

# Q1: Quarterly Industry Update

AS OF March 31<sup>st</sup>, 2019

## Hemp

### INDUSTRY SUMMARY

SINGERLEWAK identified Hemp publicly traded companies, IPOs, and recent M&A transactions within the Hemp industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2018, the median 52-week share price return of the Hemp industry was -31.3%. As this industry is new and many companies trade through over-the-counter markets, multiples varied widely.

### Public Company Key Statistics

Median 52-Week Return	Median Year-to-Date Return	Median Price/Revenue Multiple	Median MVIC/Gross Profit Multiple
-31.3%	-5.4%	22.29x	20.82x
Median Price//Gross Profit Multiple	Median Price/Earnings Multiple	Median MVIC/ Revenue Multiple	Median MVIC/ Earnings Multiple
20.00x	-3.74x	22.95x	-4.67x

# Summary of Additions for Q1 2019

## Public Companies

- Added section for public companies with more than \$1 million in revenue (page 3)
  - 2 Public Companies added.
- Added section for Reverse Merger/Backdoor IPO (page 10).
  - 7 Reverse Mergers added.

## Comparable Public Company Market Metrics as of March 31, 2019

<b>More than \$1m in Revenue</b>	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>22nd Century Group, Inc.</b>	-31.3%	-31.3%	-27.2%	\$ 213.17	26.60	0.72	(11.43)	2.7%	-42.9%	8.01x	294.23x
<b>C21 Investments Inc.</b>	214.1%	214.1%	77.5%	129.49	2.59	0.18	(23.60)	7.1%	-912.8%	50.08x	709.26x
<b>Canbiola, Inc.</b>	-47.0%	-47.0%	67.3%	23.86	1.12	0.49	(5.69)	44.1%	-510.1%	21.38x	48.45x
<b>Canopy Growth Corporation</b>	57.9%	57.9%	71.8%	19831.32	155.10	33.19	(411.38)	21.4%	-265.2%	127.86x	597.49x
<b>Crailar Technologies Inc.</b>	-47.8%	-47.8%	-42.9%	0.08	6.55	0.15	(12.18)	2.3%	-186.0%	0.01x	0.53x
<b>Ecofibre Limited</b>	N/A	N/A	N/A	147.85	17.81	10.19	(6.72)	57.2%	-37.7%	8.30x	14.50x
<b>Freedom Leaf, Inc.</b>	9.6%	9.6%	95.1%	53.56	2.54	1.07	(5.50)	42.1%	-216.6%	21.08x	50.08x
<b>Gabriella's Kitchen Inc.</b>	-3.7%	-3.7%	N/A	0.00	1.40	(0.91)	(9.13)	-65.4%	-653.4%	N/A	N/A
<b>Hemp Inc.</b>	-38.7%	-38.7%	-3.8%	112.15	2.35	2.06	(33.99)	87.5%	N/A	47.64x	54.45x
<b>Hempco Food and Fiber Inc.</b>	-3.8%	-3.8%	-31.3%	61.82	2.72	0.18	(5.98)	6.7%	-219.8%	22.73x	338.62x
<b>HQ Global Education Inc.</b>	-61.7%	-61.7%	-97.8%	0.44	56.84	21.33	16.83	37.5%	29.6%	0.01x	0.02x
<b>Isodiol International Inc.</b>	25.2%	25.2%	-85.0%	64.43	29.83	13.46	(55.81)	45.1%	-187.1%	2.16x	4.79x
<b>Medical Marijuana, Inc.</b>	-18.3%	-18.3%	-34.4%	219.85	69.52	48.91	(58.50)	70.4%	-84.1%	3.16x	4.50x
<b>Naturally Splendid Enterprises Ltd.</b>	4.0%	4.0%	-40.9%	13.53	2.07	0.26	(1.60)	12.4%	-77.0%	6.52x	52.50x
<b>NutraLife BioSciences, Inc.</b>	-4.3%	-4.3%	-17.3%	24.45	3.71	1.22	(2.75)	33.0%	-74.1%	6.59x	20.00x
<b>PotNetwork Holdings, Inc.</b>	78.4%	78.4%	-54.1%	86.32	25.58	8.96	0.24	35.0%	0.9%	3.37x	9.63x
<b>Pyxus International, Inc.</b>	101.4%	101.4%	-8.3%	216.94	1854.20	240.03	(64.99)	12.9%	-3.5%	0.12x	0.90x
<b>True Leaf Brands Inc.</b>	23.4%	23.4%	-23.7%	55.90	2.10	0.74	(5.35)	35.1%	-254.7%	26.63x	75.84x
<b>Veritas Farms, Inc.</b>	116.7%	116.7%	80.6%	72.98	3.27	1.37	(5.31)	41.9%	-162.2%	22.29x	53.25x
<b>Median</b>	<b>0.15%</b>	<b>0.15%</b>	<b>-23.7%</b>	<b>\$64.43</b>	<b>\$3.71</b>	<b>\$1.22</b>	<b>(\$6.72)</b>	<b>35.0%</b>	<b>-174.1%</b>	<b>8.16x</b>	<b>51.29x</b>

