

# MMJ Group Holdings Ltd

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## MMJ Group Holdings investment Embark Health receives licences to begin extraction of cannabis

MMJ Group Holdings Ltd (ASX:MMJ) Canadian investment Embark Health Inc has received all occupancy and business licences required from the city of Delta, British Columbia, and is set to begin extraction of cannabis later this month.

This step was foreshadowed by MMJ in February following the receipt of the company's Health Canada licence necessary to operate the facility.

### Facilities in BC and Ontario

Embark Health is seeking to create the largest cannabis (THC and CBD) extraction business in Canada with facilities in British Columbia and Ontario.

The privately held company has entered into several letters of intent to secure 300,000 kilograms of biomass from well-known suppliers as feedstock for the next two years.

Initially, Embark Health intends to produce Bubble Hash, Dry Sift Kief and Rosin for commercial sale in addition to providing tolling services to a wide range of customers.

Other extraction techniques will be added as more rooms in the facility are licensed.

### Foundation investor

MMJ was a foundation investor in Embark Health in July 2018.

MMJ's investment in Embark health has a current book value of C\$13 million which represents 1.9 times MMJ's investment in the company and comprises:

- 3.425 million ordinary shares (approximately 12.7% shareholding) in Embark Health with a book value of C\$8.22 million (carried at book value of C\$2.40 per share);
- Warrants (book value of C\$1.6 million) that provide the option for MMJ to acquire a further 1 million shares at C\$1.75 each up with maturity date of two years after a Liquidity Event;
- Warrants (book value of C\$2.1 million) that provide the option for MMJ to acquire a further 1.2 million shares at C\$1.204 each up with maturity date of two years after a Liquidity Event; and
- Warrants (book value of C\$1 million) that provide the option for MMJ to acquire a further 1.125 million shares at C\$4.80 each up with maturity date of two years after a Liquidity Event.

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**Price:** 0.135

**Market Cap:** \$31.04 m

### 1 Year Share Price Graph



### Share Information

**Code:** MMJ

**Listing:** ASX

**52 week High Low**  
0.31 0.062

**Sector:** Cannabis

**Website:** www.mmjgh.com.au

### Company Synopsis:

MMJ Group Holdings Ltd (ASX:MMJ), formerly known as MMJ Phytotech Ltd, owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors. The company is listed on the Australian Securities Exchange.

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