



Strategic · Innovative · Visionary

**CORPORATE
PRESENTATION
December 16, 2019**

**TSX: HEXO
NYSE: HEXO**

Forward-Looking Statements

This presentation on HEXO Corp. ("HEXO" or the "Company") contains certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements"). Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based upon and include our current internal expectations, estimates, projections, assumptions, plans, opinions, forecasts, targets, guidance, and beliefs or other statements that are not statements of fact regarding the future of our business, future plans and strategies, our operational results and other future conditions. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Such statements can often, but not always, be identified by the use of forward-looking terminology and other similar words and expressions that are predictions or indicate future events and future trends, including negative and grammatical variations thereof or statements that contain certain events or conditions may or will happen or by discussions of strategy. They appear in a number of places throughout this presentation and include statements regarding our current beliefs, intentions or expectations about our anticipated results of operations, financial condition, prospects, growth, strategies and the industry in which we operate.

Forward-looking statements are based on management's opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking statements, there can be no assurance that the underlying opinions, estimates and assumptions, and consequently the forward-looking statements, will prove to be correct. By their nature, forward-looking statements are subject to numerous risks and uncertainties, known and unknown, including those described in the Company's Annual Information Form, Management's Discussion & Analysis, Annual Report and other disclosure documents, because they relate to events

and depend on circumstances that may or may not occur in the future, and other factors that may cause actual results, performance, or achievements to be materially different from those implied by such statements. Those risks and uncertainties include, but are not limited, to those relating to the company's ability to execute its business plan, renew required permits, licenses, and related regulatory compliance matters; implement its growth strategies; obtain and maintain financing at acceptable terms; maintain and renew required licenses; maintain good business relationships with its customers, distributors, and other strategic partners; keep pace with changing consumer preferences; protect intellectual property; manage and integrate acquisitions; retain key personnel; and relating to the company's competitive advantages, the development of new products and product formats for the company's products; changes in laws, rules, regulations; and the absence of materially adverse changes in the industry or global economy. No assurance can be given that the expectations in any forward-looking statement will prove to be correct and, as such, forward-looking statements included in this presentation should not be unduly relied upon.

To the extent any forward-looking statements in this presentation constitute "future-oriented financial information" or "financial outlooks", such information has been prepared by the Company to provide a reasonable estimate of potential revenue and profit margins. Although the company has based forward-looking statements on assumptions that it believes to be reasonable, it cautions the readers that actual results and developments, including the company's results of operations, financial conditions, liquidity, and development in the industry in which the company operates, may differ materially from those made or suggested by the forward-looking information contained herein. A number of factors could cause actual events, performance, or results to differ materially from what is projected in these forward-looking statements. Readers are cautioned that this information may not be appropriate for any other purpose and they should not place undue reliance on such future-oriented financial information and financial outlooks. The Corporation cannot

assure you that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned that forward-looking statements are not guarantees of future performance and accordingly readers are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

All forward-looking statements are made as of the date of this presentation. The company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Certain information contained in this presentation is based on management's review of independent sources such as industry publications, surveys and forecasts that management believes to be reliable. We have not independently verified any of the information from third-party sources nor have we ascertained the validity or accuracy of the underlying economic assumptions relied upon therein. Statements as to the cannabis industry, our market position and our general expectations concerning the cannabis industry are based on market data currently available to us. While we are not aware of any misstatements regarding the industry data presented herein, our estimates involve known and unknown risks and uncertainties and are subject to change based on various factors. Similarly, management believes that its internal research is reliable, even though such research has not been verified by any independent sources.

Any graphs, tables or other information in this presentation demonstrating the historical performance of the Company or any other entity contained in this presentation are intended only to illustrate past performance of such entities and are not necessarily indicative of future results.

