

# Q3: Quarterly Industry Update

As of September 30, 2019

## Hemp Company Study

### 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 September 30, 2018, the median 52-week share price return of the Hemp industry was -65.0%. As this industry is new and many companies trade through over-the-counter markets, multiples varied widely.

### Median Public Company Key Statistics

	52-Week Return	YTD Return	P/Rev.	MVIC/GP	P/GP	P/Earnings	MVIC/Rev.	MVIC/Earnings
More than \$1 million in revenue	-61.3%	-55.5%	5.60x	15.72x	12.93x	-1.80x	6.10x	-2.45x
Less than \$1 million in revenue	-72.6%	-64.4%	14.90x	13.45x	5.82x	-1.87x	21.46x	-2.32x
Cumulative*	-65.0%	-58.3%	7.73x	14.52x	9.22x	-1.84x	11.06x	-2.40x

\* Aggregated medians for ALL companies under Hemp

# Summary of Additions from Q1-Q3 2019

## Q1

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

## Q2

- 3 public companies added.
- 17 Reverse Merger Acquisitions added.

## Q3

- 1 IPO added
- 6 Public Companies added
  - Contact [vspualding@singerlewak.com](mailto:vspualding@singerlewak.com) for list of public companies added.
- 2 Reverse Mergers added
- Eliminated mergers and acquisitions beyond calendar year 2019.
  - Contact [vspualding@singerlewak.com](mailto:vspualding@singerlewak.com) for a comprehensive list of cannabis mergers and acquisitions.

# Comparable Public Company Market Metrics as of September 30, 2019

## Public Companies Generating **More** Than a Million in Revenue

Public Company	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>	-9.2%	8.1%	-19.6%	\$ 284.25	\$25.71	\$0.30	(\$29.28)	1.2%	-113.9%	11.06x	933.58x
<b>Alternate Health Corp.</b>	-57.8%	-42.4%	-62.0%	14.80	4.43	1.64	(17.74)	37.0%	-400.9%	3.34x	9.03x
<b>Bhang Inc.</b>	N/A	N/A	N/A	0.05	3.84	0.97	(2.76)	25.2%	-71.9%	0.01x	0.06x
<b>C21 Investments Inc.</b>	-28.2%	-46.7%	-62.4%	46.05	20.09	6.00	(22.49)	29.9%	-111.9%	2.29x	7.67x
<b>Canbiola, Inc.</b>	-74.7%	-46.9%	-44.0%	12.33	1.60	0.72	(6.15)	45.1%	-385.8%	7.73x	17.14x
<b>Canopy Growth Corporation</b>	-17.1%	-42.6%	-51.6%	10538.34	344.19	192.08	(1925.26)	55.8%	-559.4%	30.62x	54.86x
<b>EastWest Bioscience Inc.</b>	-65.5%	-41.2%	-80.8%	4.08	1.01	0.24	(4.35)	24.0%	-431.4%	4.04x	16.86x
<b>Ecofibre Limited</b>	N/A	44.8%	N/A	887.53	35.61	25.35	6.00	71.2%	16.9%	24.93x	35.01x
<b>Freedom Leaf, Inc.</b>	-38.8%	-13.5%	-2.2%	29.91	2.54	1.07	(5.50)	42.1%	-216.6%	11.77x	27.96x
<b>Hemp, Inc</b>	-67.5%	-23.9%	-59.3%	61.62	2.58	2.27	(34.14)	88.0%	N/A	23.88x	27.14x
<b>Hempco Food and Fiber Inc.</b>	-35.2%	-21.8%	-60.7%	42.17	2.23	(1.11)	(7.68)	-49.6%	-344.2%	18.91x	-38.15x
<b>HQ Global Education Inc.</b>	-91.4%	-62.0%	-91.9%	0.10	56.84	21.33	16.83	37.5%	29.6%	0.00x	0.00x
<b>Isodiol International Inc.</b>	-79.9%	-75.9%	-93.1%	12.47	20.29	5.77	(124.91)	28.4%	-615.7%	0.61x	2.16x
<b>Medical Marijuana, Inc.</b>	-55.7%	-38.4%	-63.2%	120.93	74.39	54.70	(52.44)	73.5%	-70.5%	1.63x	2.21x
<b>Naturally Splendid Enterprises Ltd.</b>	-28.0%	-18.2%	-40.0%	10.48	2.99	0.41	(5.19)	13.7%	-173.5%	3.50x	25.55x
<b>NutraLife BioSciences, Inc.</b>	-29.5%	-33.3%	-29.4%	18.71	3.34	1.07	(3.08)	32.0%	-92.2%	5.60x	17.49x
<b>Orchid Ventures, Inc.</b>	N/A	-68.3%	N/A	7.39	5.41	1.41	(8.60)	26.1%	-159.1%	1.37x	5.24x
<b>PotNetwork Holdings, Inc.</b>	-55.3%	-40.1%	-82.8%	26.63	24.07	8.37	0.05	34.8%	0.2%	1.11x	3.18x