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## Comparable Public Company Market Metrics as of March 31, 2019

<b>Less than \$1m in Revenue</b>	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>420 Property Management, Inc.</b>	33.3%	33.3%	33.3%	0.00	0.05	0.05	(8.31)	100.0%	N/A	0.01x	0.01x
<b>Acacia Diversified Holdings, Inc.</b>	-32.1%	-32.1%	-84.0%	2.67	0.49	0.27	(1.48)	56.4%	-303.7%	5.48x	9.71x
<b>Artelo Biosciences, Inc.</b>	4.3%	4.3%	20.0%	18.82	N/A	N/A	(2.25)	N/A	N/A	N/A	N/A
<b>Asia Cannabis Corp.</b>	N/A	N/A	N/A	9.05	N/A	N/A	(0.92)	N/A	N/A	N/A	N/A
<b>Bespoke Extracts, Inc.</b>	35.8%	35.8%	-94.5%	4.09	0.07	0.03	(1.37)	44.4%	N/A	58.61x	131.87x
<b>Can Quest Medical Corp. (Formerly Algae Dynamics Corp)</b>	58.3%	58.3%	111.1%	3.15	N/A	N/A	(1.10)	N/A	N/A	N/A	N/A
<b>CBD Unlimited, Inc.</b>	522.5%	522.5%	502.5%	70.07	0.13	0.01	(1.17)	8.3%	-926.2%	554.95x	N/A
<b>Corix Bioscience, Inc.</b>	-81.0%	-81.0%	-97.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Curative Biosciences, Inc.</b>	8.3%	8.3%	47.7%	6.36	N/A	N/A	(0.52)	N/A	N/A	N/A	N/A
<b>Demand Brands, Inc.</b>	-18.9%	-18.9%	-44.2%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Earth Science Tech, Inc.</b>	-24.2%	-24.2%	-15.6%	30.69	0.74	0.29	(2.24)	39.6%	-301.1%	41.33x	104.33x
<b>EastWest Bioscience Inc.</b>	-27.6%	-27.6%	N/A	8.32	0.53	0.08	(4.16)	14.8%	-783.4%	15.69x	105.70x
<b>Elev8 Brands, Inc.</b>	-19.3%	-19.3%	-50.4%	0.03	0.30	0.23	(0.14)	77.7%	-47.7%	0.09x	0.12x
<b>Eviana Health Corporation</b>	6.6%	6.6%	-61.8%	15.53	0.09	0.15	(3.49)	164.7%	N/A	165.07x	100.25x
<b>FBEC Worldwide, Inc.</b>	0.0%	0.0%	0.0%	0.36	0.00	0.00	(1.49)	74.5%	N/A	182.77x	245.37x
<b>FutureWorld Corp.</b>	0.0%	0.0%	0.0%	0.52	0.25	0.25	(0.87)	100.5%	-344.3%	2.06x	2.05x
<b>Gala Pharmaceutical, Inc.</b>	-19.2%	-19.2%	-73.4%	2.00	0.00	(0.00)	(1.85)	-16.7%	N/A	427.17x	N/A

■ International

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## Comparable Public Company Market Metrics as of March 31, 2019

