager and oversaw all non-gaming accounting and auditing including food & beverage, entertainment, hotel, and retail operations. She was recognized company wide for her leadership while in this management role.
- Ms. Soco then took a position as Assistant Controller with K2 Energy, an international lithium battery manufacturer with offices in Nevada and China prior to taking on the Controller position with CLS Nevada.



# CLS Nevada Management and Key Employees



**Samantha Schafer**  
Director of Retail  
Operations  
CLS Nevada

- Mrs. Schafer joined our team as the General Manager of Oasis Cannabis Dispensary in March 2019 and brought 9 years of dispensary management and operations experience from Colorado. Mrs. Schafer is responsible for a substantial increase in revenue year over year, as well as keeping our company and operations compliant and profitable.
- Mrs. Schafer was elevated within the company in January 2020 to Director of Operations for CLS Nevada, overseeing and assisting in day-to-day operations for both the retail and production facility in Las Vegas.
- Prior to working for CLS in Nevada, Mrs. Schafer worked as the Director of Customer Experience for Seed and Smith, an all-in-one cannabis dispensary and production facility tour. Mrs. Schafer also worked as the General Manager for Lightshade Labs in Denver Colorado from 2014-2017, participating in the growth from 2 medical/retail locations to 7 medical/retail locations across the Denver Metro region.



**Jamie Dickson**  
Executive Assistant &  
Director of Human  
Resources  
CLS Nevada

- Mrs. Dickson has excelled in all of her roles with CLS, from her start in 2017 as an Administrative Assistant for management, to her elevation to Executive Assistant in 2018, and to her current role as HR Generalist.
- Mrs. Dickson was instrumental in CLS' 2018 acquisition of the business, facilitating the structural improvements and personnel increases required to adapt to the rapidly expanding needs of both the retail and wholesale divisions of CLS.
- Mrs. Dickson brings extensive administrative experience from the legal and retail sectors, having served in a professional assistant capacity in law offices and as a lead administrator in payroll and accounting departments for Whole Foods Markets for over 10 years. Mrs. Dickson's support has helped lead CLS throughout the rapid growth seen across its subsidiaries since acquisition.



