



CHARLOTTE'S WEB™
STANLEY BROTHERS

BUILDING A GLOBAL CPG COMPANY

TSX: CWEB | OTCQX: CWBHF

November 2019

DISCLAIMERS

Forward-Looking Information

Certain statements contained in this presentation constitute forward-looking statements and forward-looking information (collectively, “forward-looking statements”). Such forward-looking statements relate to possible events, conditions or financial performance of Charlotte’s Web Holdings, Inc. (the “Company”) based on future economic conditions and courses of action. All statements other than statements of historical fact are forward-looking statements. The use of any words or phrases such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “will likely result”, “are expected to”, “will continue”, “is anticipated”, “believes”, “estimated”, “intends”, “plans”, “projection”, “outlook” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes there is a reasonable basis for the expectations reflected in the forward-looking statements, however no assurance can be given that these expectations will prove to be correct and the forward-looking statements included in this presentation should not be unduly relied upon by investors. The forward-looking statements speak only as of the date of this presentation and are expressly qualified, in their entirety, by this cautionary statement.

In addition, the Company’s assessment of, and targets for, sales of hemp-derived cannabidiol (“CBD”) products, expansion of retail locations through which the Company’s products may be sold, expansion of the Company’s distribution channels, including overseas distribution, development of improvements to the Company’s products and related bioavailability technology, the isolation of additional cannabinoid products, annual revenue, Adjusted EBITDA, and the Company’s outlook on expected regulatory developments regarding the 2018 Farm Bill, are considered forward-looking statements.

The forward-looking statements and other forward-looking information are based on management’s opinions, estimates and assumptions in light of our experience and perception of historical trends, current trends, current conditions and expected future developments, as well as other factors that management currently believes appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking statements, there can be no assurance that the underlying opinions, estimates, and assumptions will prove to be correct. For further details on the forward-looking statements included in this presentation, see the Company’s public filings available on SEDAR at www.sedar.com. All of the forward-looking statements and information contained in this presentation is expressly qualified by the foregoing cautionary statements. Investors should read the the Company’s public filings and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in any securities of the Company.

Non-IFRS Measures and Industry Metrics

This presentation makes reference to certain non-IFRS measures including key performance indicators used by management. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS. The Company uses non-IFRS measures including “EBITDA” and “Adjusted EBITDA” which may be calculated differently by other companies. These non-IFRS measures and metrics are used to provide investors with supplemental measures of the Company’s operating performance and liquidity and thus highlight trends in its business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of companies in similar industries. Management also uses non-IFRS measures and metrics, in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of executive compensation. Prospective investors should review the section entitled “Management’s Discussion and Analysis” in the Company’s public filings for a discussion of the use of “EBITDA” and “Adjusted EBITDA” and reconciliations thereof to the most directly comparable IFRS measures.

Third Party Information

This presentation includes market and industry data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third-party sources referred to in this presentation or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying assumptions relied upon by such sources. The Company does not make any representation as to the accuracy of such information.

The Stanley Brothers

Founded in 2013
Boulder, Colorado



CHARLOTTE'S WEB WAS NOT
STARTED AS A COMPANY,

IT WAS STARTED AS A MISSION

Our dedication to creating the best hemp extracts makes us an industry leader for product quality, safety and consistency.

We believe our high-quality hemp extract harnesses powerful botanical benefits. We simply serve as nature's stewards.



