

# Namaste Technologies Inc

10:00 30 Oct 2020

## 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](http://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.

[action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

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."



Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Namaste Technologies Inc named herein, including the promotion by the Company of Namaste Technologies Inc in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).