**Dominick Monaco**  
**Pharm.D.**  
Director of Laboratory  
Operations  
CLS Nevada

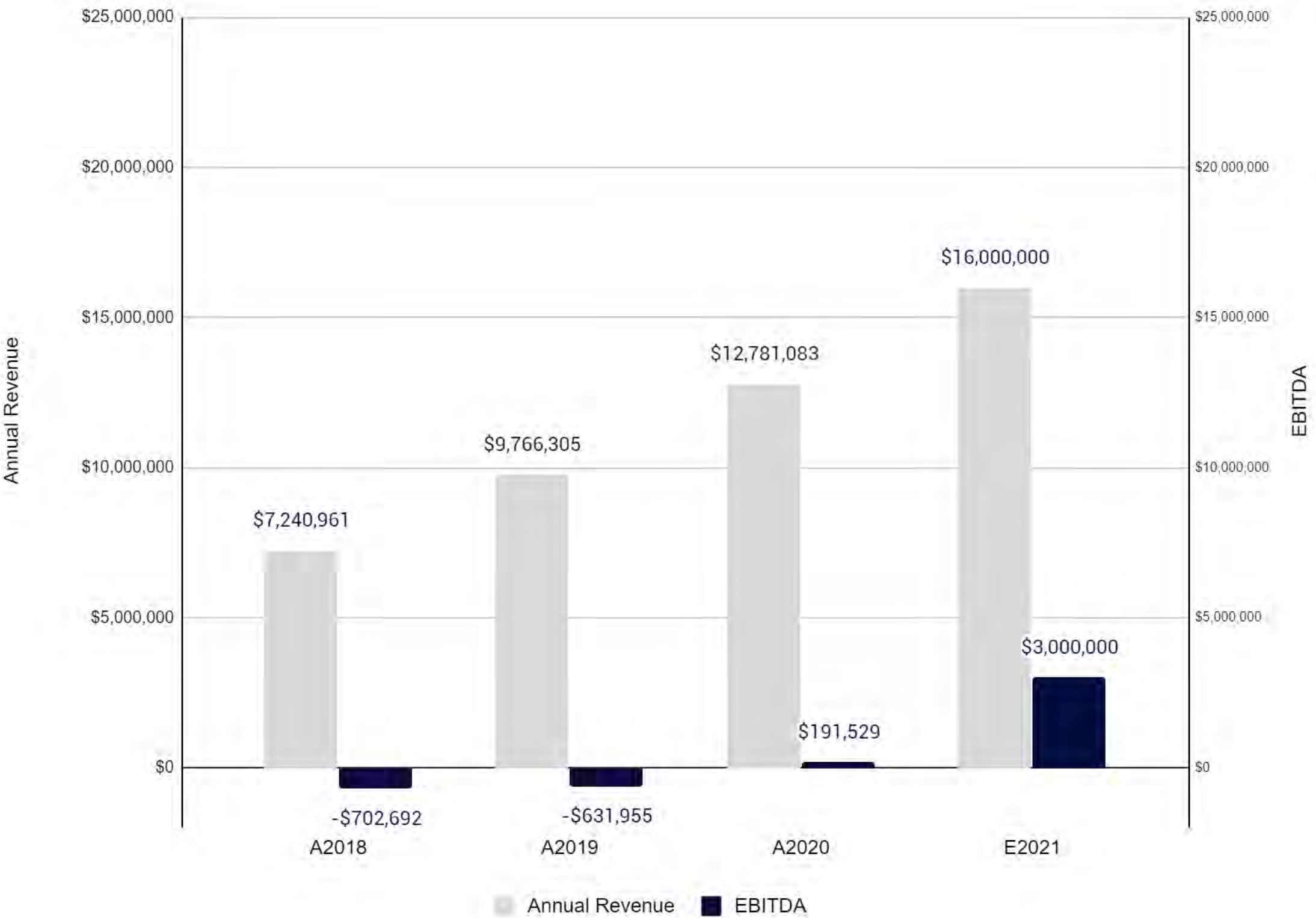
- Dr. Monaco is the Director of Laboratory Operations for the company's newly opened approximately \$4 million laboratory and is responsible for all day-to-day operations inside the North Las Vegas facility.
- Dr. Monaco brings over 8 years of licensed & regulated cannabis experience, starting back in 2012 when medical marijuana first opened in Arizona, he has held numerous positions, with escalating responsibilities year over year, from Procurement Manager, Laboratory Manager, Quality Assurance & Quality Control Manager, Pharmacist on Duty, Assistant GM, General & Operations Manager, and Director of Quality & Medical Formulations.
- Dr. Monaco graduated from the University of Arizona College of Pharmacy, in Tucson, Arizona, with a Doctor of Pharmacy in 2010.



# CLS Nevada

## Financials\*

	A2018	A2019	A2020	E2021
Annual Revenue	\$7,240,961	\$9,766,305	\$12,781,083	\$16,000,000
EBITDA	-\$702,692	-\$631,955	\$191,529	\$3,000,000



