

Namaste Technologies Inc

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Namaste Technologies looks to become the 'Amazon of cannabis' with its integrated, intelligent cannabis experience

- Operates the largest global cannabis e-commerce platform with over 30 websites in more than 20 countries
- Cannabis marketplace CannMart at the heart of operations
- In recent 2Q, banked record revenue of C\$6.9 million for a 73% year-over-year increase

What Namaste Technologies does:

Namaste Technologies Inc (CVE:N) (OTCMKTS:NXTTF) is a cannabis-focused e-commerce technology company with lofty ambitions - to own the world of cannabis e-commerce and become the one-stop-shop for everything a cannabis user needs.

The Toronto-based company, which has been described as the "Amazon of cannabis," operates the largest global cannabis e-commerce platform with over 30 websites in more than 20 countries under a variety of brands.

In addition to its product offerings of vaporizers, glassware, accessories, and CBD products, the company also owns subsidiary CannMart Inc, which is a key part of its operations that sells online medical and recreational cannabis.

Namaste holds a 49% equity interest in Choklat Inc, a craft chocolate manufacturer that has a processing license from Health Canada to produce cannabis-infused chocolate bars, drink mixes, and sugar. It also has an identical stake in Pineapple Express Delivery Inc, a same-day delivery service platform for customers.

Tech-wise, Namaste is involved in artificial intelligence (AI) and cannabis strain research as well. And the company has developed a number of technology platforms, including its global telemedicine app NamasteMD as well as its CannMart.com online and mobile app.

It also has developed the Uppy Cannabis Journal that allows medical cannabis users to track the effects of different cannabis strains on whatever symptoms they may be looking to address. That data is then fed into Namaste AI, which employs machine learning to give consumers cannabis strain recommendations.

How is it doing:

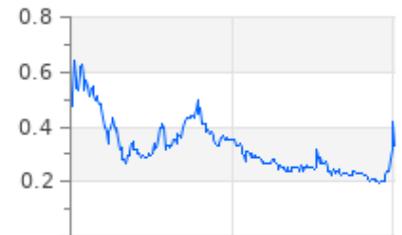
According to its latest financial earnings report, Namaste's growth strategy to take advantage of the broader, more diverse, and potentially lucrative Cannabis 2.0 marketplace in Canada is paying off.

In its third quarter ended August 31, Namaste saw its revenue increase by 49% year-over-year to C\$5.6 million, thanks to blockbuster growth from its online cannabis platform CannMart.

Price: 0.33

Market Cap: \$109.26 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: N

Listing: TSX-V

52 week	High	Low
	0.71	0.19

Sector: Cannabis

Website www.namastetechnologies.com

Company Synopsis:

With headquarters in Toronto, ON, and offices in both B. C. and around the globe, Namaste Technologies is a leading online platform for cannabis products, accessories, and responsible education. The company's 'everything cannabis store', CannMart.com, provides customers with a diverse selection of hand-picked products from a multitude of federally-licensed cultivators, all on one convenient site.

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Total net revenue for CannMart for the three-month period was C\$2.3 million, a 1,586% increase compared to the year-ago period. Cannabis revenue represented nearly 41% of net consolidated revenue for the quarter versus 3.6% in the same period a year prior.

Of course, CannMart stands at the heart of operations. In recent months, it has struck several partnerships to strengthen Namaste's position as a top cannabis company.

Recently, it launched VendorLink, a new marketplace platform for cannabis accessory products that allows brands and vendors to upload and sell cannabis accessory products directly to CannMart customers. CannMart is also collaborating with cannabis firm High Tide Inc (CSE:HITI) (OTCQB:HITIF) to make recreational products available exclusively on CannMart.com for a one-year term.

In a recent license deal, IGNITE International Brands Ltd (CSE:BILZ) (OTCQX: BILZF) will allow CannMart to utilize certain brand trademarks on cannabis-based products for sale in consideration for certain royalty payments.

CannMart also has a deal with Indiva Limited (CVE:NDVA) (OTCQX:NDVAF) to sell its CBD softgels and capsules as well as its Bhang chocolates and Wana sour gummies through its B2C distribution channels for medical customers. And it has a deal with Stigma Grow to distribute shatter, crumble, and live resins through its B2B channel and its business-to-consumer online medical channel.

As for supply agreements, CannMart secured a deal to deliver bulk cannabis distillate to Adastra Labs Holdings Ltd (CSE:XTRX). Adastra will also supply standard processing services to CannMart for cannabis extract and concentrate products.

CannMart has signed supply agreements with the provincial governments in Ontario and Saskatchewan as well.

In Ontario, the subsidiary is working with the Ontario Cannabis Store, the only legal online retailer and wholesaler for recreational cannabis products in Canada's most populous province. CannMart has registered with the Saskatchewan Liquor & Gaming Authority to allow the sale of cannabis products to legal wholesalers in the province. CannMart also won a purchase order with the provincial government of British Columbia for pre-rolled cannabis products.

Outside of CannMart, Namaste has struck an agreement with Lifted Innovations Inc, a private e-commerce company selling cannabis-related accessories in the US and Canada. The two companies will collaborate for 24 months, with an eye on US business development. Lifted has issued Namaste 3,065,000 shares, which amounts to a roughly 5% undiluted shareholding.

Inflection points:

- Expand into international markets
- Increase penetration into recreational markets

What the boss says:

"We've finally reached the point where they can start to see the fruition of (our) mission: to provide the technology and infrastructure for Canadians to order cannabis safely and reliably no matter where they are," Namaste CEO Meni Morim said recently.

"There are so many choices in the cannabis marketplace and we have worked tirelessly to integrate our machine-learning technology into the selection process for consumers and let retailers focus on what they do best - provide the best in-store experience and let us do the heavy lifting online. Canada is the first step and I am excited about what's coming next."

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