



TAAT Lifestyle & Wellness Ltd.

Investor Presentation - Q1 2021

投资者报告 - 2021年第一季度

CSE: TAAT • OTCQX: TOBAF • FRANKFURT: 2TP2



BEYOND TOBACCO™

Disclaimer – Forward Looking Statements

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This Presentation contains forward-looking statements that relate to the Company's current expectations and views of future events and should be read together with the more detailed information and financial data and statements available on the Company's SEDAR profile at SEDAR.com. This Presentation does not contain all of the information you should consider before purchasing securities of the Company. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to: the Company's expectations regarding its revenue, expenses and operations; the Company's intention and ability to grow the business and its operations, including its ability to complete research and development activities; future product roll outs in new markets; expectations regarding production and sales; expectations with respect to future production costs and capacity; expectations regarding our growth rates and growth plans and strategies; the Company's expected business objectives for the next twelve months; and the Company's expectations with respect to international developments and

initiatives. Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward looking statements included in this Presentation, the Company has made various material assumptions, including but not limited to (i) obtaining or complying with the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions, including the ongoing impact of COVID19; (iv) the Company's ability to successfully execute its plans and intentions, including with respect to the ramp up of commercial operations and the achievement of expected revenues; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company's competitors; and (ix) that the Company's current good relationships with its suppliers, service providers and other third parties will be maintained. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of the Company's securities should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors" in the Company's Listing

Statement filed under the Company's SEDAR profile at SEDAR.com. The Company's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

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INNOVATIVE / PATENTED PRODUCT 创新/专利产品

- Beyond Tobacco™ base material engineered to closely mimic the tobacco smoking experience / Beyond Tobacco™的基础材料的设计与烟草的吸食体验非常相似。



FAVOURABLE CONSUMER DYNAMICS 有利的消费者动态

- Massive addressable worldwide tobacco market approaching US\$1 trillion per year 庞大的全球烟草市场，每年接近1万亿美元。



ETHICAL MARKETING 道德营销

- Nicotine-free products capitalizing on cost-effective digital strategies 无尼古丁产品利用成本效益高的数字战略



WIN-WIN ECONOMICS 双赢经济

- TAAT provides distributors and retailers with superior returns vs. tobacco-based cigarettes 与烟草卷烟相比，TAAT为经销商和零售商提供了更高的回报率。



SCALABLE PRODUCTION PLATFORM 可扩展的生产平台

- Currently expanding to approximately 25,000 square foot facility in Las Vegas 目前正在拉斯维加斯扩建约25,000平方英尺的设施。



MANAGED ROLLOUT 成功推出

- Launched in Ohio in mid-December 2020 in first phase of rollout / 2020年12月中旬在俄亥俄州启动第一阶段的推广工作。



STRONG MANAGEMENT TEAM 强大的管理团队

- Substantial experience in cigarette industry and capital markets 拥有丰富的烟草行业和资本市场经验



Beyond Tobacco™ Experience 体验Beyond Tobacco™



Engineered to closely replicate each and every sensory element of smoking a tobacco cigarette
精心设计，严密复制吸食烟草香烟的每一个感官元素。



Nearly identical product and packaging format, enhanced smoke volume 几乎相同的产品和包装形式，增强了烟量。



Audible “crackling” sound of base material when ignited to mimic tobacco 点燃基材时可听到 “噼里啪啦” 的声音，模仿烟草的味道



While burning, TAAT Beyond Tobacco™ emits a pleasing scent 燃烧时，TAAT Beyond Tobacco™ 会发出令人愉悦的香味。



Patent-pending base material refinement process imparts realistic tobacco taste 正在申请专利的基材精制工艺，赋予了逼真的烟草味道。



Satisfies “hand-to-mouth” experience and “motor habits” such as flicking ashes 满足 “手到口” 的体验和弹灰等 “动作习惯”

Innovative Patent Pending Process

创新工艺正在申请专利

Base hemp material goes through a 14-step proprietary process to taste and smell like tobacco, including a patent-pending refinement technique 为了使味道和气味都像烟草，基础的工业麻材料经过14步专有工艺，包括正在申请专利的精制技术

