
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 28, 2024

TILT HOLDINGS INC.

(Exact name of registrant as specified in its charter)

British Columbia
(State or other jurisdiction
of incorporation)

000-56422
(Commission
File Number)

83-2097293
(I.R.S. Employer
Identification Number)

2801 E. Camelback Road #180
Phoenix, Arizona
(Address of principal executive offices)

85016
(Zip Code)

(623) 887-4900
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

<input type="checkbox"/>	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.424)
<input type="checkbox"/>	Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry Into a Material Definitive Agreement

On January 28, 2024, TILT Holdings Inc. (the “Company”) and its subsidiaries Jimmy Jang, L.P. (“JJLP”), Baker Technologies, Inc. (“Baker”), Commonwealth Alternative Care, Inc. (“CAC”), Jimmy Jang Holdings, Inc. (“JJH”), JJ Blocker Co. (“JJB”), SFNY Holdings, Inc. (“SFNY”), Sea Hunter Therapeutics, LLC (“SEA”), Standard Farms Ohio LLC (“SF Ohio”), Standard Farms LLC (“SF Penn”), SH Finance Company, LLC (“SF Finance”), Jupiter Research, LLC (“Jupiter”), and collectively with the Company, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, SF Penn, SF Finance, the “Guarantors”) and Shenzhen Smoore Technology Limited (“Smoore”) and each of its affiliates that sells products to Jupiter and the Company (the “Buyers”) from time to time (collectively, the “Secured Party”) entered into: (i) a Debt and Security Agreement in favor of the Secured Party (the “Debt and Security Agreement”); (ii) a Guaranty in favor of the Secured Party (the “Guaranty”); (iii) a Side Letter (the “Side Letter”); (iv) a Trademark Security Agreement in favor of the Secured Party; and (v) an Equity Pledge Agreement in favor of the Secured Party (collectively, the “Smoore Agreements”). Also on January 28, 2024, Entrepreneur Growth Capital LLC, Jordan Geotas, the Secured Party, and Jupiter entered into a Subordination and Intercreditor Agreement (the “Subordination and Intercreditor Agreement”).

The Guarantors entered into the Smoore Agreements with the Secured Party, its principal supplier of vaping product inventory (the “Inventory”) to Jupiter, to provide for the payment of currently existing accounts payable by the Guarantors to the Secured Party (the “Accounts”), reduction in the outstanding balance of Accounts from time to time in the future, and the continued shipping of Inventory to Jupiter by the Secured Party.

Under the Side Letter between the Secured Party and the Guarantors, the Guarantors agree to reduce the outstanding balance of all Accounts to \$31,000,000 as of April 30, 2024; \$29,000,000, as of June 30, 2024; \$27,000,000, as of September 30, 2024; and \$25,000,000, as of December 31, 2024 (the “Reduction Plan”). The outstanding balance of Accounts that are unpaid more than 90 days after the invoice date plus, without duplication, the aggregate dollar amount of all Accounts, regardless of the date of the related invoice, in excess of \$25,000,000 will incur interest at the rate of 8% per annum.

The Guarantors will have 120 days from the invoice date to pay each outstanding Account, however, the Guarantors will have a “Transition Period” though April 15, 2024 to pay any Accounts that are outstanding more than 150 days after the invoice date and through June 23, 2024 to pay any Accounts that are outstanding more than 120 days after the invoice date, provided certain conditions are satisfied, including compliance with the Reduction Plan, no default or event of default having occurred under the Smoore Agreements, and no event of default having been declared by the Guarantors’ existing secured creditors. If the Guarantors fail to make timely payments on the Accounts, including under the Reduction Plan, interest will accrue on all outstanding Accounts, regardless of aggregate size or date of invoice, at the rate of 8% per annum.

Under the Side Letter, the Secured Party agrees to promptly ship ordered Inventory to Jupiter so long as the Guaranty described below remains in full force and effect, no event of default has occurred under the Smoore Agreements, and the Guarantors have performed, and the outstanding balance of all Accounts does not exceed the amounts permitted, under the Reduction Plan.

In addition to the Side Letter, the Smoore Agreements include a Guaranty by the Guarantors (other than Jupiter) for the benefit of the Secured Party, pursuant to which, those Guarantors guarantee the payment and performance of Jupiter’s and the Company’s obligations to the Secured Party with respect to the Accounts. The Guarantors have also entered into a Debt and Security Agreement and related collateral security documents with or for the benefit of the Secured Party, under which the Guarantors’ performance under the Guaranty and Jupiter’s obligations with respect to the Accounts are secured by security interests in all of the assets of the Guarantors, including a pledge of all equity interests in all direct and indirect subsidiaries of the Company. Pursuant to the Subordination and Intercreditor Agreement, certain of the Guarantors’ existing secured creditors have agreed that, other than the security interest in certain assets that were pledged by Jupiter to secure a revolving credit facility, existing security interests in favor of those existing creditors are subordinated to the security interests created under the Smoore Agreements.

The Smoore Agreements include affirmative and negative covenants, events of default, representations and warranties and other provisions that are customary for agreements of this type.

The descriptions of the Smoore Agreements provided in this Item 1.01 are only a brief summary of the respective material terms of the Smoore Agreements and do not purport to be a complete description of the rights and obligations of the respective parties thereto. The respective summary descriptions are qualified in their entirety by reference to the full text of the respective Smoore Agreements, which are attached hereto as Exhibit 10.1, 10.2, 10.3, 10.4, 10.5, and 10.6 and incorporated by reference into this Item 1.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-balance Sheet Arrangement of a Registrant.

The disclosure contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.03.

Item 8.01 Other Events

On January 31, 2024, the Company issued a press release announcing the execution of the Smoore Agreements. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1*	<u>Debt and Security Agreement, dated January 28, 2024, by and between TILT Holdings Inc., Jimmy Jang, L.P., Baker Technologies, Inc., Commonwealth Alternative Care, Inc., Jimmy Jang Holdings, Inc, JJ Blocker Co., SFNY Holdings, Inc., Sea Hunter Therapeutics, LLC, Standard Farms Ohio LLC, Standard Farms LLC, SH Finance Company, LLC, Jupiter Research, LLC and Shenzhen Smoore Technology Limited.</u>
10.2*	<u>Guaranty, dated January 28, 2024, by and between TILT Holdings Inc., Jimmy Jang, L.P., Baker Technologies, Inc., Commonwealth Alternative Care, Inc., Jimmy Jang Holdings, Inc, JJ Blocker Co., SFNY Holdings, Inc., Sea Hunter Therapeutics, LLC, Standard Farms Ohio LLC, Standard Farms LLC, SH Finance Company, LLC, Jupiter Research, LLC and Shenzhen Smoore Technology Limited.</u>
10.3	<u>Side Letter, dated January 28, 2024, by and between TILT Holdings Inc., Jimmy Jang, L.P., Baker Technologies, Inc., Commonwealth Alternative Care, Inc., Jimmy Jang Holdings, Inc, JJ Blocker Co., SFNY Holdings, Inc., Sea Hunter Therapeutics, LLC, Standard Farms Ohio LLC, Standard Farms LLC, SH Finance Company, LLC, Jupiter Research, LLC and Shenzhen Smoore Technology Limited.</u>
10.4†	<u>Subordination and Intercreditor Agreement, dated January 28, 2024, by and between Entrepreneur Growth Capital LLC, Jordan Geotas, Shenzhen Smoore Technology Limited, and Jupiter Research, LLC.</u>
10.5*	<u>Trademark Security Agreement, dated January 28, 2024, by and between TILT Holdings Inc., Jimmy Jang, L.P., Baker Technologies, Inc., Commonwealth Alternative Care, Inc., Jimmy Jang Holdings, Inc, JJ Blocker Co., SFNY Holdings, Inc., Sea Hunter Therapeutics, LLC, Standard Farms Ohio LLC, Standard Farms LLC, SH Finance Company, LLC, Jupiter Research, LLC and Shenzhen Smoore Technology Limited.</u>
10.6*	<u>Equity Pledge Agreement, dated January 28, 2024, by Jimmy Jang, L.P. in favor of Shenzhen Smoore Technology Limited.</u>
99.1	<u>Press Release dated January 31, 2024.</u>
104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document.

* In accordance with Item 601(b)(2) and/or Item 601(b)(10)(iv) of Regulation S-K, certain information has been excluded from this exhibit because it is both not material and private or confidential. A copy of the omitted portion will be furnished to the Securities and Exchange Commission upon request.

† In accordance with Item 601(a)(6) of Regulation S-K, certain information has been excluded from this exhibit.



SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TILT Holdings Inc.

Date: January 31, 2024

By: /s/ Tim Conder
Name: Tim Conder
Its: Chief Executive Officer

DEBT AND SECURITY AGREEMENT

This DEBT AND SECURITY AGREEMENT, dated as of January 28, 2024 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), is made by TILT HOLDINGS INC., a corporation formed under the laws of British Columbia (“**TILT**”), JIMMY JANG, L.P., a Delaware limited partnership (“**JJLP**”), BAKER TECHNOLOGIES, INC., a Delaware corporation (“**Baker**”), COMMONWEALTH ALTERNATIVE CARE, INC., a Massachusetts corporation (“**CAC**”), JIMMY JANG HOLDINGS INC., a British Columbia corporation (“**JJH**”), JJ BLOCKER CO., a Delaware corporation (“**JJB**”), SFNY HOLDINGS, INC., a Delaware corporation (“**SFNY**”), SEA HUNTER THERAPEUTICS, LLC, a Delaware limited liability company (“**SEA**”), STANDARD FARMS OHIO LLC, an Ohio limited liability company (“**SF Ohio**”), STANDARD FARMS LLC, a Pennsylvania limited liability company (“**SF Penn**”), SH FINANCE COMPANY, LLC, a Delaware limited liability company (“**SF Finance**”), and JUPITER RESEARCH, LLC, an Arizona limited liability company (“**Jupiter**”), and collectively with TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, SF Penn, SF Finance, the “**Grantors**”, in favor of SHENZHEN SMOORE TECHNOLOGY LIMITED, a company organized and existing under the laws of Peoples’ Republic of China (“**Smoore**”) and each of its Affiliates that sells products to Jupiter and TILT from time to time (collectively, the “**Secured Party**”). Each of the Grantors and the Secured Party may be referred to herein individually as a “**Party**” and all may be referred to collectively herein as the “**Parties**”.

RECITALS

WHEREAS, Secured Party previously agreed to make sales to Jupiter and TILT (collectively, the “**Buyers**”) on credit, and may continue to do so, in all cases pursuant to one or more agreements (any such sale, a “**Credit Sale**”) so long as:

1. TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, SF Penn, and SF Finance (in such capacity, the “**Guarantors**”) have provided a guarantee as of even date herewith (the “**Guaranty**”) by Guarantors in favor of Secured Party, of those amounts owed by Buyers to Secured Party that are in excess of the amounts for which Secured Party receives an insurance payment for any non-payment thereof (the “**Covered Amounts**”). The Guaranty shall be secured by each Guarantor’s grant of a security interest in all of the assets of such Guarantor; and

2. Each Grantor has granted Secured Party a security interest in all of the assets described in **Section 2** of the Agreement owned by such Grantor as security for Buyers’ payment of the Secured Obligations described in **Section 3**.

WHEREAS, incorporating the foregoing Recitals as if fully rewritten therein, the following Agreement is given by each Grantor in favor of the Secured Party in connection with the Guaranty to secure the payment and performance of all the Secured Obligations.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Definitions.

(a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

(b) Words used but not defined in this Agreement have the meanings given in the Guaranty or the Subordination and Intercreditor Agreement (as such term is defined herein), as applicable.

(c) Unless otherwise defined herein, terms used herein that are defined in the UCC shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term shall have the meaning specified in Article 9 of the UCC.

(d) For purposes of this Agreement, the following terms shall have the following meanings:

“**Account**” has the meaning provided in the UCC, and includes all rights to payment for goods sold or leased, or for services rendered.

An “**Affiliate**” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Collateral**” has the meaning set forth in **Section 2**.

“**Default**” means an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

“**Equity Interest**” means the interest of any (a) shareholder in a corporation; (b) partner in a partnership (whether general, limited, limited liability or joint venture); (c) member in a limited liability company; or (d) other Person having any other form of equity security or ownership interest.

“**Equity Pledge Agreement**” means that certain Equity Pledge Agreement dated as of even date herewith by JJLP in favor of Secured Party whereby JJLP pledged the Pledged Units as security for the Secured Obligations.

“**Event of Default**” means (i) a failure by a Grantor to pay or perform, as and when required, under the Guaranty, (ii) a failure by a Grantor to perform any obligation of that Grantor under **Section 4** hereunder as and when such performance is due, (iii) a failure by a Grantor to pay or perform any obligation under this Agreement, which failure is not cured within 30 days of either Grantor receiving notice thereof, and (iv) any Grantor’s having filed for protection under the Bankruptcy and Insolvency Act and the Companies Creditors Arrangement Act of Canada or any applicable chapter of the United States Bankruptcy Code (collectively, the “**Bankruptcy Laws**”), (v) an involuntary petition having been filed against any Grantor under any Bankruptcy Law, (vi) any Grantor admitting in writing its inability to pay its obligations as they come due, (vi) any Grantor entering into an assignment for the benefit of creditors, or (vii) any Grantor fails to make a payment on any invoice delivered by Secured Party to Jupiter or Tilt within 120 days of the date of such invoice.

“**Governmental Authority**” means any national, supranational, federal, state, county, provincial, local, municipal or other government or political subdivision thereof, whether domestic or foreign, and any agency, authority, commission, ministry, instrumentality, regulatory body, court, tribunal, arbitrator, central bank or other person exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to any such government.

“**Intellectual Property**” means all intellectual and similar Property of a Person, including inventions, designs, patents, copyrights, trademarks, service marks, trade names, trade secrets, confidential or proprietary information, customer lists, know-how, software and databases; all embodiments or fixations thereof and all related documentation, applications, registrations and franchises; all licenses or other rights to use any of the foregoing; and all books and records relating to the foregoing.

“**Intellectual Property Claim**” means any claim or assertion (whether in writing, by suit or otherwise) that a Grantor’s ownership, use, marketing, sale or distribution of any Inventory, Equipment, Intellectual Property or other Property violates another Person’s Intellectual Property.

“**Inventory**” has the meaning provided in the UCC, and includes all goods intended for sale, lease, display or demonstration; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in a Person’s business (but excluding equipment).

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Pledged Collateral**” specifically includes the Pledged Units and otherwise means the portion of the Collateral that includes all of any Grantors’ right, title and interest in Equity Interests.

“**Pledged Units**” means JJLP’s Equity Interest in Jupiter.

“**Proceeds**” means “proceeds” as such term is defined in section 9-102 of the UCC and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

“**Secured Obligations**” has the meaning set forth in **Section 3**.

“**Security Documents**” means, collectively, the Guaranty, Equity Pledge Agreement, Trademark Security Agreement, and all other documents, instruments, and agreements now or hereafter securing (or given with the intent to secure) any Secured Obligations

“**Subordination and Intercreditor Agreement**” means that certain Subordination and Intercreditor Agreement, dated as of even date herewith, by and among Entrepreneur Growth Capital LLC, a Delaware limited liability company, Jordan Geotas, in his capacity as Noteholder Representative (as such term is defined in the Subordination and Intercreditor Agreement) for the Noteholders (as such term is defined in the Subordination and Intercreditor Agreement),

“**Trademark Security Agreement**” means the Trademark Security Agreement dated as of even date herewith pursuant to which Grantors grant to Secured Party a lien on Grantors’ interests in trademarks, as security for the Secured Obligations.

“**Transaction Documents**” means, collectively, this Agreement, the Security Documents, and the Subordination and Intercreditor Agreement.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of California or, when the laws of any other state govern the method or manner of the perfection or enforcement of any security interest in any of the Collateral, the Uniform Commercial Code as in effect from time to time in such state.