<b>Less than \$1m in Revenue</b>	<b>YTD</b>	<b>3 Month</b>	<b>1 Year</b>	<b>Market Cap. (In millions)</b>	<b>Revenues</b>	<b>Gross Profit</b>	<b>Net Income</b>	<b>GP Margin</b>	<b>NI Margin</b>	<b>P/Rev.</b>	<b>P/GP</b>
<b>Global Hemp Group Inc.</b>	-33.3%	-33.3%	-37.9%	16.78	0.00	(0.01)	(4.65)	-618.8%	N/A	N/A	N/A
<b>Greenhouse Solutions Inc.</b>	-6.7%	-6.7%	-45.1%	0.27	N/A	N/A	(0.39)	N/A	N/A	N/A	N/A
<b>Grey Cloak Tech Inc.</b>	N/A	N/A	N/A	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Gridiron BioNutrients, Inc.</b>	-20.0%	-20.0%	-87.2%	4.26	0.07	(0.05)	(0.91)	-71.3%	N/A	60.96x	-85.44x
<b>Hemp Naturals, Inc.</b>	-51.2%	-51.2%	79.1%	133.14	N/A	N/A	(6.50)	N/A	N/A	N/A	N/A
<b>HempAmericana, Inc</b>	-47.5%	-47.5%	-38.7%	21.56	N/A	(0.03)	(2.96)	N/A	N/A	N/A	-815.27x
<b>Kona Gold Solutions, Inc.</b>	-5.4%	-5.4%	370.6%	0.13	0.83	0.77	0.20	92.9%	23.6%	0.16x	0.17x
<b>Limitless Venture Group Inc.</b>	66.7%	66.7%	400.0%	0.00	0.00	(0.01)	(0.02)	-329.6%	-431.8%	N/A	N/A
<b>Marijuana Company of America, Inc.</b>	-25.6%	-25.6%	-43.0%	40.59	0.35	0.24	(19.48)	68.2%	N/A	116.65x	171.07x
<b>MYM Nutraceuticals Inc.</b>	15.3%	15.3%	-73.3%	46.39	0.63	0.33	(14.76)	52.9%	N/A	74.20x	140.30x
<b>North American Cannabis Holdings, Inc.</b>	-44.0%	-44.0%	75.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Novus Acquisition &amp; Development Corp.</b>	2.4%	2.4%	-44.3%	0.36	0.10	0.09	0.02	96.0%	24.5%	3.76x	3.92x
<b>Nuvus Gro Corp.</b>	8.9%	8.9%	-98.1%	1.61	N/A	N/A	(0.57)	N/A	N/A	N/A	N/A
<b>Omniscanna Health Solutions, Inc.</b>	-1.9%	-1.9%	-32.0%	0.89	N/A	N/A	(5.43)	N/A	N/A	N/A	N/A
<b>Ovation Science Inc.</b>	36.7%	36.7%	N/A	9.50	0.16	0.13	(0.61)	83.5%	-395.2%	61.09x	73.16x
<b>Peak Pharmaceuticals, Inc.</b>	-22.2%	-22.2%	5.1%	7.29	N/A	N/A	(0.05)	N/A	N/A	N/A	N/A
<b>Phivida Holdings Inc.</b>	20.0%	20.0%	-41.6%	40.93	0.08	0.06	(10.99)	79.8%	N/A	509.06x	638.30x
<b>Premier Biomedical, Inc.</b>	-52.7%	-52.7%	-95.2%	0.34	0.04	(0.07)	(0.90)	-212.3%	N/A	9.68x	-4.56x

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## Comparable Public Company Market Metrics as of March 31, 2019

<b>Less than \$1m in Revenue</b>	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Right On Brands, Inc.</b>	-47.1%	-47.1%	-88.1%	3.00	0.16	(0.00)	(3.23)	-1.6%	N/A	18.98x	N/A
<b>Rocky Mountain High Brands, Inc.</b>	-43.3%	-43.3%	-62.8%	12.40	0.40	(0.01)	(2.29)	-3.7%	-565.1%	30.63x	-837.58x
<b>Tree of Knowledge International Corp.</b>	-11.9%	-11.9%	N/A	38.35	0.73	(0.03)	(15.70)	-3.8%	N/A	52.37x	N/A
<b>Vitalibis, Inc.</b>	-12.7%	-12.7%	-2.0%	44.22	0.19	0.08	(3.93)	41.6%	N/A	231.61x	556.78x
<b>Wanderport Corporation</b>	-24.0%	-24.0%	47.6%	9.96	N/A	(0.02)	(0.17)	N/A	N/A	N/A	-442.61x
<b>Western Sierra Resource Corporation</b>	-27.8%	-27.8%	828.6%	20.51	0.06	0.02	(0.11)	30.6%	-196.1%	367.84x	N/A
<b>Median</b>	<b>12.7%</b>	<b>12.7%</b>	<b>38.3%</b>	<b>\$4.26</b>	<b>\$0.14</b>	<b>\$0.04</b>	<b>(\$1.48)</b>	<b>-1.2%</b>	<b>-43.0%</b>	<b>55.49x</b>	<b>9.71x</b>