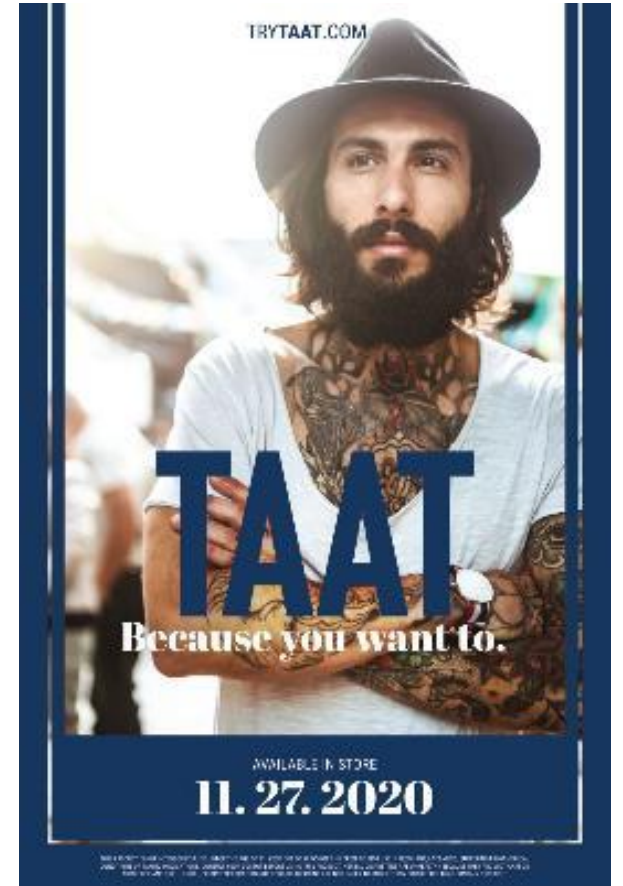


Beyond Tobacco™ Experience 体验Beyond Tobacco™



TAAT's unique, high-quality cigarettes represent a disruptive, attractive alternative to tobacco cigarettes and other smoking products / TAAT独特的高品质香烟代表了烟草香烟和其他吸烟产品的一种颠覆性的、有吸引力的替代品。

- Innovative hemp-based alternative to tobacco cigarettes 以大麻为基础的创新型香烟替代品
- Lower price point than tobacco cigarettes 价格比烟草香烟低
 - ~40% cheaper than a pack of the leading cigarette brand in Ohio, TAAT's first market 每包的价格比俄亥俄州(TAAT的第一个市场)领先香烟品牌便宜40%
 - Addresses high cost of smoking and consumers' desire for a more affordable alternative 解决了吸烟的高成本和消费者对更能负担得起的替代品的渴望
- TAAT products contain no nicotine, a highly addictive substance / TAAT产品不含高度上瘾物质尼古丁
- Portfolio of trademarks in more than 50 countries 在50多个国家的商标组合
- 2018 Farm Bill legalized hemp at the federal level in United States / 2018年颁布的农业法案使工业麻在美国联邦一级合法化了。
- Leveraging the marketing success of *Beyond Meat* at the consumer level 充分利用Beyond Meat在消费者层面的营销成功经验
- Three classic tobacco cigarette flavours: Original, Smooth and Menthol 三种经典烟草香烟口味：原味、顺滑和薄荷味