2. Grant of Security Interest. Each Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing first priority lien and security interest in favor of the Secured Party in and to all of its right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the “**Collateral**”):

(a) all of such Grantor’s property of every kind and nature including but not limited to all accounts, goods (including inventory and equipment), documents (including, if applicable, electronic documents), instruments, promissory notes, chattel paper (whether tangible or electronic), letters of credit, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), equity interest in its subsidiaries, securities and all other investment property, general intangibles (including all payment intangibles), goodwill, customer list, research and develop data and technologies, trade secrets, Intellectual Properties including but not limited to trademarks, tradenames, copyrights and patents, money, deposit accounts, and any other contract rights or rights to the payment of money and, in the case of JJLP, specifically including, but not limited in any way to, the Pledged Units; and

(b) all Proceeds and products of each of the foregoing, all books and records relating to the foregoing, all supporting obligations related thereto, and all accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to any Grantor from time to time with respect to any of the foregoing; and

Notwithstanding the foregoing or anything contained in this Agreement or the Guaranty to the contrary, the term “**Collateral**” shall not include, and a security interest is not granted in, any right or interest in any permit, license, lease, or contract if under the terms of such permit, license, or lease, or applicable laws with respect thereto, the grant of a security interest or lien therein is prohibited and such prohibition has not been waived or the requisite consent in respect of such permit, license, lease has not been obtained (or is not able to be obtained) or the grant of a security interest or lien therein would, under the terms of such permit, license, lease, result in the voiding or termination of or give rise to a right of termination of such permit, license, lease; *provided that*, such permit, license, or lease shall be included in the term “**Collateral**” and a security interest shall be granted therein, at such time as the grant of a security interest therein is no longer prohibited, or the requisite consent in respect thereof has been obtained.

Each of the Grantors represents and warrants to the Secured Party that there is no lien, pledge, guaranty, mortgage, security interests, adverse claims or other encumbrances of any character whatsoever to such Grantor or any of its assets, except for those listed on **Schedule 2** attached hereto (collectively, the “**Permitted Liens**”).

3. Secured Obligations.

(a) The Collateral secures the due and prompt payment in full and performance of (i) with respect to a Guarantor when acting in such capacity, the Covered Amounts for which that Guarantor is liable under the Guaranty, (ii) with respect to a Buyer when acting in such capacity, the Covered Amounts for Credit Sales made to such Buyer, and (iii) with respect to each of the Grantors, the other fees, charges, expenses, attorneys’ fees and costs and accountants’ fees and costs chargeable to and payable by that Grantor under the Transaction Documents, in each case, whether direct or indirect, absolute or contingent, now existing or hereafter arising, due or to become due, and whether or not arising after the commencement of a proceeding under Title 11 of the United States Code (11 U. S. C. Section 101 et seq.), as amended from time to time (including post-petition interest) and whether or not allowed or allowable as a claim in any such proceeding (collectively, the “**Secured Obligations**”).

(b) Seller shall provide to Guarantor within ten (10) days of written request therefore, a written statement of the Covered Amount.

4. Perfection of Security Interest and Further Assurances

(a) Each Grantor shall, from time to time, as may be required or requested by the Secured Party with respect to all Collateral, take all actions reasonably necessary to perfect the security interest of the Secured Party in the Collateral, including, but not limited to, delivering the Security Documents executed as of the date hereof by the applicable Grantors. All of the foregoing shall be at the sole cost and expense of such Grantor.

(b) Each Grantor hereby irrevocably authorizes, but does not obligate, the Secured Party at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Grantor hereunder, without the signature of such Grantor where permitted by law, including the filing of a financing statement describing the Collateral as all assets now owned or hereafter acquired by such Grantor, or words of similar effect. Each Grantor agrees to provide all information required by the Secured Party pursuant to this Section promptly to the Secured Party upon request.

(c) If any Collateral is at any time in the possession of a bailee, the Grantor that owns such Collateral shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and the bailee agrees to comply, without further consent of Grantor, at any time with instructions of the Secured Party as to such Collateral.

(d) Each Grantor agrees that at any time and from time to time, at the expense of such Grantor, such Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

5. Representations and Warranties. Each Grantor hereby represents and warrants as follows:

(a) At the time the Collateral owned by such Grantor becomes subject to the lien and security interest created by this Agreement, such Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for Permitted Liens.

(b) Upon the execution and delivery of the Subordination and Intercreditor Agreement, the grant of the Collateral pursuant to this Agreement creates a valid and perfected first priority security interest in the Collateral by such Grantor, subject only to the Permitted Liens, securing the payment and performance when due of the Secured Obligations.

(c) It has full power, authority and legal right to pledge its Collateral pursuant to this Agreement.

(d) This Agreement and the Guaranty have been duly authorized, executed and delivered by each Grantor and each constitutes a legal, valid and binding obligation of each Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(e) No authorization, approval, or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for the pledge by any Grantor of the Collateral pursuant to this Agreement or for the execution and delivery of this Agreement by Grantor or the performance by each Grantor of its obligations hereunder.

(f) The execution and delivery of this Agreement by each Grantor and the performance by such Grantor of its obligations hereunder, will not violate any provision of any applicable laws or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to such Grantor or any of its property, or the organizational or governing documents of such Grantor or any agreement or instrument to which such Grantor is party or by which it or its property is bound.

(g) The Collateral consisting of securities has been duly authorized and validly issued, and is fully paid and non-assessable and subject to no options to purchase or similar rights. None of the Collateral constitutes, or is the proceeds of (i) [reserved], (ii) as-extracted collateral, (iii) manufactured homes, (iv) health-care-insurance receivables, (v) timber to be cut, or (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock. None of the account debtors or other persons obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral.

(h) Each Grantor owns or has the lawful right to use all Intellectual Property necessary for the conduct of its business, without conflict with any rights of others. There is no pending or, to any Grantor's knowledge, any threatened Intellectual Property Claim with respect to any Grantor or any of their Property (including any Intellectual Property). Except as disclosed on **Schedule 5(h)**, no Grantor pays or owes any Royalty or other compensation to any Person with respect to any Intellectual Property. All Intellectual Property owned, used or licensed by, or otherwise subject to any interests of, any Grantor is shown on **Schedule 5(h)**.

(i) No person other than the Grantors, the Secured Party, or the secured parties with respect to Permitted Liens has control or possession of all or any part of the Collateral.

(j) Set forth on **Exhibit 5(i)** attached hereto are each Grantor's exact legal name, its jurisdiction of incorporation, its places of business and the location of its assets. All information provided therein is true, complete and correct in all material respects.

6. Voting, Distributions and Receivables.

(a) The Secured Party agrees that unless an Event of Default shall have occurred and be continuing, each Grantor may, to the extent such Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto.

(b) The Secured Party agrees that each Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests, or indebtedness owed by any obligor thereunder.

(c) If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, each Grantor shall, notify account debtors and other persons obligated on any of the Collateral of the security interest of the Secured Party in any account, chattel paper, general intangible, instrument or other Collateral and that payment thereof is to be made directly to the Secured Party.

7. Covenants. Each Grantor hereby covenants as follows:

(a) Such Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. Such Grantor will, prior to any change described in the preceding sentence, take all actions reasonably required or requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(b) Each Grantor shall, at its own cost and expense, defend title to the Collateral and the lien and security interest of the Secured Party therein against the claim of any person claiming against or through such Grantor and shall maintain and preserve such perfected security interest for so long as this Agreement shall remain in effect.

(c) Each Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein, other than the Permitted Liens, without prior written consent of Secured Party.

(d) Each Grantor will keep the Collateral in good order and repair and will not use the same in violation of applicable law or any policy of insurance thereon.

(e) Each Grantor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(f) Each Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and each other applicable law.

(g) Each Grantor will immediately notify Secured Party (i) of any event occurring after the date hereof that could have a material adverse effect on such Grantor, and (ii) of any material changes to such Grantor such as the filing of any lawsuit against such Grantor, the Grantor becoming involved in any legal proceedings, or of the change of any of such Grantor's five highest ranked management positions.

8. Secured Party Appointed Attorney-in-Fact. Each Grantor hereby appoints the Secured Party as such Grantor's attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, from time to time during the continuance of an Event of Default in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party reasonably may deem necessary or advisable to cause this Agreement to be enforced in accordance with its terms (but the Secured Party shall not be obligated to and shall have no liability to Grantor or any third party for failure to take such action). This appointment, being coupled with an interest, shall be irrevocable. Such Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

9. Secured Party May Perform. If any Grantor fails to perform any obligation contained in this Agreement after such demand therefor from Secured Party as is reasonable under the then-existing circumstances, the Secured Party may itself perform, or cause performance of, such obligation, and the expenses of the Secured Party incurred in connection therewith shall be payable by any Grantor; provided that the Secured Party shall not be required to perform or discharge any obligation of any Grantor.

10. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Collateral or other matters relative to any Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve any Grantor from the performance of any obligation on any Grantor's part to be performed or observed in respect of any of the Collateral.

11. Remedies Upon Event of Default

(a) Upon the occurrence and continuance of an Event of Default, the Secured Party may exercise any or all of the following rights and remedies:

(i) those rights and remedies provided in this Security Agreement or the Guaranty; provided that, this **Section 11(a)** shall not be understood to limit any rights or remedies available to the Secured Party prior to an Event of Default;

(ii) those rights and remedies available to a secured party under the UCC or under any other applicable law when a debtor is in default under a security agreement;

(iii) give notice of sole control or any other instruction under any deposit account control agreement or any other control agreement with any securities intermediary and take any action therein with respect to such Collateral;

(iv) without notice (except as specifically provided elsewhere herein, or as specifically provided in the Security Documents), demand, or advertisement of any kind to any Grantor or any other person, enter the premises of any Grantor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at a Grantor's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Secured Party may deem commercially reasonable; and

(v) upon three (3) Business Days' prior written notice to any Grantor, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral owned by such Grantor, exchange certificates or instruments representing or evidencing such Pledged Collateral for certificates or instruments of smaller or larger denominations, exercise the voting and all other rights as a holder with respect thereto, collect and receive all cash dividends, interest, principal and other

distributions made thereon and to otherwise act with respect to such Pledged Collateral as though the Secured Party was the outright owner thereof.

(b) The Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral; *provided*, however, that the Secured Party shall comply with all state cannabis laws in connection with a disposition of the Collateral to the extent that such compliance does not materially and adversely affect the value of the Collateral.

(c) The Secured Party shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Secured Party, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption each Grantor hereby expressly releases.

(d) Until the Secured Party is able to effect a sale, lease, or other disposition of Collateral, the Secured Party shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value. The Secured Party may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Secured Party's remedies (for the benefit of the Secured Party), with respect to such appointment without prior notice or hearing as to such appointment.

(e) Notwithstanding the foregoing, the Secured Party shall not be required to (i) make any demand upon, or pursue or exhaust any of its rights or remedies against, any Grantor, any other obligor, guarantor, pledgor or any other Person with respect to the payment of the Secured Obligations or to pursue or exhaust any of its rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Secured Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

(f) Each Grantor recognizes that the Secured Party may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with clause (a) above. Each Grantor also acknowledges that any private sale may result in prices and other terms less favorable to the Secured Party than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Secured Party shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit any Grantor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Grantor and the issuer would agree to do so.

Notwithstanding the foregoing, any rights and remedies provided in this **Section 11** shall be subject to the Subordination Agreement.

12. Grantors' Obligations Upon Default. Upon the request of the Secured Party after the occurrence of an Event of Default, each Grantor will:

(a) assemble and make available to the Secured Party the Collateral owned or controlled by such Grantor and all books and records relating thereto at any place or places specified by the Secured Party, whether at any Grantor's premises or elsewhere;

(b) permit the Secured Party, by the Secured Party's representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral owned or controlled by such

Grantor, or the books and records relating thereto, or both, are located, to take possession of all or any part of such Collateral or the books and records relating thereto, or both, to remove all or any part of such Collateral or the books and records relating thereto, or both, and to conduct sales of such Collateral, without any obligation to pay Grantor or any other Person for such use and occupancy;

(c) prepare and file, or cause an issuer of Pledged Collateral owned or controlled by such Grantor to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with such Pledged Collateral as the Secured Party may request, all in form and substance satisfactory to the Secured Party, and furnish to the Secured Party, or cause an issuer of such Pledged Collateral to furnish to the Secured Party, any information regarding such Pledged Collateral in such detail as the Secured Party may specify;

(d) take, or cause an issuer of Pledged Collateral owned or controlled by such Grantor to take, any and all actions necessary to register or qualify such Pledged Collateral to enable the Secured Party to consummate a public sale or other disposition of such Pledged Collateral; and

(e) at its own expense, cause the independent certified public accountants then engaged by such Grantor to prepare and deliver to the Secured Party, at any time, and from time to time, promptly upon the Secured Party's request, the following reports (i) a reconciliation of all Accounts owned or controlled by such Grantor; (ii) an aging of all such Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

13. Grant of Intellectual Property License. For the purpose of enabling the Secured Party to exercise the rights and remedies under this Agreement at such time as the Secured Party shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby (a) grants to the Secured Party, for the benefit of itself and the other Secured Parties, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to Grantor) to use, license or sublicense any Intellectual Property rights now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, and (b) irrevocably agrees that the Secured Party may sell any of such Grantor's Inventory directly to any person, including without limitation persons who have previously purchased such Grantor's Inventory from any Grantor and in connection with any such sale or other enforcement of the Secured Party's rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to such Grantor and any Inventory that is covered by any copyright owned by or licensed to such Grantor and the Secured Party may finish any work in process and affix any trademark owned by or licensed to such Grantor and sell such Inventory as provided herein.

14. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to **Section 16**), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

15. Security Interest Absolute. Each Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of debts made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. All rights of the Secured Party and liens and security interests hereunder, and all Secured Obligations of any Grantor hereunder, shall be absolute and unconditional irrespective of:

- (a) any illegality or lack of validity or enforceability of any Secured Obligation or any related agreement or instrument;
- (b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations, or any rescission, waiver, amendment or other modification of the Guaranty, this Agreement or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;
- (c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral or any other collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for all or any of the Secured Obligations;
- (d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;
- (e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;
- (f) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, any Grantor against the Secured Party; or
- (g) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the notes or any existence of or reliance on any representation by the Secured Party that might vary the risk of any Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, any Grantor or any other grantor, guarantor or surety.

16. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by any Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

17. Addresses For Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Guaranty, and addressed to the respective Parties at their addresses as specified on the signature pages hereof or as to either Party at such other address as shall be designated by such Party in a written notice to each other Party.

18. Continuing Security Interest; Further Actions. This Agreement shall create a continuing lien and security interest in the Collateral and shall (a) subject to **Section 19**, remain in full force and effect until payment and performance in full of the Secured Obligations and the ceasing of all future Credit Provided, (b) be binding upon each Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns; provided that no Grantor may assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party.

19. Termination; Release. If the Guaranty has been terminated as to a Guarantor and all Secured Obligations of such Guarantor arising out of the Guaranty have been paid and performed in full, this Agreement will be terminated as to that Guarantor. Any Buyer may elect to terminate this Agreement and such termination will be effective as to such Buyer on the date on which all Secured Obligations of

such Buyer incurred in reliance on this Agreement have been paid and performed in full. Upon termination of this Agreement as to any Grantor, Secured Party will, and will cause any Secured Party that has not executed a copy of this Agreement to, at the request and sole expense of such Grantor, (a) duly assign, transfer and deliver to or at the direction of such Grantor (without recourse and without any representation or warranty) such of the Collateral owned or controlled by such Grantor as may then remain in the possession or control of the Secured Party, together with any monies at the time held by or on behalf of the Secured Party hereunder, and (b) execute and deliver to such Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement and authorizing the delivery and filing of any UCC termination statements or amendments or other notices necessary or appropriate to reflect such termination.

20. Governing Law. UNLESS EXPRESSLY PROVIDED IN ANY OTHER AGREEMENT BETWEEN THE PARTIES, THIS AGREEMENT, THE GUARANTY AND ALL CLAIMS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ARIZONA, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES.

21. Forum. EACH GRANTOR HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN THE COUNTY OF MARICOPA, IN THE STATE OF ARIZONA, IN ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, AND AGREES THAT ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH GRANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING ANY SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN **SECTION 17**. A final judgment in any proceeding of any such court shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or any other manner provided by applicable law.

22. Other Jurisdictions. Nothing herein shall limit the right of Secured Party to bring proceedings against any Grantor in any other court, nor limit the right of any party to serve process in any other manner permitted by applicable law. Nothing in this Agreement shall be deemed to preclude enforcement by Secured Party of any judgment or order obtained in any forum or jurisdiction.

23. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different Parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, this Debt and Security Agreement has been executed as of the date first above written.