# Comparable Public Company Market Metrics as of September 30, 2019

## Public Companies Generating **More** Than a Million in Revenue

Public Company	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Pyxus International, Inc.</b>	10.3%	-13.9%	-43.1%	119.89	1775.38	260.15	(93.39)	14.7%	-5.3%	0.07x	0.46x
<b>Tree of Knowledge International Corp.</b>	-76.2%	-60.0%	-92.3%	10.72	1.70	0.83	(10.31)	48.9%	-608.0%	6.33x	12.93x
<b>True Leaf Brands Inc.</b>	-56.4%	-41.4%	-69.4%	20.47	2.23	1.01	(6.62)	45.1%	-296.3%	9.16x	20.30x
<b>Veritas Farms, Inc.</b>	157.5%	-48.2%	83.9%	107.65	5.76	2.72	(6.31)	47.3%	-109.7%	18.70x	39.52x
<b>Zoetic International Plc</b>	-58.3%	-51.6%	-73.1%	6.21	1.02	1.02	(5.77)	100.0%	-567.8%	6.11x	6.11x
<b>Median</b>	<b>-55.5%</b>	<b>-41.3%</b>	<b>-61.3%</b>	<b>\$20.47</b>	<b>\$4.43</b>	<b>\$1.41</b>	<b>(\$6.62)</b>	<b>37.0%</b>	<b>-166.3%</b>	<b>5.60x</b>	<b>12.93x</b>

