

# INDVR Brands Inc.

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## Cannabis One to transform into fully licensed Colorado operator as it cuts deal to acquire Cannabis Corp

Cannabis One Holdings Inc (CSE:CBIS) (OTCMKTS:CAAOF) announced Tuesday that it has executed a definitive purchase agreement to acquire Colorado-based Cannabis Corp. which will transform the group into a fully-licensed cannabis operator.

Cannabis Corp. holds the licenses and cannabis inventory assets of the Fox Street and Kingston cultivation facilities, as well as the award-winning "The Joint" dispensary in Denver, Colorado.

READ: Cannabis One forms JV for production of high purity THCa extract products

The consideration payable to Cannabis Corp shareholders in connection with the transaction will be US\$1,800,000 (C\$2,500,000) in Class B super voting shares of Cannabis One at a per super-voting share price of \$1.289 (equivalent to \$0.1289 per Class A subordinate voting share) equaling to 1,938,974 Class B super voting shares of Cannabis One.

The Cannabis One shares issued to Cannabis Corp shareholders will be subject to a trading restriction of four months and one day. Additionally, Cannabis Corp has agreed to grant Cannabis One, and its wholly-owned Colorado subsidiary, a 60-day right of first refusal to purchase or identify a third-party purchaser for, any Cannabis One shares intended to be sold by Cannabis Corp and/or its affiliates.

After closing the all-stock deal, Cannabis One anticipates that the acquisition will provide a slew of gains which include:

- Consolidated monthly revenue of around US\$880,000 (C\$1.2 million) and annualized revenue of US\$10.56 million (C\$14.58 million) not including new product launches, or revenue generated from Cannabis One's other brands such as INDVR and Honu
- It will add annualized EBITDA, or earnings before interest, taxes, depreciation and amortization of around US\$3.6 million (C\$4.97 million) to the Colorado operations
- Position Cannabis One as one of the only publicly traded licensed operators in Colorado allowing it to make more Colorado acquisitions with ease

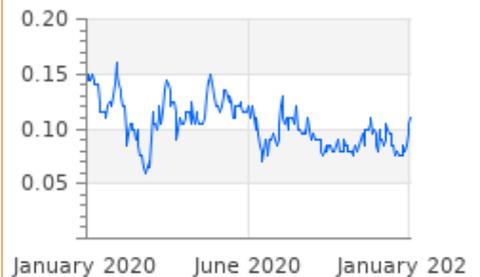
The acquisition, expected to close on September 2020, is subject to approvals from the Colorado Marijuana Enforcement Division, the City of Denver and other regulatory agencies.

In a statement, Cannabis One CEO Jeff Mascio said the acquisition marks the culmination of a "significant amount of work" by the Cannabis One team.

**Price:** 0.11

**Market Cap:** \$11.94 m

### 1 Year Share Price Graph



### Share Information

**Code:** INDVR

**Listing:** CSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	0.13	0.07

**Sector:** Cannabis

**Website:** cannabisone.life

### Company Synopsis:

INDVR Brands Inc. is focused on aggregating and optimizing popular cannabis brands throughout North America. With its unique, franchise-ready retail brand, The Joint™, and through targeted acquisition and partnership opportunities, INDVR Brands intends to become the premier, globally-recognized, "House of Brands", holding a client portfolio of award-winning products with an extensive market footprint.

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"When we initially set out to go public, it was with the goal to aggregate licensed assets underneath our parent company. Overcoming this major hurdle will now allow investors and partners alike to see the true success of the company as we transition from a cannabis servicing company to a licensed cannabis operator," Mascio added.

"Despite the disruptions that coronavirus (COVID-19) has created globally, the Colorado assets have seen growth in excess of 20% year-over-year and have become EBITDA positive creating a springboard for Cannabis One to reengage our past deal flow that was shelved during the sector-wide downturn," he continued.

Subject to acceptance by the Canadian Securities Exchange, the company also said that its board has voted to approve the resolutions to authorize adjustments to certain of its outstanding warrants and stock options.

The company has amended the exercise price of 6,903,688 outstanding October 2018 share purchase warrants from \$0.75 per share to \$0.25 per share. Similarly, the company has amended the exercise price of 4,378,130 October 2019 Warrants from \$0.60 per share to \$0.20 per share.

It has also amended the exercise price of 3,850,000 options that were granted on February 26, 2019, from an exercise price of \$0.60 to an exercise price of \$0.30 per option. The original vesting terms remain unchanged.

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