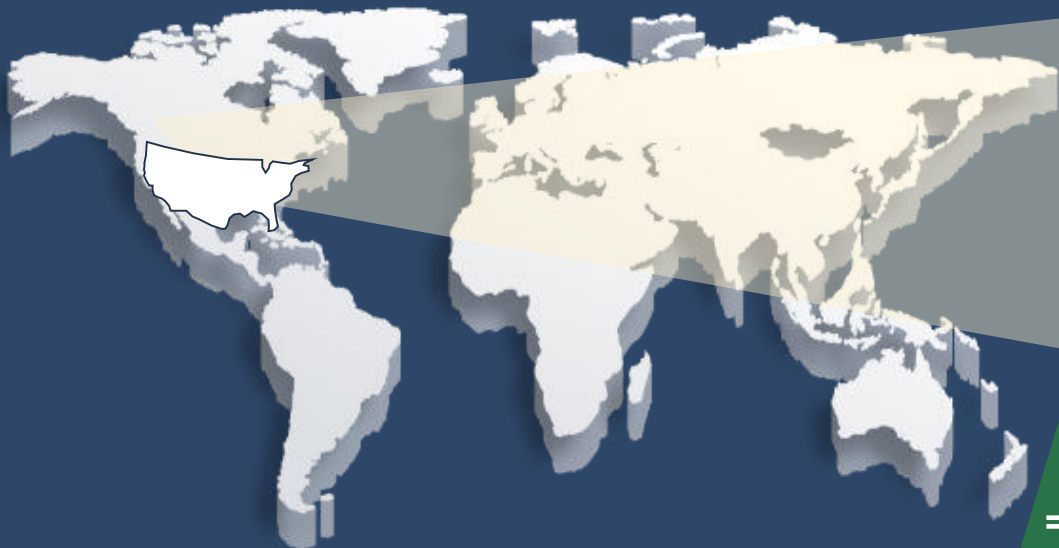


TAAT's Cigarettes Target Current Smokers / TAAT的香烟针对目前的吸烟者

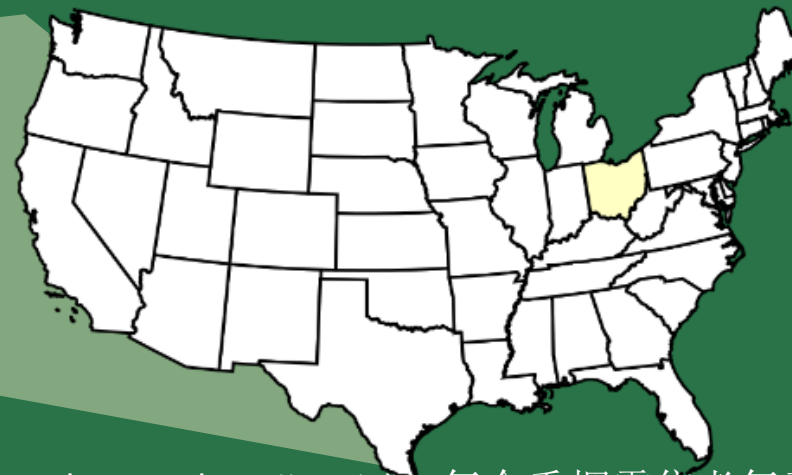


MASSIVE ADDRESSABLE GLOBAL CIGARETTE MARKET 庞大的全球香烟市场

USD\$925 Billion Tobacco Market – Worldwide
全球烟草市场规模为9250亿美元



U.S. \$75 Billion Market Holds only 3% of Smokers
美国\$750亿的市场仅拥有3%的吸烟者



One pack per day per cigarette retailer 每个香烟零售者每天一包
= ~\$1.5 to \$2 million of daily revenue 每天营收\$150万至\$200万