CHARLOTTE'S WEB™
STANLEY BROTHERS

**STRONG
FUNDAMENTALS**

**PREMIER
BRAND**

**SCALING TO
ACCELERATE**



#1 BRAND IN THE TOTAL HEMP-DERIVED CBD MARKET ¹

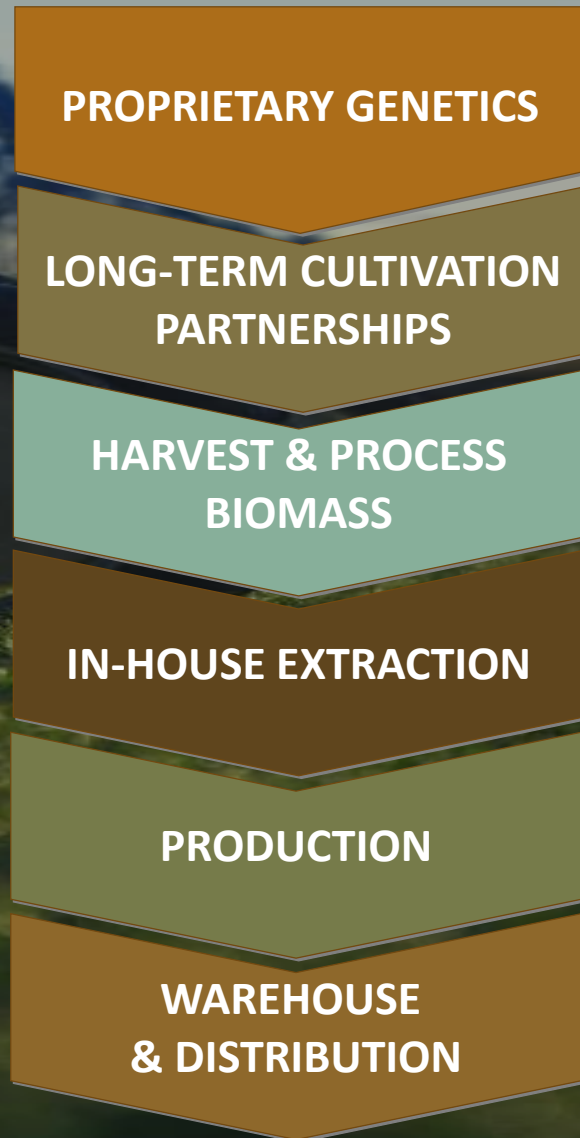
OUTPACING THE INDUSTRY WITH
2018 REVENUE GROWTH OF

74%
year-over-year²

CHARLOTTE'S WEB ANNUAL REVENUE (\$MM)



VERTICALLY INTEGRATED SUPPLY CHAIN ADVANTAGE



- Quality, consistency and trust
- Traceability of ingredient streams
- Transparency of the manufacturing process
- Grown in the U. S. A.
- Production Cost Advantages



TESTED. CERTIFIED. RESEARCHED.

All Products Tested up to 20 Times

- Testing through entire cultivation, extraction and manufacturing to final packaged product
- Includes 60-panel toxins test
- Batch test results available for every item sold

Safe. Certified. Trusted.