■ International

## Median Public Companies\*

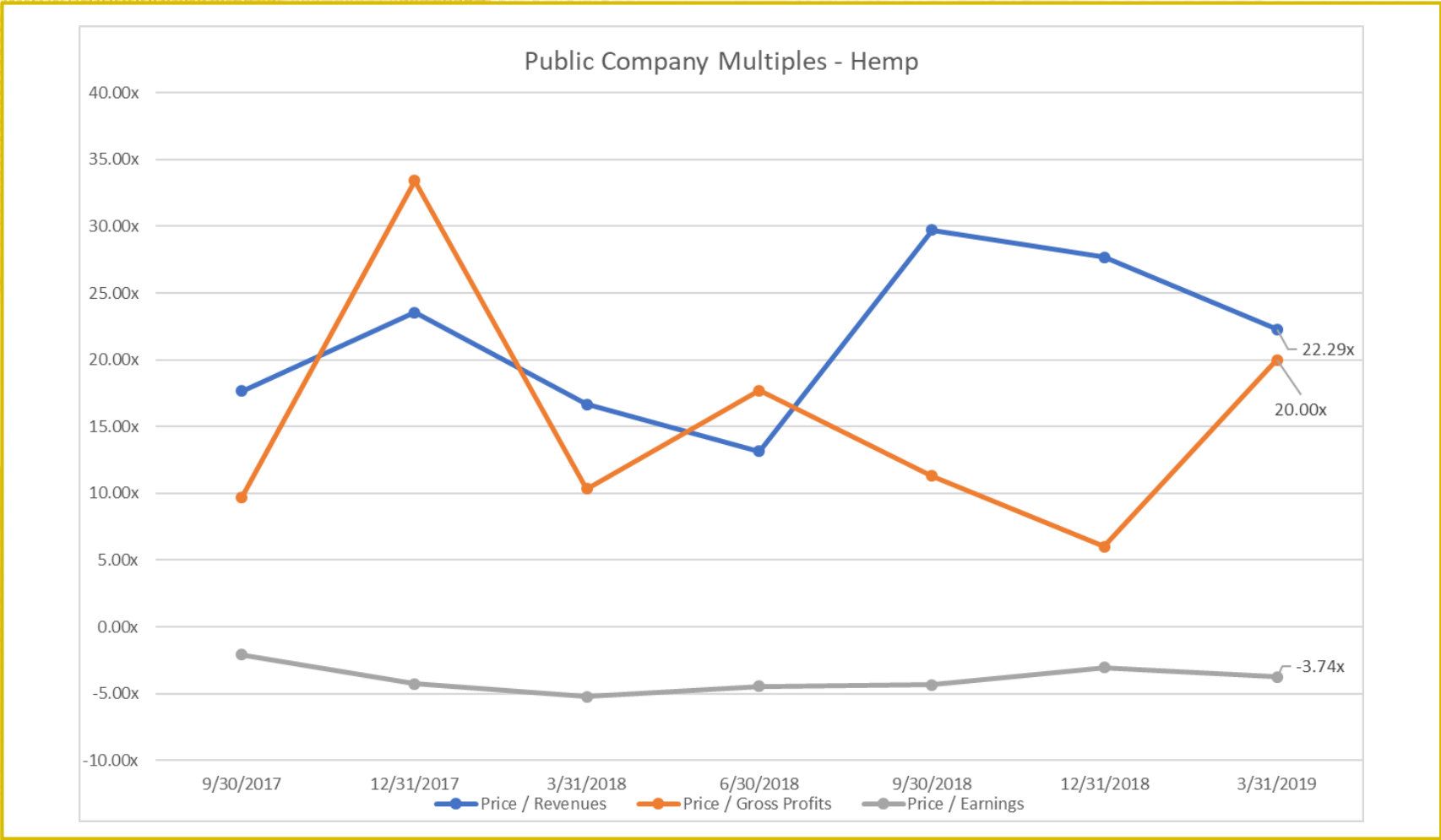
The chart and graph (next page) illustrates public company multiples for the 1.5 years