Converting 200,000 smokers (half of 1% market share)
转变20万吸烟者（1%市场份额的一半）

= ~\$200 million of annual revenue 年营收约\$2亿

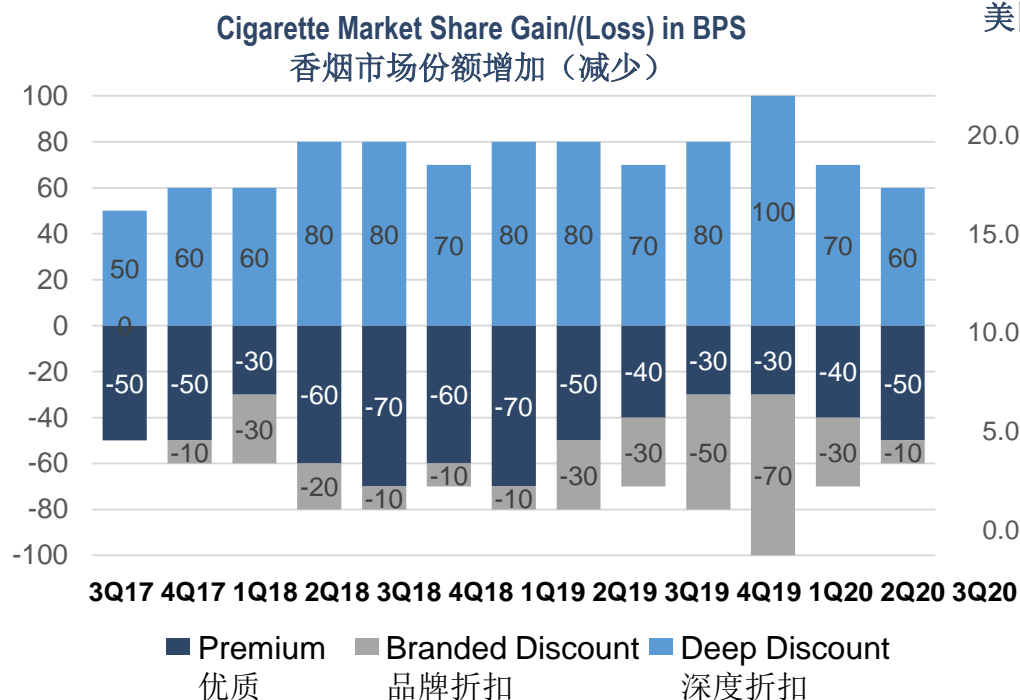


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CIGARETTE MARKET DYNAMICS 香烟市场动态

Budget brands are gaining share of market
经济型品牌产品在市场上的份额越来越大



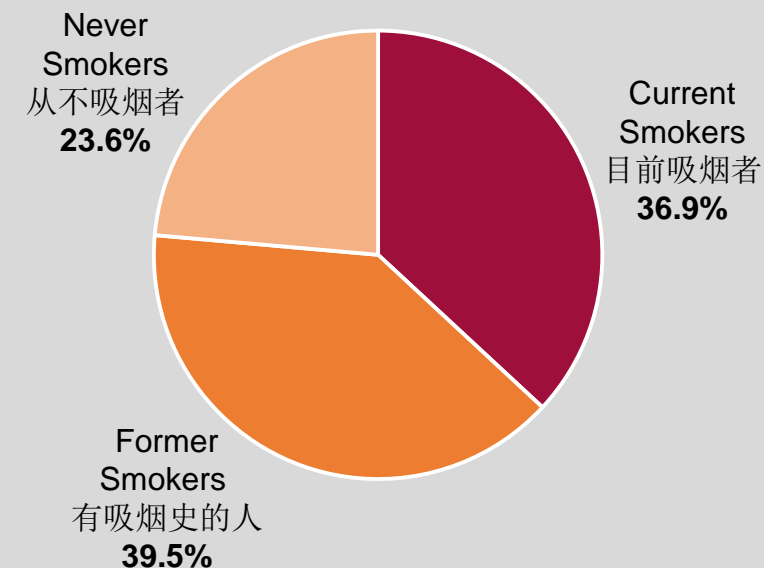
CDC Cigarette Incidence by Income
美国疾病控制中心发布的不同收入人群的吸烟率



E-cigarette growth modest among current smokers 电子烟在现有吸烟者中增长不大

- 80% of nicotine sales in convenience stores is still cigarettes 便利店80%的尼古丁销售量仍是香烟
- Over 60% of e-cigarette users are not current smokers 超过60%的电子烟用户不是目前的吸烟者。

E-Cigarette Users by Cigarette Smoker Type
按吸烟者类型划分的电子烟用户



Manufacturing and Distribution Platform 制造和分销平台



PRIMARY MANUFACTURING 初级制造



TAAT's production facility in Las Vegas converts hemp biomass into TAAT flavoured smoking material / TAAT在拉斯维加斯的生产设施将工业麻生物质转化为TAAT调味烟材料

- Currently expanding to ~25,000 square feet 目前正在扩建至约25,000平方英尺

SECONDARY MANUFACTURING 二次加工



Leveraging world-class contract manufacturing and packaging of cigarettes from TAAT material at a per-unit price 利用世界一流的合同生产和包装卷烟，以TAAT材料为基础，按单位计价

Ship product pallets directly to wholesalers 直接向批发商发货

Highly scalable 高度可扩展性

DISTRIBUTION 分销



Leverage existing tobacco sales channels 充分利用现有烟草销售渠道

- State-specific and region-specific distributors 特定国家和地区的分销商
- No need to hire excess sales team members, accountants, etc. 不需要雇佣多余的销售团队成员、会计等。

