

PODA Announces Results of Special Meeting of Shareholders

VANCOUVER, BC, June 22, 2022 /CNW/ - **PODA HOLDINGS, INC. ("PODA" or the "Company")** (CSE: PODA) (FSE: 99L) (OTC: PODAF) is pleased to announce that, further to its news release dated May 13, 2022 in respect of the proposed sale of all or substantially all of the Company's assets to Altria Client Services LLC ("**Altria**"), a subsidiary of Altria Group, Inc. (NYSE:MO) (the "**Transaction**"), the Company's Shareholders have unanimously approved all of the special resolutions required for completion of the Transaction and the Distribution (as described below) at PODA's special meeting of Shareholders (the "**Meeting**"), which was held on June 22, 2022.

The Transaction

As previously announced, the Company, Ryan Selby and Ryan Karkairan (together, the "**Owners**"), and Altria entered into an asset purchase agreement dated May 13, 2022 (the "**Asset Purchase Agreement**"), pursuant to which the Company and the Owners have each agreed to sell to Altria substantially all of the assets and properties used in the Company's business of developing, manufacturing and marketing multi-substrate heated capsule technology for a total purchase price of US\$100.5 million ("**Purchase Price**"), subject to certain adjustments and holdbacks. US\$55,275,000 of the Purchase Price will be paid to the Company, and the balance to the Owners. If the Transaction is completed, the Company expects to make a cash distribution to Shareholders (the "**Distribution**") equal to approximately CDN\$0.40 per Subordinate Voting Share ("**SVS**") and Multiple Voting Share ("**MVS**") on an as converted to SVS basis, representing a 167% premium to the closing price of the SVS on the CSE as of May 12, 2022, the day prior to the announcement of the Transaction.

Matters Approved at the Meeting

At the Meeting, the following resolutions were passed unanimously:

1. A special resolution of the Shareholders approving the sale of all or substantially all of the undertaking of the Company in accordance with the *Business Corporations Act* (British Columbia);
2. A special resolution of the holders of SVS approving the variation of the special rights and restrictions with respect to participation in returns of capital and dividends attached to the SVS to facilitate the Distribution;
3. A special resolution of the holders of SVS approving the reduction in the capital of the SVS to facilitate the Distribution;
4. A special resolution of the holders of MVS approving the variation of the special rights and restrictions with respect to participation in returns of capital and dividends attached to the MVS to facilitate the Distribution; and
5. A special resolution of the holders of MVS approving the reduction in the capital of the MVS to facilitate the Distribution.

Additional Information

The Asset Purchase Agreement and the Information Circular sent in connection with the Meeting are each available under the Company's profile on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" which may include, but is not limited to, information with respect to the activities, events or developments that the Company expects or anticipates will or may occur in the future. Such forward-looking information is often, but not always, identified by the use of words and phrases such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Such forward-looking information includes, among other things, information regarding: the Company's expectations regarding its ability to complete, and the anticipated results of, the Transaction, the anticipated distribution of CDN\$0.40 per share, and the parties' ability to satisfy closing conditions and receive necessary approvals. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. Although such statements are based on assumptions management considers reasonable, there can be no assurance: (i) that the Transaction will be completed; (ii) if the Transaction is completed, that it will be completed on the terms described above; (iii) that the

proposed cash distribution will be made; or (iv) if the proposed cash distribution is made, as to the amount or terms of such distribution.

Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the receipt of all necessary governmental approvals and satisfaction of other conditions to the completion of the Transaction and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward looking information involves known and unknown risks, uncertainties and other risk factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks include risks that the Transaction does not close on the anticipated timeline, or at all, risks related to increased competition and current global financial conditions, access and supply risks, reliance on key personnel, operational risks, regulatory risks, financing, capitalization and liquidity risks, and risks relating to the potential failure to receive all requisite regulatory approvals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation, except as otherwise required by law, to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors change.

There can be no assurance that the Transaction will be completed as proposed or at all. The Transaction could be modified, restructured or terminated. Investors are cautioned that, except as disclosed in the management information circular dated May 17, 2022 and in the Asset Purchase Agreement itself, copies of each of which are filed under the Company's profile at www.sedar.com, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

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