	3/31/19	12/31/18	9/30/18	6/31/18	3/31/17	12/31/17	9/30/17	Average
<b>Price / Revenues</b>	22.90x	27.69x	29.74x	13.16x	16.66x	23.55x	17.66x	21.47x
<b>Price / Gross Profits</b>	20.0x	6.00x	11.31x	17.70x	10.35x	33.40x	9.72x	19.56x
<b>Price / Earnings</b>	-3.74x	-3.04x	-4.34x	-4.46x	-5.22x	-4.26x	-2.07x	-3.88x
<b>MVIC / Revenues</b>	22.95x	32.64x	35.89x	18.19x	22.54x	30.03x	19.15x	25.91x
<b>MVIC / Gross Profits</b>	20.82x	13.02x	23.82x	19.29x	17.24x	42.95x	17.24x	22.05x
<b>MVIC / Earnings</b>	-4.67x	-4.61x	-5.55x	-5.15x	-5.95x	-5.97x	-2.91x	-4.97x

■ Highest Multiple   
 ■ Lowest Multiple   
 ■ Median Multiple

\* Median numbers comprise of ALL public companies listed

# Public Company Multiples






## Industry Initial Public Offerings: Ancillary Cannabis (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets*	Debt*	LTM * Revenues	LTM * EBITDA	Shares Offered/Shares Outstanding Post-Offering
3/28/2019	<b>Ecofibre Limited</b>	\$1.00	20.00	\$20.00	\$20.84	\$3.81	\$17.81	(\$7.45)	7%
1/11/2019	<b>Asia Cannabis Corp.</b>	0.25	5.05	1.26	0.55	0.00	0.00	0.00	14%
11/15/2018	<b>Ovation Science Inc.</b>	0.30	7.00	2.10	0.90	0.30	0.03	0.00	30%
8/30/2018	<b>Charlotte's Web Holdings, Inc.</b>	7.00	14.30	100.10	27.56	0.57	54.14	18.44	15%
1/5/2018	<b>Elixinol Global Limited</b>	1.00	20.00	20.00	105.00	0.29	0.00	(8.15)	19%
12/18/2017	<b>Phivida Holdings Inc.</b>	0.40	12.50	5.00	0.85	0.00	0.01	0.00	32%
10/18/2016	<b>Creso Pharma Limited</b>	0.20	25.00	5.00	0.00	0.00	0.00	0.00	43%
2/15/2012	<b>Aja Cannafacturing, Inc.</b>	0.01	2.00	0.02	0.02	0.00	0.00	0.00	17%
9/16/2010	<b>Phoenix Life Sciences International Limited</b>	0.01	3.30	0.03	0.00	0.00	0.00	0.00	69%
10/23/2009	<b>Peak Pharmaceuticals, Inc.</b>	0.10	0.41	0.04	0.01	0.00	0.00	0.00	9%
11/7/2008	<b>Northsight Capital, Inc.</b>	0.10	0.55	0.06	0.00	0.00	0.00	0.00	39%
1/9/2008	<b>Cann Global Limited</b>	0.20	25.00	5.00	0.98	0.00	0.00	0.00	100%
	<b>Median of all IPOs</b>	<b>\$0.40</b>	<b>14.30</b>	<b>\$5.0</b>	<b>\$0.90</b>	<b>0.29</b>	<b>0.01</b>	<b>0.00</b>	<b>25%</b>