- Focus on brand-building and other proprietary activities in-house while outsourcing secondary manufacturing 专注于内部品牌建设和其他专有活动，同时外包二次加工。
- Cost-effective strategy that supports growth and developing best practices 支持增长具有成本效益的策略，发展最佳实践



BEYOND TOBACCO™

CROSSMARK Partnership 与CROSSMARK建立合作伙伴关系



TAAT products represented by CROSSMARK, Inc. TAAT的产品经CROSSMARK, Inc.销售

- Large Texas-based sales agency holds relationships with more than 100,000 convenience stores, regional and national chains, wholesalers and distributors 总部设在德克萨斯州的大型销售代理公司与超过100,000家便利店、地区性和全国性连锁店、批发商和分销商保持着合作关系。
- Supports in-store acceptance, merchandizing and re-ordering of TAAT products 支持店内接受、销售和重新订购TAAT的产品
- Extensive promotional, trade marketing and analytics support 广泛的推广、交易营销和分析支持。

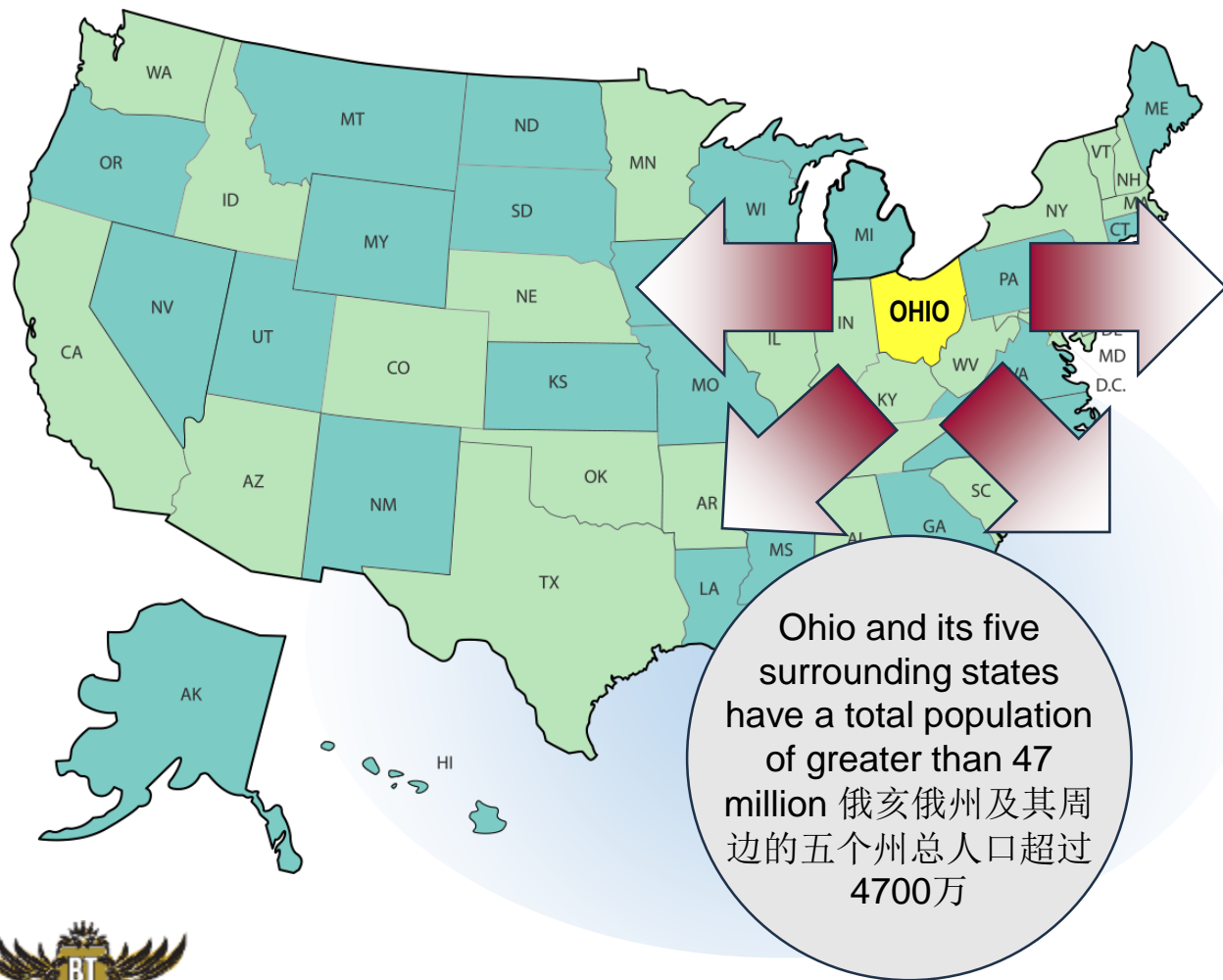


Leveraging CROSSMARK's capabilities to expand product reach 利用CROSSMARK的能力扩大产品覆盖面