GRANTORS:

TILT HOLDINGS INC., a corporation formed under the laws of British Columbia

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JIMMY JANG, L.P., a Delaware limited partnership

By: Jimmy Jang Holdings Inc., its general partner

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

BAKER TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Exhibit 5(i) to Debt and Security Agreement

COMMONWEALTH ALTERNATIVE CARE, INC., a
Massachusetts corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JJ BLOCKER CO., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SFNY HOLDINGS, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS OHIO LLC, an Ohio limited liability company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS LLC, a Pennsylvania limited liability company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SH FINANCE COMPANY, LLC, a Delaware limited liability company
By: SEA HUNTER THERAPEUTICS, LLC, a Delaware limited liability company, its sole member

By: JJ BLOCKER CO., a Delaware corporation, its sole member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JUPITER RESEARCH, LLC, an Arizona limited liability company

By: /s/ Tim Conder

Name: Tim Conder

Title: Chief Executive Officer

Address:

2801 E Camelback Rd,

Suite 180,

Phoenix, AZ, 85016

Exhibit 5(i) to Debt and Security Agreement

SECURED PARTY:

SHENZHEN SMOORE TECHNOLOGY LIMITED, a company
organized and existing under the laws of Peoples' Republic of China

By: /s/ Jianliang Wang

Name: Jianliang Wang

Title: Head of HC Business

Address:

Number 16, Donggai Industrial Park,

Goshu Town, Baoan District, Shenzhen

China 518102

Exhibit 5(i) to Debt and Security Agreement

GUARANTY

This GUARANTY (this “**Guaranty**”) dated as of January 28, 2024 is made by TILT HOLDINGS INC., a corporation formed under the laws of British Columbia (“**TILT**”), JIMMY JANG, L.P., a Delaware limited partnership (“**JJLP**”), BAKER TECHNOLOGIES, INC., a Delaware corporation (“**Baker**”), COMMONWEALTH ALTERNATIVE CARE, INC., a Massachusetts corporation (“**CAC**”), JIMMY JANG HOLDINGS INC., a British Columbia corporation (“**JJH**”), JJ BLOCKER CO., a Delaware corporation (“**JJB**”), SFNY HOLDINGS, INC., a Delaware corporation (“**SFNY**”), SEA HUNTER THERAPEUTICS, LLC, a Delaware limited liability company (“**SEA**”), STANDARD FARMS OHIO LLC, an Ohio limited liability company (“**SF Ohio**”), STANDARD FARMS LLC, a Pennsylvania limited liability company (“**SF Penn**”), SH FINANCE COMPANY, LLC, a Delaware limited liability company (“**SF Finance**”, together with TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, and SF Penn, each individually, and collectively, “**Guarantor**”) in favor of SHENZHEN SMOORE TECHNOLOGY LIMITED, a company organized and existing under the laws of Peoples’ Republic of China and each of its Affiliates that sells products to Jupiter (as defined below) and TILT from time to time (each individually, and collectively, the “**Seller**”). Guarantor and Seller may be referred to herein individually as a “**Party**” and all may be referred to collectively herein as the “**Parties**”.

Guarantor, in order to induce Seller to enter into that certain Debt and Security Agreement (the “**Debt and Security Agreement**”) dated as of even date herewith, by and among Guarantor, Jupiter Research LLC, an Arizona limited liability company (“**Jupiter**”), and Seller, agrees as set forth below.

RECITALS

WHEREAS, Seller manufactures vaping technology products (collectively, the “**Products**”) and sells such Products to Jupiter Research LLC, an Arizona limited liability company and TILT (each individually, and collectively, the “**Buyer**”) from time to time.

WHEREAS, Seller is unwilling to sell Products to Buyer on credit (each such sale, a “**Credit Sale**”) without satisfactory assurances of payment.

WHEREAS, Seller is ready, willing, and able to make Credit Sales to Buyer on the condition that Guarantor guaranty the payment of any of those amounts owed by Buyers to Seller with respect to Credit Sales that are in excess of the amounts for which Secured Party receives an insurance payment for any non-payment thereof (the “**Covered Amounts**”).

WHEREAS, in consideration of the benefits accruing to it from the proposed additional sales of Products, Guarantor wishes to execute this Guaranty in favor of Seller.

NOW, THEREFORE, for valuable consideration hereby acknowledged, and in consideration of the facts recited above, Guarantor hereby agrees as follows for the benefit of Seller.

AGREEMENT

1. DEFINED TERMS

All capitalized terms used which are not defined herein have the meanings given to them in the Debt and Security Agreement.

2. GUARANTY

2.1 Guaranty Generally. Guarantor absolutely and unconditionally guarantees to Seller, the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, all of the Guaranteed Amount (as such term is defined in **Section 2.2** herein). Each Guarantor represents and warrants to the Secured Party that there is no lien, pledge, guaranty, mortgage, security interests, adverse claims or other encumbrances of any character whatsoever to such Guarantor or any of its assets, except for the Permitted Liens.

2.2 Guaranteed Amount Defined. In this Guaranty, “**Guaranteed Amount**” shall mean the Covered Amounts outstanding from time to time, together with all costs and expenses, including all court costs and reasonable and actual attorneys’ and paralegals’ fees and expenses paid or incurred by Seller in endeavoring to collect all or any part of the Guaranteed Amount from, or in prosecuting any action against, Guarantor with respect to the Guaranteed Amount. Except as set forth in **Section 2.2**, Guarantor’s liability under this Guaranty for any Covered Amount shall not exceed the Buyer’s liability for such Covered Amount.

2.3 Guaranty of Payment and Performance. This Guaranty is a guaranty of payment and performance, and not of collection. Guarantor waives to the fullest extent permitted by applicable law any right to require Seller to sue or otherwise take action against Buyer or any other Person obligated for all or any part of the Guaranteed Amount, or otherwise to enforce its payment against any Collateral securing all or any part of the Guaranteed Amount.

2.4 No Discharge or Diminishment of Guaranty.

(a) Except as otherwise expressly provided for herein, the obligations of Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of all of the Guaranteed Amount), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Amount by any other party, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of Buyer; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Buyer, or its assets or any resulting release or discharge of any obligation of any other Person; or (iv) the existence of any claim, setoff or other rights which Borrower may have at any time against any other Seller, or any other Person, whether in connection herewith or in any unrelated transactions.

(b) Further, the Guaranteed Amount of Guarantor hereunder is not discharged or impaired or otherwise affected by: (i) the failure of Seller to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Amount; (ii) any waiver or modification of or supplement to any provision of any Guaranty relating to the Guaranteed Amount except to the extent expressly agreed to in writing by Seller; (iii) any release, non-perfection, or invalidity of any indirect or direct security for all or any part of the Guaranteed Amount; (iv) any action or failure to act by Seller with respect to any Collateral (as defined in the Debt and Security Agreement; or (v) any default, failure, or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Amount, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of Guarantor or that would otherwise operate as a discharge of Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all of the Guaranteed Amount).

2.5 Defenses Waived. To the fullest extent permitted by applicable law, Guarantor hereby waives any defense based on or arising out of any defense of any Buyer or any other Person or the unenforceability of all or any part of the Guaranteed Amount from any cause, or the cessation from any cause of the liability of any Buyer or any other Person, other than the indefeasible payment in full in cash of all of the Guaranteed Amount. Without limiting the generality of the foregoing, Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any

notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against Buyer or any other Person. Seller may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any Collateral, compromise or adjust any part of the Guaranteed Amount, make any other accommodation with Buyer or exercise any other right or remedy available to it against Buyer, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Amount has been fully and indefeasibly paid in cash. To the fullest extent permitted by applicable law, Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of Buyer against any security. Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all presently existing and future Guaranteed Amounts, until the complete, irrevocable and indefeasible payment and satisfaction in full of the Guaranteed Amounts. This Guaranty is a guaranty of payment and performance and not of collection. Seller shall not be obligated to enforce or exhaust its remedies against the Buyer or under any of the Products sales orders or contracts before proceeding to enforce this Guaranty. This Guaranty is a direct guaranty and independent of the obligations of Guarantor under any of the Products sales orders or contracts. Seller may resort to Guarantor for payment and performance under Guaranty whether or not there is any disputes between the Buyer and Seller for the Products or under the Products sales orders or contracts. Seller may, at its option, proceed against Guarantor, jointly and severally, or against Guarantor only without having obtained a judgment against Buyer. Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Products and this Guaranty and any requirement that Seller protect, secure, perfect or insure any lien or any property subject thereto.

2.6 Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Amount is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of Buyer or any other Person, or otherwise, Guarantor's Guaranteed Amount hereunder with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not Seller is in possession of this Guaranty. If acceleration of the time for payment of any of the Guaranteed Amount is stayed upon the insolvency, bankruptcy or reorganization of Buyer, all such amounts otherwise subject to acceleration under the terms of this Guaranty shall nonetheless be payable by Guarantor forthwith on demand by Seller. This Section 1.6 shall remain operative even after termination of this Guaranty and shall survive the payment in full of all of the Guaranteed Amount.

2.7 Information. Guarantor assumes all responsibility for being and keeping itself informed of Buyer's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Amount and the nature, scope and extent of the risks that Guarantor assumes and incurs hereunder, and agrees that Seller shall not have any duty to advise Guarantor of information known to it regarding those circumstances or risks.

2.8 Termination; Reinstatement. Any Guarantor may elect to terminate this Guaranty upon 10 days' written notice to Seller. Any orders accepted by Seller within the 10 days after delivery of notice of termination will be deemed to have been made in reliance on this Guaranty. Except as otherwise set forth in the immediately preceding sentence, this Guaranty is a continuing guaranty and will apply to each Guarantor from the date hereof until the date on which all Guaranteed Amounts incurred in connection with Credit Sales made in reliance on such Guarantor's Guaranty have been indefeasibly paid and performed in full. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of Buyer or any Guarantor is made, or Seller exercises its right of setoff, in respect of the Guaranteed Amount and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Seller in its discretion) to be repaid to a trustee,

receiver or any other party, in connection with any proceeding under any insolvency proceeding or otherwise, all as if such payment had not been made or such setoff had not occurred and whether Seller is in possession of or has released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of Guarantor under this paragraph shall survive termination of this Guaranty.

3. REPRESENTATIONS, AND WARRANTIES

Each Guarantor hereby represents and warrants to Seller the following (which shall survive the execution and delivery of this Guaranty):

3.1 The execution, delivery and performance of this Guaranty, any supplement or amendment hereto, or any agreements instruments and documents executed and delivered in connection herewith, are within such Guarantor's corporate powers, have been duly authorized, are not in contravention of applicable law or the terms of such Guarantor's Organic Documents, or (following the execution and delivery by all parties thereto of the Subordination and Intercreditor Agreement) of any material indenture, agreement or undertaking to which such Guarantor is a party or by which such Guarantor is bound.

3.2 Schedule 3.2 annexed hereto and incorporated herein by reference sets forth such Guarantor's exact legal name, such Guarantor's type of organization, the jurisdiction in which such Guarantor is organized, such Guarantor's organizational identification number or accurately states that such Guarantor has none;

3.3 Such Guarantor is in good standing (to the extent applicable), validly existing under the laws of such Guarantor's jurisdiction of formation and will preserve, renew and keep in full force and effect such Guarantor's existence and good standing and its rights and franchises with respect thereto in such jurisdiction of formation, and will not change its state or province of incorporation or organization without providing Seller with ten (10) days' prior written notice;

3.4 Such Guarantor shall obtain and preserve, renew and keep in full force and effect each such Guarantor's authority to do business in all jurisdictions where such Guarantor now or hereafter does business, except to the extent failure to do so could not reasonably be expected to have a material adverse effect on such Guarantor;

3.5 Except to the extent the failure to have such or do so could not reasonably be expected to have a material adverse effect on Guarantor, such Guarantor has all licenses, permits, consents or approvals from or by, and has made all filings with, and has given all notices to, all governmental authorities having jurisdiction over such Guarantor, to the extent required for the operation and conduct of its business, provided, such Guarantor makes no representation or warranty with respect to licenses, permits, consents, approvals or filings under federal cannabis laws;

3.6 Such Guarantor will continue to engage in a business of the same type as such Guarantor is engaged as of the date hereof or reasonably related or incidental thereto;

3.7 Such Guarantor's books and records and principal executive office are maintained at the address referred to in Schedule 3.2 or as otherwise notified to Seller pursuant to this Guaranty. Such Guarantor shall not change such location without complying with this Section.

4. SECURITY

Guarantor's obligations under this Guaranty are secured by the Debt and Security Agreement.

5. SUBORDINATION OF GUARANTOR

5.1 Subordination of Claims. All existing and future indebtedness, liabilities, and obligations of Buyer, or any other Guarantor that is also indebted to Seller owing to a Guarantor, whether fixed or contingent, matured or unmatured, and liquidated or unliquidated (the “**Subordinated Debt**”) shall be subordinated in right of payment to the payment and performance of the Guaranteed Amount, the obligations of such other Guarantor owing to Seller. The subordination shall be irrevocable so long as the Debt and Security Agreement remains in effect or any Guaranteed Amount is outstanding.

5.2 Payments. Guarantor agrees that:

(a) Guarantor will not accept any payments on any of the Subordinated Debt other than such Guarantor’s compensation as an officer of Seller so long as no Event of Default has occurred and is continuing under the Debt and Security Agreement.

(b) If any Guarantor receives any payment on the Subordinated Debt other than as permitted herein, such Guarantor shall promptly deliver the payment to Seller.

(c) If any Guarantor receives any payments, security interests, or other rights in any property of Seller in violation of the subordination, such payment or property shall be received by such Guarantor in trust for Seller and shall immediately be delivered and transferred to Seller.

5.3 Attorney-in-Fact. Each Guarantor appoints Seller as such Guarantor’s attorney-in-fact to file claims, vote on any plan of reorganization and receive payments, on behalf of such Guarantor with respect to any of the Subordinated Debt in any case by or against Buyer under the United States Bankruptcy Code (including Chapters 7 or 11), any assignment for the benefit of creditors made by Buyer, or in any other reorganization or insolvency proceeding.

5.4 Limitation on Actions. So long as any Guaranteed Amount remains unpaid, in whole or in part, or so long as the Debt and Security Agreement remains in effect with respect to a Guarantor, such Guarantor agrees: (i) not to sell, assign, transfer, pledge, or give a security interest in the Subordinated Debt (except subject expressly to this Guaranty and except for Permitted Liens); (ii) not to enforce or apply, or take any steps to enforce or apply, any security now or hereafter existing, for the Subordinated Debt; (iii) not to commence, prosecute or participate in any administrative, legal or equitable action against Buyer or in any administrative, legal or equitable action that might adversely affect Buyer; and (iv) not to join in any petition for bankruptcy, assignment for the benefit of creditors, or creditors’ agreement against Buyer.

5.5 Conflict with Subordination Agreement. In the event Guarantor and Seller enter into a subordination agreement (a “**Subordination Agreement**”) and such Subordination Agreement contains terms and conditions which are inconsistent with the provisions contained in Paragraph 5 of this Guaranty, the terms of the Subordination Agreement shall control.

6. MISCELLANEOUS

6.1 Binding on Successor and Assigns; Severability. All terms, conditions, promises, covenants, provisions and warranties shall inure to the benefit of and bind Seller’s and Guarantor’s respective representatives, successors and assigns. If any provision of this Guaranty shall be prohibited or invalid under applicable law, it shall be ineffective only to such extent, without invalidating the remainder of this Guaranty.

6.2 Amendments; Assignments. This Guaranty may not be modified, altered or amended, except in a writing signed by Guarantor and Seller, which requirement shall not be modified by oral agreement or by course of conduct. Guarantor may not delegate any of its duties hereunder.

6.3 Integration. This Guaranty, together with the Debt and Security Agreement and all other agreements entered into in connection therewith, and any sales agreement, purchase order, invoice or other document governing the sale of the Products to Buyer guaranteed hereunder, reflect the entire understanding of the parties with respect to the transactions contemplated hereby.

6.4 Notices, Correspondence. All notices, requests, demands and other communications under this Guaranty shall be in writing and shall be delivered by electronic mail, and may additionally be personally served, telecopied or sent by overnight courier service or United States mail and will be deemed to have been given: (i) if delivered in person, when delivered; (ii) if delivered by telecopy, on the date of transmission if transmitted on a business day before 4:00 p.m. Arizona time or, if not, on the next succeeding business day; (iii) if delivered by overnight courier, the following business day after depositing with such courier, properly addressed; (iv) if by U.S. Mail, four (4) business days after depositing in the United States mail, with postage prepaid and properly addressed; or (v) if by e-mail, confirmation of actual receipt of the recipient thereof, if transmitted on a business day before 4:00 p.m. Arizona time or, if not, on the next succeeding business day. All notices, requests and demands are to be given or made to the respective parties at the addresses set forth below or at such other addresses as either party may designate in writing by notice in accordance with the provisions of this paragraph.

If to Seller:

Shenzhen Smoore Technology Limited
7201 E. Henkel Way, Unit 115
Scottsdale, AZ 85255
Attention: Eula Liu (刘淑杰), Legal Director; Cheney Xu (徐驰), Head of Legal and IP
Email: cheney.xu@smooretech.com; eula.liu@smooretech.com

If to Guarantor:

Tilt Holdings Inc.
2801 E. Camelback Road, Suite 180
Phoenix, Arizona 85016
Attention: Brad Hoch
Email: bhoch@tiltholdings.com

6.5 Governing Law. This Guaranty and all transactions hereunder are deemed to be consummated in the State of Arizona and shall be governed by and interpreted in accordance with the substantive and procedural laws of the State of Arizona (without regard to any choice of law rules). If any part or provision of this Guaranty shall be determined to be invalid or in contravention of any applicable law or regulation of the controlling jurisdiction, such part or provision shall be severed without affecting the validity of any other part or provision of this Guaranty.

