



**A VISION FOCUSED ON CHANGE:  
A LETTER FROM NUTRITIONAL HIGH'S CEO, ADAM SZWERAS**

Toronto, Ontario – September 9, 2019 – Nutritional High International Inc. ("**Nutritional High**" or the "**Company**") (CSE: **EAT**, OTCQB: **SPLIF**, FRANKFURT: **2NU**) is pleased to deliver its strategic vision to shareholders and proposed upcoming changes through the words of the CEO, Adam Szweras:

"Dear Fellow Shareholder,

Nutritional High will be moving forward in the coming months and years, ensuring that our vision and goals are aligned with yours.

For those who are familiar and involved in the cannabis space, it is clear that the industry is ever evolving and has seen consistent growth. As CEO, it is my mission to push Nutritional High's growth alongside the current industry by initiating both internal and external changes to keep us relevant. In my first few months as CEO, I have implemented several changes to our management team, updated various aspects of our current business, and proposed changes to the overall direction of Nutritional High's business model.

We are pleased to provide an update on Nutritional High's recent progress and our strategic vision for the future.

**Redefining Nutritional High's Current Business Model**

The Nutritional High team has been working to assess our strengths and weaknesses across all facets of our current business model. Nutritional High has two robust and distinct lines of business – a distribution business in California, and a manufacturing and branded products business in Colorado, Oregon and Nevada. We concluded that operations of the business should be reorganized amidst these two business units and we are determined to (a) grow Calyx rapidly in conjunction with current and incoming brand partners, and (b) expand our current manufacturing and branded products footprint, as well as set our expansion sights on California, Canada and Asia.

**Calyx's Successes and Capitalizing on our Uniquely Situated Distribution Business**

Through Calyx, we operate a robust distribution business that covers the entire State of California. Nutritional High has reported major successes such as our Q3 2019 figure of \$6.3 million in revenue from the sale of cannabis related products by Calyx. Gross margin for the same period was 26.5%. The Q3 2019 filings also marked five quarters of continuous revenue growth for the company starting Q3 2018, which produced revenue of \$1.7 million and gross margin of 19.6%. The latest quarter represents an increase of 368% year over year in cannabis sales.

However, to continue to rapidly grow Calyx, it is important to anticipate changes to the industry and continue to adapt. In this regard, we are completing a strategic review of Calyx's business model and service levels. To date, Calyx has provided full service to all of its clients – sales, maintenance and

fulfillment – and over the coming months we will add multiple additional service options to meet the specific needs of our clientele. We will offer different service levels in different zones, and plan to partner with key customers to ensure superior and flexible levels of service.

Calyx and Nutritional High recognize the need to work collaboratively rather than competitively with our distribution brands, and we have been working closely with our partners in this regard. In the coming weeks, we will unveil detailed expansion plans for Calyx that we believe will best serve the market for the foreseeable future.

### **Assessing and Expanding our Foothold in Manufacturing & Branding**

Our manufacturing and branded products business has established a solid and growing foothold in the states of Colorado and Nevada. From a top-level perspective, our team is aiming to both consolidate our current manufacturing footprint and to expand it in the near future. Specifically, the Nutritional High team has been making headway in assisting Palo Verde with the expansion of sales of FLI™ products in Colorado and continuing to improve our current facility's operations and processes. We are pleased with the rapid expansion of sales of FLI™ product in the Colorado market which is often described as "saturated". It should be noted that the State of Colorado has recently made significant regulation changes in the industry, and our team is looking forward to additional ease of access to the market as a result of these changes.

Beyond Colorado, Nutritional High is integrating Green Therapeutics (Nevada) into our current operations. We look forward to incorporating their revenue into our upcoming quarterly financial statements once final municipal and State regulatory approval is received. The Nutritional High team is also making strides to enter the California market as a manufacturer, allowing us to significantly expand sales of our own brands and the opportunity to co-package some of Calyx's partner brands.

In terms of branding, Nutritional High is looking to redefine our current strategy that places a keen focus on in-house product and brand development. This strategy includes identifying opportunities such as the extraction of CBD from hemp to further diversify our existing edible and extract product lines. To supplement these advances, we are currently building out our sales and marketing team to take our brand development and product launches to the next level. I am confident that our products are of the highest quality, and our marketing needs to match that.

While we will for the foreseeable future focus our resources on expanding sales in California, Colorado and Nevada, we are pleased to continue a steady expansion of sales in Oregon. At the same time, we are considering strategic alternatives for expansion in both Oregon and Washington.

### **Nutritional High's International Expansion Potential**

On the international expansion front, the Nutritional High team is working to refine our current business plan for Canada. In particular, we're looking forward to the second major round of legalization regulations from Health Canada that will include edibles and other infused cannabis products. We have significant extraction and edible production experience and know-how, and we look forward to sharing this with Canadian consumers.

In addition to Canada, our team is currently developing a strategy to tackle Asian markets, starting with Thailand which saw the legalization of medical marijuana last year. On September 2, 2019, the Nutritional High team received more positive news as Thailand removed cannabis and hemp-based extracts from its banned narcotic substance list. This opens the door for us to work with our partners in Asia to establish an early foothold on what we believe could be a very lucrative market.

## **Addition of Members to our Current Leadership and Executive Team**

As mentioned in my opening remarks, our Nutritional High team has been growing. We've recently added new management and executive team members, including Chad Wittman (our new SVP Manufacturing) and Dwayne Jones (Director of Operations) and Carrie Howes (SVP Communications). Their information, backgrounds, and current roles can be accessed in the recently updated corporate deck. The most recent copy can be found on our corporate website at [www.nutritionalhigh.com](http://www.nutritionalhigh.com).

## **Closing Thoughts**

There is no doubt that Nutritional High has come a long way in a short period of time, but we recognize we have much to do. With a talented team in place, we are confident we can accelerate sales of our branded and manufactured product, and will continue to excel in distribution in California and bring our model to other US states. I am confident that over the coming months and years, Nutritional High will continue to "FLĪ" and soar.

Thank-you for your continued trust and support,"

Adam K. Szweras  
CEO  
Nutritional High International Inc.

## **About Nutritional High International Inc.**

Nutritional High is focused on developing, manufacturing and distributing products under recognized brands in the cannabis products industry, with a specific focus on edibles and oil extracts for medical and adult recreational use. The Company works exclusively with licensed facilities in jurisdictions where such activity is permitted and regulated by state law.

The Company follows a vertically integrated model with a fully developed strategy for acquisitions in extraction, production, sales, and distribution sectors of the cannabis industry. Nutritional High has brought its flagship FLĪ™ edibles and extracts product line from production to market through its wholly owned subsidiaries in California and Oregon, as well as Colorado where its FLĪ™ products are manufactured by a third-party licensed producer. In California, the Company distributes its products and products manufactured by other leading producers through its wholly owned distributor Calyx Brands Inc. and is entering the Nevada, Washington State and Canadian markets in the near future.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please follow Nutritional High on [Facebook](#), [Twitter](#) and [Instagram](#) or visit [www.nutritionalhigh.com](http://www.nutritionalhigh.com).

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