# Comparable Public Company Market Metrics as of September 30, 2019

## Public Companies Generating **Less** Than a Million in Revenue

Public Company	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%	-50.0%	\$0.00	\$0.05	\$0.05	(\$8.31)	100.0%	N/A	0.00x	0.00x
<b>Acacia Diversified Holdings, Inc.</b>	-55.9%	164.0%	-68.2%	3.11	0.68	0.33	(1.48)	48.4%	-216.6%	4.56x	9.42x
<b>Artelo Biosciences, Inc.</b>	-76.5%	-53.0%	-81.9%	4.54	N/A	N/A	(2.02)	N/A	N/A	N/A	N/A
<b>Asia Cannabis Corp.</b>	N/A	64.7%	N/A	5.07	N/A	N/A	(0.79)	N/A	N/A	N/A	N/A
<b>Bespoke Extracts, Inc.</b>	-79.2%	-59.6%	-94.8%	0.85	0.07	0.03	0.58	44.0%	807.8%	11.88x	27.01x
<b>Can Quest Medical Corp. (Formerly Algae Dynamics Corp)</b>	0.0%	-29.4%	-50.0%	1.99	N/A	N/A	(1.10)	N/A	N/A	N/A	N/A
<b>CBD Unlimited, Inc.</b>	135.6%	-69.6%	170.7%	26.52	0.13	0.01	(1.17)	8.3%	-926.2%	210.07x	N/A
<b>Corix Bioscience, Inc.</b>	1.3%	14.3%	-59.8%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Curative Biosciences, Inc.</b>	16.7%	-22.2%	16.7%	6.85	N/A	N/A	(0.52)	N/A	N/A	N/A	N/A
<b>Demand Brands, 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>Earth Science Tech, Inc.</b>	-44.3%	-39.7%	-65.0%	23.02	0.83	0.35	(2.20)	41.9%	-264.9%	27.69x	66.02x
<b>Elev8 Brands, Inc.</b>	-43.1%	-53.0%	-42.7%	0.02	0.30	0.23	(0.14)	77.7%	-47.7%	0.07x	0.08x
<b>Eviana Health Corporation</b>	-69.7%	-51.3%	-86.8%	4.42	0.09	0.15	(3.49)	164.7%	N/A	46.98x	28.53x
<b>Exactus, Inc.</b>	323.3%	-32.6%	100.0%	22.04	0.16	0.04	(5.03)	25.6%	N/A	141.57x	552.56x
<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>	-100.0%	-100.0%	-100.0%	0.00	0.25	0.25	(0.87)	100.5%	-344.3%	0.00x	0.00x
<b>Gala Pharmaceutical, Inc.</b>	-49.6%	-49.4%	-83.6%	1.41	N/A	(0.00)	(3.57)	N/A	N/A	N/A	-629.69x

■ International

# Comparable Public Company Market Metrics as of September 30, 2019

## Public Companies Generating **More** Than a Million in Revenue


Public Company	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Global Hemp Group Inc.</b>	-66.7%	-30.8%	-73.5%	8.47	0.00	(0.32)	(4.68)	N/A	N/A	N/A	-26.63x
<b>Greenhouse Solutions Inc.</b>	-100.0%	-100.0%	-100.0%	0.00	N/A	N/A	(0.39)	N/A	N/A	N/A	N/A
<b>Grey Cloak Tech Inc.</b>	N/A	0.0%	N/A	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Gridiron BioNutrients, Inc.</b>	-84.8%	-67.5%	-86.1%	0.82	0.08	(0.04)	(0.91)	-44.2%	N/A	9.89x	-22.37x
<b>Hemp Naturals, Inc.</b>	-82.0%	-15.9%	-23.4%	49.86	0.00	(0.00)	(6.31)	-7.3%	N/A	N/A	N/A
<b>HempAmericana, Inc</b>	-64.4%	-36.8%	-55.6%	14.63	N/A	(0.03)	(2.96)	N/A	N/A	N/A	-553.22x
<b>InnoCan Pharma Corporation</b>	N/A	N/A	N/A	1.28	N/A	N/A	(0.33)	N/A	N/A	N/A	N/A
<b>Kona Gold Solutions, Inc.</b>	-9.5%	-32.3%	393.5%	0.13	0.83	0.77	0.20	92.9%	23.6%	0.15x	0.16x
<b>Limitless Venture Group Inc.</b>	16.7%	-10.3%	250.0%	0.00	0.00	(0.01)	(0.02)	-329.6%	-431.8%	N/A	N/A
<b>Marijuana Company of America, Inc.</b>	-87.3%	-74.9%	-90.1%	7.33	0.53	0.39	(12.25)	74.3%	N/A	13.89x	18.69x
<b>MYM Nutraceuticals Inc.</b>	-61.6%	-32.3%	-82.5%	18.22	N/A	N/A	(19.93)	N/A	N/A	N/A	N/A
<b>Natures Hemp Corp.</b>	N/A	1900.0%	N/A	0.06	N/A	N/A	(0.28)	N/A	N/A	N/A	N/A
<b>NewLeaf Brands Inc.</b>	-75.9%	-26.1%	-85.6%	8.22	0.23	0.19	(5.42)	83.5%	N/A	36.46x	43.65x
<b>North American Cannabis Holdings, Inc.</b>	-68.0%	0.0%	0.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Novus Acquisition &amp; Development Corp.</b>	-62.7%	-52.7%	-86.2%	0.13	0.10	0.09	0.02	96.0%	24.5%	1.37x	1.43x
<b>Nuvus Gro Corp.</b>	26.3%	-34.3%	-13.2%	2.09	N/A	(0.01)	(0.87)	N/A	N/A	N/A	-142.18x
<b>Omniscanna Health Solutions, Inc.</b>	-51.9%	-30.6%	-71.8%	0.43	N/A	N/A	(5.43)	N/A	N/A	N/A	N/A
<b>Ovation Science Inc.</b>	-1.7%	-33.7%	N/A	6.85	0.19	0.18	(0.68)	92.7%	-350.7%	35.44x	38.25x