HEXO is Shaping the Future of Cannabis

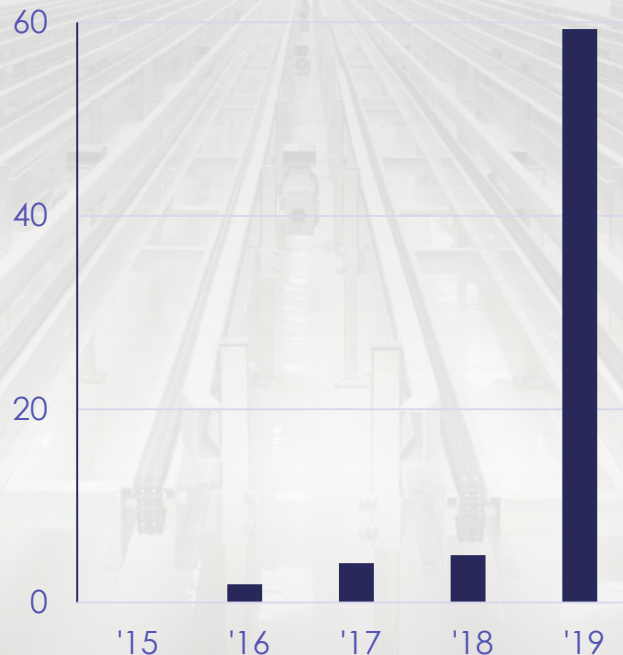
HEXO's vision is to create branded, consistent, quick onset and offset cannabis experiences for sleep, relax, focus, active, sex and fun delivered through a full range of "powered by HEXO" products developed in-house and in partnership with Fortune 500 partners.



COMPETITIVE ADVANTAGES

- Focused strategy as an adult-use brand company, with brands HEXO, UP, Original Stash, and "powered by HEXO"
- Best in class infrastructure, operations, and scale in one of the lowest cost production centers in Canada
- Broad distribution across 10 provinces in Canada
- R&D and product innovation that enhances consumer experiences
- Dynamic partnerships with leading global CPG companies

Gross Revenue (millions)



LEADING THE WAY

HEXO is first to:

- Launch cannabis oil sublingual spray, Elixir
- Join Food and Consumer Products of Canada – First for a Canadian LP
- Partner with Segra International for plant tissue cultures – First for a Canadian LP
- Obtain Kosher Certification – First for a Canadian LP
- Launch value brand with Original Stash – First in the Canadian Market

Strong Platform for Growth

2013

Incorporated

2014

Planted first crop

2015

First medical cannabis sale

2017

List on the TSX-V under ticker "THCX"

2018

Graduated to the TSX

Entered into JV for European expansion (HEXO MED)

Announced exclusive partnership with Molson Coors Canada to create cannabis-infused beverages

Legalization of adult-use cannabis

2019

Listed on NYSE-A; graduated to NYSE

Acquired Newstrike Brands Ltd.

HEXO MED receives license

Belleville Center of Excellence obtains Phase 1 License

Obtains R&D License

2020

Enter the US market

2019: A YEAR OF GROWTH



GROSS REVENUE
from
\$5M to \$59M



PRODUCTION
from
3 tons to 90 tons



EMPLOYEES
from
300 to 1,000



Near-term Strategic Priorities

DRIVING SALES

New product offerings, increased analytics for decision-making

ACHIEVING OPERATIONAL EXCELLENCE

New leadership, streamlining and automation driving meaningful improvements in yields over time

RIGHTSIZING OPERATING EXPENSES

Operating expenses realigned with near-term revenue expectations

COMMISSIONING BELLEVILLE CENTRE OF EXCELLENCE

State-of-the-art facility, development and rollout of 2.0 products, decreasing production costs

CONTINUING TO INVEST IN INNOVATION AND R&D

Innovation, leadership in developing and improving cannabis technology, portfolio of products

SECURING FUTURE PARTNERSHIPS

"powered by HEXO" strategy

DEDICATION TO CORPORATE SOCIAL RESPONSIBILITY

Greenhouse gas emissions monitoring, reporting, target-setting, and offsetting

Long-term Strategic Priorities



OPERATIONAL SCALABILITY

Efficiently invest in people, processes and systems to meet market demands, adapt to new opportunities and provide users with high-quality products at sustainable operating costs.



PRODUCT INNOVATION

Continue to innovate and lead the market in identifying, developing and launching new cannabis products with improved technology that enhance consumer experience with the HEXO brand.



BRAND LEADERSHIP

Expanding distribution in Canada and abroad, seizing increasing market share, and bringing experiences “powered by HEXO” to consumers.