6.6 Survival. All warranties, representations, and covenants made by each of the Guarantor herein, or on any certificate, document or other instrument delivered by it or on its behalf under this Guaranty, shall be considered to have been relied upon by Seller, regardless of any investigation made by Seller or on its behalf. All statements in any such certificate or other instrument prepared and/or delivered for the benefit of Seller shall constitute warranties and representations by each of the Guarantor hereunder. Except as otherwise expressly provided herein, all covenants made by Guarantor hereunder or under any other Guaranty or instrument shall be deemed continuing until all Guaranteed Amounts are satisfied in full.

6.7 JURY WAIVER. EACH GUARANTOR HEREBY WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING OUT OF OR RELATING TO THIS GUARANTY. EACH GUARANTOR HEREBY WAIVES ALL OF ITS RIGHTS OF SETOFF AND RIGHTS TO INTERPOSE ANY DEFENSES AND/OR COUNTERCLAIMS IN THE EVENT OF ANY LITIGATION WITH RESPECT TO ANY MATTER CONNECTED WITH THIS GUARANTY. EACH GUARANTOR HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN THE COUNTY OF MARICOPA, IN THE STATE OF ARIZONA, IN ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING RELATING IN ANY WAY TO THIS GUARANTY, AND AGREES THAT ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING ANY SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM.

6.8 THE PARTIES WAIVE ALL RIGHTS AND REMEDIES THAT THE PARTIES MAY HAVE OR BE ABLE TO ASSERT BY REASON OF THE LAWS OF THE STATE OF ARIZONA PERTAINING TO THE RIGHTS AND REMEDIES OF SURETIES, INCLUDING, WITHOUT LIMITATION, A.R.S. §§ 12-1641 THROUGH 12-1646, 47-3605, AND ARIZONA RULES OF CIVIL PROCEDURE 17(F).

6.9 Service. In any litigation brought by Seller, each of the Guarantor waives personal service of any summons, complaint or other process and agrees that service thereof may be made by certified or registered mail directed to such Guarantor at such Guarantor's address set forth above, and service so made shall be complete two (2) days after the same shall have been posted. Within twenty (20) days after such mailing, such Guarantor shall appear and answer such summons, complaint or other process, failing which such Guarantor shall be deemed in default and judgment may be entered by Seller against such Guarantor for the amount of the claim and for any other relief requested therein.

6.10 Joint and Several Liability. The obligations hereunder of the persons or entities constituting Guarantor under this Guaranty are joint and several.

6.11 Counterparts: Electronic Execution. This Guaranty may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument, admissible into evidence. Delivery of a signature page to, or an executed counterpart of, this document by facsimile, email transmission of a scanned image, DocuSign, or other electronic means, shall be effective as delivery of an originally executed counterpart. The words "execution," "signed," "signature," and words of like import in this document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act, any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code, and the parties hereto hereby waive any objection to the contrary.

IN WITNESS WHEREOF, each Guarantor has executed this Guaranty as of the date first above written.

GUARANTOR:

TILT HOLDINGS INC., a corporation formed under the laws of British Columbia

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JIMMY JANG, L.P., a Delaware limited partnership

By: Jimmy Jang Holdings Inc., its general partner

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

BAKER TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Schedule 3.2 to Guaranty

COMMONWEALTH ALTERNATIVE CARE, INC., a
Massachusetts corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JJ BLOCKER CO., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SFNY HOLDINGS, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Schedule 3.2 to Guaranty

STANDARD FARMS OHIO LLC, an Ohio limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS LLC, a Pennsylvania limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SH FINANCE COMPANY, LLC, a Delaware limited liability
company
By: SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company, its sole member

By: JJ BLOCKER CO., a Delaware corporation, its sole member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Schedule 3.2 to Guaranty

ACCEPTED BY:

SHENZHEN SMOORE TECHNOLOGY LIMITED, a
company organized and existing under the laws of Peoples'
Republic of China

By: /s/ Jianliang Wang
Name: Jianliang Wang
Title: Head of HC Business

Schedule 3.2 to Guaranty

TILT HOLDINGS, INC.
2801 E. Camelback Road, Suite 180
Phoenix, Arizona 85016

January 28, 2024

Shenzhen Smoore Technology Limited
7201 E Henkel Way, Unit 115
Scottsdale, AZ 85255
Attention: Eula Liu and Cheney Xu

Re: Guaranty (the "**Guaranty**") dated as of January 28, 2024 by Tilt Holdings Inc. ("**TILT**"), Jimmy Jang, L.P. ("**JJLP**"), Baker Technologies, Inc. ("**Baker**"), Commonwealth Alternative Care, Inc. ("**CAC**"), Jimmy Jang Holdings Inc. ("**JJH**"), JJ Blocker Co. ("**JJB**"), SFNY Holdings, Inc. ("**SFNY**"), Sea Hunter Therapeutics, LLC ("**SHT**"), Standard Farms Ohio LLC ("**SF Ohio**"), Standard Farms LLC ("**SF Penn**"), SH Finance Company, LLC ("**SF Finance**"), together with TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SHT, SF Ohio and SF Penn, each a "Guarantor", and collectively the, "**Guarantors**") in favor of Shenzhen Smoore Technology Limited, and certain of its Affiliates collectively, the "**Seller**"). Guarantors and Seller may be referred to herein individually as a "**Party**" and all may be referred to collectively herein as the "**Parties**".

Ladies and Gentlemen:

Reference is made to the above-referenced Guaranty. This side letter agreement sets forth additional conditions with respect to the terms under which each Guarantor is executing and delivering, and Seller is accepting, the Guaranty.

1. Defined Terms. Capitalized Terms used, but not defined in this letter have the meanings given or referenced in the Guaranty, or the Debt and Security Agreement, as applicable.
2. Payment of Invoices. Jupiter Research LLC ("**Jupiter**") and TILT shall, at all times after April 15, 2024, cause to be paid in full all invoices outstanding or delivered by Seller to Jupiter or any Guarantor for products delivered on behalf of Jupiter (each, an "**Invoice**") within 150 days of the date of each such Invoice. For the avoidance of doubt, any Invoices outstanding or delivered by Seller to Jupiter or a Guarantor after June 23, 2024 shall be due and payable by Jupiter and TILT within 120 days after the date of each such Invoice.
3. Conditions to Draws on Guaranty. The Parties have agreed that during the Transition Period (as defined below) Seller will not make a call or demand for payment or performance under the Guaranty or exercise its remedies under the Debt and Security Agreement notwithstanding that Seller may otherwise have the right to do so under the terms of those documents, so long as (i) by April 15, 2024 all Invoices outstanding more than 150 days from the date of such Invoice have been paid, and (ii) by June 23, 2024 all Invoices outstanding more than 120 days from the date of such Invoice have been paid.

The "Transition Period" will begin on the date of this letter and will end on the earliest to occur of:

- (a) June 23, 2024;
-

(b) the declaration of an Event of Default (after giving effect to any cure periods with respect thereto) by Entrepreneur Growth Capital LLC, a Delaware limited liability company, or by Jordan Geotas, in his capacity as Noteholder Representative (as such term is defined in the Subordination and Intercreditor Agreement) for the Noteholders (as such term is defined in the Subordination and Intercreditor Agreement);

(c) failure by Guarantor to make any payment required under the Repayment Plan described in Section 4, as and when required under Section 4;

(d) the occurrence of an Event of Default under the Debt and Security Agreement, or any other Transaction Document; and

(e) the failure by any Guarantor to perform any obligation of such Guarantor arising under this side letter agreement.

4. Defaults. For the purposes of Paragraph 3 and Paragraph 5 of this side letter agreement, during the Transition Period the failure by a Guarantor to make a payment on any Invoice delivered by Secured Party to Jupiter or Tilt within (i) 150 days of the date of such invoice before April 15, 2024, or (ii) 120 days of the date of such invoice before June 23, 2024 will not constitute an Event of Default under the Debt and Security Agreement as long as Guarantors make such payments, including principal and applicable interest, as are required to reduce the aggregate balance of all unpaid Invoices as set forth in Appendix 1 (the "**Repayment Plan**").

5. Shipments by Seller. Seller will cause product orders to be fulfilled in a timely manner in accordance with the terms to be mutually agreed upon in writing between the parties hereto, contingent upon satisfaction of each of the following conditions:

(a) the Guaranty is in full force and effect;

(b) no Event of Default has occurred under the Transaction Documents;

(c) each Guarantor has made all payments under the Repayment Plan, as and when required under Section 4; and

(d) the Credit Line has not exceeded, at any time during each applicable period of time, (i) \$31,000,000 from April 30, 2024 to June 29, 2024, (ii) \$29,000,000 from June 30, 2024 to September 29, 2024, (iii) \$27,000,000 from September 30, 2024 to December 30, 2024, and (iv) \$25,000,000 from December 31, 2024 to the termination date (as set forth in Section 6 hereof) of this side letter agreement.

6. Termination. This side letter agreement will automatically terminate and be of no further force or effect upon the earlier of (a) the date on which all of the Transaction Documents have been terminated, or (b) the date on which the Parties have mutually agreed to terminate this side letter agreement.

Sincerely,
TILT HOLDINGS INC., a corporation formed under the
laws of British Columbia

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JIMMY JANG, L.P., a Delaware limited partnership

By: Jimmy Jang Holdings Inc., its general partner

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

BAKER TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Signature Page to Side Letter Agreement

COMMONWEALTH ALTERNATIVE CARE, INC., a
Massachusetts corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JJ BLOCKER CO., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SFNY HOLDINGS, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Signature Page to Side Letter Agreement

STANDARD FARMS OHIO LLC, an Ohio limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS LLC, a Pennsylvania limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SH FINANCE COMPANY, LLC, a Delaware limited liability
company
By: SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company, its sole member

By: JJ BLOCKER CO., a Delaware corporation, its sole member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

Signature Page to Side Letter Agreement

AGREED AND ACCEPTED:

SHENZHEN SMOORE TECHNOLOGY LIMITED, a company
organized and existing under the laws of Peoples' Republic of China

By: /s/ Jianliang Wang
Name: Jianliang Wang
Title: Head of HC Business

Signature Page to Side Letter Agreement

Appendix 1
Repayment Plan

Guarantors and Jupiter shall repay the outstanding amounts owing from any Guarantor and Jupiter to Seller as follows:

1. Definitions:

- a. "Outstanding Balance": For the purposes of this Appendix 1, the term "**Outstanding Balance**" shall mean, as of the last day of the then most recently ended calendar month, the sum of (a) the aggregate dollar amount of all Invoices owing from any Guarantor or Jupiter to Seller which have not been paid within 90 days of such Invoice's date, and (b) without duplication of any amounts included in clause (a), the aggregate dollar amount of all Invoices owing from any Guarantor or Jupiter to Seller, regardless of the date of such Invoice, in excess of \$25,000,000.
- b. "Credit Line": For the purposes of this Appendix 1, the term "**Credit Line**" shall mean, as of any date of determination, the aggregate dollar amount of all Invoices owing from any Guarantor or Jupiter to Seller.

2. Interest.

- a. The Outstanding Balance shall bear interest at a rate of 8.00% per annum.
- b. All computations of interest shall be calculated on the basis of a year of 360 days for the actual days elapsed.
- c. Under no circumstances shall the interest rate and other charges hereunder exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that Seller has received interest and other charges hereunder in excess of the highest rate applicable hereto, such excess shall be deemed received on account of, and shall automatically be applied to reduce the Outstanding Balance, and the provisions hereof shall be deemed amended to provide for the highest permissible rate. If there is no Outstanding Balance, Seller shall refund to Jupiter and the Guarantors such excess.
- d. Interest shall accrue on the Outstanding Balance each day that an Outstanding Balance exists.
- e. Interest shall accrue on the Credit Line, as applicable and in accordance with the terms of this Annex 1, from the date any Guarantor or Jupiter is required to make a payment to Seller pursuant to the terms of this Annex 1, to the date such payment is made to Seller in accordance with Section 6 of this Annex 1.
- f. All accrued but unpaid interest on the Outstanding Balance and Credit Line, as applicable, shall be due and payable, in arrears, on or before the last day of the month following the month in which such interest accrued, or such later date as Seller may determine in its sole discretion.

3. Temporary Increase Repayment. Guarantors and Jupiter shall, on or before April 30, 2024, cause the Credit Line as of such date to be no greater than \$31,000,000.
-

4. Line Reduction Commitment. Guarantors and Jupiter shall, as of each date set forth below and each day thereafter, cause the Credit Line to be no greater than:
 - a. \$29,000,000, as of June 30, 2024;
 - b. \$27,000,000, as of September 30, 2024;
and
 - c. \$25,000,000, as of December 31, 2024.
 5. Default Event. In the event that any Guarantor fails to pay or perform any of the aforementioned terms, it will constitute a **Repayment Event of Default**. Upon the occurrence and during the continuation of a Repayment Event of Default, at Seller's option, the entire dollar amount of the Credit Line in excess of any insurance payments actually received by Seller in connection with any Invoices shall bear interest at the rate set forth in Section 2 of this Appendix 1. The rights conferred by this Section 4 are in supplement of and in addition to and not in substitution for any other rights or powers Smoore may have from time to time under this Repayment Plan, the side letter Agreement, the Transaction Documents any other related agreements, and under applicable law.
 6. Payments. All payments due hereunder shall be made available to Seller in immediately available funds not later than the specified due date of any such payment, to the address specified by Seller from time to time by notice to Guarantors and Jupiter.
 7. Mutual Agreement. The terms of this Repayment Plan are mutually agreed upon by the Parties and constitute an integral part of the side letter agreement.
-

SUBORDINATION AND INTERCREDITOR AGREEMENT

This SUBORDINATION AND INTERCREDITOR AGREEMENT, dated as of January 28, 2024 (this “**Agreement**”), is entered into by and among ENTREPRENEUR GROWTH CAPITAL LLC, a Delaware limited liability company (“**EGC**” or “**Working Capital Lender**”), JORDAN GEOTAS, acting on behalf of himself, and on behalf of the Noteholders (as defined below) (in such capacity the “**Noteholder Representative**”, together with EGC, each individually an “**Existing Creditor**”, and collectively, the “**Existing Creditors**”), SHENZHEN SMOORE TECHNOLOGY LIMITED, a company organized and existing under the laws of Peoples’ Republic of China and any of its affiliates joined hereto (collectively, “**Smooore**”), and JUPITER RESEARCH, LLC, an Arizona limited liability company (“**Jupiter**”). Each of the Existing Creditors, Smooore and TILT may be referred to individually herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, TILT Holdings Inc., a corporation formed under the laws of British Columbia (“**TILT**”), Jimmy Jang, L.P., a Delaware limited partnership (“**JJLP**”), Baker Technologies, Inc., a Delaware corporation (“**Baker**”), Commonwealth Alternative Care, Inc., a Massachusetts corporation (“**CAC**”), Jimmy Jang Holdings Inc., a British Columbia corporation (“**JJH**”), JJ Blocker Co., a Delaware corporation (“**JJB**”), SFNY Holdings, Inc., a Delaware corporation (“**SFNY**”), Sea Hunter Therapeutics, LLC, a Delaware limited liability company (“**SEA**”), Standard Farms Ohio LLC, an Ohio limited liability company (“**SF Ohio**”), Standard Farms LLC, a Pennsylvania limited liability company (“**SF Penn**”), SH Finance Company, LLC, a Delaware limited liability company (“**SF Finance**”), and Jupiter (collectively with TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, SF Penn, SF Finance, each individually an “**Obligor**”, and collectively, the “**Obligors**”) and Smooore are contemporaneously herewith entering into that certain Debt and Security Agreement, dated as of even date herewith (as amended, restated, modified, renewed, extended, or replaced from time to time, the “**Debt and Security Agreement**”);

WHEREAS, Working Capital Lender has made or may make loans from time to time to Jupiter and the payment of a portion of such loans are guaranteed by Tilt and to secure such guaranty, Tilt granted EGC a lien and security interest in its assets;

WHEREAS, the Noteholders have made and may make loans from time to time to Tilt which loans are secured by liens and security interest in the assets of Obligors; and

WHEREAS, each Existing Creditor and Smooore have agreed to enter into this Agreement to set forth their relative priorities of the liens and security interests granted by the Obligors to the Parties.

