
United States
Securities and Exchange Commission
Washington, D.C. 20549

SCHEDULE 13E-3
(RULE 13e-100)

RULE 13e-3 TRANSACTION STATEMENT UNDER SECTION 13(e) OF THE SECURITIES EXCHANGE ACT OF 1934

(Amendment No. 1)

CLS HOLDINGS USA, INC.

(Name of the Issuer)

CLS HOLDINGS USA, INC.

(Name of Persons Filing Statement)

Common Stock, par value \$0.0001

(Title of Class of Securities)

12565J308

(CUSIP Number of Class of Securities)

With a copy to:

CLS Holdings, USA, Inc.
516 S. 4th Street
Las Vegas, Nevada 89101
(888) 260-7775

Shelley Detwiler DiGiacomo
Engelman Berger, P.C.
2800 N Central Avenue, Suite 1200
(602) 222-4991

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of Persons Filing Statement)

This statement is filed in connection with (check the appropriate box):

Check the appropriate box:

- a. ☒ The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934
- b. ☐ The filing of a registration statement under the Securities Act of 1933.
- c. ☐ A tender offer.
- d. ☐ None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies: ☒

Check the following box if the filing is a final amendment reporting the results of the transaction: ☐

Neither the Securities and Exchange Commission nor any state securities commission has: approved or disapproved of the transaction; passed upon the merits or fairness of the transaction; or passed upon the adequacy or accuracy of the disclosure herein. Any representation to the contrary is a criminal offense.

INTRODUCTION

This Amendment No. 1 to the Rule 13e-3 Transaction Statement (as amended hereby, the “Transaction Statement”) is being filed with the Securities and Exchange Commission (the “SEC”) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), by CLS Holdings USA, Inc., a Nevada corporation (“CLSH” or the “Company”).

The Company intends to hold a special meeting of its stockholders to approve a reverse stock split of the Company’s Common Stock, par value \$0.0001 (the “Common Stock”). The reverse stock split consists of a 1-to-4,000,000 reverse stock split (the “Reverse Stock Split”) whereby stockholders owning any fractional shares of Common Stock following the Reverse Stock Split would have such fractional shares cancelled and converted into the right to receive the cash consideration set forth herein (the “Repurchase Plan”). The Company’s Board of Directors (the “Board”) has recommended that the Company’s shareholders approve the Reverse Stock Split to (i) substantially reduce operational costs by reducing the number of record holders of Common Stock to fewer than 300, thereby allowing the Company to terminate the registration of the Common Stock pursuant to Section 12(g)(4) of the Exchange Act and the Company’s reporting obligations under the Exchange Act, and (ii) to provide the minority shareholders with a liquidity event at a price well above the recent trading price of the stock.

This Transaction Statement is being filed with the SEC concurrently with a Proxy Statement (the “Proxy Statement”) filed by the Company pursuant to Regulation 14A of the Exchange Act. The information contained in the Proxy Statement, including all Annexes attached thereto, is hereby expressly incorporated herein by reference.

ITEM 1. SUMMARY TERM SHEET.

The material terms of the Repurchase Plan are as follows:

- The Reverse Stock Split of 1-to-4,000,000 of the Company’s Common Shares will have the effect of creating shareholders with fractional shares of Common Stock.
- The Repurchase Plan provides for the repurchase of fractional shares from stockholders whose resulting share interest following the Reverse Stock Split contains fractional shares.

- Current stockholders holding the resulting fractional shares of Common Stock will receive cash in the amount of three-point-seven cents (\$0.037) per pre-split share in lieu of their fractional shares.
- The Company has received a fairness opinion from Houlihan Capital LLC which presented a range of share values per pre-split share. The Company's Board has elected to use the highest price presented in that range for purposes of setting the purchase price for the fractionalized shares.

See also the information set forth under the caption "Summary of Material Terms of Reverse Stock Split and Related Transactions" in the Proxy Statement, which information is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

(a) *Name and Address.*

CLS Holdings, USA, Inc.
516 S. 4th Street
Las Vegas, NV 89101
(888) 260-7775

The foregoing information is also included in the Company's Proxy Statement under the caption "Company Information—CLS Holdings USA, Inc.

- (b) *Securities.* Common Stock. 164,734,517 shares of the Company's Common Stock were outstanding on May 1, 2025.
- (c) *Trading Market and Price.* The Company's Common Stock trades on the OTCQB market. The highest closing price for the Company's Common Stock over the 30 days preceding April 11 (the date the Independent Committee of the Company's Board of Directors made its recommendation to the full Board to pursue the reverse stock split described in the Proxy Statement) was \$0.0343. The lowest closing price for the Company's Common Stock over that same period was \$0.0220. The information set forth under the caption "SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS" is incorporated herein by reference.
- (d) *Dividends.* The Company has not declared or paid any dividends on its Common Stock for the past two years.
- (e) *Prior Public Offerings.* None.
- (f) *Prior Stock Purchases.* None.