Marrying Sales and Production Through a Curated, Managed and Staged Rollout

通过有计划、有管理、分阶段的推广，将销售和生产结合起来



Products launched in Ohio in first phase of broader rollout 产品在俄亥俄州推出，处于更大规模推广的第一阶段

- Products are already in ~150 stores in Ohio, with ~60% of stores that have had the product for at least four weeks making follow-up orders to date 产品已经在俄亥俄州的约150家店面销售，其中约有60%的店面在产品上市至少四周后，至今仍在进行后续订货。

Utilizing knowledge from e-commerce to support rollout strategy 利用电子商务方面的知识来支持推广战略。

- Prioritizing states with strong early adoption based on online sales 根据在线销售情况，优先考虑早期采用率高的州。





TAAT cigarettes on sale through website as of February 17, 2021 截至2021年2月17日，通过网站销售的TAAT香烟

- More than C\$150,000 of sales in first few days 前几天的销售额超过15万加元。
- Nearly 6,000 new users visited online store in first 48 hours, generating 36,830 page views / 48小时内有近6,000名新用户访问网上商店，产生36,830个页面浏览量。



Bundle
TAAT™ Taste Explorer Bundle



\$16.99

Add to cart



Original
TAAT™ Original Carton



\$38.99

Add to cart



BEYOND TOBACCO™

Innovative and Cost-Effective Marketing Strategy

创新和有成本效益的营销策略



INHERENT AND UNIQUE ADVANTAGES 内在的和独特的优势。

Ethical marketing 道德营销

- Selling to legal-age smokers through proven channels 通过行之有效的渠道向合法年龄的吸烟者销售。

Prices significantly below tobacco cigarettes 价格明显低于烟草香烟

Serving highly targeted, customized digital ads to legal age-smokers through proprietary exchange developed by partner agency 通过合作机构开发的专有交换，为法定年龄的吸烟者提供高度针对性的定制化数字广告。

- Ability to deliver ads to pre-qualified consumers as they near potential points of sale 能够在潜在销售点附近向预筛合格的消费者投放广告
- Serve additional ads to customers that respond to ads 为回应广告的客户 提供额外的广告服务
- No need to go through ad brokers like Google and Facebook, meaning higher utilization on marketing spend 不需要通过谷歌和Facebook等广告经纪公司，这意味着更高的营销费用利用率。

Launched 15-second video ads on gas pump displays 在加油站显示屏上推出15秒的视频广告

Selling products through both the e-commerce and "Bricks & Mortar" channels 通过电子商务和 "实体店"两种渠道销售产品。

- Superior margins and no competition from tobacco cigarettes in the e-commerce channel 利润率较高，在电商渠道没有烟草香烟的竞争。





Feel the Cool.

GET
YOUR
FREE
PACK



TRYTAAT.COM



Satisfied.

GET
YOUR
FREE
PACK



TRYTAAT.COM



All things are possible.

GET
YOUR
FREE
PACK



TRYTAAT.COM



It's time.

GET
YOUR
FREE
PACK



Impressive.