NOW, THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties set forth herein and for other good and valuable consideration, the parties hereto agree as follows:

1. Defined Terms. As used in this Agreement (including the foregoing preamble and Recitals), the following terms shall have the meanings specified below:

“**Account**” or “**Accounts**” shall have the same meaning as contained in the UCC and shall also include contract rights and general intangibles related to Accounts, payment intangibles, instruments, and to all proceeds thereof including, but not limited to, credit card receivables, amounts payable from a credit card processor and the proceeds of any insurance thereon.

“**Affiliate**” shall mean, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, the specified Person. For the purposes of this definition, “**Control**” shall mean the possession, directly or

indirectly, of more than fifty percent (50%) of the voting equity interests and the right to exercise same. The terms **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Bankruptcy Code” means the Bankruptcy Code in Title 11 of the United States Code, as amended, modified, succeeded, or replaced from time to time.

“Business Day” means any day that is not a Saturday, Sunday, or other day on which commercial banks in Arizona or New York are authorized or required by law to remain closed.

“Collateral” means any and all property and interests in property that secures all or a portion of the Indebtedness.

“Collections Account” means a “deposit account” (as such term is defined in the UCC) in the name of Jupiter established pursuant to the Working Capital Loan Agreement under the “control” (as such term is defined in the UCC) of Working Capital Lender.

“Creditor” means any of Smoore and the Existing Creditors.

“Documents” means, collectively, the Working Capital Loan Documents, the Noteholder Documents and the Smoore Documents.

“Enforcement Action” means (a) to take from or for the account of any Obligor by setoff or in any other manner, the whole or any part of any moneys which may now or hereafter be owing by any Obligor with respect to Indebtedness, (b) to sue any Obligor for payment of, or to initiate or participate with others in any suit, action or proceeding against any Obligor to (i) enforce payment or performance of or to collect the whole or any part of any of the Indebtedness or (ii) commence judicial enforcement against any Obligor of any of the rights and remedies under the applicable Documents or applicable law with respect to the applicable Indebtedness, including, without limitation, the commencement of (or joining in) a Proceeding, (c) to exercise any put option to any Obligor or to cause any Obligor to honor any redemption or mandatory prepayment obligation under any Document, (d) to notify account debtors or directly collect Accounts in respect of any of the Indebtedness, (e) to take any action under the provisions of any state or federal law, including, without limitation, the UCC, or under any contract or agreement, to enforce, foreclose upon, take possession of or sell any Collateral, or (f) to exercise in any other manner any remedies (including enforcing any security interest) against any Obligor with respect to any of the Indebtedness set forth in any applicable Document or that otherwise might be available at law, in equity, pursuant to judicial proceeding or otherwise in respect of the applicable Indebtedness; provided, however, that the term Enforcement Action shall not include (w) any suit or action initiated or maintained by a Creditor within thirty (30) days of the expiration of, and solely to the extent such suit or action is necessary to prevent the expiration of, any applicable statute of limitations or similar permanent restriction on claims (provided that no payment on the applicable Indebtedness or money damages are received or retained in connection therewith), (x) upon the occurrence and during the continuation of an event of default with respect to any Indebtedness, accruing any increased interest with respect to such Indebtedness as a result of such event of default, or (y) the filing of any notice in a Proceeding not in violation of this Agreement.

“Existing Intercreditor Agreement” means that certain Amended and Restated Subordination and Intercreditor Agreement, dated as of March 13, 2023, by and among TILT, Jupiter, EGC, and the Noteholder Representative (as may be amended, restated, amended and restated, or otherwise modified from time to time).

“Indebtedness” means, collectively, the Working Capital Indebtedness, the Note Indebtedness and the Smoore Indebtedness.

“**Inventory**” shall have the meaning given to such term in the UCC and shall also include all of each Person’s now owned and hereafter acquired goods, merchandise or other personal property, wherever located, to be furnished under any contract of service or held for sale or lease, all raw materials, work in process, finished goods and materials and supplies of any kind, nature or description which are or might be used or consumed in such Person’s business or used in connection with the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise or other personal property, and all documents of title or other documents representing any of the above, and such Person’s books relating to any of the foregoing.

“**Lien**” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, option, levy, execution, attachment, garnishment, hypothecation, assignment for security, deposit arrangement, encumbrance, charge, security interest, or other preferential arrangement in the nature of a security interest of any kind or nature whatsoever, on or of such asset, and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease, or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

“**Note Agreement**” means the Secured Note Purchase Agreement dated as of November 1, 2019, among Jupiter, affiliates of Jupiter, Noteholder Representative and the Noteholders, as amended, restated, supplemented, or otherwise modified from time to time,

“**Noteholders**” means, collectively, the Persons identified as the Purchasers under the Secured Note Purchase Agreement (each individually, a “**Noteholder**”).

“**Noteholder Documents**” means the Note Agreement and all other documents and instruments evidencing, securing or pertaining to any portion of the Note Indebtedness, as amended, restated, supplemented, or otherwise modified from time to time.

“**Noteholder Indebtedness**” means the Obligations (as defined in the Note Agreement) and other obligations and liabilities now or hereafter owed to any of the Noteholders pursuant to the Note Documents, whether before or after the commencement of a Proceeding and without regard to whether or not an allowed claim, and all obligations and liabilities incurred with respect to Permitted Refinancings, together with any amendments, restatements, modifications, renewals, increases or extensions of any thereof permitted hereunder.

“**Paid in Full**” or “**Payment in Full**” means as respects the applicable Indebtedness, the payment in full in cash of such Indebtedness other than inchoate obligations for which no claim has been made and the termination of all obligations on the part of any Creditor to advance funds with respect thereto.

“**Permitted Refinancing**” means any refinancing of the applicable Indebtedness pursuant to Permitted Refinancing Loan Documents.

“**Permitted Refinancing Loan Documents**” means, with respect to any Indebtedness, any financing documentation which replaces the documentation relating to such Indebtedness, and pursuant to which such Indebtedness is refinanced (in each case in accordance with then applicable Documents or Permitted Refinancing Loan Documents, as the case may be), as such financing documentation may be amended, restated, supplemented, or otherwise modified from time to time.

“**Person**” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association or joint venture.

“**Proceeding**” means any voluntary or involuntary insolvency, bankruptcy, receivership, custodianship, liquidation, dissolution, reorganization, assignment for the benefit of creditors or other proceeding for the liquidation, dissolution or other winding up of TILT, Jimmy Jang, Jupiter, or any of their respective subsidiaries or any of their respective properties.

“**Smooere Collateral**” means all Collateral other than Working Capital Collateral.

“**Smooere Default Notice**” means a notice of default or event of default under the Smooere Documents, such notice to be sent in accordance with Section 16 hereof to each of the Parties hereto.

“**Smooere Documents**” means the Smooere Guaranty, Debt and Security Agreement and all other documents and instruments evidencing, securing or pertaining to any portion of the Smooere Indebtedness, as amended, restated, supplemented, or otherwise modified from time to time as permitted hereunder.

“**Smooere Guaranty**” means that certain Guaranty dated as of the date hereof, by TILT, JLP, Baker, CAC, JJH, JJB, SFNY, SEA, Standard Farms, SF Ohio, SF Penn, and SF Finance, in favor of Smooere.

“**Smooere Indebtedness**” means the Secured Obligations, as defined under the Debt and Security Agreement.

“**Supporting Obligation**” shall have the meaning given to such term in the UCC.

“**UCC**” means Article 1 or Article 9 of the Uniform Commercial Code in effect from time to time in the State of California.

“**Working Capital Collateral**” means the following property of Jupiter, in each case, whether now owned or existing or hereafter created, acquired or arising and wherever located: (a) Jupiter’s Accounts; (b) Jupiter’s Inventory, merchandise, materials, whether raw, work in progress or finished goods, packaging and shipping materials and all other tangible property held for sale or lease; (c) Proceeds of any of the foregoing, including Cash Proceeds and other non-cash Proceeds, and proceeds of any insurance policies covering any of the of the foregoing; (d) the Collections Account, (e) Jupiter’s records, to the extent related to any of the foregoing, including all books, records and other property at any time evidencing or relating to any of the foregoing, and all electronic means of storing such records; (f) to the extent not otherwise included above, all collateral support and Supporting Obligations relating to any of the foregoing; and (g) to the extent not otherwise included above, all products and accessions of or in respect of any of the foregoing.

“**Working Capital Default Notice**” means a notice of default or event of default under the Working Capital Loan Documents, such notice to be sent in accordance with **Section 21** hereof to each of the parties hereto.

“**Working Capital Indebtedness**” means the Obligations (as defined in the Working Capital Loan Agreement) in an aggregate principal amount not to exceed \$16,500,000 and all other amounts and other obligations and liabilities now or hereafter owed by Jupiter to Working Capital Lender pursuant to the Working Capital Loan Documents, whether before or after the commencement of a Proceeding and without regard to whether or not an allowed claim, and all obligations and liabilities incurred with respect to Permitted Refinancings, together with any amendments, restatements, modifications, renewals, increases or extensions of any thereof permitted hereunder.

“**Working Capital Loan Agreement**” means that Loan and Security Agreement dated July 21, 2021, among Jupiter, Tilt and Working Capital Lender (as amended, restated, supplemented, or otherwise modified from time to time, including, without limitation, by that Joinder and First Amendment to Loan and Security Agreement dated March 13, 2023).

“**Working Capital Loan Documents**” means the Working Capital Loan Agreement and all other documents and instruments evidencing, securing or pertaining to any portion of the Working Capital Indebtedness, as amended, restated, supplemented, or otherwise modified from time to time as permitted hereunder. Notwithstanding the foregoing, the Working Capital Loan Documents shall not include the TILT Security Agreement.

2. Consents. Each Existing Creditor hereby acknowledges and consents to the Liens and encumbrances contemplated under the Smoore Documents and the creation and existence of the Smoore Indebtedness, notwithstanding any restriction on Liens, security interests and other encumbrances (i.e. any negative pledge) with respect to the Collateral or the creation or existence of Indebtedness which may be contained in the Noteholder Documents or the Working Capital Loan Documents.

3. Subordination of Existing Creditor Liens in Smoore Collateral. Regardless of the time, manner, or order of perfection and notwithstanding any provision of the UCC or any other applicable law or the Documents or any defect or deficiencies in, or failure to perfect or lapse in perfection of, or avoidance as a fraudulent conveyance or otherwise of, the Liens securing the indebtedness of any Obligor owing to any Existing Creditor or Smoore, the subordination of such Liens to any other Liens, or any other circumstance whatsoever, whether or not any Proceeding has been commenced by or against any Obligor, each Existing Creditor hereby agrees that any Lien on the Smoore Collateral now or hereafter held by or on behalf of an Existing Creditor, or any agent or trustee therefor regardless of how acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the Smoore Collateral securing the Smoore Indebtedness. Each Existing Creditor (i) shall promptly execute and/or deliver to Smoore such UCC financing statement amendments or other documents as Smoore shall reasonably request to evidence or give notice of the priority of Smoore’s Liens in the Smoore Collateral and (ii) shall be deemed to have authorized Smoore to file any and all UCC financing statement amendments to evidence or give notice of the priority of Smoore’s Liens in the Smoore Collateral required by Smoore in respect of such Liens. In furtherance of the foregoing, each Existing Creditor hereby irrevocably appoints Smoore its attorney-in-fact, with full authority in the place and stead of such Existing Creditor and in the name of such Existing Creditor or otherwise, to execute and deliver any document or instrument which such Existing Creditor may be required to deliver pursuant to this **Section 3**.

4. Subordination of Smoore Liens in Working Capital Collateral. Regardless of the time, manner, or order of perfection and notwithstanding any provision of the UCC, or any other applicable law or the Documents or any defect or deficiencies in, or failure to perfect or lapse in perfection of, or avoidance as a fraudulent conveyance or otherwise of, the Liens securing the Indebtedness, the subordination of such Liens to any other Liens, or any other circumstance whatsoever, whether or not any Proceeding has been commenced by or against Jupiter, Smoore hereby agrees that any Lien on the Working Capital Collateral now or hereafter held by or on behalf of Smoore, or any agent or trustee therefor regardless of how acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the Working Capital Collateral securing any Working Capital Indebtedness. All Liens on the Working Capital Collateral securing any Working Capital Indebtedness shall be and remain senior in all respects and prior to all Liens on the Working Capital Collateral securing any other Indebtedness for all purposes. Smoore (i) shall promptly execute and/or deliver to EGC such UCC financing statement amendments or other documents as EGC shall reasonably request to evidence or give notice of the priority of EGC’s Liens in the Working Capital Collateral and (ii) shall be deemed to have

authorized Working Capital Lender to file any and all UCC financing statement amendments to evidence or give notice of the priority of EGC's Liens in the Working Capital Collateral required by EGC in respect of such Liens. In furtherance of the foregoing, Smoore hereby irrevocably appoints EGC its attorney-in-fact, with full authority in the place and stead of such Smoore and in the name of Smoore or otherwise, to execute and deliver any document or instrument which Smoore may be required to deliver pursuant to this **Section 4**.

5. Proceedings and Enforcement Actions.

(a) From and after delivery to an Existing Creditor of a Smoore Default Notice (but only so long as the Event of Default giving rise to such Smoore Default Notice has not been waived or cured), any payment (whether made in cash, securities or other property) received by such Existing Creditor which, but for the terms hereof, otherwise would be payable or deliverable out of, from the proceeds of, in lieu of, or in respect of the Smoore Collateral, shall be paid or delivered directly to Smoore (to be held and/or applied by Smoore to the repayment of any and all then outstanding Smoore Indebtedness in accordance with the terms of the Smoore Documents until all Smoore Indebtedness is Paid in Full), and each Existing Creditor irrevocably authorizes, empowers and directs all debtors, debtors-in-possession, receivers, trustees, liquidators, custodians, conservators and others having authority in the premises to effect all such payments and deliveries, and, subject to the provisions hereof, each Existing Creditor also irrevocably authorizes, empowers and directs Smoore to demand, sue for, collect and receive every such payment or distribution.

(b) From and after delivery to Smoore of a Working Capital Default Notice (but only so long as the Event of Default giving rise to such Working Capital Default Notice has not been waived or cured) any payment (whether made in cash, securities or other property) received by Smoore which, but for the terms hereof, otherwise would be payable or deliverable out of, from the proceeds of, in lieu of, or in respect of the Working Capital Collateral, shall be paid or delivered directly to EGC (to be held and/or applied by EGC to the repayment of any and all then outstanding Working Capital Indebtedness in accordance with the terms of the Working Capital Loan Documents until all Working Capital Indebtedness is Paid in Full), and Smoore irrevocably authorizes, empowers and directs all debtors, debtors-in-possession, receivers, trustees, liquidators, custodians, conservators and others having authority in the premises to effect all such payments and deliveries, and, subject to the provisions hereof, Smoore also irrevocably authorizes, empowers and directs EGC to demand, sue for, collect and receive every such payment or distribution.

(c) Each Existing Creditor agrees to execute and deliver to each other Creditor or its representative all such further instruments confirming the authorization referred to in the foregoing clause (a).

(d) Smoore agrees to execute and deliver to each other Creditor or its representative all such further instruments confirming the authorization referred to in the foregoing clause (b).

(e) In the event of a Proceeding, the provisions of this Agreement shall continue to govern the relative rights and priorities of Creditors even if all or part of the Liens securing the Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Proceeding.

(f) Except as expressly set forth in this Agreement, no Creditor shall be deemed to have waived or relinquished any rights that it may have with respect to any claims or otherwise in connection with any Proceeding. For purposes of clarification, each Creditor retains its rights, to the extent such Creditor's actions are at all times consistent with and in compliance with this Agreement, to otherwise act in any Proceeding in its capacity as a holder of Indebtedness to the fullest extent provided by law.