 International

# Comparable Public Company Market Metrics as of September 30, 2019

## Public Companies Generating **More** Than a Million in Revenue

Public Company	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Peak Pharmaceuticals, Inc.</b>	-90.0%	-67.3%	-90.4%	0.94	N/A	N/A	(0.05)	N/A	N/A	N/A	N/A
<b>Phivida Holdings Inc.</b>	-61.8%	-48.1%	-81.4%	18.61	0.12	0.09	(9.98)	72.0%	N/A	150.54x	209.18x
<b>Premier Biomedical, Inc.</b>	-92.2%	-58.8%	-96.5%	0.09	0.03	(0.07)	(1.02)	-277.9%	N/A	3.33x	-1.20x
<b>Pure Harvest Cannabis Group, Inc.</b>	N/A	11.1%	N/A	15.90	0.02	0.01	(0.78)	54.2%	N/A	818.41x	N/A
<b>Right On Brands, Inc.</b>	-94.8%	-45.7%	-94.5%	0.62	0.34	0.13	(6.27)	38.7%	N/A	1.85x	4.79x
<b>Rocky Mountain High Brands, Inc.</b>	-74.4%	-46.2%	-72.6%	5.86	0.37	0.02	(1.58)	5.3%	-427.6%	15.90x	301.14x
<b>Spyder Cannabis Inc.</b>	N/A	-13.3%	N/A	2.60	0.98	0.45	(1.13)	45.6%	-115.5%	2.65x	5.82x
<b>Vinergy Cannabis Capital Inc.</b>	-81.7%	N/A	N/A	5.43	N/A	N/A	(1.22)	N/A	N/A	N/A	N/A
<b>Vitalibis, Inc.</b>	-79.6%	18.0%	-88.6%	10.78	0.25	0.11	(5.29)	43.3%	N/A	43.45x	100.40x
<b>Wanderport Corporation</b>	-68.1%	-35.0%	30.0%	4.18	N/A	(0.02)	(0.17)	N/A	N/A	N/A	-185.61x
<b>Western Sierra Resource Corporation</b>	-89.1%	-49.6%	-84.3%	3.09	0.06	0.02	(0.11)	30.6%	-196.1%	55.46x	181.34x
<b>Median</b>	<b>-64.4%</b>	<b>-33.7%</b>	<b>-72.6%</b>	<b>\$2.35</b>	<b>\$0.13</b>	<b>\$0.04</b>	<b>(\$1.15)</b>	<b>-47.0%</b>	<b>-216.6%</b>	<b>14.90x</b>	<b>5.82x</b>

 International

## Median Public Companies\*

The chart and graph (next page) illustrates public company multiples for the past 18 months