- FDA approved cGMP certified facilities
- Hemp Authority certified products

Strategic R&D Partnerships Established with Leading Universities



EXPANDED PRODUCT PORTFOLIO



12 Liquid Products



4 Capsule Products



4 Topical Products



12 Canine Products – **11 New!**

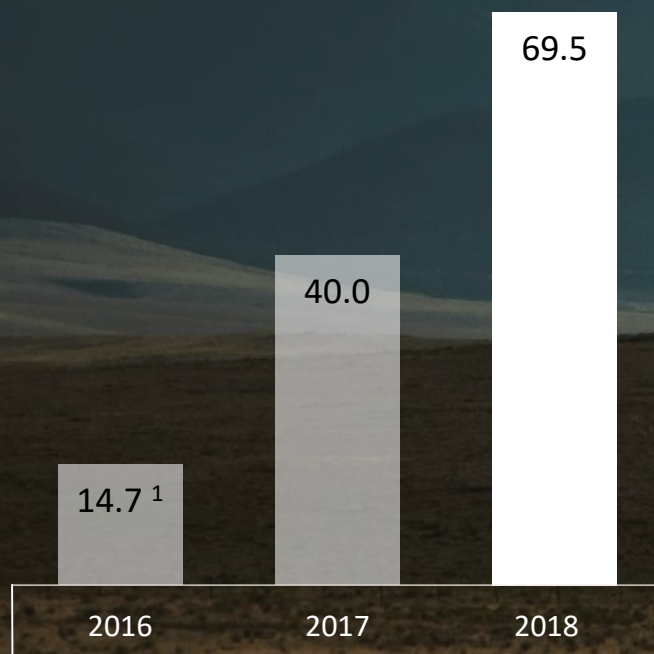


3 Gummies – **NEW!**

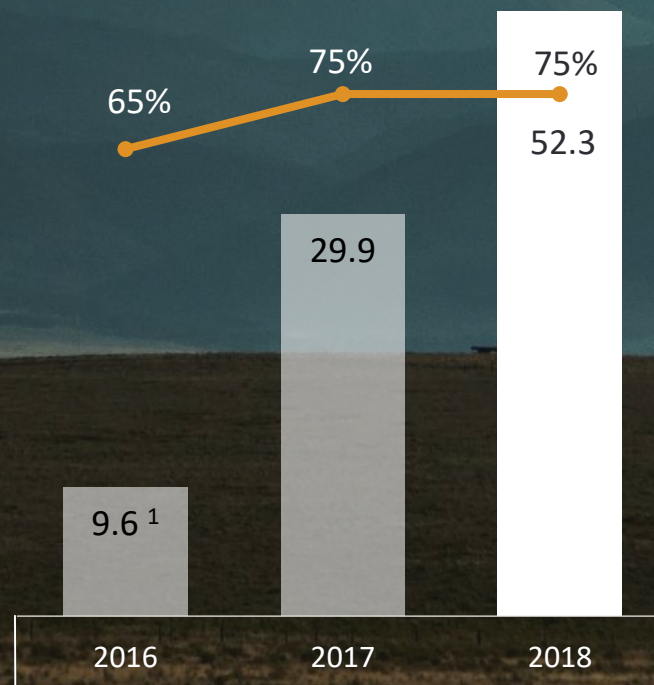


STRONG ANNUAL FINANCIAL PERFORMANCE

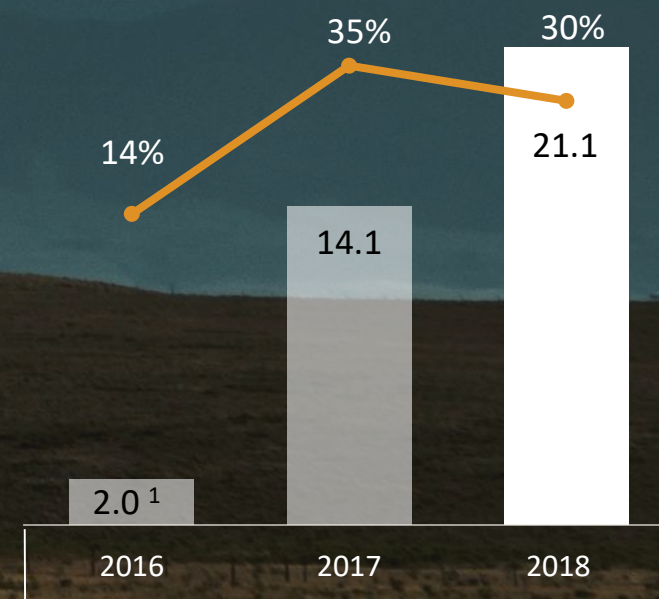
Revenue and Growth



Gross Profit and Margin



Adjusted EBITDA and Margin²



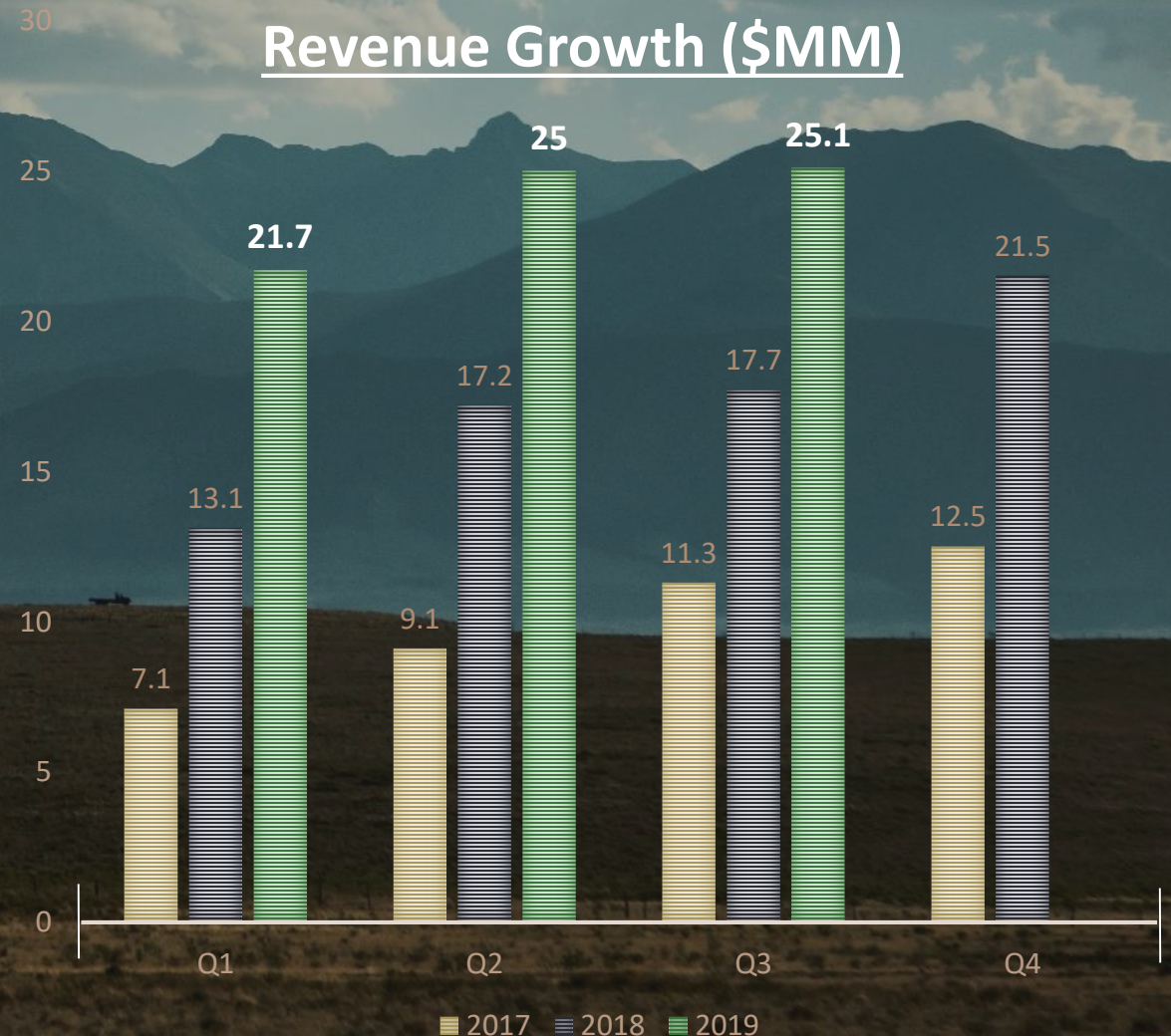
All figures in USD \$MM



QUARTERLY PERFORMANCE

Q3 - 2019 Financial Highlights

- \$25.1M revenue: +42% vs Q3-2018
 - 71% gross margin
 - 2.8% adjusted EBITDA of \$0.7 million
 - 51% revenue from e-commerce
 - B2B retail sales increased 66.4% YoY
-
- Surpassed 9,000 doors carrying Charlotte's Web™ products



All revenue in USD \$MM



BUILDING A GLOBAL CPG COMPANY TO ACCELERATE GROWTH

BUILD OUT OF CPG LEADERSHIP TEAM and top tier sales organization

DEVELOP OPERATIONAL EXCELLENCE and corporate governance

