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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): January 14, 2019**

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**Tilray, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-38594**  
(Commission  
File Number)

**82-4310622**  
(IRS Employer  
Identification No.)

**1100 Maughan Road**  
**Nanaimo, BC, Canada, V9X1J2**  
(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (844) 845-7291**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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### **Item 1.01. Entry into a Material Definitive Agreement.**

On January 14, 2019, Tilray, Inc. (the “Company”), a global pioneer in cannabis production and distribution, entered into a Profit Participation Agreement (the “Profit Participation Agreement”) and a Payment Agreement (the “Payment Agreement”) with ABG Intermediate Holdings 2, LLC (“ABG”), pursuant to which the Company purchased from ABG participation rights in up to 49% of the net (i.e., post-expense) royalties from cannabis products bearing brands currently within the ABG portfolio (ratably based on the portion of the aggregate amount of consideration (as described below) received by ABG) that ABG receives from the exploitation of certain ABG brands in connection with the development, marketing and sale of cannabis-related products. As consideration for such participation rights, the Company (a) paid \$20,000,000 in cash to ABG and issued 840,107 shares of Class 2 Common Stock of the Company to ABG (valued at \$66,666,666 in aggregate based on the “Opening Stock Value” described below), (b) has agreed to pay an additional \$13,333,333 in cash to ABG not later than 45 days after the date of the Payment Agreement, (c) has agreed to pay an additional 840,107 shares of Class 2 Common Stock of the Company to ABG with an aggregate value of \$66,666,667 based on the Opening Stock Value, subject to certain triggers pertaining to the regulatory status of cannabidiol in the United States, and (d) has agreed to pay further additional consideration with an aggregate value of \$83,333,333 in a combination, at ABG’s election, of up to \$16,666,667 in cash and the remainder of such value in shares of Class 2 Common Stock of the Company (based on a 15-trading day volume weighted average price of such shares on the date of payment of such further additional consideration) subject to certain triggers pertaining to the regulatory status of tetrahydrocannabinol in the United States or the receipt of \$5,000,000 in distributions to the Company from the Profit Participation Agreement derived from cannabis products that contain tetrahydrocannabinol outside of the United States, in accordance with the terms and conditions set forth in, the Payment Agreement. For the purposes of the transaction, the parties agreed that the Company’s Class 2 Common Stock “Opening Stock Value” is the average of the volume weighted average trading price of such shares for the two 15-trading day periods ended on January 10 and January 11, 2019. That average is \$79.355 per Class 2 Common Stock of the Company. The shares of Class 2 Common Stock of the Company that were issued and are to be issued in connection with the transactions contemplated by the Profit Participation Agreement and the Payment Agreement have not been registered with the Securities and Exchange Commission and are subject to certain transfer restrictions.

Under the Profit Participation Agreement, the Company will, among other things and in addition to the participation rights, have the opportunity to (a) license and develop cannabis products bearing brands currently within the ABG portfolio, and (b) supply active cannabinoid ingredients, including tetrahydrocannabinol and cannabidiol, for products created and sold pursuant to licenses entered into by ABG with the Company or third parties to develop branded cannabis products. In the event ABG acquires additional brands after entering into the Profit Participation Agreement, the Company will also have the right to purchase participation rights in the net (i.e., post-expense) royalties from cannabis products bearing such brands, to be negotiated with ABG in each instance.

The foregoing descriptions of the transactions contemplated by the Profit Participation Agreement and the Payment Agreement do not purport to be complete and are subject to, and are

qualified in their entirety by, the full text of the Profit Participation Agreement and the Payment Agreement, which will be filed as exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

A copy of the press release announcing the Company's entry into the Profit Participation Agreement and the Payment Agreement is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

**Item 3.02 Unregistered Sales of Equity Securities.**

In connection with the consummation of the transactions contemplated by the Profit Participation Agreement and the Payment Agreement, the Company has issued 840,107 shares of Class 2 Common Stock of the Company, and has agreed to issue additional shares of Class 2 Common Stock of the Company, to ABG, each in accordance with the terms and conditions set forth in the Payment Agreement. The information contained in (or incorporated by reference into) Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 3.02.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits.**

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release issued January 15, 2019</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TILRAY, INC.

By: /s/ Brendan Kennedy

Name: Brendan Kennedy

Title: President and Chief Executive Officer

Dated: January 15, 2019



## **Tilray® and Authentic Brands Group Sign Global Revenue Sharing Agreement to Develop and Market Consumer Cannabis Brands**

***Agreement leverages Tilray's cannabis expertise and ABG's extensive portfolio of iconic brands that span the entertainment, fashion, streetwear, active, home and health and wellness sectors.***

**NANAIMO, B.C.** – Today, Tilray, Inc. (NASDAQ: TLRY), a global pioneer in cannabis production and distribution, and Authentic Brands Group (ABG), an owner of a portfolio of global lifestyle and entertainment brands, announced that they have signed a long-term revenue sharing agreement to market and distribute a portfolio of consumer cannabis products within ABG's brand portfolio in jurisdictions where regulations permit.

As the owner of more than 50 brands, ABG builds value by partnering with an expansive network of best-in-class manufacturers, operators and retailers. With a global retail footprint of over 100,000 points of sale and more than 4,500 branded freestanding stores and shop-in-shops, ABG's portfolio generates approximately US\$9 billion in retail sales annually. Reaching nearly 250 million social media followers across key digital platforms, ABG's robust marketing arm drives growth and engagement for its portfolio, including connecting its brands with over 150 million targeted followers through Winston, its proprietary micro-influencer network.