\* LTM as of the closing date

# Reverse Merger/Backdoor IPO


Transaction Date	Public Co. Being Acquired	Cannabis Co. LTM Information*			
		Cannabis Co (Acquirer) going Public	LTM Revenues	LTM EBITDA	LTM NET INCOME
6/29/2018	<b>Courtland Capital Inc.</b>	<b>Tree of Knowledge, Inc. (nka:Tree of Knowledge International Corp.)</b>	0.44	(3.46)	(3.75)
10/9/2017	<b>My Cloudz, Inc.</b>	<b>Gridiron BioNutrients, Inc.</b>	0.00	0.00	(0.16)
7/16/2018	<b>Harbour Star Capital Inc.</b>	<b>1011705 B.C. Ltd. (nka:EastWest Bioscience Inc.)</b>	0.04	(1.29)	(1.60)
4/15/2016	<b>Genview Capital Corp.</b>	<b>Dharma Distributors Ltd (nka:Hempco Food and Fiber Inc.)</b>	4.03	0.12	0.02
2/28/2013	<b>Race Capital Corp.</b>	<b>Naturally Splendid Enterprises Ltd.</b>	0.10	(0.32)	(0.13)
11/10/2011	<b>First Quantum Ventures, Inc.</b>	<b>DiMi Telematics, Inc. (nka:Bespoke Extracts, Inc.)</b>	0.00	(0.38)	(0.38)
2/11/2010	<b>Green Star Mining Corp.</b>	<b>HQ Global Education Inc.</b>	37.41	13.30	10.60

 International

\* LTM as of the closing date

## Merger and Acquisition Transactions for a Majority Stake (dollars in millions)


Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
3/25/2019	<b>US Canniceuticals, LLC</b>	<b>Strategic Management and Opportunity Corporation</b>	\$0.20	100.0%	N/A	N/A	N/A	N/A
2/27/2019	<b>Fresh Hemp Foods Ltd. (dba Manitoba Harvest)</b>	<b>Tilray, Inc.</b>	\$419.00	100.0%	N/A	N/A	N/A	N/A
2/15/2019	<b>All Assets of Khrysos Global, Inc./INXL Laboratories, Inc./INXL Holdings, Inc.</b>	<b>Khrysos Industries Inc.</b>	15.14	100.0%	N/A	N/A	N/A	N/A
1/15/2019	<b>Substantially All of the Assets of Grander Distribution, LLC</b>	<b>TerrAscend Corp.</b>	23.00	100.0%	N/A	N/A	N/A	N/A
12/17/2018	<b>Viverian</b>	<b>Chemosis International Inc.</b>	0.50	100.0%	N/A	N/A	N/A	N/A
11/22/2018	<b>ICC Labs Inc.</b>	<b>Aurora Cannabis Inc.</b>	288.77	100.0%	0.53	4.54	521.54x	61.32x
11/1/2018	<b>Eviana Inc.</b>	<b>Eviana Health Corporation</b>	0.50	100.0%	N/A	N/A	N/A	N/A
10/19/2018	<b>Hemp Extraction Technology Corp.</b>	<b>EVITRADE Health Systems Corp. (nka:Theramed Health Corporation)</b>	8.40	100.0%	N/A	N/A	N/A	N/A
7/26/2018	<b>Pasa Verde, LLC</b>	<b>Nutritional High International Inc.</b>	7.06	100.0%	N/A	N/A	N/A	N/A
7/16/2018	<b>Absorbent Concepts Inc.</b>	<b>Naturally Splendid Enterprises Ltd.</b>	0.64	100.0%	1.08	N/A	0.59x	N/A
6/18/2018	<b>430,000-square-foot Greenhouse Complex near Valencia, Spain</b>	<b>Freedom Leaf, Inc.</b>	4.10	100.0%	N/A	N/A	N/A	N/A
6/4/2018	<b>Farmtiva, LLC</b>	<b>Isodiol International Inc.</b>	1.50	51.0%	N/A	N/A	N/A	N/A
5/31/2018	<b>Cash Crop Today Media LLC</b>	<b>Global Hemp Group Inc.</b>	0.14	50.0%	N/A	N/A	N/A	N/A
5/11/2018	<b>Thurella AG</b>	<b>ORIOR MENU AG</b>	48.65	65.2%	31.81	4.33	2.17x	15.96x
5/10/2018	<b>Haxxon AG</b>	<b>Maricann B.V.</b>	14.70	100.0%	N/A	N/A	N/A	N/A

 International

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## Merger and Acquisition Transactions for a Majority Stake (dollars in millions)


Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
4/17/2018	<b>Biosynthesis Pharma Group Limited</b>	<b>Isodiol International Inc.</b>	11.31	100.0%	N/A	N/A	N/A	N/A
4/4/2018	<b>Green Hemp Industries Ltd., Certain Assets And Intellectual Property</b>	<b>Canopy Growth Corporation</b>	7.00	100.0%	N/A	N/A	N/A	N/A
3/15/2018	<b>Calyx Brands, Inc.</b>	<b>Nutritional High International Inc.</b>	2.73	100.0%	N/A	N/A	N/A	N/A
3/3/2018	<b>Bradley's Brand, LTD</b>	<b>Isodiol International Inc.</b>	0.34	100.0%	N/A	N/A	N/A	N/A
12/18/2017	<b>7GENx LLC</b>	<b>Doyen Elements, Inc.</b>	4.20	100.0%	N/A	N/A	N/A	N/A
12/4/2017	<b>Larssen Ltd</b>	<b>Aurora Cannabis Inc.</b>	13.50	100.0%	N/A	N/A	N/A	N/A
10/16/2017	<b>Canna Relief Consulting Canada Inc.</b>	<b>Terra Health Network Inc.</b>	0.25	100.0%	N/A	N/A	N/A	N/A
10/12/2017	<b>Natures Hemp Corp.</b>	<b>PUF Ventures Inc. (nka:AgraFlora Organics International Inc.)</b>	0.60	100.0%	N/A	N/A	N/A	N/A
6/16/2017	<b>91% of Alternate Medicine Association LC and 91% Infused Mfg., LLC</b>	<b>Quikflo Health Inc. (nka:1933 Industries Inc.)</b>	5.26	100.0%	N/A	N/A	N/A	N/A
6/8/2017	<b>CannaCanada Inc.</b>	<b>MYM Nutraceuticals Inc.</b>	0.16	75.0%	N/A	N/A	N/A	N/A
4/11/2017	<b>Assets and Brand of HempMed</b>	<b>MYM Nutraceuticals Inc.</b>	0.98	100.0%	N/A	N/A	N/A	N/A
1/31/2017	<b>Mettrum Health Corp.</b>	<b>Canopy Growth Corporation</b>	428.93	100.0%	13.69	(4.38)	29.56x	-92.47x
12/30/2016	<b>Crowd 4 Seeds, Inc. (nka:Vitalibis, Inc.)</b>	<b>Tycoon Lock Global Limited</b>	0.27	65.7%	N/A	N/A	N/A	N/A
11/1/2016	<b>Groupe H.E.M.P.CA Inc.</b>	<b>Canopy Growth Corporation</b>	2.27	75.0%	N/A	N/A	N/A	N/A
10/21/2016	<b>Elev8 Hemp, LLC</b>	<b>PLAD, Inc. (nka:Elev8 Brands, Inc.)</b>	0.20	100.0%	5.00	N/A	0.04x	N/A

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## Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
9/9/2016	HealthTalk Live, Inc. (nka:Right On Brands, Inc.)	N/A	0.21	69.9%	0.02	(0.03)	17.10x	-8.95x
4/1/2016	Dia-Stron Limited	Judges Scientific plc	2.75	100.0%	N/A	N/A	N/A	N/A
1/4/2016	MariJ Agricultural, Inc.	Acacia Diversified Holdings, Inc.	1.06	100.0%	0.26	(0.59)	3.30x	-1.44x
12/31/2015	93.4% in HempMeds Brasil and 20% HempMeds PX	Medical Marijuana, Inc.	13.88	100.0%	N/A	N/A	N/A	N/A
12/31/2015	HempMeds PR Ventures, LLC and KannaMex, LLC	HempMeds PX, LLC	13.88	100.0%	N/A	N/A	N/A	N/A
12/15/2015	Hemp Oil Canada Inc.	Fresh Hemp Foods Ltd.	42.00	100.0%	18.00	5.00	2.33x	8.40x
12/2/2015	Chii Hemp Industries Inc.	Naturally Splendid Enterprises Ltd.	0.21	100.0%	0.30	N/A	0.70x	N/A
7/17/2015	Dollar Shots Club, LLC	Totally Hemp Crazy Inc. (nka:Rocky Mountain High Brands, Inc.)	0.26	100.0%	N/A	N/A	N/A	N/A
11/18/2014	Specialty Commodities LLC	Archer-Daniels-Midland Company	191.00	100.0%	N/A	N/A	N/A	N/A
10/3/2014	Arkadia International, Inc. (nka:Freedom Leaf, Inc.)	N/A	0.10	92.7%	0.16	N/A	0.69x	N/A
9/11/2014	Ovation Research, Inc. (nka:Weed Growth Fund, Inc.)	New Compendium Corporation	0.34	90.4%	0.09	N/A	3.97x	N/A
6/30/2014	Kush, Inc.	Cannabis Sativa, Inc.	13.20	100.0%	N/A	N/A	N/A	N/A
6/4/2014	Hemp Technologies Ltd.	Creative Edge Nutrition, Inc.	1.31	51.0%	N/A	N/A	N/A	N/A
5/2/2014	CB Scientific, Inc.	HempTech Corporation (nka:Nuvus Gro Corp.)	0.09	100.0%	N/A	N/A	N/A	N/A
1/29/2014	HempLife Today, LLC	Global Links Corp.	0.83	100.0%	N/A	N/A	N/A	N/A

