



Atlas Announces Closing of Acquisition of GreenSeal, Increasing Export Capacity and Strengthening its Integrated Value Chain

- *GreenSeal's facility, located in Stratford, Ontario is GACP & CUMCS certified for medical cannabis export, adding approximately 3,500 kg of incremental production capacity*
- *In close proximity to Atlas Global's EU-GMP facility in Chatham, Ontario, GreenSeal will support an increasing demand for high-quality flower in Israel, Australia, Germany and other markets*
- *The acquisition broadens Atlas Global's capabilities with an innovative nursery & genetic selection program, enabling a differentiated pipeline of unique cultivars*

EDMONTON, ALBERTA, CHATHAM, ONTARIO and TEL-AVIV, ISRAEL/Executive Business Services / May 1, 2023 – Atlas Global Brands Inc. (“Atlas Global”, “Atlas” or the “Company”) (CSE: ATL), a cannabis company with expertise across the value chain, is pleased to announce the closing of its acquisition (the “Acquisition”) of GreenSeal Cannabis Company, Ltd. and GreenSeal Nursery Ltd. (together “GreenSeal”), a privately-owned Ontario-based licensed cannabis producer and nursery.

On February 27, 2023, Atlas Global announced it signed a definitive share purchase agreement (the “Share Purchase Agreement”) to acquire GreenSeal in order to scale the production and sale of premium indoor flower, intended for export to international markets.

The Acquisition, signed on April 28, 2023, includes the addition of GreenSeal's facility, which generated approximately \$8.0M in sales in 2021 and was income positive and is expected to be accretive to Atlas' international strategy by adding a GACP & CUMCS certified facility with a vertical cultivation model, akin to Atlas' Chatham, Ontario facility. The GreenSeal facility is expected to expand the Company's annual production capacity by approximately 3,500 kg and add a nursery program with hundreds of exotic genetics, further strengthening Atlas Global's international value chain capabilities.

“The closing of this GreenSeal acquisition is another step in executing on our strategy to bring a wide assortment of premium flower to international medical cannabis markets,” said Bernie Yeung, CEO of Atlas Global. “With the recently announced signing of definitive agreements to acquire two additional pharmacies and a trading house, along with binding LOIs to acquire an additional two pharmacies in Israel, we believe we are set up for success in growing Atlas' international presence. We intend to uphold our value proposition of offering consistent, quality products to patients.”

The Acquired Business – GreenSeal

GreenSeal owns an innovative genetic selection program, enabling the search for sought-after phenotypes. This is expected to enhance Atlas' ability to achieve the full genetic potential of its cultivars with regards to flower composition, potency, terpene profile, and yield maximization. GreenSeal's genetic selection program generates hundreds of candidates of a particular strain, then uses data modeling to identify the

seeds with the strongest lab-tested levels of both THC and terpenes, along with the most desirable traits for its indoor growing environment.

GreenSeal's facility, with existing GACP & CUMCS certifications, produces just over 3,500 kg of cannabis flower annually, supporting the assortment needs of patients internationally. GreenSeal's cultivation facility will be utilized alongside Atlas Global's existing two facilities. This will enable Atlas Global to increase its production capacity of consumer and patient-demanded cannabis genetics, while continuing to manufacture product in a cost-effective environment.

Transaction Details

Pursuant to the Share Purchase Agreement, Atlas Global issued to the GreenSeal vendors an aggregate of 7,612,358 common shares of Atlas Global (the "**Consideration Shares**") at an issue price per share equal to CAD \$0.4374, representing the 20-day volume weighted average closing price (the "**VWAP**") of the Company's common shares on the Canadian Securities Exchange ("**CSE**") prior to closing. A further 2,387,642 common shares have been reserved for issuance to the GreenSeal vendors under the Share Purchase Agreement in connection with certain withholding obligations of the Company. Up to an additional 1,500,000 shares may be issued at the 12-month anniversary of the closing date of the Acquisition (the "**Closing Date**") based on the then VWAP of the Atlas Global common shares.

Approximately CAD \$5.5 million in bank debt and CAD \$0.6 million in long-term loans remain with GreenSeal post-closing.

The Consideration Shares will be subject to a contractual lock-up, pursuant to which 15% of the Consideration Shares will be released every six months commencing on the six-month anniversary of the Closing Date, until the 36-month anniversary of the Closing Date. If, however, the volume weighted average closing price per share for the 20 trading days preceding the share releases on the 18, 24, and 30-month release dates is at least CAD \$2.00, an additional 5% of the Consideration Shares will be released on such release date, the issuance of such additional Consideration Shares reducing by the same number from the final release of Consideration Shares on the 36-month anniversary of the Closing Date.

The Acquisition is an arms-length transaction and does not constitute a fundamental change or result in a change of control of the Company within the meaning of the policies of the CSE.

Atlas Global is not liable for any finder's fees in respect of the Acquisition.

About Atlas Global

Atlas Global is a global cannabis company operating in Canada and Israel with expertise across the cannabis value chain, including cultivation, manufacturing, marketing, distribution, and pharmacy. Atlas currently distributes to eight countries: Australia, Canada, Denmark, Germany, Israel, Norway, Spain, and the United Kingdom. In addition to a differentiated product mix, Atlas operates two licensed cannabis facilities – one with EU-GMP certification – along with three medical pharmacies in Israel. In addition, as previously announced on February 7, 2023, and February 27, 2023, the Company has entered into definitive agreements to acquire one trading house and majority interests in two additional purpose-built cannabis pharmacies in Israel. Learn more by visiting: www.atlasglobalbrands.com

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Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking information in this news release is based upon assumptions that are subject to significant risks and uncertainties, including, but not limited to, the following assumptions: that the Company will realize on its expected synergies from the Acquisition; that the Definitive Agreements will not be terminated, and the transactions contemplated thereby will be completed in accordance with their terms; that all regulatory approvals can be obtained in a timely manner; and there is and will be adequate demand for the Company's cannabis products to support its business plan and strategy

The forward-looking information reflects management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking information, including that the estimated benefits of the restructuring will not be achieved, that the conditions to completion of the transactions contemplated by the Definitive Agreements will not be satisfied or that one or more of the Definitive Agreements will be terminated.

Although the Company believes that the assumptions and factors used in preparing the forward-looking information are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. New risk factors emerge from time to time, and it is impossible for the Company's management to predict all risk factors, nor can the Company assess the impact of all factors on Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking information.

The forward-looking statements set forth herein concerning the Company reflect management's expectations as at the date of this news release and are subject to change after such date. The Company

disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.