



## Atlas Global Brands Announces Delay in Annual and Interim Filings Following Complex Reverse Takeover, Acquisitions and Corporate Restructuring

CHATHAM, ONTARIO and TEL-AVIV, ISRAEL / Executive Business Services / July 14, 2023 – Atlas Global Brands Inc. (“Atlas Global” or the “Company”) (CSE: ATL) announces today that it anticipates a delay in the filing of its audited annual consolidated financial statements and related management’s discussion and analysis and certifications for the financial year ended March 31, 2023 within the specified timelines under applicable Canadian securities laws (collectively, the “Required Annual Filings”). As a result, the Company has made an application to the Ontario Securities Commission, as principal regulator, under National Policy 12-203 – *Management Cease Trade Orders* (“NP 12-203”) requesting a management cease trade order (“MCTO”) in respect of the anticipated late filing of the Required Annual Filings.

The delay in filing the Required Annual Filings is primarily the result of the complexity associated with the accounting (including in particular the tax provision) of the tri-partite and multi-jurisdictional reverse takeover of the Company completed on December 30, 2022 (the “Transaction”).

Also contributing to this delay is that since completing the Transaction, the Company has begun to execute on its overall growth strategy by entering into seven binding agreements for the acquisition of a controlling interest in a trading house and six additional pharmacies in Israel and, as announced on May 1, 2023, completed the acquisition of GreenSeal Cannabis Company, Ltd. and GreenSeal Nursery, Ltd. a licensed producer and nursery in Stratford Ontario. Further, in an effort to simultaneously achieve cost reductions and production efficiencies, as announced on June 2, 2023, and June 27, 2023, the Company made the decision to wind down operations at its facility in Gunn, Alberta, liquidate the assets of its Alberta subsidiaries under the *Bankruptcy and Insolvency Act* (Canada) and to transition such operations to its facilities in Ontario.

As a consequence of the delay in filing the Required Annual Filings, the Company also anticipates a delay in the filing of its interim financial report and related management’s discussion and analysis and certifications for the interim period ended June 30, 2023, and due August 29, 2023 (collectively, the “Required Interim Filings” and together with the Required Annual Filings, the “Required Filings”). The requested MCTO also applies to the late filing of the Required Interim Filings.

Management is working diligently to complete the Required Annual Filings on or prior to September 29, 2023, and the Required Interim Filings on or prior to October 27, 2023.

The MCTO will restrict trading in and all acquisitions of the securities of the Company by the chief executive officer and the chief financial officer of the Company until such time as the Required

Filings are filed and the MCTO is no longer in effect. During the MCTO, the general investing public will continue to be able to trade in the Company's listed common shares.

Until the Company completes the Required Filings, the Company will comply with the alternative information guidelines set out in NP 12-203 for issuers who have failed to comply with a specified continuous disclosure requirement within the timelines prescribed by applicable Canadian securities laws. The guidelines, among other things, require the Company to issue bi-weekly default status reports by way of a news release so long as the Required Filings have not been filed.

### **About Atlas Global Brands**

Atlas Global is a global cannabis company operating in Canada and Israel with expertise across the cannabis value chain, including cultivation, manufacturing, marketing, distribution. Atlas currently distributes to seven countries: Australia, Canada, Denmark, Germany, Israel, Norway, and the United Kingdom. In addition to a differentiated product mix, Atlas Global operates two licensed cannabis facilities: (1) an EU-GMP facility in Chatham, ON, and; (2) a GACP and IMC-GAP facility in Stratford, ON. Atlas Global also has a majority interest in 3 medical pharmacies in Israel and has entered into binding agreements for the acquisition of a majority interest in a trading house and 6 additional medical cannabis pharmacies in Israel. Learn more by visiting: [www.atlasglobalbrands.com](http://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 assumptions that or regarding, without limitation: the timing to complete the Required Filings; the dates by which the Company intends to make the Required Filings; the Company's application for a customary MCTO; the expected absence of an impact on the ability of other securityholders to trade in the Company's securities; and the Company's intention to comply with the provisions of the alternative information guidelines.

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: whether the MCTO will be granted on the terms anticipated or at all; unforeseen delays or events that could delay the filing of the Required Filings within the anticipated timeline; the capacity of management may not be sufficient to complete the Required Filings within the anticipated timeline; and the applicable Canadian securities regulatory authorities may cease trade the Company's common shares under a general cease trade order applicable to all shareholders of the Company.

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.**