

CRDX Provides Investor Update and Strategic Outlook Following KTEC Acquisition of AMMJ

July 15, 2025 — In response to growing questions and speculation surrounding the status of CRDX and investor positioning, we are issuing this update to provide clarity on recent developments, current operations, and next steps.

Background & Business Overview

Beginning in 2014–2015, CRDX-affiliated entities—spanning cultivation farms and dispensaries—have successfully raised private capital to build and scale operations. These businesses continue to operate with **zero debt**, reinvesting profits internally or into affiliated ventures to expand the company’s footprint.

While many early investors joined through individual entities, the business has since evolved into a unified structure, offering all shareholders a stake in the broader company. Recognizing the time and costs associated with pursuing PUBCO approval (Colorado procedure for cannabis companies to be publicly traded), the CRDX board opted for an alternative path to go public while preserving investor equity and avoiding debt.

Acquisition of AMMJ via KTEC LLC

To streamline the transition into the public markets, **KTEC LLC** (a Nevada-based holding company) acquired a majority stake in **American Cannabis Company (OTC: AMMJ)**, a fully reporting, publicly traded company with two licensed medical dispensaries in Colorado Springs. This acquisition was disclosed in a recent **8-K filing** and represents a strategic milestone, particularly in light of new recreational cannabis legislation in Colorado Springs, in order to mitigate losses in the Pueblo market.

AMMJ is currently working to update its quarterly filings, with plans to pursue an exchange upgrade in the near future.

Next Steps for Shareholders

As part of the ongoing strategy, **CRDX shareholders will be issued AMMJ shares** proportionate to their current ownership. Following this issuance, **definitive agreements will be executed** to consolidate all core cannabis assets into the public company structure.

Current Operations & Growth Pipeline

The combined cannabis operations now include:

- **Over 40,000 plants** in active cultivation across company-owned facilities

- **Seven (7) operational dispensary licenses**, with:
 - One additional dispensary scheduled to open in **2025**
 - Two more targeted for launch in **Q1 2026**

The consolidated enterprise has experienced significant growth and remains well-positioned for future success. With cannabis rescheduling still on the table, and potential **elimination of 280E tax burdens**, AMMJ is aligned to capitalize on favorable market timing—especially as many peers who went public prematurely have lost substantial value.

Investor Resources & Contact

We encourage all stakeholders to review recent **AMMJ 8-K filings** for the most up-to-date information. For any further questions or concerns, please reach out directly to **Investor Relations**.

Contact:

Investor Relations

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