ITEM 3. INDENTITY AND BACKGROUND OF FILING PERSON.

(a) *Name and Address of Filing Person.*

The information set forth in the Proxy Statement under the caption "COMPANY INFORMATION—Information about our Officers and Directors is incorporated herein by reference.

- (b) *Business and Background of Entities.* Not applicable.
- (c) *Business and Background of Natural Persons.*

The information set forth in the Proxy Statement under the caption "COMPANY INFORMATION—Information about our Officers and Directors is incorporated herein by reference.

ITEM 4. TERMS OF THE TRANSACTION.

- (a)(2) Material Terms. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

"SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS"
"SPECIAL FACTORS"
"SPECIAL FACTORS—Potential Conflicts of Interest of Officers, Directors and Certain Affiliated Persons"
"GENERAL INFORMATION—What vote is required?"

- (c) Different Terms. The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS—Potential Conflicts of Interest of Officers, Directors and Certain Affiliated Persons" is incorporated herein by reference.

- (d) Appraisal Rights. The information set forth in the Proxy Statement under the caption "DISSENTERS' RIGHTS" is incorporated herein by reference.

- (e) Provisions for Unaffiliated Security Holders. None.

- (f) Eligibility for Listing or Trading. Not applicable.

ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

- (a) Transactions. Not applicable.
- (b) Significant Corporate Events. Not applicable.
- (c) Negotiations or Contracts. Not applicable.
- (e) Agreements Involving the Subject Company's Securities. Not applicable.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

- (b) Use of Securities Acquired. The information set forth in the Proxy Statement under the captions "SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS" and "SPECIAL FACTORS" is incorporated herein by reference.

ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS.

(a) Purposes. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“SPECIAL FACTORS”

(b) Alternatives. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(c) Reasons. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”

(d) Effects. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”
“MATERIAL U.S. FEDERAL TAX CONSEQUENCES”

ITEM 8. FAIRNESS OF THE TRANSACTION.

(a) Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(b) Factors Considered in Determining Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(c) Approval of Security Holders. The information set forth in the Proxy Statement under “SPECIAL FACTORS” is incorporated herein by reference.

(d) Unaffiliated Representative. The directors who are not employees of the Company and who hold negligible to no shares, served as the Independent Committee to evaluate the Reverse Stock Split. The Company did not engage an unaffiliated representative on behalf of unaffiliated security holders but did commission an independent third-party fairness opinion. The information set forth in the Proxy Statement under the caption “DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion” is incorporated herein by reference.

(e) Approval of Directors. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(f) Other Offers. Not applicable.

ITEM 9. Reports, Opinions, Appraisals and Negotiations.

(a) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(b) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(c) A copy of the Fairness Opinion delivered to the Independent Committee is attached hereto as Exhibit 99.2 and incorporated herein by reference.

ITEM 10. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) The information set forth in the Proxy Statement under the caption “SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split” is incorporated herein by reference.

(b) Not applicable.

(c) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

(d) The information set forth in the Proxy Statement under the caption “SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split is incorporated herein by reference.

ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) The information set forth in the Proxy Statement under the caption “SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS” is incorporated herein by reference.

(b) None.

ITEM 12. THE SOLICITATION OR RECOMMENDATION.

(d) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

(e) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”
“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

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ITEM 13. FINANCIAL STATEMENTS

(a) Financial Information.

(1) The audited consolidated financial statements set forth in the Company’s Annual Report on Form 10-K for the year ended May 31, 2024, are incorporated herein by reference.

(2) The unaudited balance sheets, comparative year-to-date statements of comprehensive income and related earnings per share data and statements of cash flows as set forth in the Company’s Quarterly Report on form 10-Q for the quarter ended February 28, 2025, are incorporated herein by reference.

(b) Pro Forma Information. Not applicable.

ITEM 14. PERSONS/ASSETS RETAINED, EMPLOYED, COMPENSATED OR USED.

(a) Solicitations or Recommendations. The information set forth in the Proxy Statement under the caption “GENERAL INFORMATION—Who will bear the cost of the solicitation of proxies?” is incorporated herein by reference.

(b) Employees and Corporate Assets. The information set forth in the Proxy Statement under the caption “GENERAL INFORMATION—Who will bear the cost of the solicitation of proxies?” is incorporated herein by reference.

ITEM 15. ADDITIONAL INFORMATION.

(b) Not applicable.

(c) Other Material Information. The information contained in the Proxy Statement, including all exhibits thereto, is incorporated herein by reference.