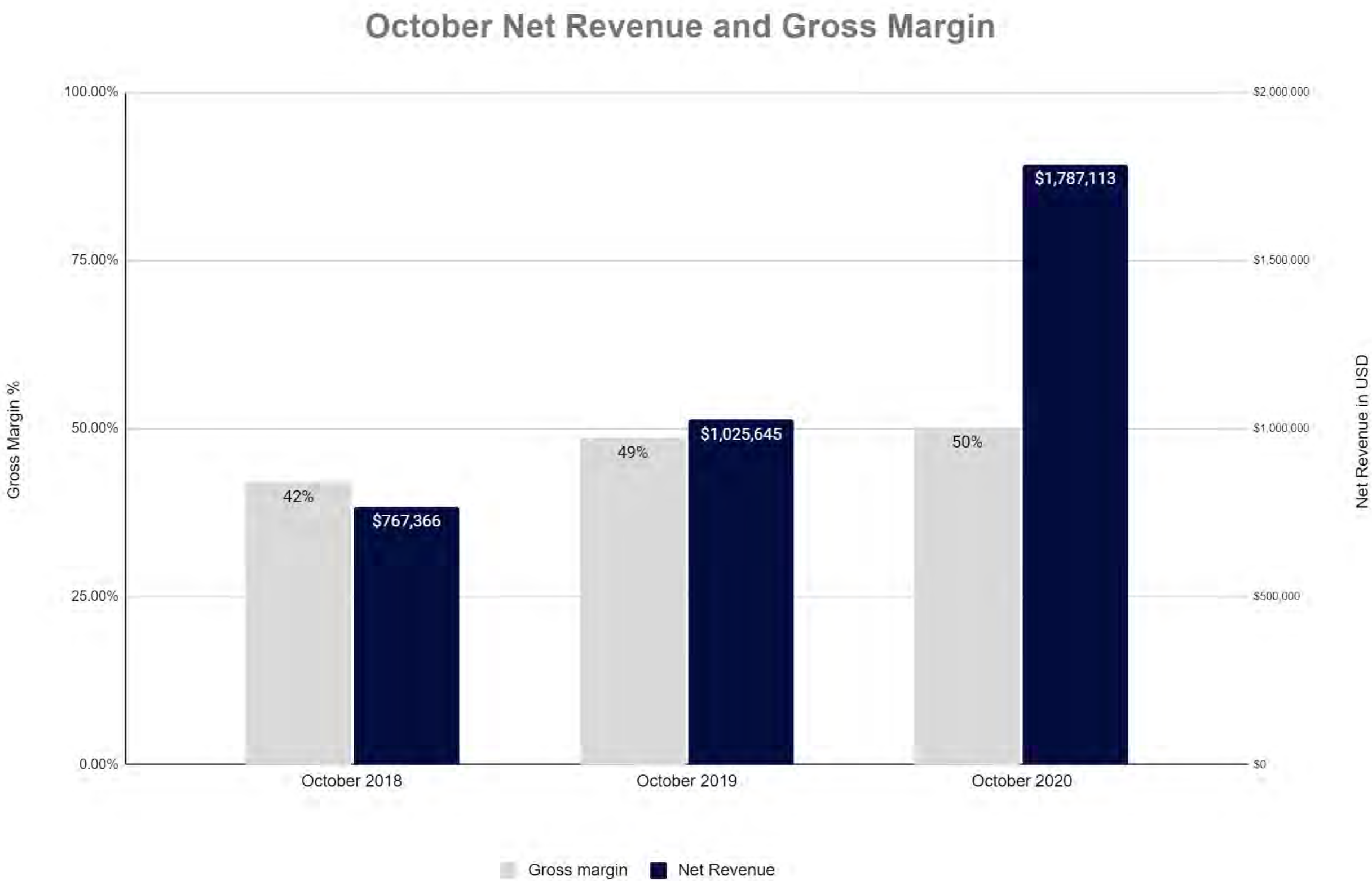
\*Fiscal year ending 5/31. This table represents the results solely of our Nevada subsidiaries and not of CLSH as a whole. The results in this table exclude expenses associated with CLSH’s parent company and corporate overhead as well as expenses associated with acquisition opportunities. As such, these results should be read together with the financial statements of CLSH contained in its SEC filings for an understanding of the results of operations of CLSH as a whole.



# CLS Nevada

## October Net Revenue and Gross Margin

	A2018	A2019	A2020
Net Revenue in USD	\$767,366	\$1,025,645	\$1,786,113
Gross Margin	42%	49%	50%