	9/30/19	6/30/2019	3/31/19	12/31/18	9/30/18	6/30/18	3/31/18	Average
Price / Revenues	<b>7.73x</b>	13.61x	21.38x	<b>31.32x</b>	23.56x	13.01x	<b>14.26x</b>	17.84x
Price / Gross Profits	9.22x	21.94x	<b>27.93x</b>	<b>6.60x</b>	<b>10.45x</b>	12.09x	7.96x	13.74x
Price / Earnings	<b>-1.84x</b>	<b>-2.51x</b>	-3.08x	-2.36x	-3.23x	-2.45x	<b>-3.99x</b>	-2.78x
MVIC / Revenues	<b>11.06x</b>	<b>17.21x</b>	22.76x	<b>34.95x</b>	26.79x	15.00x	17.14x	20.70x
MVIC / Gross Profits	<b>14.52x</b>	<b>21.18x</b>	20.82x	<b>7.12x</b>	11.82x	14.84x	10.13x	14.35x
MVIC / Earnings	<b>-2.40x</b>	<b>-3.13x</b>	-3.68x	-3.03x	-3.61x	-2.95x	<b>-5.17x</b>	-3.42x

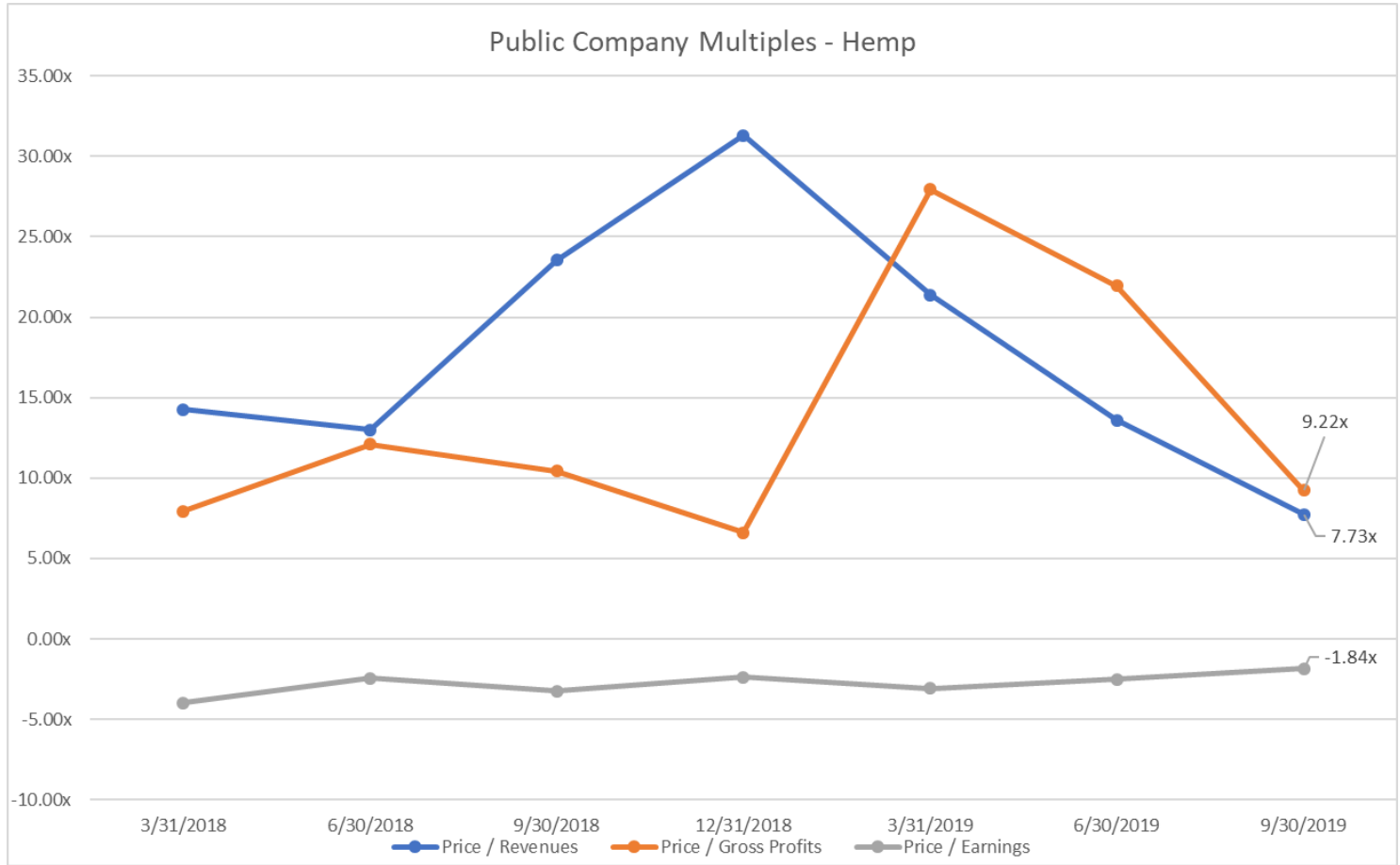
*Multiples may vary from previous QIUs due to added public companies*

