



## **Atlas Global Brands Announces Decision to Re-File Interim Financial Statements and Provides Update on Timing of Annual Financial Statements and Application for a Partial Revocation Order**

**CHATHAM, ONTARIO and TEL-AVIV, ISRAEL** / Executive Business Services / April 3, 2024 – Atlas Global Brands Inc. (“**Atlas Global**” or the “**Company**”) (CSE: ATL), a cannabis company with expertise across the value chain, announces today that it has determined it necessary to amend and restate its unaudited consolidated interim financial statements for the three and twelve month period ended December 31, 2022 and December 31, 2021 comparable period and related management discussion and analysis thereon (together, the “**A&R Interim Financials**”) to reflect certain adjustments to the accounting treatment of the reverse takeover transaction completed on December 30, 2022 and described in detail in the Company’s news release of January 4, 2023 (the “**RTO**”).

### **The Nature and Substance of Proposed Change**

The adjustments to the accounting treatment of the RTO were discovered during the preparation of the Company’s consolidated financial statements for the 15-month period ended March 31, 2023 and are attributable to the complexity in assessing the valuation and accounting of the concurrent investment in Cambrosia Ltd., the reverse takeover of Silver Phoenix Resources Inc., the acquisitions of AgMedica Bioscience Inc., Atlas Biotechnologies Inc, and the indirect acquisition of a 51% controlling interest in each of Tlalim Papo Ltd., Pharmacy Baron Ltd. and R.J. Regavim Ventures Ltd, all having closed simultaneously and interdependent of one another.

Although recognition of provisional amounts and measurement period adjustments are normal practice for purchase accounting, the magnitude of the changes were significant enough to compel management to prepare the A&R Interim Financials to ensure greater transparency in the subsequent reporting periods commencing with the audited fiscal year ending March 31, 2023.

In addition, adjustments related to expense accruals and the accounting for the private placement as well as certain reclassifications were made for financial presentation to align with the Company’s consolidated financial statements for the 15-month period ended March 31, 2023. A full description of the adjustments will be provided in the accompanying notes to the A&R Interim Financials.

The Company anticipates filing the A&R Interim Financials and Form 52-109F2R certifications by the CEO and CFO on or prior to April 10, 2024.

### **Update on Timing of Annual Financial Statements**

In addition, by way of update the Company also anticipates filing its audited annual consolidated financial statements and related management’s discussion and analysis and certifications for the

financial year ended March 31, 2023, on or prior to April 10, 2024 (collectively, the “**Required Annual Filings**”).

As more particularly set out in the news release filed on August 9, 2023, on August 8, 2023, the Ontario Securities Commission (the “**OSC**”), the Company’s principal regulator, issued a failure-to-file cease trade order (the “**FFCTO**”), following the Company’s failure to file the Required Annual Filings by the filing deadline.

### **Application for Partial Revocation Order**

Finally, the Company has made application for an application for a partial revocation of the FFCTO, to permit the issue of 3,693,444 common shares to Shahar Management Group Company (KSN) Ltd., an entity controlled by Avi Elkayam, an insider of the Company or to Mr. Elkayam, in either case, as consideration for a loan to the Company, the details of which are set forth in a news release dated March 18, 2024. The Company is currently in the process of responding to the initial comment letter thereon from the OSC.

### **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, and distribution. Atlas Global currently distributes to eight countries: Australia, Canada, Denmark, Germany, Israel, Norway, Spain and the United Kingdom. In addition to a differentiated product mix, Atlas Global operates two licensed cannabis facilities, one of which has European Union good manufacturing practices certification (EU-GMP), and three pharmacies in Israel.

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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 and based on expectations, estimates and projections. Any statement that involves discussions concerning 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 state 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 in this news release reflects management's current expectations based on information currently available and is 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 A&R Financial Statements and annual financial statements will be filed on or before April 10, 2024 or that the Company's application for a partial revocation of the FFCTO will be successful.

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. It is impossible for the Company's management to predict all risk factors, nor can the Company assess the impact of all factors on the 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. For a description of the risks and uncertainties facing the Company and its business operations, readers should refer to the Company's amended and restated listing statement dated as at December 30, 2022..

The forward-looking statements set forth herein concerning the Company reflect management's expectations as of 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 defined in the CSE policies) accepts responsibility for the adequacy or accuracy of this release.**