

## Levitee Labs Completes Acquisition of Earth Circle Organics, Adds Superfoods Company to Portfolio

- Acquisition adds 180+ SKUs across three brands to the Levitee portfolio: Earth Circle Organics, Earth Shift Products, and Ojio
- Combined, the three brands generated over USD \$2.0M in revenue in the past 12 months, with USD \$600,000 in EBITDA
- Levitee plans to integrate the Earth Circle Organics brands with its MONKE Nutraceuticals products to leverage supply chain and distribution synergies and accelerate growth by increasing ad spend and inventory levels

VANCOUVER, BC, August 4, 2021 /CNW/ - Levitee Labs Inc. (CSE: LVT) (the "**Company**" or "**Levitee**"), an integrative wellness company with a diversified portfolio of healthcare and wellness assets, is pleased to announce that it has completed the acquisition of all the issued and outstanding shares of Earth Circle Organics Chain Inc. ("**Earth Circle Organics**") as of August 3, 2021.

Headquartered in Las Vegas, Nevada, Earth Circle Organics is a direct-to-consumer (DTC) and wholesaler of supplements and superfood products. Earth Circle Organics sells its products primarily in the United States, but it also has a presence in Canada. Earth Circle Organics sells a robust portfolio of organic products, including Ayurvedics, nuts, seeds, berries, coconut oil, premium Himalayan pink salt, chlorella powder, fulvic acid, Nori seaweed, and much more, through multiple distribution channels. Many Earth Circle Organics products sold on [Amazon.com](https://www.amazon.com) consistently are rated 4.5-5.0 stars across thousands of aggregate consumer ratings.

With more than 180 SKUs across three brands ([Earth Circle Organics](#), [Earth Shift Products](#) and [Ojio](#)), Earth Circle Organics has achieved over USD \$2.0M in revenue in the past 12 months, with approximately USD \$600,000 in EBITDA.<sup>1</sup>

Levitee plans to integrate the Earth Circle Organics brands with the Company's MONKE Nutraceuticals products to leverage supply chain and distribution synergies and accelerate growth by increasing ad spend and inventory levels. Levitee intends to finalize new distribution agreements that will place all the brands in additional brick-and-mortar retail stores across the U.S. and Canada.

"We are very pleased to close the acquisition of our sixth cash flowing asset. The Earth Circle Organics portfolio of brands fits perfectly into our model as a vertically integrated wellness company with operations and distribution networks throughout North America," commented Pouya Farmand, Chief Executive Officer at Levitee. "Work has already begun in collaboration with the existing Earth Circle Organics management team on transitioning the products under our umbrella and leveraging synergies to implement aggressive growth initiatives in the vertical."

"I'm excited and proud to announce we have been acquired and are now part of the Levitee Labs family. When I first met the team at Levitee what struck me the most was how passionate and knowledgeable they were about our industry, and the calibre of industry experts they have on their team. I know Earth Circle Organics is in good hands. I'm looking forward to seeing the direction and growth they take the brand," commented John Ward, Owner of Earth Circle Organics.

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<sup>1</sup> Earnings before interest, taxes, depreciation, and amortization ("**EBITDA**") is a Non-GAAP measure. EBITDA should not be construed as alternatives to net income/loss determined in accordance with International Financial Reporting Standards ("**IFRS**"). EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements and fund future growth initiatives.

In consideration for the acquisition of Earth Circle Organics, Levitee issued 488,702 shares at a deemed value of CAD \$0.51 per share and paid USD \$1,675,000 in cash on closing, with an additional USD \$125,000 having been previously paid as a deposit. The Company may also be required to pay up to an additional USD \$500,000 pursuant to an earn out mechanism based on gross revenue generated by Earth Circle Organics in the six months following closing.

The previous co-owner of Earth Circle Organics, John Ward, has agreed to continue to run the operations of Earth Circle Organics for a period of six months after closing to ensure continuous business operations and a smooth transfer of Earth Circle Organics' business to Levitee.

### **About Earth Circle Organics Chain**

Earth Circle Organics is a direct-to-consumer and wholesaler of supplements and superfood products in North America. Earth Circle Organics has a robust portfolio of organic products, including Ayurvedics, nuts, seeds, berries, coconut oil, premium Himalayan pink salt, chlorella powder, fulvic acid, Nori seaweed, and much more, totaling over 180 SKUs. Earth Circle Organics products can be found at [www.earthcircleorganicswholesale.com](http://www.earthcircleorganicswholesale.com) and [www.earthshiftproducts.com](http://www.earthshiftproducts.com).

### **About Levitee Labs**

Levitee Labs is establishing itself as a leader in the integrative wellness space. Through leveraging an M&A regimen that focuses on the centralization of complementary integrative wellness assets, Levitee Labs aims to transform mental health and addiction treatments through the integration of psychedelic medicines and therapies.

Further information about the Company is available on its website at [www.leviteelabs.com](http://www.leviteelabs.com).

### **Forward-Looking Statements**

This news release contains certain statements that may constitute forward-looking information under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance, or achievements that Levitee anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. Such information may involve, but is not limited to, statements respecting the integration of Earth Circle Organics' products with Levitee's existing portfolio; the expected benefits and synergies created from the acquisition of Earth Circle Organics; expected revenues and financial performance of Earth Circle Organics; the expected growth of Earth Circle Organics and MONKE Nutraceuticals; Levitee's ability to place its products in brick-and-mortar retail stores; the Company's planned acquisitions, and the expected benefits of same; and Levitee's business plans and proposed products. Forward-looking information is based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this news release, but involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Levitee to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. These risks and uncertainties include, but are not limited to, those identified and reported in the Company's public filings under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Although the Company believes that the expectations reflected in its forward-

looking statements are reasonable, it can give no assurance that any such statements will prove to be correct. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise. Any and all forward-looking information contained in this press release is expressly qualified by this cautionary statement.

The CSE (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.

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