February 14, 2019

TILT Holdings Reports Preliminary Consolidated Revenue for January 2019 and Fiscal Year 2018

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- TILT Holdings Inc. ("TILT" or the "Company") (CSE: TILT) (OTC: SVVTF) today announced preliminary and unaudited *pro forma* January 2019 gross revenue of US$18.3 million[(1)]. This compares favorably to the Company's unaudited *pro forma* 2018 annual gross revenue of US$97.3 million[(2)]. Gross margins for January were 16% given the early stages of business integrations, and full-year 2018 gross margins were 21%. These recent financial results establish TILT as one of the top U.S. revenue producing publicly traded cannabis companies.

(US$ millions)	January 2019	Fiscal 2018
Preliminary Unaudited Gross Revenue	13.8[(3)]	7.6[(4)]
Preliminary Unaudited Pro Forma Gross Revenue	18.3[(1)]	97.3[(2)]

(1) Represents the *pro forma* unaudited gross revenue generated by TILT in January 2019 assuming that closing of the acquisitions of Jupiter Research LLC ("Jupiter"), Blackbird Holdings Corp. ("Blackbird") and Standard Farms LLC ("Standard Farms") occurred on January 1, 2019. The acquisitions closed on the following dates: (i) Jupiter (January 14, 2019); (ii) Blackbird (January 16, 2019); and (iii) Standard Farms (January 28, 2019).

(2) Represents the *pro forma* unaudited gross revenue generated by TILT in fiscal 2018 assuming the closing of the business combination (the "Business Combination") between Sea Hunter Therapeutics LLC ("SHT"), Briteside Holdings, LLC ("Briteside"), Baker Technologies, Inc. ("Baker") and Santé Veritas Holdings Inc. ("SVT"), and the acquisitions of Jupiter, Blackbird and Standard Farms occurred on January 1, 2018.

(3) Represents the unaudited gross revenue generated by TILT in January 2019, which includes all unaudited gross revenue generated by each of Jupiter, Blackbird and Standard Farms after the acquisition by TILT of each entity at the dates set forth in (1).

(4) Represents the unaudited gross revenue generated by TILT in fiscal year 2018, being the unaudited gross revenue generated by SHT for the entire 2018 fiscal year and the unaudited gross revenue generated by Briteside, Baker and SVT after the closing of the Business Combination transaction on November 21, 2018.

Pro forma January revenue was driven by continued growth of all companies within TILT, including recent acquisitions. Increases in Jupiter shipments reflect strong consumer demand of the company's vaporizers. Blackbird's continued expansion in California and success in the Nevada wholesale market boosted revenue. In Pennsylvania, Standard Farms is among the leading cultivation and production companies, selling their product wholesale throughout the state. Baker saw an increase in the number of dispensaries using their software in January. Finally, TILT's MA operations contributed as well, though January numbers do not reflect the opening of any recreational stores, which are expected to come online throughout 2019.

With operations and sales in forty U.S. states, Canada and Europe, TILT provides products and services which enable businesses to operate more efficiently and connect with the consumer more effectively. Revenue is realized from the sale of cannabis products and packaged goods, inhalation devices, delivery to businesses and consumers and a broad suite of licensed software.

“Following the Business Combination and TILT’s public listing on the Canadian Securities Exchange in early December 2018, we have been able to acquire and integrate numerous market leading cannabis companies,” said Alex Coleman, Chairman and CEO of TILT. “Through these initiatives, TILT has emerged as a leading and comprehensive B2B cannabis company in the market. We manufacture customized cannabis products and devices for our business customers while also providing them with a route to market and software and services, all helping them realize operating efficiencies and sales growth. The Company is uniquely focused on investing in the research and development necessary to deliver leading-edge products and services to one of the fastest growing industries in the world. We are very confident in our ability to continue to capitalize on our unique value proposition we bring to the market.”

TILT’s historical results do not reflect any material sales from cannabis products. The Company expects to have comprehensive vertical operations in seven US states, Canada and Southern Europe by the end of the first quarter 2019. Massachusetts, TILT’s first cannabis market and the location of its corporate headquarters, is in the process of converting previously not-for-profit medical licenses to for-profit adult-use licenses. TILT anticipates further revenue growth throughout the year as adult-use sales in Massachusetts come online, from the Company’s general asset expansion in other states and the ongoing integration of software products and services, all realizing value from every stage of the cannabis supply chain. In markets where TILT has manufacturing assets it also realizes revenue from contract manufacturing.