(g) Until the Debt and Security Agreement and the Smoore Guaranty have been terminated in accordance with their terms with respect to an Obligor, no Existing Creditor shall, without the prior written consent of Smoore, take any Enforcement Action with respect to that Obligor's right, title and interest in the Smoore Collateral and Smoore shall have the exclusive right to commence and maintain any such Enforcement Action or otherwise enforce rights, exercise remedies (including set off, recoupment and the right to credit bid their debt) and to make determinations regarding the release, disposition, or restrictions with respect to such Smoore Collateral. In commencing or maintaining any Enforcement Action or otherwise exercising rights and remedies with respect to such Smoore Collateral, Smoore may enforce the provisions of the Smoore Documents and exercise remedies thereunder, all in such order and in such manner as it may determine in the exercise of its sole discretion in compliance with any applicable law and without consultation with any other Creditor and regardless of whether any such exercise is adverse to the interest of any other Creditor. Such exercise and enforcement shall include the rights of an agent appointed by Smoore to sell or otherwise dispose of such Smoore Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured creditor under the UCC and of a secured creditor under the laws of any applicable jurisdiction. Additionally, and for the avoidance of doubt, until the Debt and Security Agreement and the Smoore Guaranty have been terminated in accordance with their terms with respect to an Obligor, each Existing Creditor hereby covenants and agrees that it shall not:

(1) take any action adverse to the priority status of the Liens on the Smoore Collateral securing the Smoore Indebtedness or the rights of Smoore as provided herein;

(2) make any filings (other than statements of interest) or file any responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading in any Proceeding, in each case, which are inconsistent with the provisions of this Agreement;

(3) vote on any plan of reorganization, arrangement, compromise or liquidation, make other filings, make any arguments and motions, in each case, which are inconsistent with the provisions of this Agreement;

(4) credit bid for the Smoore Collateral at any public, private or judicial foreclosure upon the Smoore Collateral initiated by Smoore, or any sale of the Smoore Collateral during a Proceeding; or bid for or purchase the Smoore Collateral at any public, private or judicial foreclosure upon the Smoore Collateral initiated by Smoore, or any sale of the Smoore Collateral during a Proceeding where such bid or purchase would not result in Payment in Full of the Smoore Indebtedness; and

(5) have (and hereby agrees to waive) any and all rights it may have as a junior lien creditor (including junior lien rights to assert any marshaling, appraisal, valuation or other similar right) or otherwise to object to the manner in which Smoore seeks to enforce or collect the Smoore Indebtedness, regardless of whether any action or failure to act by or on behalf of Smoore is adverse to the interest of any Existing Creditor, provided nothing herein will prevent any such Existing Creditor from seeking adequate protection payments in any Proceeding to the extent Smoore is also being offered adequate protection payments.

(h) Until the Working Capital Loan Documents have been terminated in accordance with their terms, Smoore shall not, without the prior written consent of EGC, take any Enforcement Action with respect the Working Capital Collateral and EGC shall have the exclusive right to commence and maintain any such Enforcement Action or otherwise enforce rights, exercise remedies (including set off, recoupment and the right to credit bid their debt) and to make determinations regarding the release, disposition, or restrictions with respect to such Working Capital Collateral. In commencing or maintaining any Enforcement Action or otherwise exercising rights and remedies with respect to such Working Capital

Collateral, EGC may enforce the provisions of the Working Capital Loan Documents and exercise remedies thereunder, all in such order and in such manner as it may determine in the exercise of its sole discretion in compliance with any applicable law and without consultation with any other Creditor and regardless of whether any such exercise is adverse to the interest of any other Creditor. Such exercise and enforcement shall include the rights of an agent appointed by EGC to sell or otherwise dispose of such Working Capital Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured creditor under the UCC and of a secured creditor under the laws of any applicable jurisdiction. Additionally, and for the avoidance of doubt, until the Working Capital Loan Documents have been terminated in accordance with their terms with respect to an Obligor, Smoore hereby covenants and agrees that it shall not:

(1) take any action adverse to the priority status of the Liens on the Working Capital Collateral securing the Working Capital Indebtedness or the rights of EGC as provided herein;

(2) make any filings (other than statements of interest) or file any responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading in any Proceeding, in each case, which are inconsistent with the provisions of this Agreement;

(3) vote on any plan of reorganization, arrangement, compromise or liquidation, make other filings, make any arguments and motions, in each case, which are inconsistent with the provisions of this Agreement;

(4) credit bid for the Working Capital Collateral at any public, private or judicial foreclosure upon the Working Capital Collateral initiated by EGC, or any sale of the Working Capital Collateral during a Proceeding; or bid for or purchase the Working Capital Collateral at any public, private or judicial foreclosure upon the Working Capital Collateral initiated by EGC, or any sale of the Working Capital Collateral during a Proceeding where such bid or purchase would not result in Payment in Full of the Working Capital Indebtedness; and

(5) have (and hereby agrees to waive) any and all rights it may have as a junior lien creditor (including junior lien rights to assert any marshaling, appraisal, valuation or other similar right) or otherwise to object to the manner in which EGC seeks to enforce or collect the Working Capital Indebtedness, regardless of whether any action or failure to act by or on behalf of EGC is adverse to the interest of Smoore, provided nothing herein will prevent Smoore from seeking adequate protection payments in any Proceeding to the extent EGC is also being offered adequate protection payments.

(i) Each Creditor acknowledges and agrees that:

(1) the grants of Liens pursuant to the Documents constitute separate and distinct grants of Liens; and

(2) because of, among other things, their differing rights in the assets of Obligors, the Smoore Indebtedness, the Working Capital Indebtedness and the Noteholder Indebtedness each are fundamentally different and must be separately classified in any plan of reorganization proposed or adopted in any Proceeding.

(j) The Parties hereto acknowledge that this Agreement is a “**subordination agreement**” under section 510(a) of the Bankruptcy Code, which will be effective before, during and after the commencement of any Proceeding. All references in this Agreement to any Obligor will include such Person as a debtor-in-possession and any receiver or trustee for such Person in a Proceeding.

6. Reserved.

7. Incorrect Payments. If any payment (whether made in cash, securities or other property) not expressly permitted under this Agreement is received by any Existing Creditor on account of Indebtedness before such Existing Creditor is entitled to such payment under the terms of this Agreement, such payment shall be held in trust by such Existing Creditor first for the benefit of Smoore and then the other Creditors and shall immediately be paid over first to Smoore and then the applicable Creditor, or its designated representative, for application to the payment of the applicable Indebtedness in accordance with the terms of this Agreement. If any payment (whether made in cash, securities or other property) not expressly permitted under this Agreement is received by Smoore on account of Indebtedness before Smoore is entitled to such payment under the terms of this Agreement, such payment shall be held in trust by Smoore first for the benefit of EGC and then the other Creditors and shall immediately be paid over first to EGC and then the applicable Creditor, or its designated representative, for application to the payment of the applicable Indebtedness in accordance with the terms of this Agreement.

8. Conflict. In the event of any conflict between any term, covenant or condition of this Agreement and any term, covenant or condition of any of the Documents, the provisions of this Agreement shall control and govern.

9. Sale, Transfer. No Creditor shall sell, assign, dispose of or otherwise transfer all or any portion of its rights and obligations in respect of the Working Capital Indebtedness or the Noteholder Indebtedness unless, prior to the consummation of any such action, any such transferee or assignee, as a condition to acquiring an interest in the Working Capital Indebtedness or the Noteholder Indebtedness shall agree to be bound hereby, in form satisfactory to Smoore. Notwithstanding the failure to satisfy the foregoing conditions, such transfer shall be valid, and the subordination effected hereby shall survive any sale, assignment, disposition or other transfer of all or any portion of any Working Capital Indebtedness or the Noteholder Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of each Creditor. Smoore shall not sell, assign, dispose of or otherwise transfer all or any portion of its rights and obligations in respect of the Smoore Indebtedness unless, prior to the consummation of any such action, (a) such Creditor receives the prior written consent of EGC to such action, and (b) any such transferee or assignee, as a condition to acquiring an interest in the Smoore Indebtedness shall agree to be bound hereby, in form satisfactory to EGC. Notwithstanding the failure to satisfy the foregoing conditions, such transfer shall be valid, and the subordination effected hereby shall survive any sale, assignment, disposition or other transfer of all or any portion of any Smoore Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of each Creditor. Each Creditor, upon the request of another Creditor and at the expense of Obligors, shall reasonably cooperate and promptly execute and deliver such further documents and do such further acts and things as such Creditor may reasonably request in order to affect fully the purposes of this Section.

10. Collateral in Existing Creditor's Possession or Control. Each Existing Creditor possessing or controlling Collateral hereby agrees and acknowledges that such Existing Creditor does so subject to the terms of this Agreement.

11. Relationship with Existing Intercreditor Agreements. Each Existing Creditor hereby acknowledges and consents to (a) Smoore entering into and performing its obligations under this Agreement, and (b) the Lien priorities and any rights granted to Smoore hereunder, notwithstanding any restriction or contrary provisions that may be contained in the documents evidencing the Working Capital Indebtedness or the Noteholder Indebtedness. Notwithstanding the foregoing, nothing herein shall amend or modify any provision of the Existing Intercreditor Agreements or any documents evidencing the Working Capital Indebtedness or the Noteholder Indebtedness, and Smoore and Existing Creditors acknowledge and agree that the relative priorities of the Existing Creditors' Liens, encumbrances and claims

in and to the Collateral, as such exist among the Existing Creditors, will be set forth in the Existing Intercreditor Agreements.

12. Reserved.

13. Continued Effectiveness of this Agreement; Modifications.

(a) The terms of this Agreement, the subordination effected hereby, and the rights and the obligations of Smoore and the Existing Creditors arising hereunder, shall not be affected, modified or impaired in any manner or to any extent by: (i) any amendment or modification of or supplement to the Documents (including any increase in the amount thereof or any Permitted Refinancing); (ii) the validity or enforceability of any of such documents; (iii) any exercise or non-exercise of any right, power or remedy under or in respect of the applicable Indebtedness or any of the instruments or documents referred to in clause (i) above; or (iv) the commencement of any Proceeding in respect of any Obligor.

(b) Except as expressly provided in **Section 5**, each Creditor may at any time and from time to time without the consent of or notice to any other Creditor, without incurring liability to any other Creditor and without impairing or releasing the obligations of any other Creditor under this Agreement, change the manner or place of payment or extend the time of payment of or renew or alter any Indebtedness, or amend, restate, supplement, or otherwise modify in any manner any Document.

(c) Each Creditor waives any and all rights it may have to require any other Creditor to marshal assets, to exercise rights or remedies in a particular manner, or to forbear from exercising such rights and remedies in any particular manner or order. Each Creditor hereby waives all notice of the acceptance by the other Creditors of the subordination and other provisions of this Agreement, and each Creditor expressly consents to reliance by each other Creditor upon the subordination and other agreements as herein provided.

14. Representations and Warranties. Each Existing Creditor and Smoore hereby represents and warrants to the each of the other Creditors as follows (in each case solely with respect to, or as relevant to, itself or himself, as applicable):

(a) Existence and Power. To the extent such Person is not a natural person, such Person is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, organization or formation, as applicable.

(b) Authority. To the extent such Person is not a natural person, such Person has the power and authority to execute, deliver and perform its obligations under this Agreement, all of which have been duly authorized by all proper and necessary action required by such Person.

(c) Binding Agreements. This Agreement constitutes the legal valid and binding obligation of such Person, enforceable against the Existing Creditors and Smoore, as the case may be, in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally and by equitable principles.

(d) Conflicting Agreements. The execution, delivery and performance of this Agreement by such Person does not (a) to the extent such Person is not a natural person, contravene the terms of such Person's organization documents, (b) conflict with or result in any material breach or contravention of, or result in the creation of any lien under, any material contract or agreement to which such Person is a party or to which such Person's property is subject or any order, injunction, writ or decree

of any governmental authority to which such Person or such Person's property is subject or (c) violate any law, rule or regulation binding upon such Person or such Person's property.

(e) **Default under Documents.** To the best of each Party's knowledge, and except as set forth in Schedule 14(e), on the date hereof, no default exists under or with respect to Noteholder Indebtedness, the Working Capital Indebtedness or the Smoore Indebtedness, as the case may be.

15. Noteholder Representative. The Creditors shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication delivered by Noteholder Representative on behalf of any Noteholder. Any Creditor may give any notice or communication with a Noteholder hereunder to Noteholder Representative on behalf of such Noteholder. Any Creditor shall deal exclusively with Noteholder Representative for any or all purposes under this Agreement or the Documents. Each Noteholder has agreed pursuant to the Secured Note Purchase Agreement that any notice, election, communication, representation, agreement or undertaking made on its behalf by Noteholder Representative shall be binding upon and enforceable against it.

16. No Third-Party Beneficiaries. The provisions of this Agreement are solely for the purpose of defining the relative rights of Smoore and the Existing Creditors and shall not be deemed to create any rights or priorities in favor of any other Person, including, without limitation, any Obligor.

17. Default Notices. Each Creditor and each of the Obligors shall provide the other Creditors, upon the occurrence of each, notice of a default from any Creditor to any of the Obligors.

18. Additional Documents and Actions. Each Party hereto at any time, and from time to time, after the execution and delivery of this Agreement, upon the request of any other Party hereto and at the expense of Obligors, promptly will execute and deliver such further documents and do such further acts and things as such other Party may reasonably request in order to affect fully the purposes of this Agreement.

19. Cumulative Rights, No Waivers. Each and every right, remedy and power granted to any Creditor hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Documents to such Creditor now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by each Creditor, subject to the terms of this Agreement, from time to time, concurrently or independently and as often and in such order as such Creditor may deem expedient. Any failure or delay on the part of any Creditor in exercising any such right, remedy or power, or abandonment or discontinuance of steps to enforce the same, shall not operate as a waiver thereof or affect any other Creditors' right thereafter to exercise the same, and any single or partial exercise of any such right, remedy or power shall not preclude any other or further exercise thereof or the exercise of any other right, remedy or power, and no such failure, delay, abandonment or single or partial exercise of such other Creditors' rights hereunder shall be deemed to establish a custom or course of dealing or performance among the Parties hereto.

20. Termination. This Agreement shall terminate with respect to any Obligor and its right title and interest in any Collateral, upon the earlier of (a) the Debt and Security Agreement and the Guaranty having been terminated in accordance with their terms, or (b) the payment in full in cash of the Noteholder Indebtedness and the Working Capital Indebtedness and the full termination and release of the documents evidencing the Working Capital Indebtedness and the Noteholder Indebtedness; *provided, however*, this Agreement shall be reinstated if at any time any payment of any of the Smoore Indebtedness, the Working Capital Indebtedness or the Noteholder Indebtedness is rescinded or must otherwise be returned by any holder of the Smoore Indebtedness, the Working Capital Indebtedness or the Noteholder Indebtedness, or

portion thereof, intended to have been satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

21. Notices. All notices and communications under this Agreement shall be in writing and shall be delivered by electronic mail, and, may additionally be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, (iii) delivered by overnight express courier, or (iv) sent by telecopy (with such telecopy to be confirmed promptly in writing sent in accordance with (i), (ii) or (iii) above), addressed in each case to the address set forth under each such Party's signature, to any other address, as to any of the Parties hereto, as such Party shall designate in a written notice to the other Parties hereto. All notices sent pursuant to the terms of this Section shall be deemed received (i) if personally delivered, then on the Business Day of delivery, (ii) if sent by overnight, express carrier, on the next Business Day immediately following the day sent, (iii) if sent by registered or certified mail, on the earlier of the third Business Day following the day sent or when actually received, (iv) if delivered by telecopy, on the date of transmission if transmitted on a Business Day before 4:00 p.m. New York time, otherwise on the next Business Day, or (v) if by e-mail, confirmation of actual receipt of the recipient thereof, if transmitted on a business day before 4:00 p.m. New York time or, otherwise on the next Business Day.

22. Amendments; Etc. No waiver of any provision of this Agreement, and no consent to any departure by Smoore or any Existing Creditor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Party against whom the waiver or consent is sought to be enforced, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No amendment of any provision of this Agreement shall be effective unless the same shall be in writing and signed by Smoore and each Existing Creditor. Any notice to or demand on Smoore, or any Existing Creditor in any event not specifically required hereunder shall not entitle Smoore or any Existing Creditor to any other or further notice or demand in the same, similar or other circumstances unless specifically required hereunder.

23. Successors and Assigns. This Agreement shall inure to the benefit of the successors and permitted assigns of Smoore and the Existing Creditors, and shall be binding upon the successors and permitted assigns of the Obligor, Smoore, and the Existing Creditors.

24. Counterparts. This Agreement may be executed in counterparts (and by different Parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

25. Severability. The illegality or unenforceability of any provision of this Agreement or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Agreement.

26. Headings. Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

27. **Governing Law.** THE VALIDITY OF THIS AGREEMENT AND THE OTHER SMOORE DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER SMOORE DOCUMENT IN RESPECT OF SUCH OTHER SMOORE DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD FOR PRINCIPLES OF CONFLICTS OF LAWS.

28. **Jurisdiction and Venue.** THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER SMOORE DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, IN THE STATE OF NEW YORK, PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY SMOORE COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT SMOORE'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SMOORE ELECTS TO BRING SUCH ACTION OR WHERE SUCH SMOORE COLLATERAL OR OTHER PROPERTY MAY BE FOUND AND THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY WORKING CAPITAL COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT EGC'S OPTION IN THE COURTS OF ANY JURISDICTION WHERE EGC ELECTS TO BRING SUCH ACTION OR WHERE SUCH WORKING CAPITAL COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH OBLIGOR, EXISTING CREDITOR, AND SMOORE WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 27.