SCALE PRODUCTION AND DISTRIBUTION PLATFORMS

STRUCTURE DATA FOR INTELLIGENCE

LAUNCH AGILE MARKETING

EXPAND ACROSS CHANNELS

BUILDING THE CPG LEADERSHIP TEAM



Deanie Elsner
CEO

- Kellogg's
- P&G
- Kraft
- Johnson & Johnson



Russ Hammer
CFO

- ORBITZ
- CROCS
- Brown Shoe Company
- MOTOROLA



Stephen Lermer
COO

- Alpha Vektor
- Argentia
- NutriVital



Tony True
CCO

- PHARMAVITE
- WhiteWave
- Kellogg's
- Pepsi
- Johnson & Johnson



Eugenio Mendez
CGO

- Coca-Cola
- BACARDI



Paul Lanham
CIO

- J.Jill
- CROCS
- Rally House



Jared Stanley
CULTIVATION

CHARLOTTE'S WEB
STANLEY BROTHERS



Nathan Gerhardt
REGULATORY

- OMEGA PROTEIN
- NW Natural



Tamarah Saif
TALENT

- GREEN CHEF
- ADECCO GROUP



Cory Pala
CAPITAL MARKETS

- e-vestor
- Equicom



OPERATIONAL EXCELLENCE

EXPAND CULTIVATION

Cultivation Operations

- Over 6 years of experience in hemp plant cultivation
- Company operated farms in Colorado and contract partner farms in Kentucky and Oregon
- **Participating in regenerative organic hemp farming research initiative**