Operational Scalability

Low cost producer with strategically located facilities minimizes risk



FACILITY	TYPE	SIZE (sq.ft.)
Gatineau, QC	Greenhouse	1,310,000 ⁽¹⁾
Niagara, ON	Greenhouse	455,000 ⁽¹⁾
Brantford, ON	Indoor grow facility	14,000
Belleville, ON	Processing and Manufacturing Facility	912,600 ⁽²⁾
Vaughan, ON	Food Laboratory	14,200
Montreal, QC	Research Facility	19,600
Montreal, QC	Distribution	58,000
TOTAL		2,783,400
Current annualized run rate of 85,000 kg		

(1) Temporarily suspended cultivation activities in Niagara and in 200,000 sq. ft. in Gatineau

(2) HEXO has leased 912,600 sq. ft., with an option on an additional approximately 587,000 sq. ft. Truss has subleased 183,600 sq. ft. from HEXO

LOW COST DRIVERS

✓ Competitive electricity rates

✓ Competitive labour costs

✓ State-of-the-art equipment and operations

✓ Attractive crop yields

✓ Maximum use of natural sunlight

Operational Scalability

Belleville – New state-of-the-art facility

- To become our main manufacturing and processing facility for all our cannabis products
- Up to 1.5M sq. ft. of manufacturing and processing facilities for HEXO and our partners
- Designed to allow Hub and Spoke partners to work and collaborate under our license
- Located on Canada's major shipping highway with proximity to US border for easy distribution
- Truss bottling line occupies 183,600 sq. ft.
- Received Phase 1 license in October 2019

1.5M sq. ft.

HEXO Corp is establishing a processing and manufacturing Centre of Excellence in Belleville, ON

Option on remaining space

Truss
183,600 sq. ft.

HEXO
729,000 sq. ft.



Product Innovation

Current and anticipated products using our best-in-class IP processes

Current Product Line Up



Coming Soon



O'Cannabiz Industry Awards
**2019 WINNER FOR
PRE-ROLLS AND HELIOS**
Best Pre-rolls & Dried Flower - Best Sativa

Canadian Cannabis Awards
2018 WINNER FOR ELIXIR CBD
Cannabis Product of the Year
& Innovation of the Year

Canadian Cannabis Awards
**2017 WINNER FOR DECARB
& FINALIST FOR ELIXIR THC**
Best New Cannabis Product
& Top High THC Oil



Original Stash

- New product launch October 2019
- Largest product form currently available on the Canadian legal market, a 28g or 1 oz bag
- Priced to compete directly with the illicit market and convert users to the legal market
- Now available for sale in Ontario and Quebec, available in British Columbia and Alberta before the end of 2019



Product Innovation

Driven by consumer needs



Delivered by:

- Quick onset
- Controlled offset
- Variety of experiences

Maximize opportunities within regulatory framework

Developed by an experienced and diversified leadership team

- Continuing to strengthen our innovation team
- Attracting a variety of scientists, including food scientists and biotechnologists, from established CPG companies
- Continued R&D Investment
- Over 40 patent applications filed

Product Innovation

Cannabis-infused beverages with Truss

- North American market for cannabis-infused beverages expected to reach \$1.56B¹
- Global cannabis-infused beverage market expected to reach \$5.04B¹
- Creating best-in-class products with controlled onset and offset times
- Emulsification technology

- Improved taste and consistency
- Consistent shelf stability
- Full range of non-alcoholic beverages in a variety of experiences
- Potential for non-THC beverages in other global markets with our “powered by HEXO” experiences



Smoke-free
alternative



POWERED BY
HEXO™

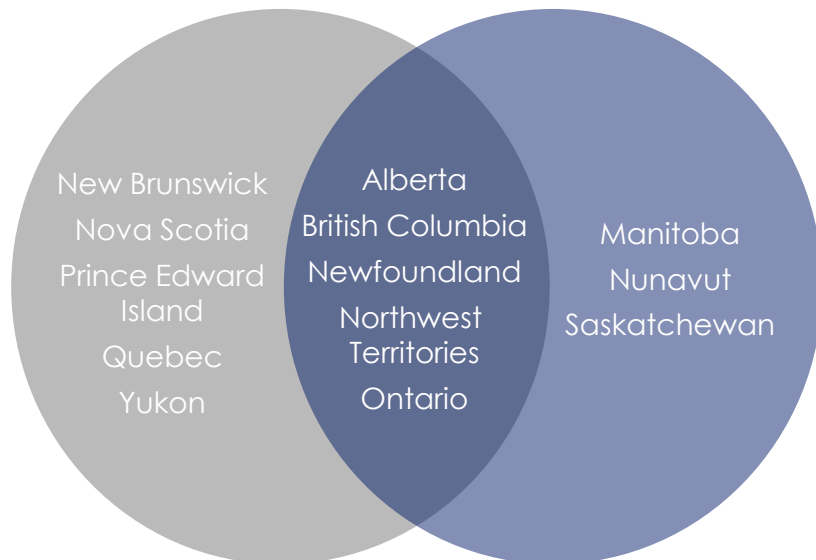
Truss represents our first partnership with a leading CPG brand

