

CB2 Insights Inc.

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CB2 Insights acquires Colorado-based Relaxed Clarity in a cash and stock deal; shares rise

CB2 Insights Inc (CSE:CBII) strengthened its US presence with the acquisition of Colorado-based medical cannabis clinic group Rae of Sunshine Health Services (ROSH) LLC, it announced on Thursday.

Under the terms of the acquisition, CB2 acquired 100% of ROSH and its subsidiaries for a combination of cash and stock, including a cash payment of US\$200,000 and the issuance of 500,000 CB2 shares, in a deal worth around US\$850,000 total.

Shares of CB2 powered over 5% higher to C\$0.31 by midday Thursday on the back of the news.

READ: CB2 Insights strikes deal to acquire MedEval Clinic

Rae of Sunshine, operating under the name Relaxed Clarity, operates four clinics in Colorado. Last year the company posted nearly US\$1.1 million in revenue.

"Based on 2018 revenue results of this acquisition, CB2 Insights is currently on track to achieve at least C\$12.2 million in revenue for 2019," said Prad Sekar, CEO at CB2 Insights. "We have an active pipeline of acquisition targets and along with organic growth within our existing operations."

The Toronto-based data analytics company anticipates achieving its stated 2019 revenue goal of more than C\$20 million, for year-over-year growth of more than 80% compared to 2018, it said in a statement.

CB2 gathers data and creates objective evidence in an effort to bring medical cannabis into traditional health care.

In March, the company acquired MedEval Clinic LLC, a medical cannabis evaluation and education center group with locations in Colorado and Arizona.

--Updated to reflect current share price--

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Price: 0.095

Market Cap: \$7.87 m

1 Year Share Price Graph



Share Information

Code: CBII

Listing: CSE

52 week High Low
0.21 0.055

Sector: Cannabis

Website: cb2insights.com

Company Synopsis:

Our mission is to deliver the industry's most comprehensive, data-driven software and services - transforming the way the global cannabis industry evolves through actionable insights.

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