■ 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	\$47.78	\$1.34	\$35.61	\$4.05	7%
1/11/2019	<b>Asia Cannabis Corp.</b>	0.25	5.05	1.26	1.19	0.00	0.00	0.00	14%
11/15/2018	<b>Ovation Science Inc.</b>	0.30	7.00	2.10	2.30	0.28	0.19	0.00	30%
8/30/2018	<b>Charlotte's Web Holdings, Inc.</b>	7.00	14.30	100.10	180.98	20.26	93.22	8.41	15%
1/5/2018	<b>Elixinol Global Limited</b>	1.00	20.00	20.00	195.92	4.65	39.70	(12.79)	19%
12/18/2017	<b>Phivida Holdings Inc.</b>	0.40	12.50	5.00	26.19	0.00	0.12	0.00	32%
10/18/2016	<b>Creso Pharma Limited</b>	0.20	25.00	5.00	24.89	5.38	1.32	(12.73)	43%
3/24/2015	<b>Zoetic International Plc</b>	0.05	19.00	0.95	7.63	0.00	1.02	(3.93)	95%
2/15/2012	<b>Aja Cannafacturing, Inc.</b>	0.01	2.00	0.02	0.02	0.40	0.02	0.00	17%
9/16/2010	<b>Phoenix Life Sciences International Limited</b>	0.01	3.30	0.03	0.24	0.04	0.00	0.00	69%
10/23/2009	<b>Peak Pharmaceuticals, Inc.</b>	0.10	0.41	0.04	0.02	0.07	0.00	0.00	9%
11/7/2008	<b>Northsight Capital, Inc.</b>	0.10	0.55	0.06	0.89	3.05	0.05	(1.81)	39%
1/9/2008	<b>Cann Global Limited</b>	0.20	25.00	5.00	10.83	6.41	0.48	(5.40)	100%
	<b>Median of all IPOs</b>	<b>\$0.20</b>	<b>12.50</b>	<b>\$2.10</b>	<b>\$7.63</b>	<b>\$0.40</b>	<b>\$0.19</b>	<b>0.00</b>	<b>30%</b>