29. **WAIVER OF JURY TRIAL.** EACH OBLIGOR, EXISTING CREDITOR, AND SMOORE HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE SMOORE DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH OBLIGOR, EXISTING CREDITOR, AND SMOORE REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the Parties hereto has duly executed and delivered this Agreement, or caused this Agreement to be duly executed and delivered by its officer or officers thereunto duly authorized, as of the date first above written:

EXISTING CREDITORS:

ENTREPRENEUR GROWTH CAPITAL LLC,
a Delaware limited liability company

By: /s/ Dean Landis

Name: Dean Landis

Title: President

Address:

Entrepreneur Growth Capital LLC
505 Park Avenue
New York, New York 10022
Email: dlandis @egcap.com

/s/ Jordan Geotas

JORDAN GEOTAS, as an individual

Address:

[***]

/s/ Jordan Geotas

JORDAN GEOTAS, as Noteholder Representative

Address:

[***]

Email:

Signature Page - Subordination and Intercreditor Agreement

OBLIGORS:

TILT HOLDINGS INC., a corporation formed under the laws of British Columbia

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JIMMY JANG, L.P., a Delaware limited partnership

By: Jimmy Jang Holdings Inc., its general partner

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

BAKER TECHNOLOGIES, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

COMMONWEALTH ALTERNATIVE CARE, INC., a
Massachusetts corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JJ BLOCKER CO., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SFNY HOLDINGS, INC., a Delaware corporation

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS OHIO LLC, an Ohio limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

STANDARD FARMS LLC, a Pennsylvania limited liability
company
By: BAKER TECHNOLOGIES, INC., a Delaware corporation, its
Sole Member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

SH FINANCE COMPANY, LLC, a Delaware limited liability
company
By: SEA HUNTER THERAPEUTICS, LLC, a Delaware limited
liability company, its sole member

By: JJ BLOCKER CO., a Delaware corporation, its sole member

By: /s/ Tim Conder
Name: Tim Conder
Title: President

Address:
2801 E Camelback Rd,
Suite 180,
Phoenix, AZ, 85016

JUPITER RESEARCH, LLC, an Arizona limited liability company

By: /s/ Tim Conder

Name: Tim Conder

Title: Chief Executive Officer

Address:

2801 E Camelback Rd,

Suite 180,

Phoenix, AZ, 85016

Signature Page - Subordination and Intercreditor Agreement

SMOORE:

SHENZHEN SMOORE TECHNOLOGY LIMITED,
a company organized and existing under the laws of
Peoples' Republic of China

By: /s/ Jianliang Wang

Name: Jianliang Wang

Title: Head of HC Business

Address:

Address:

Number 16, Donggai Industrial Park,

Goshu Town, Baoan District, Shenzhen

China 518102

Cheney Xu (徐驰)

Head of Legal and IP

[***]

Eula Liu (刘淑杰)

Legal Director

[***]

Signature Page - Subordination and Intercreditor Agreement

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this “**Trademark Security Agreement**”) dated to be effective as of January 28, 2024 is entered into by and between the Grantors listed on the signature pages hereof (collectively, jointly and severally, “**Grantors**” and each individually “**Grantor**”), and SHENZHEN SMOORE TECHNOLOGY LIMITED, a company organized and existing under the laws of Peoples’ Republic of China (“**Secured Party**”).

W I T N E S E T H:

WHEREAS, pursuant to the Debt and Security Agreement, dated as of the date hereof (as the same may be amended, amended and restated, or supplemented from time to time, the “**Debt and Security Agreement**”), entered into by and among TILT HOLDINGS, INC., a corporation formed under the laws of British Columbia (“**TILT**”), Jimmy Jang, L.P., a Delaware limited partnership (“**JJLP**”), BAKER TECHNOLOGIES, INC., a Delaware corporation (“**Baker**”), COMMONWEALTH ALTERNATIVE CARE, INC., a Massachusetts corporation (“**CAC**”), JIMMY JANG HOLDINGS INC., a British Columbia corporation (“**JJH**”), JJ BLOCKER CO., a Delaware corporation (“**JJB**”), SFNY HOLDINGS, INC., a Delaware corporation (“**SFNY**”), SEA HUNTER THERAPEUTICS, LLC, a Delaware limited liability company (“**SEA**”), STANDARD FARMS OHIO LLC, an Ohio limited liability company (“**SF Ohio**”), STANDARD FARMS LLC, a Pennsylvania limited liability company (“**SF Penn**”), SH FINANCE COMPANY, LLC, a Delaware limited liability company (“**SF Finance**”), and Jupiter Research, LLC, an Arizona limited liability company (“**Jupiter**”, and collectively with TILT, JJLP, Baker, CAC, JJH, JJB, SFNY, SEA, SF Ohio, SF Penn, SF Finance, refer hereto as the “**Grantors**”), in favor of Secured Party, Secured Party agreed to make certain financial accommodations available to Jupiter from time to time pursuant to the terms and conditions thereof; and

WHEREAS, pursuant to the Debt and Security Agreement, Grantors are required to execute and deliver to Secured Party this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All initially capitalized terms used but not otherwise defined herein have the respective meanings given to them in the Debt and Security Agreement. The following terms, as used in this Trademark Security Agreement, shall have the following meanings:

(a) “**Intellectual Property Licenses**” means, with respect to any Person (the “**Specified Party**”), (i) any licenses or other similar rights provided to the Specified Party in or with respect to Intellectual Property owned or controlled by any other Person, and (ii) any licenses or other similar rights provided to any other Person in or with respect to Intellectual Property owned or controlled by the Specified Party, in each case, including (A) any software license agreements (other than license agreements for commercially available off-the-shelf software that is generally available to the public which have been licensed to a Grantor pursuant to end-user licenses), (B) the license agreements listed on Schedule 5(h) of the Debt and Security Agreement, and (C) the right to use any of the licenses or other similar rights described in this definition in connection with the enforcement of Secured Party’s rights under the Debt and Security Agreement.

(b) “**Trademarks**” means any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 5(h) of the Debt and Security Agreement, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and

future infringements and dilutions thereof, (v) the goodwill of each Grantor's business symbolized by the foregoing or connected therewith, and (vi) all of each Grantor's rights corresponding thereto throughout the world.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Each Grantor hereby unconditionally grants, collaterally assigns, and pledges to Secured Party to secure the Secured Obligations, a continuing security interest (referred to in this Trademark Security Agreement as the "**Security Interest**") in all of such Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired or arising (collectively, the "**Trademark Collateral**");

(a) all of its Trademarks and Intellectual Property Licenses to which it is a party including those referred to or **Schedule I** attached hereto;

(b) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Intellectual Property License; and

(c) all products and proceeds (as that term is defined in the UCC) of the foregoing, including any claim by such Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademarks exclusively licensed under any Intellectual Property License, including right to receive any damages, (ii) injury to the goodwill associated with any Trademark, or (iii) right to receive license fees, royalties, and other compensation under any Intellectual Property License.

3. SECURITY FOR SECURED OBLIGATIONS. This Trademark Security Agreement and the Security Interest created hereby secures the payment and performance of the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Trademark Security Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by Grantors, or any of them, to Secured Party, whether or not they are unenforceable or not allowable due to the existence of an insolvency proceeding involving any Grantor.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interests granted to Secured Party pursuant to the Debt and Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Secured Party with respect to the Security Interest in the Trademark Collateral made and granted hereby are more fully set forth in the Debt and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any inconsistency between this Trademark Security Agreement and the Debt and Security Agreement, the Debt and Security Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to Secured Party with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantors' obligations under this Section, Grantors hereby authorize Secured Party unilaterally to modify this Trademark Security Agreement by amending **Schedule I** to include any such new trademark rights of each Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend **Schedule I** shall in any way affect, invalidate or detract from Secured Party's continuing security interest in all Collateral, whether or not listed on **Schedule I**.

6. COUNTERPARTS. This Trademark Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Trademark Security Agreement. Delivery of an executed counterpart of this Trademark Security Agreement by telefacsimile or other electronic method of transmission (including by e-mail delivery of a ".pdf" format data file) shall be equally as effective as delivery of an original executed counterpart of this Trademark Security Agreement. Any party delivering an executed counterpart of this

Trademark Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Trademark Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Trademark Security Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Trademark Security Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

GRANTOR:

JUPITER RESEARCH, LLC,
an Arizona limited liability company

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Signature Page to Trademark Security Agreement

ACCEPTED AND ACKNOWLEDGED BY:

SECURED PARTY:

**SHENZHEN SMOORE TECHNOLOGY
LIMITED**, a company organized and existing
under the laws of Peoples' Republic of China

By: /s/ Jianliang Wang

Name: Jianliang Wang

Title: Head of HC Business

Schedule I to Trademark Security Agreement

EQUITY PLEDGE AGREEMENT

Pledgor: JIMMY JANG, L.P., a Delaware limited partnership

Obligor: JUPITER RESEARCH, LLC, an Arizona limited liability company

Date: January 28, 2024

THIS EQUITY PLEDGE AGREEMENT (this “**Agreement**”) is executed, on the above date, by the pledgor named above (“**Pledgor**”), in favor of and delivered to SHENZHEN SMOORE TECHNOLOGY LIMITED (“**Secured Party**”), with respect to the Secured Obligations (as hereinafter defined), and the obligor named above.

1. Definitions. Unless otherwise stated, all initially capitalized terms used but not defined in this Agreement shall have the meanings ascribed to such terms in the Debt and Security Agreement as defined below. In addition, the following terms, as used in this Agreement, have the following meanings:

“**Certificated Security**” has the meanings ascribed to such term in Division 8 of the UCC.

“**Collateral**” means, collectively, (i) the number of shares of outstanding common stock or other equity interests of each Company set forth on Schedule 1, which shares constitute 100% of Pledgor’s ownership interest in each Company and all of the hereafter-acquired shares of common stock or other equity interests of each Company in which Pledgor has an interest at any time while this Agreement is in effect (collectively, the “**Shares**”); (ii) all of Pledgor’s presently existing and hereafter arising warrants, options or any other rights to purchase each Company’s capital stock or other equity interests and all rights represented thereby (the “**Options**”); and (iii) the proceeds of each of the foregoing, including any and all dividends, cash, stock, instruments, and other property from time to time received, receivable, or otherwise distributed in respect of or in exchange for any of the Shares or Options.

“**Companies**” means the limited liability companies, corporations, and other entities listed in Schedule 1 (each, a “**Company**”).

“**Debt and Security Agreement**” means that certain Debt and Security Agreement of even date herewith by and among Pledgor, the grantors party thereto (collectively, the “**Grantors**”), and Secured Party, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

“**Event of Default**” has the meaning given to such term in Section 11.

“**Endorsement**” has the meanings ascribed to such term in Division 8 of the UCC.

“**Guaranty**” means that certain Guaranty of even date herewith by Pledgor and Grantors, as guarantors, in favor of Secured Party.

“**Registered Form**” has the meanings ascribed to such terms in Division 8 of the UCC.

“**Secured Obligations**” means the Secured Obligations under the Debt and Security Agreement, the Guaranteed Amounts under the Guaranty (as such term is defined therein), and the obligations of Pledgor hereunder.

“**Security**” has the meanings ascribed to such terms in Division 8 of the UCC.

“**Uncertificated Security**” has the meanings ascribed to such terms in Division 8 of the UCC.

“**33 Act**” means the Securities Act of 1933, as amended and supplemented from time to time, and any successor statute, and any and all rules promulgated in connection therewith.

2. Pledge. As security for the prompt and complete payment and performance of the Secured Obligations, Pledgor hereby delivers, pledges, and grants to Secured Party, a continuing security interest in all of Pledgor's now-owned or hereafter-acquired right, title, and interest in and to the Collateral. All certificates or instruments representing or evidencing the Collateral shall be delivered promptly to and held by Secured Party pursuant hereto and shall be in suitable form for transfer or assignment in blank, all in form and substance reasonably satisfactory to Secured Party.

3. Control of Collateral. Pledgor shall promptly deliver to Secured Party any and all Certificated Securities comprising all or any portion of the Collateral for Secured Party to hold pursuant to the terms hereof, and if such Certificated Securities are in Registered Form, such Certificated Securities shall be endorsed in blank by an effective undated Endorsement, in form and substance reasonably satisfactory to Secured Party. In the event that all or any portion of the Collateral consists of Uncertificated Securities, Pledgor shall cause the applicable Company to enter into a control agreement in favor of Secured Party in form and substance acceptable to Secured Party with respect to such Uncertificated Securities.

4. Further Assurances. At any time and from time to time Pledgor shall execute and deliver such further instruments and take such further action as may reasonably be requested by Secured Party to ensure the attachment, perfection and priority of, and ability of Secured Party to enforce its security interest in, the Collateral, and protect Secured Party's rights and remedies hereunder. Should Pledgor fail to execute or deliver any such further instruments or take such further action, Pledgor acknowledges that Secured Party may execute and deliver the same and perform such acts in the name of Pledgor and on its behalf as its attorney-in-fact in accordance with Section 12.3.

5. Secured Party's Duties. Secured Party shall not have any duties with respect to the Collateral other than the duty to use reasonable care if the Collateral is in its possession. In accordance with Section 9-207 of the UCC, Secured Party shall be deemed to have used reasonable care if it observes substantially the same standard of care with respect to the custody or preservation of the Collateral as it observes with respect to similar assets owned by Secured Party. Without limiting the generality of the foregoing, Secured Party shall be under no obligation to take any steps necessary to preserve rights in the Collateral against any other parties, to sell the same if it threatens to decline in value, or to exercise any rights represented thereby (including rights with respect to calls, conversions, exchanges, maturities, or tenders); provided, however, that Secured Party may, at its option, do so, and any and all expenses incurred in connection therewith shall be for the account of Pledgor.

6. Voting Rights; Dividends; Etc.

6.1. During the term of this Agreement, and as long as no Event of Default is continuing:

(a) Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Shares or any part thereof, whether as Shareholder, member or manager; provided, however, no vote shall be cast or any consent, waiver or ratification given or any action taken which would violate or be inconsistent with the terms of this Agreement, the Debt and Security Agreement or any other instrument or agreement referred to therein or herein, or which could have the effect of impairing the value of the Collateral or any part thereof or the position or interest of Secured Party therein.

(b) Pledgor shall be entitled to receive and retain any and all dividends and distributions paid in respect of the Shares not otherwise prohibited by the Debt and Security Agreement; provided, however, that with respect to any and all stock dividends, and any and all returns of capital or other distributions made in shares of capital stock or warrants, options or other rights in respect thereof, whether resulting from a subdivision, combination or reclassification of the outstanding capital stock of any issuer thereof or received in exchange for the Shares or any part thereof or as a result of any merger, consolidation, acquisition or other exchange of assets to which any issuer may be a party or otherwise, shall be and become part of the Collateral pledged hereunder and, if received by Pledgor, Pledgor shall take such actions, including the actions described in Section 2, as Secured Party may reasonably require to ensure the attachment, perfection and priority of, and ability of Secured Party to enforce its security interest in, the Collateral, and protect Secured Party's rights and remedies hereunder.

6.2. Upon the occurrence and during the continuance of an Event of Default, all rights of Pledgor to exercise the voting and other consensual rights that it would otherwise be entitled to exercise pursuant to Section 6.1(a) and to receive the dividends and distributions that it would otherwise be authorized to receive and retain pursuant to Section 6.1(b) shall, at Secured Party's option, cease, and all such rights shall, at Secured Party's option, thereupon become vested in Secured Party, and Secured Party shall, at its option, thereupon have the sole right to exercise such voting and other consensual rights and to receive and hold as Collateral such dividends and interest payments. Any payments received by Pledgor contrary to the provisions of this Section 6.2 shall be held in trust by Pledgor for the benefit of Secured Party, shall be segregated from other funds of Pledgor, and shall be promptly paid over to Secured Party, with any necessary endorsement.

7. Representations, Warranties, and Covenants. In order to induce Secured Party to enter into the Debt and Security Agreement, Pledgor hereby warrants, represents, and covenants that as of the date hereof:

7.1. Subject to the Permitted Liens, there are no restrictions upon the transfer of any of the Collateral to or by Secured Party and Pledgor is the sole beneficial owner of the Collateral and has the right to pledge and grant a security interest in or otherwise transfer such Collateral free of any encumbrances or rights of third Persons.

7.2. Except as otherwise permitted under the Debt and Security Agreement, (a) all of the Collateral is and shall remain free from all liens except as created hereby and (b) Pledgor shall not, without Secured Party's prior written consent, sell or otherwise dispose of any of the Collateral.

7.3. The execution and delivery of this Agreement and the delivery to Secured Party of the Shares creates a valid, perfected and first-priority security interest in the Collateral in favor of Secured Party, subject only to the Permitted Liens, and all actions necessary or desirable to such perfection have been duly taken.