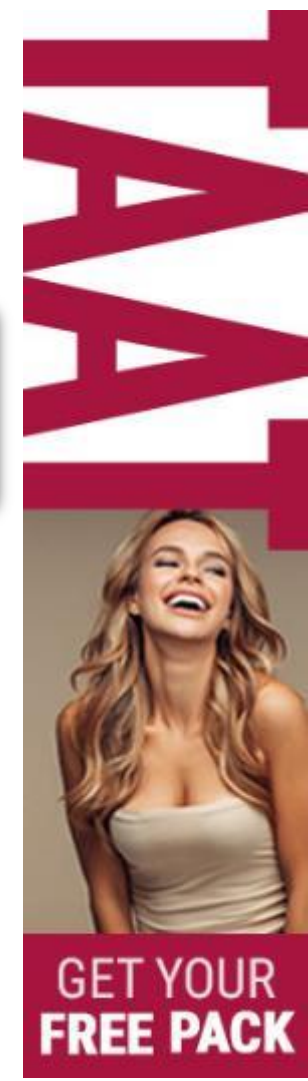
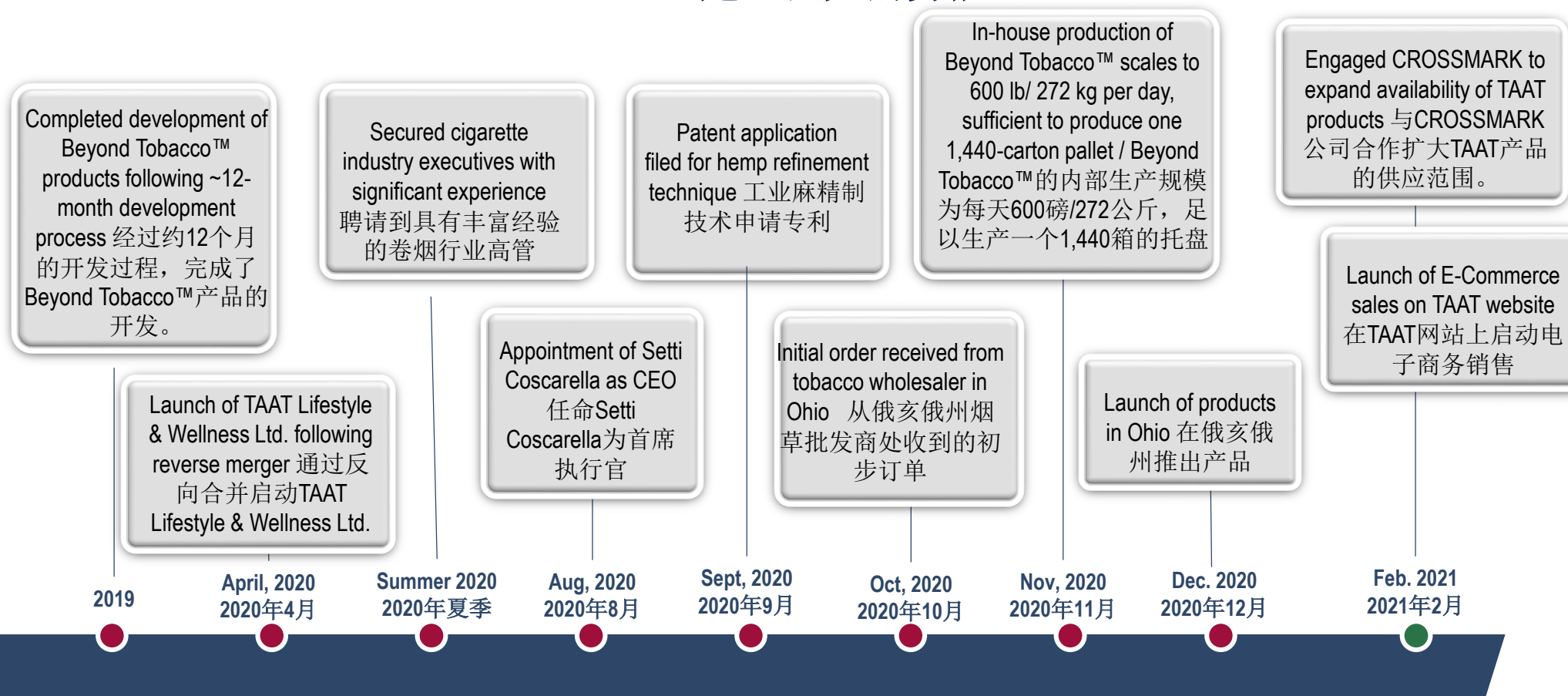
GET
YOUR
FREE
PACK



Leveraging Our First Mover Advantage 利用我们的先发优势



BUILDING ON SIGNIFICANT MOMENTUM 建立巨大的势能



BEYOND TOBACCO™

TAAT Management Team 管理团队



Setti Coscarella

(Chief Executive Officer 首席执行官)