\* LTM as of the closing date

## Reverse Merger/Backdoor IPO

Transaction Date	Acquirer	Cannabis Co. LTM Information*			
		Cannabis Company Being Acquired	LTM Revenues	LTM EBITDA	LTM NET INCOME
5/31/2019	<b>Anchor Capital Corporation</b>	<b>Spyder Vapes Inc. (nka:Spyder Cannabis Inc.)</b>	\$1.00	(\$0.55)	(\$0.84)
7/9/2019	<b>Pele Mountain Resources Inc. (nka:Bhang Inc.)</b>	<b>Bhang Chocolate Company Inc. (nka:Bhang Inc.); Bhang Corporation. (nka:Bhang Inc.)</b>	0.00	(0.60)	(0.38)
3/7/2019	<b>Earny Resources Ltd.</b>	<b>CR International Inc. (nka:Orchid Ventures, Inc.)</b>	3.61	(2.36)	(2.40)
7/16/2018	<b>Harbour Star Capital Inc.</b>	<b>1011705 B.C. Ltd. (nka:EastWest Bioscience Inc.)</b>	0.04	(1.27)	(1.60)
6/29/2018	<b>Courtland Capital Inc.</b>	<b>Tree of Knowledge, Inc. (nka:Tree of Knowledge International Corp.)</b>	0.43	(3.61)	(3.91)
10/9/2017	<b>My Cloudz, Inc.</b>	<b>Gridiron BioNutrients, Inc.</b>	0.00	0.00	(0.16)
9/27/2017	<b>Armeau Brands Inc.</b>	<b>271 Lake Davis Holdings, LLC (nka:Veritas Farms, Inc.)</b>	0.56	(1.47)	(1.86)
5/18/2017	<b>Laguna Blends Inc.</b>	<b>Iso International, LLC (nka:Isodiol International Inc.)</b>	0.36	(3.03)	(4.29)
3/31/2017	<b>Grey Cloak Tech Inc.</b>	<b>ShareRails, LLC (nka:Grey Cloak Tech, Inc.)</b>	0.17	(0.85)	(3.54)
3/13/2017	<b>American Housing Income Trust, Inc.</b>	<b>American Housing Income Trust, Inc. (nka:Corix Bioscience, Inc.)</b>	0.00	0.00	0.00
12/22/2016	<b>Alternate Health Corp.</b>	<b>Alternate Health Inc. (nka:Alternate Health Corp.)</b>	0.18	(0.35)	(0.50)
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
7/7/2015	<b>Global Gaming Network, Inc.</b>	<b>Innovativ Media Group, Inc. (nka:Demand Brands, Inc.)</b>	0.00	0.00	0.00
2/3/2014	<b>Frontier Beverage Company, Inc.</b>	<b>Frontier Beverage Company, Inc (nka:FBEC Worldwide, Inc.)</b>	0.00	0.00	0.00

 International

\* LTM as of the closing date

## Reverse Merger/Backdoor IPO

Transaction Date	Acquirer	Cannabis Co. LTM Information*			
		Cannabis Company Being Acquired	LTM Revenues	LTM EBITDA	LTM NET INCOME
2/28/2013	<b>Race Capital Corp.</b>	Naturally Splendid Enterprises Ltd.	0.10	(0.32)	(0.13)
11/5/2012	<b>Savanna East Africa Inc.</b>	Algae International Group Inc. (nka:North American Cannabis Holdings, Inc.)	0.00	0.00	0.00
11/10/2011	<b>First Quantum Ventures, Inc.</b>	DiMi Telematics, Inc. (nka:Bespoke Extracts, Inc.)	0.00	(0.38)	(0.38)
3/23/2011	<b>Medical Marijuana, Inc.</b>	Hemp Deposit Distribution Corp. (nka:Medical Marijuana, Inc.)	0.00	0.00	0.00
3/21/2011	<b>Maggie Gold Property</b>	Arris Holdings Inc. (nka:Global Hemp Group Inc.)	0.00	0.00	(0.62)
1/25/2011	<b>Touchstone Mining Limited (nka:22nd Century Group, Inc.)</b>	22nd Century Limited, LLC (nka:22nd Century Group, Inc.)	0.05	(0.93)	(1.42)
9/23/2010	<b>Time Associates, Inc.</b>	Healthient, Inc. (nka:Curative Biosciences, Inc.)	0.00	(0.56)	(0.56)
5/21/2010	<b>Union Equity Inc.</b>	Union Equity Inc. (nka:Kona Gold Solutions, Inc.)	0.15	0.00	0.09
2/11/2010	<b>Green Star Mining Corp.</b>	HQ Global Education Inc.	37.41	13.30	10.60
12/8/2008	<b>EnerBrite Technologies Group, Inc.</b>	Rebel Oil Co., Inc. (nka:Limitless Venture Group Inc.)	0.00	0.00	0.00
7/14/2005	<b>Panamed Corp.</b>	ENDEXX Corp. (nka:CBD Unlimited, Inc.)	0.00	0.00	0.00
11/1/2000	<b>Gibbs Construction, Inc.</b>	Gibbs Construction, Inc. (nka:Acacia Diversified Holdings, Inc.)	5.65	0.41	0.35