¹ – Reports and Data Report: Cannabis Based Beverages Market By Product Type (Alcoholic, Non-Alcoholic), By End-User (Household, Hotel/Restaurant/Cafe[HoReCa]) By Distribution Channel, Application And By Component, And Segment Forecasts, 2016-2026; Dated May 2019

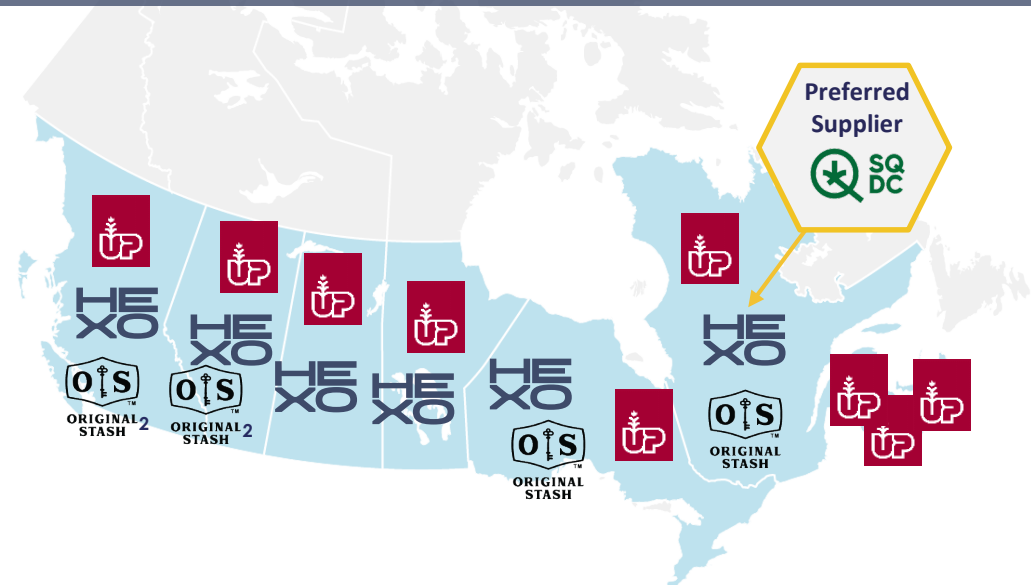
Brand Leadership in Canada

- Continuing to increase distribution and market penetration across Canada
- Variety of brands reflecting diverse market segments
- Supply agreements and arrangements with government-run and private retailers in all 10 provinces, reaching 98%¹ of Canadians
- ~33% of the market share in Quebec (second largest province) in Year 1
- Preferred supplier relationship in Quebec
- Launched first value brand with aim to disrupt the illicit market (Original Stash)