Strategic Partnerships

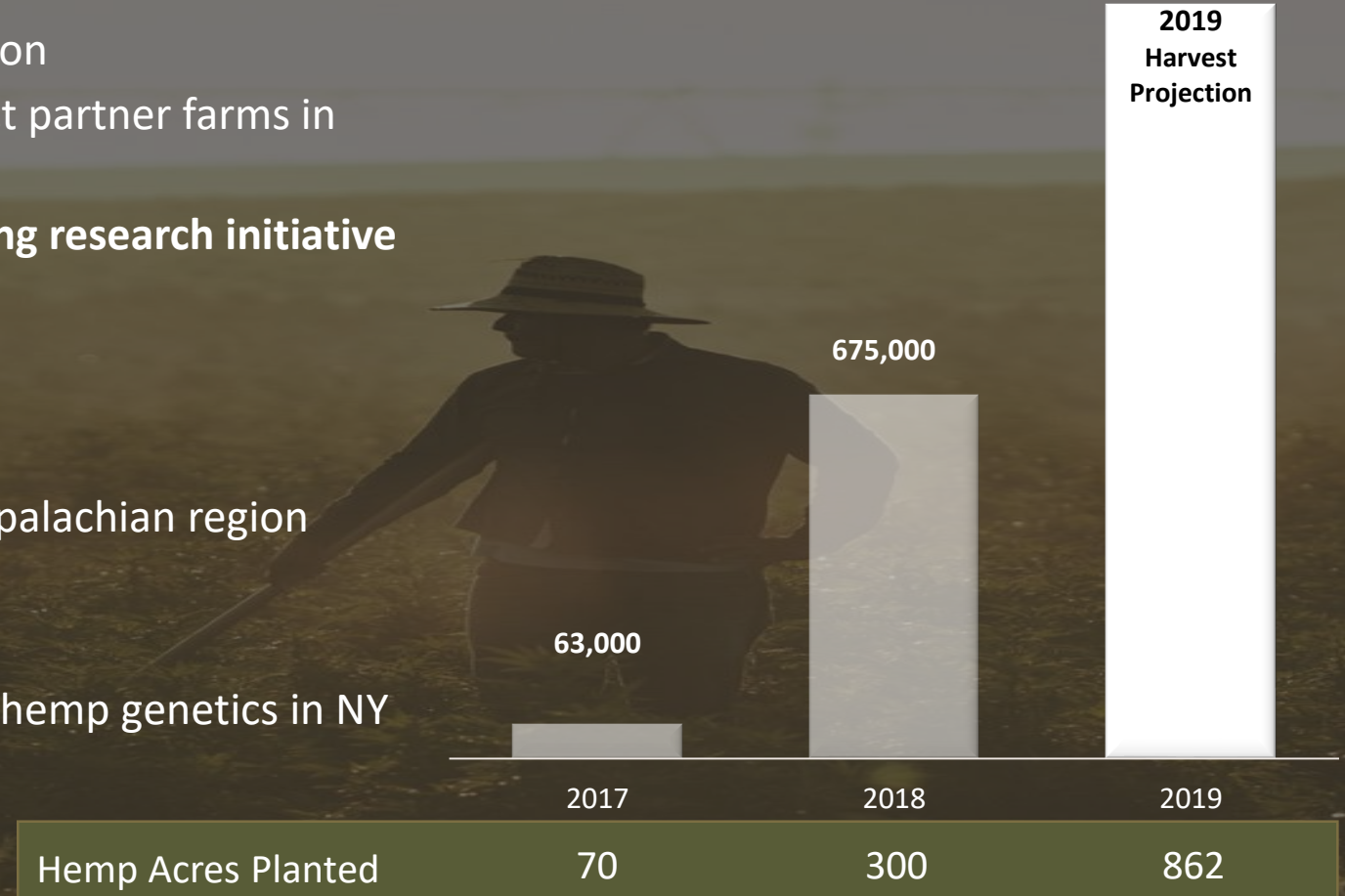
Rodale Institute and Natural Care

To pioneer regenerative farming practices in the Appalachian region

Center for Discovery

Extending a 3-year commitment to develop optimal hemp genetics in NY

Hemp Production (Lbs)