Joined TAAT after leading a successful dedicated Reduced-Risk Product unit at Phillip Morris International. Brings extensive experience across a wide variety of disciplines 在加入TAAT之前，曾在Phillip Morris International成功地领导了一个降低风险产品部门，带来了广泛的多方面经验。

Tim Corkum

(Chief Revenue Officer 首席营收官)

Over 20 years at Philip Morris International, specializing in sales commercialization, direct-to-store supply chain management, and international product launches 在Philip Morris International工作超过20年，专门从事销售商业化、直接到店的供应链管理和国际产品发布。

Joel Dumaresq

(Chief Financial Officer 首席财务官)

Over 30 years of experience in finance and investment banking, as well as significant management experience in the natural resources sector. Previously CEO of TAAT. 在金融和投资银行领域拥有30多年的经验，并在自然资源领域拥有丰富的管理经验，曾任TAAT的首席执行官。

Joe Deighen

(Founder, Research and Development 创始人，研发负责人)

Oversees R&D and production for TAAT. Production and distribution experience in the United States and internationally 负责TAAT的研发和生产，拥有在美国和国际上有生产和销售经验。



JOEL



SETTI



TIM



JOE





Michael Saxon

More than 20 years of senior management experience in the international tobacco industry. Consultant to blue-chip institutional investors and venture capital and private equity firms. 在国际烟草行业拥有20多年的高级管理经验，担任蓝筹机构投资者、风险资本和私募股权公司的顾问。



Kit Dietz

More than three decades of experience in convenience wholesale. Lengthy board-level experience in the cigarette industry. 拥有30多年的便利批发经验，在香烟行业有长期的董事会层面的经验



Dr. Cindy Orser / Cindy Orser 博士

Extensive experience as an executive scientist at biotechnology and analytical diagnostic companies servicing U.S. government federal agencies. 在为美国政府联邦机构服务的生物技术和分析诊断公司担任科学家高管的丰富经验。





STRONG INCENTIVE TO SUPPORT TAAT'S BRANDS ACROSS THE SUPPLY CHAIN 大力鼓励在整个供应链上支持TAAT品牌



Meeting Our Operating Benchmarks 达到我们的运营基准



Focused on building a highly profitable, high-margin business 专注于建立一个高利润的企业。

- Reporting measurable benchmarks 报告可衡量的基准
 - Number of stores 店铺数量
 - Average selling price 平均售价
 - Total volume 总量
 - Growth in volume 数量增长
 - Re-order rate 复购率
- Tracking points of sale 跟踪销售点
 - Brick and mortar 实体店
 - E-commerce 电子商务



BEYOND TOBACCO™

Programmed Capital Markets Approach 程式化的资本市场方法

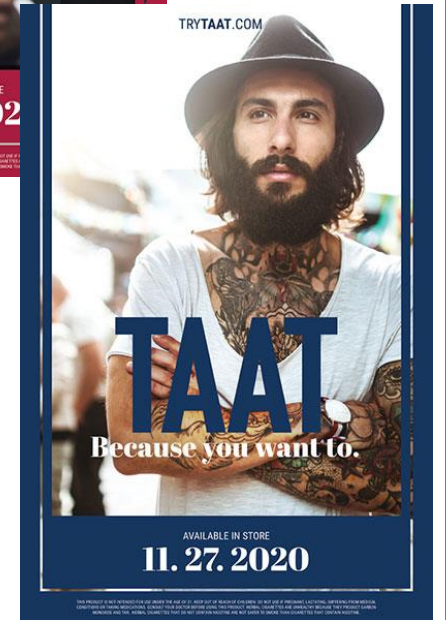


Since listing on the Canadian Securities Exchange in June 2020, TAAT has completed multiple financings at increasing valuations
自2020年6月在加拿大证券交易所上市以来，TAAT已经完成了多次融资，估值越来越高。

Votes of confidence from strong, recognized investors 来自强大的著名投资者的信任票

- Ms. Debbie Chang, co-founder of Horizons Ventures, subscribed to October 2020 private placement 在2020年10月的私募融资中，维港投资联合创始人张培薇女士

Expanding network of support among capital markets participants 扩大资本市场参与者的支持网络



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