Under the terms of the agreement:

- The parties will leverage ABG's portfolio of brands to develop, market and distribute consumer cannabis products across the world, as and where legal, with an immediate focus on opportunities, including CBD, in Canada and the U.S. subject to applicable and brand appropriate regulations.
- Tilray will be the preferred supplier of active cannabinoid ingredients for such products.
- Tilray will initially pay to ABG US\$100 million and up to US\$250 million in cash and stock, subject to the achievement of certain commercial and/or regulatory milestones.
- Tilray will have the right to receive up to 49% of the net revenue from cannabis products bearing ABG brands, with a guaranteed minimum payment of up to US\$10 million annually for 10 years, subject to certain commercial and/or regulatory milestones.

Through this agreement, ABG and Tilray join forces at the intersection of science and brand to connect consumers with innovative health and wellness products suited to their many lifestyle needs.

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“We are thrilled to partner with ABG, a global leader known for expertly managing and marketing an owned portfolio of iconic brands,” said Brendan Kennedy, Tilray President and CEO. “As we work to expand Tilray’s global presence, this agreement leverages our complementary strengths and will be accretive to our shareholders as we reach new consumers across the entertainment, fashion, beauty, home and health and wellness sectors. We look forward to working with ABG to bring unique and sought-after branded cannabis products to the marketplace.”

Daniel W. Dienst, ABG Executive Vice Chairman, said, “Tilray’s unyielding focus on science, product quality, operational excellence and innovation has allowed them to quickly emerge as a leader in the cannabis industry. We see extraordinary potential for cannabis in the fast-growing health and wellness category – particularly for CBD products in the United States and around the world – and are excited about this long-term partnership.”

Tilray’s financial advisor on the transaction was BofA Merrill Lynch. Authentic Brands Group’s legal advisor on the transaction was Paul, Weiss, Rifkind, Wharton & Garrison LLP.

#### **About Tilray®**

Tilray (NASDAQ:TLRY) is a global pioneer in the research, cultivation, production and distribution of cannabis and cannabinoids currently serving tens of thousands of patients and consumers in twelve countries spanning five continents.

#### **About Authentic Brands Group**

Authentic Brands Group (ABG) is a brand development and marketing company, which owns a portfolio of global entertainment and lifestyle brands. Headquartered in New York City, ABG’s shareholders include Leonard Green & Partners LP, General Atlantic LP, Lion Capital LLP, its management, and employees. ABG manages, elevates, and builds the long-term value of more than 50 consumer brands and properties by partnering with best-in-class manufacturers, wholesalers, and retailers. Its brands have a global retail footprint in more than 100,000 points of sale across the luxury, specialty, department store, mid-tier, mass, and e-commerce channels and more than 4,500 branded freestanding stores and shop-in-shops around the world. ABG is committed to transforming brands by delivering compelling product, content, business, and immersive brand experiences. It creates and activates original marketing strategies to drive the success of its brands across all consumer touchpoints, platforms, and emerging media. ABG’s portfolio of iconic and world-renowned brands includes Marilyn Monroe®, Mini Marilyn®, Elvis Presley®, Muhammad Ali®, Shaquille O’Neal®, Dr. J®, Greg Norman®, Neil Lane®, Thalia®, Michael Jackson® (managed brand), Nautica®, Aéropostale®, Juicy Couture®, Vince Camuto®, Herve Leger®, Judith Leiber®, Frederick’s of Hollywood®, Nine West®, Frye®, Jones New York®, Louise et Cie®, Sole Society®, Enzo Angiolini®, CC Corso Como®, Hickey Freeman®, Hart Schaffner Marx®, Adrienne Vittadini®, Taryn Rose®, Bandolino®, Misook®, 1.STATE®, CeCe®, Chaus®, Spyder®, Tretorn®, Tapout®, Prince®, Airwalk®, Vision Street Wear®, Above The Rim®, Hind®, Thomasville®, Drexel®, and Henredon®. For more information, please visit [ABG-NYC.com](http://ABG-NYC.com).

### **Cautionary Note Regarding Forward-looking Statements**

*This press release contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of Canadian securities laws, or collectively, forward-looking statements. Forward-looking statements in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions and include statements relating to ABG projected retail sales and the global success of the Tilray and ABG agreement. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment and future approvals and permits. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements. Please see the heading “Risk Factors” in Tilray’s Quarterly Report on Form 10-Q, which was filed with the Securities and Exchange Commission and Canadian securities regulators on November 14, 2018, for a discussion of the material risk factors that could cause actual results to differ materially from the forward-looking information. Tilray does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.*

### **For further information:**

#### Tilray:

- Media: Chrissy Roebuck, 1-833-206-8161, [news@tilray.com](mailto:news@tilray.com)
- Investors: Katie Turner, +1-646-277-1228, [Katie.turner@icrinc.com](mailto:Katie.turner@icrinc.com)

#### Authentic Brands Group:

- Corporate Communications: Haley Steinberg, 646.612.7439, [hsteinberg@abg-nyc.com](mailto:hsteinberg@abg-nyc.com)
- Health and Wellness, Marketing & PR: Alli Good, 646.779.5336, [agood@abg-nyc.com](mailto:agood@abg-nyc.com)