OPERATIONAL EXCELLENCE

EXPAND PRODUCTION & DISTRIBUTION

In-House Production

- **New 137,000 sq ft cGMP grade manufacturing and R&D facility** in addition to current 40,000 ft² facility
- Extraction, production, distribution and R&D expansion
- CPG level shipping and distribution
- Staged build-out - Online early 2020

Rigid Quality Management

- Leading CO₂ and alcohol extraction technologies
- Proprietary Extraction and Isolation Processes¹
- Current Good Manufacturing Practices (cGMP) Certifications

(1) Patents applied



EXPAND ACROSS CHANNELS



CHARLOTTE'S WEB[®]
STANLEY BROTHERS

PRESS RELEASE

Charlotte's Web Hemp CBD Topical Products Expanding to 1,350 Kroger Stores Across 22 States

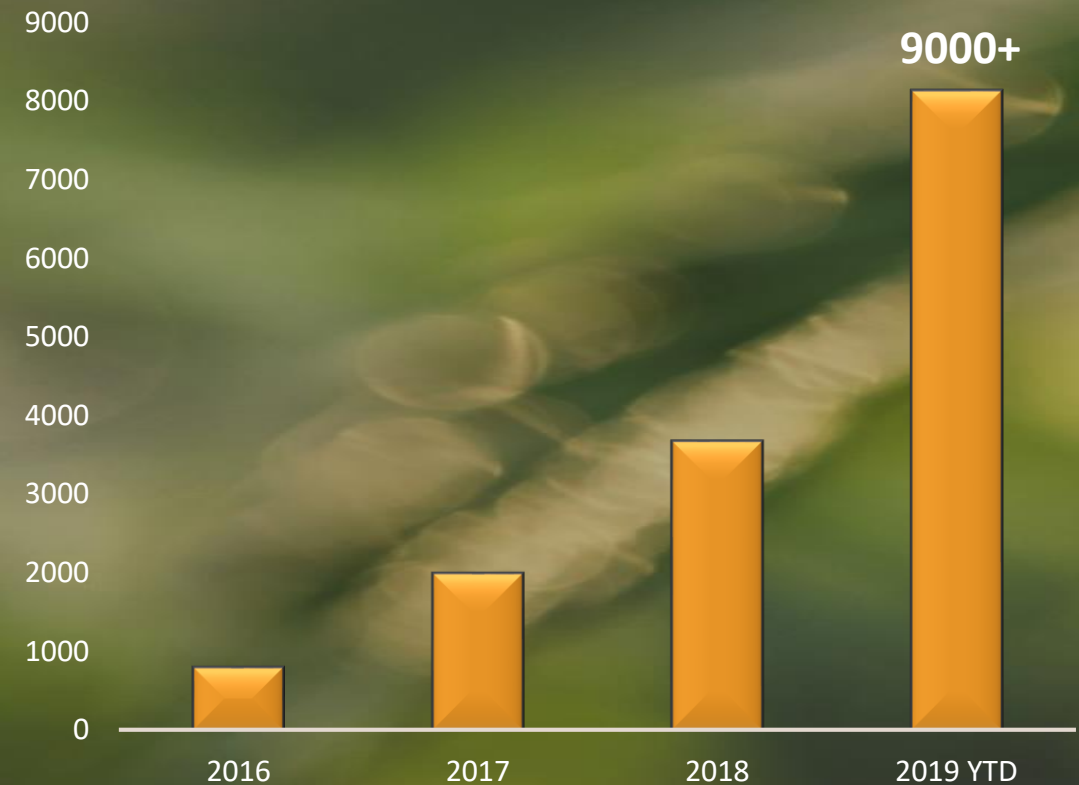
Marks the Largest Distribution Through a Single Retailer for Charlotte's Web

Boulder, Colorado, July 29, 2019 – Charlotte's Web Holdings, Inc. ("Charlotte's Web" or the "Company") (TSX:CWEB, OTCQX:CWBHF), the market leader in [hemp CBD extract products](#), is pleased to announce that The Kroger Co., America's largest grocery retailer, has begun carrying Charlotte's Web products in multiple states with a plan to roll out to a total of 1,350 store locations in 22 states (Arizona, Arkansas, Colorado, Georgia, Illinois, Indiana, Kansas, Kentucky, Michigan, Missouri, Montana, Nevada, Oregon, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Washington, Wisconsin, and Wyoming).