 International

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## Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
10/29/2013	<b>Ultimate Novelty Sports Inc.</b> (nka:Earth Science Tech, Inc.)	N/A	0.07	65.2%	0.03	N/A	3.99x	N/A
5/31/2013	<b>VOX TRADING CO., LTD.</b>	<b>House Foods Corporation</b> (nka:House Foods Group Inc.)	307.00	51.1%	15910.00	N/A	0.04x	N/A
4/23/2013	<b>Scrubnuts, Inc.</b>	<b>Hemp Inc.</b>	0.22	100.0%	N/A	N/A	N/A	N/A
12/31/2012	<b>Attune Foods, LLC</b>	<b>Post Foods, LLC</b>	9.20	100.0%	N/A	N/A	N/A	N/A
5/25/2012	<b>Gala Global Inc. (nka:Gala Pharmaceutical, Inc.)</b>	<b>IDG Ventures</b>	0.45	59.7%	N/A	(0.02)	N/A	-47.24x
2/29/2012	<b>PharmaSphere, LLC, License for the use of TerraSphere Systems</b>	<b>CannaVest Laboratories, LLC</b>	0.65	100.0%	N/A	N/A	N/A	N/A
11/3/2010	<b>Eco-Friendly Power Technologies Corp. (nka:420 Property Management, Inc.)</b>	N/A	0.20	54.6%	N/A	N/A	N/A	N/A
5/19/2010	<b>Gichner Systems Group, Inc.</b>	<b>Kratos Defense &amp; Security Solutions, Inc.</b>	133.00	100.0%	N/A	N/A	N/A	N/A
5/18/2010	<b>Green Technology Solutions, Inc.</b>	<b>Cambridge Securities of Panama; Coral Canyon Innovations, Inc.; Montego Blue Enterprises, Corp.; Vermillion Consulting Corp.; Middle Island Consortium</b>	0.65	69.7%	N/A	N/A	N/A	N/A
4/30/2010	<b>Northsight Capital, Inc.</b>	N/A	0.26	52.1%	N/A	N/A	N/A	N/A
2/8/2010	<b>Weave Corporation (nka:Weave Textiles, LLC)</b>	N/A	1.90	100.0%	N/A	N/A	N/A	N/A
<b>Median of the M&amp;A Transaction Targets</b>			<b>\$1.50</b>	<b>100.0%</b>	<b>\$0.53</b>	<b>(\$0.02)</b>	<b>2.33x</b>	<b>-1.44x</b>

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## M&A transactions for each year

Year	Number of Acquisitions
2019	4*
2018	15
2017	8
2016	5
2015	5
2014	7
2013	3
2012	3
2011	0
2010	5

\* As of March 31, 2019

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**Definitions of Financial Terms Used in this Quarterly Industry Update:**

**Enterprise Value (EV):** Market Value of Equity + Market Value of Debt — Cash

**Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA):** Profitability metric sometimes also referred to as operating profit or operating earnings.

**Gross Cash Flows:** Net Income + Depreciation and Amortization Expense

**Latest Twelve Months (LTM):** Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

**Gross Profit (GP):** Revenues — Cost of Goods Sold

**Market Value of Invested Capital (MVIC) –** Market Value of Equity + Market Value of Debt + Cash and Cash Equivalents; or EV+Cash

**Price (P):** Price is stated in US Dollars as of the report date.

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