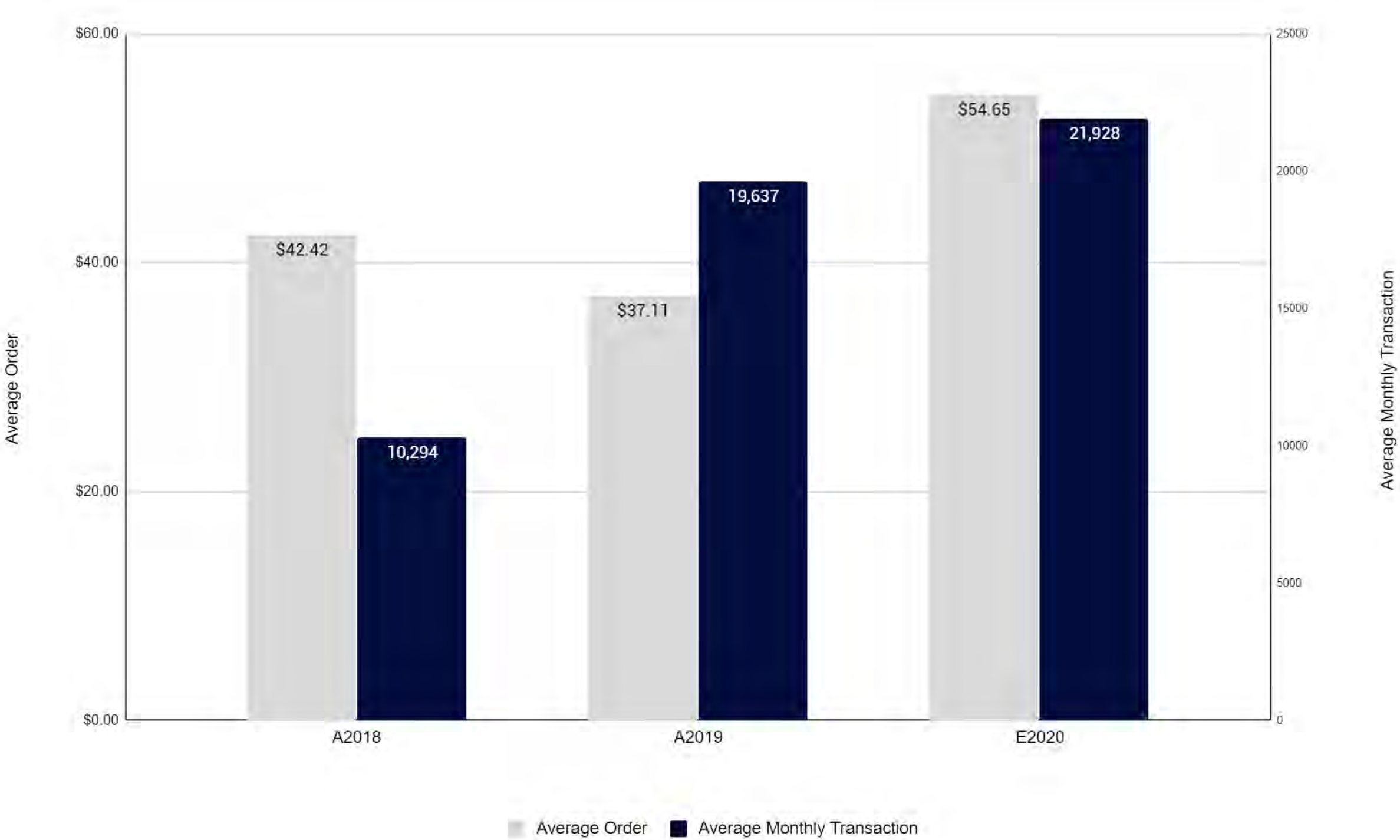




# CLS Nevada

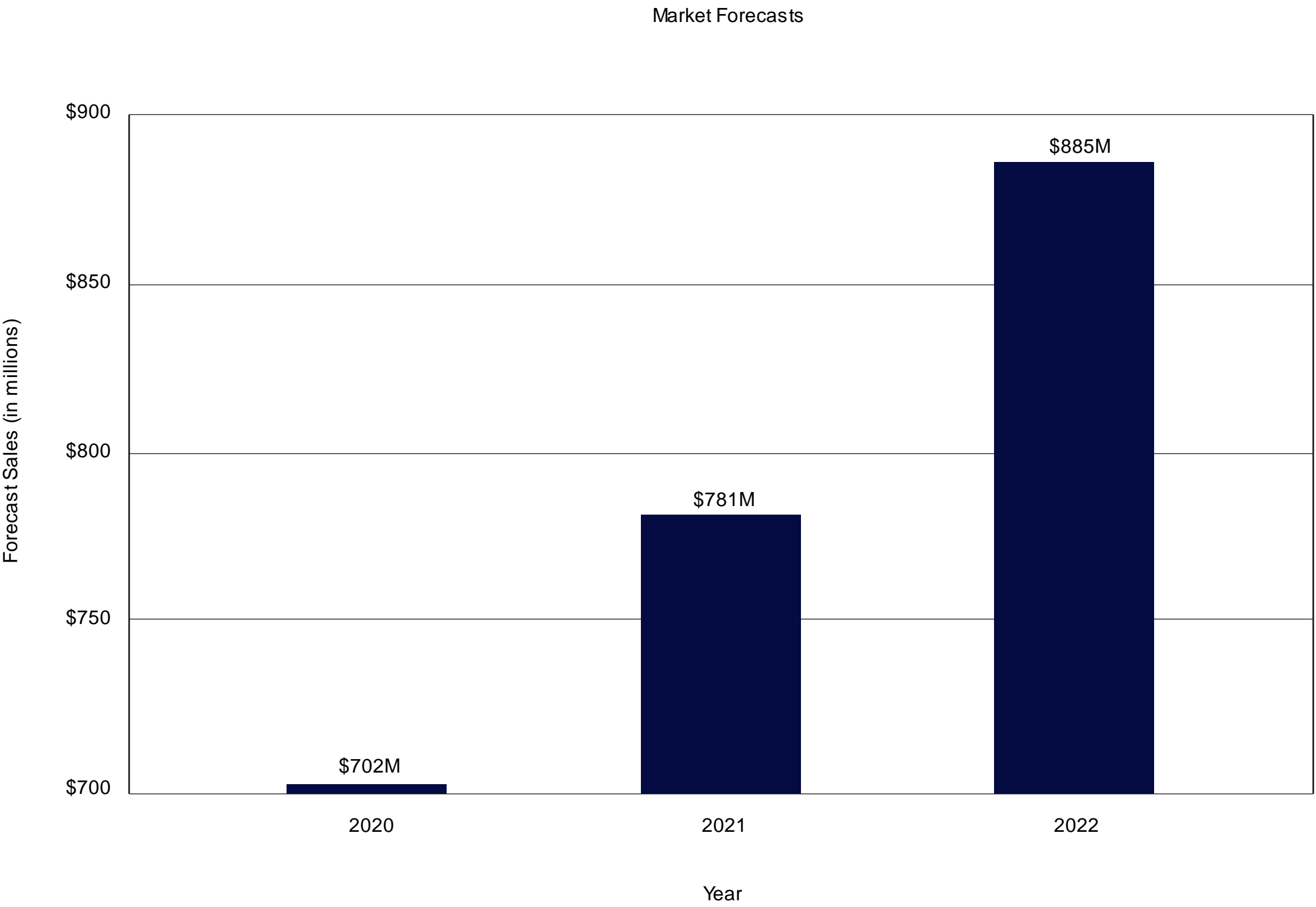
## Monthly Dispensary Transactions and Average Orders

	A2018	A2019	E2020
Average Monthly Transaction	10,294	19,637	21,928
Average Order	\$42.42	\$37.11	\$54.65





	2020	2021	2022
Forecast Sales (in millions)	\$702M	\$781M	\$885M





# Cap Table

Shares Outstanding	_____	126,420,345
Convertible Notes	_____	22,815,191
Total	_____	148,795,345
<b>Current assets (as of September 28, 2020)</b>	_____	<b>\$7,500,000</b>
Share Price	_____	\$0.06
Market Cap	_____	\$8,927,720

Expiry Date	Exercise Price	#Warrants
30-Nov-21	\$0.34	4,635,684
30-Nov-21	\$0.49	33,463,826
6-Feb-22	\$0.50	1,740,000
21-Feb-22	\$0.50	160,000
28 Feb-22	\$0.50	130,000
29 Mar-22	\$0.50	706,500
30-Jul-21	\$0.60	7,500,000
7-Aug-21	\$0.60	6,875,000
14 May-23	\$0.60	3,125,000
15 Nov-20	\$0.75	350,000
5-Feb-21	\$0.75	400,000
12-Feb-21	\$0.75	40,000
20-Feb-21	\$0.75	25,000
2-Mar-21	\$0.75	412,500
9-May-21	\$0.75	25,000
12-Dec-21	\$0.80	2,015,100
12-Dec-21	\$1.10	295,500
28-Feb-23	\$1.25	1,026,190

\*Convertible note due November 2021, \$18,252,153 divided by \$0.80 per share = 22,815,191





Jeffrey Binder  
Chairman / CEO

Andrew Glashow  
President & COO

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