ITEM 16. EXHIBITS.

EXHIBIT INDEX

	<u>Exhibit No.</u>	<u>Document</u>
16(a)	99.1	Notice of Annual Meeting and Preliminary Proxy Statement of the Company filed with the SEC on May 20, 2025
16(b)		Not applicable.
16(c)	99.2	Opinion of Houlihan Capital LLC dated April 8, 2025
16(d)		Not applicable
16(f)		Included in Exhibit 99.1.
16(g)		Not applicable
107*		Fee Tables

* Previously filed with the Transaction Statement on Schedule 13E-3 filed with the Securities and Exchange Commission on May 1, 2025.

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information as set forth in this statement is true, completed and correct.

CLS HOLDINGS USA, INC.

By: /s/ Andrew Glashow

Andrew Glashow

Name:

Title: Chief Executive Officer and Chairman of the Board

Date: May 20, 2025



Investment Banking | Valuation & Financial Advisory | Special Situations

April 8, 2025

PRIVATE & CONFIDENTIAL

Ross Silver
Chairman
CLS Holdings USA, Inc.
Special Committee of the Board of Directors

c/o Brueckner Spiliter Shelts PLC
8355 East Hartford Drive, Suite 200
Scottsdale, Arizona 85255

Ladies and Gentlemen:

Houlihan Capital, LLC (“Houlihan Capital”) understands that CLS Holdings USA, Inc. (OTCQB:CLSH) (the “Client”, or “Company”) intends to enter into a business combination with the purpose of taking the Company private in a reverse merger. Per conversations with the Client, we understand the Transaction will be structured as a 4 million to 1 reverse stock split, wherein every 4 million shares will be converted to one share post-Transaction. Houlihan Capital understands the Special Committee anticipates the Company would pay “fair value” for the shares, which under Nevada state law is determined as: (1) immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of the corporate action (unless exclusion would be inequitable); (2) using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal; and (3) without discounting for lack of marketability or minority status. Houlihan Capital further notes Nevada state law defines “market value” in reference to shares of a corporation as the highest closing sale price of a share during the 30 calendar days immediately preceding the date in question on the applicable securities exchange. Any stockholder with a fractional share count post-Transaction will be paid out in cash at a later date. Houlihan Capital understands the transaction price determined by the Special Committee to be \$0.037 per share (“Transaction Price”).

Pursuant to an engagement letter dated January 30, 2025, the Special Committee of the Board of Directors of the Company (the “Special Committee”) engaged Houlihan Capital as its financial advisor to render a written opinion (the “Opinion”), whether or not favorable, to the Special Committee as to whether, as of the date of such Opinion, that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company.

In completing our analysis for purposes of the Opinion set forth herein, Houlihan Capital’s investigation included, among other things, the following:

- Held discussions with certain members of Company management (“Company Management”) regarding the Transaction, the historical performance, and future outlook;

Special Committee of Board of Directors of CLS Holdings USA, Inc.
April 8, 2025
Fairness Opinion - Confidential

- Reviewed information provided by Client, including, but not limited to:
 - o The Company’s latest reports on Form 10-Q and 10-K and other relevant public documents as filed with the Securities and Exchange Commission;
 - o the unaudited financial statements for the year-to-date (“YTD”) period ended February 28, 2025 (Houlihan Capital notes the Company’s fiscal year ends May 31);
 - o Management-provided financial projections for the fiscal year(s) ended (“FYE”) May 31, 2025, through May 31, 2027;
 - o Operating Agreements related to CLS Holdings, Alternative Solutions LLC, and Serenity Wellness Growers LLC;
 - o The Corporate Bylaws of CLS Holdings;
 - o Various documents related to sixteen promissory notes issued at various times from January 2, 2024, through February 26, 2025;
- Reviewed the industry in which the Company operates, which included a review of (i) certain industry research, (ii) certain comparable publicly traded companies and (iii) certain mergers and acquisitions of comparable businesses; and
- Developed indications of value for the Company using generally accepted valuation methodologies.

Our analyses contained herein are confidential. The Opinion may be used (i) by the Special Committee in evaluating the Transaction, (ii) in disclosure materials to shareholders of the Company, (iii) in filings with the U.S. Securities and Exchange Commission (including the filing of the Opinion and the data and analysis presented by Houlihan Capital to the Special Committee), and (iv) in any litigation pertaining to matters relating to the Transaction and covered in the Opinion.

No opinion, counsel, or interpretation was intended or should be inferred with respect to matters that require legal, regulatory, accounting, insurance, tax, or other similar professional advice. Furthermore, the Opinion does not address any aspect of the Special Committee’s recommendation to its shareholders with respect to the adoption of the Transaction or how any shareholder of the Company should vote with respect to such adoption or the statutory or other method by which the Company is seeking such vote in accordance with the terms of the Transaction, applicable law, and the Company’s organizational instruments.

