



## Atlas Signs Definitive Agreement to Acquire a Controlling Interest in Three Pharmacies Expanding its Cannabis Network in Israel

- *Atlas Global Brands signs definitive agreement to acquire control of three Pharmacies in Israel licensed to sell cannabis products*
- *The medical cannabis pharmacies are located in three new cities, expanding Atlas' geographical coverage across the country of Israel*
- *Inclusive of the previously announced definitive agreements, upon closing of these transactions, Atlas will own a majority interest in nine pharmacies along with a trading house distribution centre in Israel*

CHATHAM, ONTARIO and TEL-AVIV, ISRAEL / Executive Business Services / May 24, 2023 – Atlas Global Brands Inc. (“Atlas Global”, “Atlas” or the “Company”) (CSE: ATL), a cannabis company with expertise across the value chain, announces that on May 23, 2023 it entered into a definitive agreement (“Proposed Transaction”) for the acquisition of 51% of the outstanding securities of three Israeli private limited liability companies operating medical cannabis pharmacies (the “Pharmacies”).

*“The addition of these three pharmacies will further expand our geographical coverage with modern designed pharmacies, a patient focused education platform and dispensaries tailored to consistent product assortment,” said Bernie Yeung, CEO of Atlas Global. “We believe that this acquisition will be beneficial to both patients and our shareholders, while continuing to expand our geographical coverage in Israel.”*

### Terms of the Proposed Acquisitions

Under the Proposed Transaction, Atlas will acquire a 51% interest in the three Pharmacies for 1,925,300 common shares of Atlas Global (the “Consideration Shares”) and NIS 4,000,000 (the “Cash Consideration”), equivalent to approximately CAD \$1,459,144 payable at closing. Up to an additional 288,795 shares may be issued at each of the six-, twelve-, and eighteen-month anniversaries of the closing date of the Proposed Transaction (the “Closing Date”) in the event the closing share price of the Atlas common shares for the 10 preceding trading days is less than \$1 for total additional share consideration of up to 866,385 Atlas common shares.

The Consideration Shares will be subject to a lock-up period of 36 months during which 15% shall be released every six months, commencing on the six-month anniversary of the Closing, and 25% will be released on the 36-month anniversary.

Approximately NIS 1.2M in existing shareholder loans, and any additional shareholder loans advanced by the Sellers until Closing, is expected to remain with the pharmacies, repayable from up to 25% of distributable profits from the pharmacies, cash flow permitting.

The final structure of the Proposed Transaction shall be determined by the parties subsequent to the receipt of tax, corporate, and securities law advice.

The Proposed Transaction is subject to receipt of all necessary regulatory approvals and other customary conditions precedent, and external funding by Atlas of NIS 3,000,000.

The Proposed Transaction was negotiated at an arms' length and will not constitute a fundamental change or result in a change of control of the Company within the meaning of the policies of the CSE. No finder's fees are payable in connection with the Proposed Transaction.

The Proposed Transaction is expected to close in calendar Q4 2023.

### **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 three licensed cannabis facilities – one with EU-GMP, with three medical pharmacies in Israel and has entered into binding agreements for the acquisition of a majority interest in a trading house and three additional medical cannabis pharmacies in Israel.

Learn more by visiting: [www.atlasglobalbrands.com](http://www.atlasglobalbrands.com).

### **Contacts**

Bernie Yeung  
Chief Executive Officer  
1-844-415-6961  
[invest@atlasglobalbrands.com](mailto:invest@atlasglobalbrands.com)

Alyssa Barry  
Media and Investor Relations  
1-833-947-5227  
[invest@atlasglobalbrands.com](mailto:invest@atlasglobalbrands.com)

## **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.

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 conditions to completion of the transaction contemplated by the Proposed Transaction will not be satisfied or that the Proposed Transaction s 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.**