Government-run retail | Privately-run retail



Current provincial distribution by brand



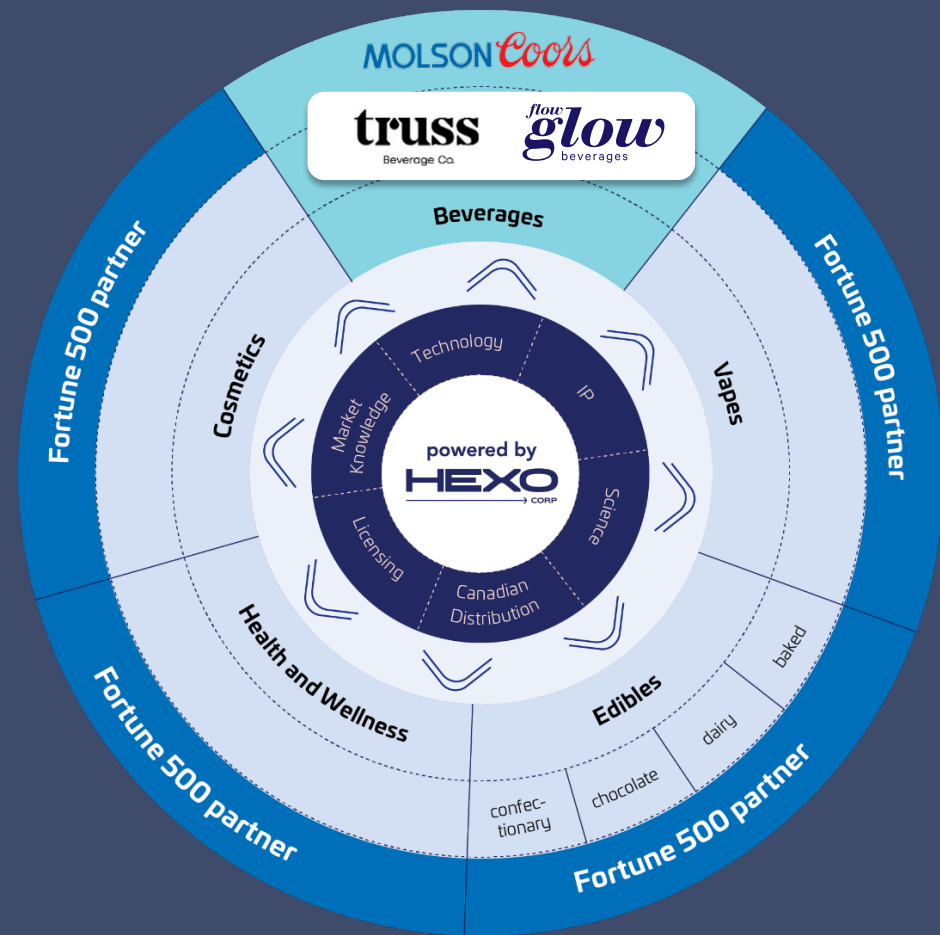
¹ Based on 2016 Census.

² Available for sale in BC and Alberta before the end of 2019

Brand Leadership

Premium branded partner for CPG companies

GLOBAL DISTRIBUTION PROGRAM



HEXO has a healthy pipeline of potential partners with whom we are in active discussions.

Providing Global Partnership Opportunities

Facilitating CPG companies' entry into the cannabis market with HEXO, using our "powered by HEXO" model

WHAT HEXO BRINGS TO PARTNERSHIPS:

Best-In-Class Research and Technology

- Innovative product development
- IP portfolio (pending patent approvals)

Regulatory Access to Legal Markets

- Licensed infrastructures
- Broad distribution infrastructure and delivery systems across Canada

What Potential Partnerships Bring:

- Great base products
- Established global distribution network
- Deep customer understanding

Brand Leadership

Dynamic partnerships with global CPG brands

- Exclusive agreement with Molson Coors Canada to create cannabis-infused beverages
- Stand-alone joint venture
- Costs and future profits to be shared pro-rata
- Global cannabis-infused beverage market has potential to reach \$5.04B



Working to improve market acceptance through superior products, addressing issues such as taste, shelf stability, potency and package sizes, and offering a variety of flavours and experiences.

Brand Leadership



PREMIUM

UP – Quality cannabis for discerning consumers, grown to music, with strong Canadiana affiliation.



MID MARKET

HEXO – Quality cannabis products chosen by urban dwellers and workers, who are frequent users and the canna-curious. Innovative, edgy, active, and bold.



VALUE MASS MARKET

ORIGINAL STASH – Value-priced cannabis products for frequent cannabis consumers, for whom quality at a low price is the primary decision driver. Authentic, uncomplicated, for the simple joy of consuming cannabis.



powered by
HEXOTM
CORP

Exclusive brand for
value-added
derivative products
made with Fortune 500
partners

truss

Beverage Co.

with
MOLSON COORS

**OTHER
FORTUNE 500
PARTNERS**

Corporate Social Responsibility

To achieve our goals, we need to think about more than just our products and prices. We look at how operations impact our environment.

In order to do this, HEXO Corp is monitoring and reporting on its greenhouse gas emissions, setting targets to reduce them, and offsetting its footprint. We will also be reporting on other Environment, Social and Governance (ESG) impact areas based on Global Reporting Initiatives (GRI) standards. HEXO Corp's CSR Charter remains our north star, guiding our community engagements at the local, provincial, national and international level with a holistic vision on:



PLANET

- Use of solar energy to minimize electricity consumption
- Recycling and composting programs
- GHG Inventory and Reporting (based on ISO 14064 standards)
- Water conservation (rainwater capture and water recycling)
- Reforestation project with Tree Canada
- Solar energy project with Ottawa Food Bank
- Sustainability partner of Ottawa Riverkeeper