This Opinion is delivered to each recipient subject to the conditions, scope of engagement, limitations and understandings set forth in the Opinion and subject to the understanding that the obligations of Houlihan Capital and any of its affiliates in the Transaction are solely corporate obligations, and no officer, director, principal, employee, affiliate, or member of Houlihan Capital or their successors or assigns shall be subjected to any personal liability whatsoever (other than for intentional misconduct, bad faith, fraud, or gross negligence), nor will any such claim be asserted by or on behalf of the Company or its affiliates against any such person with respect to the Opinion other than

Special Committee of Board of Directors of CLS Holdings USA, Inc.
April 8, 2025
Fairness Opinion - Confidential

We have relied upon and assumed, without independent verification, the accuracy, completeness and reasonableness of the financial, legal, tax, and other information discussed with or reviewed by us and have assumed such accuracy and completeness for purposes of rendering an opinion. In addition, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company, nor, except as stated herein, have we been furnished with any such evaluation or appraisal. We have further relied upon the assurances and representations from Company Management that they are unaware of any facts that would make the information provided to us to be incomplete or misleading in any material respect for the purposes of the Opinion. We have not assumed responsibility for any independent verification of this information, nor have we assumed any obligation to verify this information. Nothing has come to our attention in the course of this engagement which would lead us to believe that (i) any information provided to us or assumptions made by us are insufficient or inaccurate in any material respect or (ii) it is unreasonable for us to use and rely upon such information or make such assumptions.

Several analytical methodologies were considered, and a subset of those were employed, in arriving at the Opinion. Each analytical technique has inherent strengths and weaknesses, and the nature of the available information may further affect the value of particular techniques. Houlihan Capital did not attribute any particular weight to any single analysis or factor, but instead, made certain qualitative and subjective judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by us and in the context of the circumstances of the Transaction. Accordingly, Houlihan Capital believes that its analyses must be considered as a whole, because considering any portion of such analyses and factors, without considering all analyses and factors in their entirety, could create a misleading or incomplete view of the process underlying, and used by Houlihan Capital as support for, the conclusion set forth in the Opinion.

In our analysis and in connection with the preparation of the Opinion, Houlihan Capital has made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Transaction. Houlihan Capital's Opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of the Opinion. Houlihan Capital is under no obligation, to update, revise, reaffirm or withdraw the Opinion, or otherwise comment on or consider events occurring after the date of the Opinion.

The Opinion is our only formal written opinion as to whether, as of the date of such Opinion, whether or not favorable, to the Special Committee as to whether, that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company. The Opinion does not constitute a recommendation to proceed with the Transaction. Houlihan Capital was not requested to opine as to, and the Opinion does not address, the (i) underlying business decision of Company, its shareholders, or any other party to proceed with or effect the proposed Transaction, (ii) financial fairness of any aspect of the proposed Transaction not expressly addressed in the Opinion, (iii) terms of the Transaction (except as expressly addressed herein), including, without limitation, the closing conditions and any of the other provisions thereof, (iv) fairness of any portion or aspect of the proposed Transaction to the holders of any securities, creditors, or other constituencies of the Company, or any other party, other than those set forth in the Opinion, (v) relative corporate or other merits of the proposed Transaction as compared to any alternative business strategies that might exist for the Company, or (vi) tax, accounting, or legal consequences of the proposed Transaction to either the Company, its shareholders, or any other party.

Special Committee of Board of Directors of CLS Holdings USA, Inc.
April 8, 2025
Fairness Opinion - Confidential

Houlihan Capital, a Financial Industry Regulatory Authority (FINRA) member, as part of its investment banking services, is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, private placements, bankruptcy, capital restructuring, solvency analyses, stock buybacks, and valuations for corporate and other purposes. Neither Houlihan Capital, nor any of its principals, has any ownership or other beneficial interests in the Company and has provided no previous investment banking or consulting services to the Company.

Houlihan Capital has received and is receiving a fee from the Company relating to its services in providing the Opinion that is not contingent on the consummation of the proposed Transaction.

In an engagement letter dated January 30, 2025, Client has agreed to indemnify Houlihan Capital for certain specified matters in connection with Houlihan Capital's services relating to the Opinion.

Subject to the foregoing qualifications, assumptions, and limitations, as of the date hereof, it is Houlihan Capital's opinion that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company. The Opinion was unanimously approved by the Fairness Opinion Committee of Houlihan Capital.

Respectfully submitted,

Houlihan Capital, LLC

Houlihan Capital, LLC