The announcement with Kroger marks a milestone for Charlotte's Web as the largest distribution ever through a

- Mass retailers entering the category
- Regulatory uncertainty causing tempered uptake
- Most national retailers taking topicals only
- Management expects that positive FDA resolutions would be a demand catalyst

CHARLOTTE'S WEB TOTAL RETAIL DOORS (EOY)



STRUCTURE DATA FOR INTELLIGENCE



- Operational Efficiency
- Sales Effectiveness
- Personalized Marketing
- Business Analytics
- Rapid Test & Learn





LAUNCHING AGILE MARKETING



CBD FROM
NON-GMO AMERICAN
FAMILY FARMS

CHARLOTTE'S WEB
STANLEY BROTHERS

LEARN MORE



THE
WORLD'S
MOST
TRUSTED
HEMP
EXTRACT™

CHARLOTTE'S WEB
STANLEY BROTHERS

LEARN MORE



CHARLOTTE'S WEB
STANLEY BROTHERS

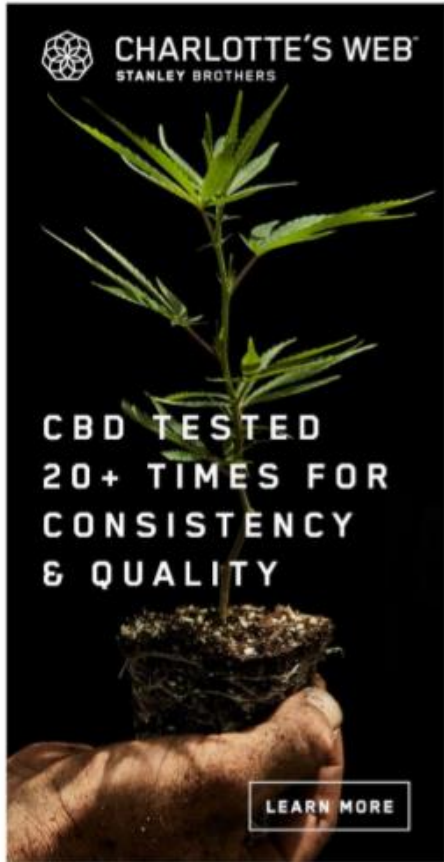
THE
ULTIMATE
WORKOUT
RECOVERY

THE WORLD'S MOST
TRUSTED HEMP EXTRACT



TRUST
THE EARTH

LEARN MORE



CHARLOTTE'S WEB
STANLEY BROTHERS

CBD TESTED
20+ TIMES FOR
CONSISTENCY
& QUALITY

LEARN MORE



CHARLOTTE'S WEB
STANLEY BROTHERS

THE
WORLD'S
MOST
TRUSTED
HEMP
EXTRACT™

NON GMO
AMERICAN
GROWN HEMP

LEARN MORE



THE
WORLD'S
MOST
TRUSTED
HEMP
EXTRACT™

CHARLOTTE'S WEB
STANLEY BROTHERS



TRUST
THE EARTH

LEARN MORE



PEACEFUL
SLEEP

CHARLOTTE'S WEB
STANLEY BROTHERS

LEARN MORE



THE
WORLD'S
MOST
TRUSTED
HEMP
EXTRACT™



CHARLOTTE'S WEB
STANLEY BROTHERS

LEARN MORE



A pair of hands, palms up, holding a dark, rich soil. A small, vibrant green seedling with two leaves is growing out of the center of the soil. The background is dark and out of focus, emphasizing the hands and the plant.

TSX:CWEB | OTCQX:CWBHF

Charlotte's Web Holdings, Inc.

1600 Pearl Street

Boulder, Colorado

USA

www.charlottesweb.com

Cory Pala

Director of Investor Relations

(720) 484-8930

IR@CharlottesWeb.com