PUBLIC

- Academic education and research investments
- Education programs for our retail partners
- Responsible use program investments
- Support to food security organizations
- Support to health organizations
- Community emergency support via the Red Cross
- Support to social justice initiatives



PEOPLE

- Significant contribution to the local economy of Masson-Angers, QC and Belleville, ON
- Career development, profit sharing and shareholder programs for employees
- Volunteer and team building opportunities for employees
- Reduced pricing on products for employee medical clients
- Job creator award



PRODUCTS

- Naturally grown and rigorously tested cannabis
- Innovative smoke-free options
- Excise tax absorbed on products for medical clients
- Cannabis product of the year at the 2018 Canadian Cannabis Awards for our Elixir CBD

Financial Position

(All amounts expressed in Canadian Dollars)	Q1 2020	Q4 2019	Change %	Q1 2019	Change %
Net Revenue ⁽¹⁾	\$14.5 M	\$15.4 M	-6.2%	\$5.7 M	155.3%
Adult Use Net Revenue ⁽¹⁾	\$13.6 M	\$14.0 M	-3.4%	\$4.2 M	221.6%
Gross Margin before FV adjustments ⁽¹⁾	\$4.6 M	\$5.1 M	-11.3%	\$2.8 M	60.7%
Adult-use Net revenue/gram equivalent	\$3.24	\$3.51	-7.7%	\$4.44	-27.0%
Kilograms sold	4,325	4,818	-10.2%	1,110	289.6%
Kilograms Produced	16,107	16,824	-4.2%	3,550	353.7%

Share Capitalization ⁽²⁾

Common Shares Outstanding	257,134,709	82%
Warrants	29,478,272	9%
Options	24,881,464	8%
Restricted share units	1,428,449	1%
Fully Diluted	312,922,894	

**TARGETING
LONG TERM
GROSS
MARGINS OF
40 TO 45%**

(1) Revenue and Gross Margin before fair value adjustments were lower than expected in Q4 due to the establishment of provision for price adjustments and sales returns of slow-moving inventory from the province. Management expects long term portfolio wide gross margins to be 40 to 45%.

(2) As at December 15, 2019



Experienced Management Team

Sébastien St-Louis | Co-Founder and CEO



- Former CFO of a manufacturing firm
- MBA (Finance) from Université du Québec à Montréal
- Closed over \$200M commercial banking and trade finance transactions at EDC and BD

Steve Burwash | Chief Financial Officer



- 25 years of experience in acquisitions, due diligence to integration, financial governance and process optimization.
- Has held senior positions in the aerospace and defense, telecommunications and manufacturing industries.

Donald Courtney | Chief Operating Officer



- Boasts over 20 years of experience in senior operations positions across several industries
- Extensive experience with several global food and beverage organizations
- Most recently, Donald served as the Chief Operating Officer for MedReleaf.
- Donald is a graduate of Control Engineering from St. Lawrence College.

Roch Vaillancourt | General Counsel



- 25 years of experience in business and legal practice
- Named one of Canada's Top 100 General Counsels (Legal 500 GC Powerlist 2016) and included in Legal Era Magazine's London book release, "World's Leading General Counsels 2017-2018"
- Graduate of the University of Ottawa (biomechanics and civil law)
- Member of Barreau du and the Ontario and Canadian Bar Associations

Veronique Hamel | Chief Innovation Officer



- Over 25 years of innovation expertise through leadership roles in R&D, new product development and in marketing and business development globally
- Most recently built strong innovative teams in Canada at Church & Dwight Co., Bausch & Lomb and Bausch Health Companies Inc.

Dominique Jones | Chief People Officer



- More than 20 years of leadership and strategic experience across multiple geographies and industries
- As Chief People Officer, helped steer Halogen Software through IPO to sale
- Member of the Chartered Institute of Personnel and Development (CIPD) in the U.K.
- Graduate of University of St. Andrews

Investment Highlights

33% market share in Quebec in year 1,
2nd largest Canadian market

Low-cost producer with
strategically located facilities

Continuing to invest in R&D
and intellectual property

Dynamic partnership with leading global CPG
brand through “powered by HEXO”

Driving improvements in yields and processing

Solid balance sheet to finance continued
expansion with minimal debt

Targeting to achieve positive adjusted EBITDA in
2020

Expanding domestic and international reach





INVESTOR RELATIONS

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