The Company’s annual audited financials will be available prior to April 30, 2019 and consolidated financials for the first quarter, including the acquisitions of Jupiter, Standard Farms and Blackbird discussed above, will be available prior to May 31, 2019.

About TILT

TILT Holdings is business-to-business cannabis company focused on the research, development, manufacture, distribution and sale of products and services. The Company maintains two primary divisions, Technology for software and services and Infrastructure for cannabis products and devices. Revenue is realized from cannabis cultivation, the sale of flower, concentrates, oils, consumables and topicals, vaporizer and inhalation devices, delivery and inventory management services and licensed software. All of TILT’s products are supported by an extensive research process led by scientists and engineers, using data analytics and discovery to produce new products helping shape the industry. The Company has operations in 40 U.S. states and Canada and Europe. For more information, please visit www.tiltholdings.com.

Pro Forma Presentation

The pro forma information (“Pro Forma Information”) presented herein is not necessarily indicative of the operating results or financial condition that would have been achieved if the proposed acquisitions to which the Pro Forma Information relates had been completed on the dates or for the periods presented, nor do they purport to project the results of operations or financial position of the combined entities for any future period or as of any future date. Actual amounts recorded upon consummation of the acquisitions to which the Pro Forma Information relates would likely differ from those recorded in the Pro Forma Information. The Pro Forma Information does not reflect any special items such as integration costs or

operating synergies that may be realized as a result of the acquisitions to which the Pro Forma Information relates.

Accounting Constructs and Unaudited, Unreviewed Status of Financial Information

The financial information included in this press release is not required for any regulatory purpose and is therefore provided solely for additional investor guidance. All financial information provided is neither audited nor reviewed. Where possible the information has been constructed by management from available audited or audit reviewed financial statements. Where no audited or audit reviewed information has been available, additional management accounting information has been utilized to construct the financial information.

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, statements regarding TILT's future business operation, expectation of sales, the opinions or beliefs of management, operations, business, financial condition, expected financial results, performance, 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 "pro forma", "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, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to those related to: [the ability of TILT to obtain necessary financing in the future to pursue its business plans, the achievement of goals, the obtaining of all necessary permits and governmental approvals, as well as expectations regarding availability of equipment, skilled labour and services needed for cannabis operations, intellectual property rights, development, operating or regulatory risks, trends and developments in the cannabis industry, business strategy and outlook, expansion and growth of business and operations, the timing and amount of capital expenditures; future exchange rates; the impact of increasing competition; conditions in general economic and financial markets; access to capital; future operating costs; government regulations, including future legislative and regulatory developments involving medical and recreational marijuana and the timing thereto; receipt of appropriate and necessary licenses in a timely manner; the effects of regulation by governmental agencies; the anticipated changes to laws regarding the recreational use of cannabis; the demand for cannabis products and corresponding forecasted increase in revenues; and the size of the medical marijuana market and the

recreational marijuana market.]

Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that they it 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. These factors include, but are not limited to: denial or delayed receipt of all necessary consents and approvals; need for additional capital expenditures; increased costs and timing of operations; unexpected costs associated with environmental liabilities; requirements for additional capital; reduced future prices of cannabis; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the cannabis industry; delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities; title disputes; claims limitations on insurance coverage; risks related to the integration of acquisitions; fluctuations in the spot and forward price of certain commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in the countries where the Company may carry on business in the future; liabilities inherent in cannabis operations; risks relating to medical and recreational cannabis; cultivation, extraction and distribution problems; competition for, among other things, capital, licences and skilled personnel; risks relating to the timing of legalization of recreational cannabis; changes in laws relating to the cannabis industry; and management's success in anticipating and managing the foregoing factors.

The CSE has neither approved nor disapproved the contents of this news release.

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

View source version on businesswire.com:
https://www.businesswire.com/news/home/20190214005287/en/

Contact Information:
Joel Milton, SVP of Business Development
(303) 872-7255

Media Contact:
Cory Ziskind
ICR
Phone: 646-277-1232

tiltholdings@icrinc.com

Investor Contact:
Scott Van Winkle
ICR
Phone: 617-956-6736
investors@tiltholdings.com
Investors.tiltholdings.com

Renmark Financial Communications Inc.
Melanie Barbeau: mbarbeau@renmarkfinancial.com
Tel: (416) 644-2020 or (514) 939-3989
www.renmarkfinancial.com

Source: TILT Holdings Inc.