7.4. No authorization or other action by, and no notice to or filing with, any governmental authority is required: (a) for the grant by Pledgor of the security interest granted hereby and the perfection of Secured Party's security interest in the Collateral, or for the execution, delivery, or performance of this Agreement by Pledgor; (b) for the exercise by Secured Party of its rights and remedies hereunder except as may be required in connection with a disposition of the Collateral by laws affecting the offering and sale of securities generally; or (c) for the exercise by Secured Party of the voting or other rights provided for in this Agreement or the remedies in respect of the Collateral pursuant to this Agreement except as may be required in connection with a disposition of the Collateral by laws affecting the offering and sale of securities generally.

7.5. The pledge of the Collateral pursuant to this Agreement does not violate Regulation T, U, or X of the Board of Governors of the Federal Reserve System.

7.6. Each Company presently has issued and outstanding the number and type of Shares indicated in Schedule 1 and they constitute all of the capital stock or equity of each Company owned by Pledgor.

7.7. There are no presently existing Options and all of the outstanding Shares have been duly and validly issued by the Companies, and they are fully paid and nonassessable.

7.8. Pledgor has made its own arrangements for keeping informed of changes or potential changes affecting the Collateral (including, but not limited to, rights to convert, rights to subscribe, payment of dividends, reorganization or other exchanges, tender offers, and voting rights), and Pledgor agrees that Secured Party shall not have any responsibility or liability for informing Pledgor of any such changes or potential changes or for taking any action or omitting to take any action with respect thereto.

7.9. It shall prevent each Company from issuing any additional Collateral except for the issuance of Shares as may be necessary to replace the existing Collateral.

8. Share Adjustments. In the event that during the term of this Agreement any reclassification, readjustment, or other change is declared or made in the capital structure of any Company, all new substituted and additional shares or other securities, issued or issuable to Pledgor by reason of any such change or exercise shall be

subject to the security interest created hereby and be delivered to and held by Secured Party under the terms of this Agreement in the same manner as the Collateral originally pledged hereunder.

9. Options. In the event that during the term of this Agreement Options shall be issued or exercised in connection with the Collateral, such Options acquired by Pledgor shall be immediately assigned by Pledgor to Secured Party and all new shares or other securities so acquired by Pledgor shall be subject to the security interest created hereby and be promptly assigned to Secured Party to be held under the terms of this Agreement in the same manner as the Collateral originally pledged hereunder.

10. Consent. Pledgor hereby consents that, from time to time, before or after the occurrence or existence of any Event of Default with or without notice to or assent from Pledgor, any other security at any time held by or available to Secured Party for any of the Secured Obligations or any other security at any time held by or available to Secured Party of any other Person secondarily or otherwise liable for any of the Secured Obligations, may be exchanged, surrendered, or released and any of the Secured Obligations may be changed, altered, renewed, extended, continued, surrendered, compromised, waived, or released, in whole or in part, as Secured Party may see fit. Pledgor shall remain bound under this Agreement notwithstanding any such exchange, surrender, release, alteration, renewal, extension, continuance, compromise, waiver, or inaction, or extension of further credit.

11. Events of Default. The occurrence of an Event of Default under the Debt and Security Agreement or any breach by Pledgor under this Agreement shall constitute an event of default ("**Event of Default**") hereunder.

12. Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, Secured Party shall have, in addition to any other rights given by law or in this Agreement, in the Debt and Security Agreement, or in any other agreement between Secured Party and Pledgor, all of the rights and remedies with respect to the Collateral of a secured party under the UCC, and also shall have, without limitation, the following rights, which Pledgor hereby agrees to be commercially reasonable:

12.1. to receive all amounts payable in respect of the Collateral to Pledgor under Section 6.1(b) hereof;

12.2. to register all or any part of the Collateral on the books of the Companies in Secured Party's name or the name of its nominee or nominees;

12.3. to vote all or any part of the Shares (whether or not transferred into the name of the Secured Party) in accordance with Section 6.2 hereof, and give all consents, waivers and ratifications in respect of the Collateral and otherwise act with respect thereto as though it were the outright owner thereof; PLEDGOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS SECURED PARTY THE PROXY AND ATTORNEY-IN-FACT OF PLEDGOR, COUPLED WITH AN INTEREST, WITH FULL POWER OF SUBSTITUTION FOR ANY AND ALL OF SUCH PURPOSES; WHICH PROXY AND POWER OF ATTORNEY SHALL CONTINUE IN FULL FORCE AND EFFECT AND TERMINATE UPON THE EARLIER TO OCCUR OF (a) UPON THE PAYMENT IN FULL OF THE OBLIGATIONS, AND (b) TEN (10) YEARS FROM THE DATE HEREOF;

12.4. at any time or from time to time, to sell, assign and deliver, or grant options to purchase, all or any part of the Collateral, or any interest therein, at any public or private sale, without demand of performance, advertisement or notice of intention to sell or of the time or place of sale or adjournment thereof or to redeem or otherwise (all of which are hereby waived by Pledgor), for cash, on credit or for other property, for immediate or future delivery without any assumption of credit risk, and for such price or prices and on such terms as the Secured Party in its absolute discretion may determine; provided, that at least ten (10) days' notice of the time and place of any such sale shall be given to Pledgor. Secured Party shall not be obligated to make any such sale of Collateral regardless of whether any such notice of sale has therefor been given. Pledgor hereby waives any other requirement of notice, demand, or advertisement for sale, to the extent permitted by law. Pledgor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, Secured Party may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. Secured Party shall not be liable for

failure to collect or realize upon any or all of the Collateral or for any delay in so doing nor shall Secured Party be under any obligation to take any action whatsoever with regard thereto;

12.5. to buy the Collateral, in its own name, or in the name of a designee or nominee, and to execute any document or form, in its name or in the name of the Pledgor, that may be necessary or desirable in connection with such sale of the Collateral;

12.6. to sell all or any part of the Collateral by a private placement, restricting bidders and prospective purchasers to those who will represent and agree that they are purchasing for investment only and not for distribution. In so doing, Secured Party may solicit offers to buy the Collateral, or any part of it for cash, from a limited number of investors deemed by Secured Party, in its reasonable judgment, to be responsible parties who might be interested in purchasing the Collateral. If Secured Party shall solicit such offers from not less than four (4) such investors, then the acceptance by Secured Party of the highest offer obtained therefor shall be deemed to be a commercial reasonable method of disposition of such Collateral, even though the sales price established and/or obtained may be substantially less than the price that would be obtained pursuant to a public offering. Notwithstanding the foregoing, should Secured Party determine that, prior to any public offering of any securities contained in the Collateral, such securities should be registered under the '33 Act and/or registered or qualified under any other federal or state law, and that such registration and/or qualification is not practical, Pledgor agrees that it will be commercially reasonable if a private sale is arranged so as to avoid a public offering even if offers are solicited from fewer than four (4) investors, and even though the sales price established and/or obtained may be substantially less than the price that would be obtained pursuant to a public offering.

13. Reserved.

14. General Provisions.

14.1. Cumulative Remedies; No Prior Recourse to Collateral. The enumeration herein of Secured Party's rights and remedies is not intended to be exclusive, and such rights and remedies are in addition to and not by way of limitation of any other rights or remedies that the Secured Party may have under the Debt and Security Agreement, the Security Documents, the UCC, or other applicable law. Secured Party shall have the right, in its sole discretion, to determine which rights and remedies are to be exercised and in which order. The exercise of one right or remedy shall not preclude the exercise of any others, all of which shall be cumulative.

14.2. No Implied Waivers. No act, failure, or delay by Secured Party shall constitute a waiver of any of its rights and remedies. No single or partial waiver by Secured Party of any provision of this Agreement, the Debt and Security Agreement, or any other Security Document, or of a breach or default hereunder or thereunder, or of any right or remedy which the Secured Party may have, shall operate as a waiver of any other provision, breach, default, right, or remedy or of the same provision, breach, default, right, or remedy on a future occasion. No waiver by Secured Party shall affect its rights to require strict performance of this Agreement.

14.3. Notices. All notices or demands by any party hereto to the other party and relating to this Agreement shall be sent in accordance with Section 17 of the Debt and Security Agreement or Section 6.4 of the Guaranty, as applicable.

14.4. Successors and Assigns. This Agreement shall bind the successors and assigns of Pledgor, and shall inure to the benefit of the successors and assigns of Secured Party; provided, however, that Pledgor may not assign this Agreement nor delegate any of its duties hereunder without Secured Party's prior written consent and any prohibited assignment shall be absolutely void. Secured Party may assign this Agreement and its rights and duties hereunder in accordance with Section 19 of the Debt and Security Agreement and no consent or approval by Pledgor is required in connection with any such assignment. Secured Party reserves the right to sell, assign, transfer, negotiate, or grant participations in all or any part of, or any interest in Secured Party's rights and benefits hereunder in accordance with Section 19 of the Debt and Security Agreement. In connection with any such assignment or participation, Secured Party may disclose all documents and information which Secured Party now or hereafter may have relating to Pledgor or Pledgor's business to any prospective or actual transferee.

14.5. Schedules. All schedules attached hereto shall be deemed incorporated by reference.

14.6. No Presumption Against Any Party. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Pledgor or Secured Party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties and their counsel and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

14.7. Section Headings. Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Agreement.

14.8. Severability of Provisions. If any provision of this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, that provision shall not affect the validity, legality or enforceability of any other provision of this Agreement.

14.9. Entire Agreement; Amendments and Waivers. This Agreement constitutes the entire agreement between Pledgor and Secured Party pertaining to the subject matter contained herein. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the party asserted to be bound thereby, and then such amendment or waiver shall be effective only in the specific instance and specific purpose for which given.

14.10. Counterparts; Telefacsimile Execution. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

14.11. Termination By Secured Party. After termination of the Debt and Security Agreement and Guaranty and when Secured Party has received payment, in full, of the Secured Obligations or Guaranteed Amounts (as defined in eth Guaranty), as applicable, Secured Party shall execute and deliver to Pledgor a termination of all of the security interests granted by Pledgor hereunder and, to the extent they have been delivered to Secured Party and not disposed of in accordance with this Agreement, certificates evidencing the Shares.

15. CHOICE OF LAW. THIS AGREEMENT, THE DEBT AND SECURITY AGREEMENT, AND THE SECURITY DOCUMENTS, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ARIZONA, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES.

16. Forum; Judicial Reference. Sections 21 and 22 of the Debt and Security Agreement are hereby incorporated by reference, in their entirety.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first above written.

JIMMY JANG, L.P.,
a Delaware limited partnership

By: Jimmy Jang Holdings Inc., its general partner

By: /s/ Tim Conder
Name: Tim Conder
Title: Chief Executive Officer

Schedule 1 to Equity Pledge Agreement



TILT Holdings Enters into Debt and Security Agreement with Smoore Technology Limited

PHOENIX, AZ, January 31, 2024 -- [TILT Holdings Inc.](#) ("TILT" or the "Company") ([Cboe:TILT](#)) ([OTCQB: TLLTF](#)), a global provider of cannabis business solutions that include inhalation technologies, cultivation, manufacturing, processing, brand development and retail, today announced that the Company and each of its subsidiaries (collectively, the "TILT Companies") have entered into a Debt and Security Agreement, Guaranty, and related collateral security documents (collectively, the "Agreements") with Smoore Technology Limited ("Smoore"), effective January 28, 2024.

The Agreements expand the Company and Jupiter Research, LLC's ("Jupiter") existing trade payable credit line with Smoore. Pursuant to the terms of the Agreements, Smoore will continue to make sales of CCELL vape hardware products and ship on credit to TILT's wholly-owned subsidiary Jupiter. In exchange, the TILT Companies have agreed to guarantee the payment of any amount owed by Jupiter to Smoore in excess of the amounts for which Smoore receives through insurance provided by Sinasure, a Chinese export and credit insurance corporation, for any non-payment by Jupiter of invoices aged over 120 days. Certain international trade payables are required to be insured in China to protect workers and ensure that manufacturers and exporters make full and timely payments for labor. The guarantee provided by the TILT Companies under the Agreements enables TILT to increase and secure the credit line to support customer demand and will be secured by TILT's grant of a first lien security interest in all TILT assets.

"We believe coming to an agreement with Smoore was an important and necessary step to expand our business and meet our customer needs as they continue to grow," said TILT's Chief Executive Officer, Tim Conder. "We recently shipped one of the largest orders of CCELL products in Jupiter's history ahead of the upcoming Chinese New Year holiday. Further, given Smoore's new first lien status, we have engaged in discussions for a forbearance agreement with our noteholders, who have been very supportive throughout this process as we work together to maximize stakeholder value."

Letter Agreement

Under an associated letter agreement, the TILT Companies have agreed to reduce the outstanding balance of all currently existing accounts payable by Jupiter to Smoore in a stepped amount throughout the year to lower the overall balance to US\$25 million by December 31, 2024. Further, the TILT Companies will have a transition period through April 15, 2024, under which the TILT Companies have agreed to pay any Smoore invoices outstanding more than 150 days after the invoice date, and through June 23, 2024, under which the TILT Companies have agreed to pay any Smoore invoices that are outstanding more than 120 days after the invoice date, provided certain conditions are satisfied, and no default or event of default is declared by the existing secured creditors of the TILT Companies under their respective loan documents. Any balance on any Smoore invoices that remains unpaid by more than 90 days after the respective invoice date plus, without duplication, the aggregate dollar amount of all outstanding amounts owed by the TILT Companies to Smoore, regardless of the date of the related invoice, in excess of US\$25 million will incur interest at the rate of 8% per annum.

The guarantee provided by the TILT Companies under the Agreements is secured by security interests in the assets of the TILT Companies, including a pledge of all of TILT's equity interests in direct and indirect subsidiaries. The Agreements include affirmative and negative covenants, events of default, representations and warranties and other provisions that are customary for agreements of this type.

About TILT

[TILT](#) helps cannabis businesses build brands. Through a portfolio of companies providing technology, hardware, cultivation and production, TILT services brands and cannabis retailers across 40 states in the U.S., as well as Canada, Israel, South America and the European Union. TILT's core businesses include [Jupiter Research LLC](#), a wholly-owned subsidiary and leader

in the vaporization segment focused on hardware design, research, development and manufacturing; and cannabis operations, [Commonwealth Alternative Care, Inc.](#) in Massachusetts, [Standard Farms LLC](#) in Pennsylvania, and [Standard Farms Ohio, LLC](#) in Ohio. TILT is headquartered in Phoenix, Arizona. For more information, visit www.tilt Holdings.com.

Forward-Looking Information

This news release contains forward-looking information and statements (together, "forward-looking information") under applicable Canadian and U.S. securities laws which are based on current expectations. Forward-looking information is provided for the purpose of presenting information about TILT 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, the expectations with respect to growth, customer demand and profitability, expectations relating to the Agreements, the Transaction Agreement, the Transaction Agreement letter and associated documents, including each of Jupiter, TILT and Smoore's obligations thereunder, the expected performance of TILT's businesses, the expected level of Jupiter revenue, the ability to reduce debt and increase TILT's cash reserves, the ability to maintain alignment with TILT's debt holders, TILT's discussions and intent to enter into a forbearance agreement with existing senior noteholders, TILT's ability to reduce the outstanding balance or otherwise make payments in accordance with the Agreements, TILT's ability to obtain all required regulatory approvals when required, Smoore's ability to sell and ship CCELL vape hardware in accordance with the Agreements, the ability for the sale and shipping obligations under the Agreements to be completed without delay or interruption, the ability to optimize operations, the opinions or beliefs of management, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies, and outlook of TILT and Jupiter, 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 "plans", "expects" or "does not expect", "is expected", "will", "budget", "scheduled", "estimates", "forecasts", "intends", "seeks", "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, the ability of TILT to maximize shareholder value, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance 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 risk 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. Such risk factors include, but are not limited to, TILT's ability to continue as a going concern, TILT's ability to operate its business without encountering any unforeseen delays, unexpected geological or other effects, including weather conditions, shipping transportation, equipment failures, permitting delays or labor or contract disputes, TILT's ability to generate sufficient liquidity, TILT's ability to enter into a forbearance agreement with noteholders, TILT's ability to execute on its cost saving measures and initiatives and those risks described under the heading "Item 1A. Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2022, "Item 1A. Risk Factors" in the Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023 and any other subsequent reports filed by TILT with the United States Securities and Exchange Commission at www.sec.gov and on SEDAR+ at www.sedarplus.ca.



Company Contact:

Lynn Ricci, VP of Investor Relations & Corporate Communications
TILT Holdings Inc.
lr Ricci@tiltholdings.com

Investor Relations Contact:

Sean Mansouri, CFA
Elevate IR
TILT@elevate-ir.com
720.330.2829

Media Contact:

Alice Moon
Trailblaze
TILT@trailblaze.co