International

## 2019 M&A Transactions for a Majority Stake (\$ in 000,000s)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
9/23/2019	<b>Dalitso LLC</b>	<b>Jushi Holdings Inc.</b>	\$16.00	61.8%	N/A	N/A	N/A	N/A
9/18/2019	<b>Aristaeus Elements Ltd</b>	<b>DJT Group Limited</b>	0.05	100.0%	N/A	N/A	N/A	N/A
9/10/2019	<b>Vivis Corporation</b>	<b>Neutra Corp.</b>	0.04	100.0%	N/A	N/A	N/A	N/A
9/6/2019	<b>Prolific Nutrition, LLC / Gratus Living, LLC</b>	<b>Pure Harvest Cannabis Group, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
9/5/2019	<b>CBD247STORE.COM</b>	<b>Holiday Island Holdings, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
8/22/2019	<b>Assets of HapiFoods Group Inc.</b>	<b>Natures Hemp Corp.</b>	0.20	100.0%	N/A	N/A	N/A	N/A
8/7/2019	<b>General Extract LLC</b>	<b>First Colombia Development Corp. (nka:Redwood Green Corp.)</b>	0.00	100.0%	N/A	N/A	N/A	N/A
7/31/2019	<b>Hemp Business and Assets of Green Goddess Extracts, LLC</b>	<b>Exactus, Inc.</b>	0.79	100.0%	N/A	N/A	N/A	N/A
7/31/2019	<b>Vaxa Global, LLC</b>	<b>Two Rivers Water &amp; Farming Company</b>	9.25	100.0%	N/A	N/A	N/A	N/A
7/30/2019	<b>Ladope Inc.</b>	<b>Oliveda International, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
7/30/2019	<b>BioHemp Naturals</b>	<b>MYM Nutraceuticals Inc.</b>	4.72	50.0%	N/A	N/A	N/A	N/A
7/25/2019	<b>Raw Chocolate Alchemy, LLC</b>	<b>Gabriella's Kitchen Inc. (nka:Gaby Inc.)</b>	1.08	100.0%	N/A	N/A	N/A	N/A
7/24/2019	<b>Substantially all Assets of SugarLeaf Labs, LLC and Forest Remedies LLC</b>	<b>Neptune Wellness Solutions Inc.</b>	150.00	100.0%	N/A	N/A	N/A	N/A
7/17/2019	<b>82.42-Acre Contiguous Parcel of Agricultural Farm Land in Kendall County</b>	<b>California Gold Mining Inc.</b>	0.82	100.0%	N/A	N/A	N/A	N/A
7/5/2019	<b>CBD Products B.V.</b>	<b>Medcolcanna Organics Inc.</b>	0.90	100.0%	N/A	N/A	N/A	N/A

International

(Continued on next page)

## 2019 M&A Transactions for a Majority Stake (\$ in 000,000s)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
7/1/2019	Business Development Team, LLC	Zicix Corporation	0.00	51.0%	N/A	N/A	N/A	N/A
6/12/2019	Shredibles LLC	Indus Holdings, Inc.	0.24	70.0%	N/A	N/A	N/A	N/A
6/11/2019	Pure Ratios Holdings, Inc.	Cannex Capital Holdings Inc. (nka:4Front Ventures Corp.)	8.16	100.0%	N/A	N/A	N/A	N/A
6/11/2019	Green Leaf Company SAS	Emmac Life Sciences Limited	N/A	100.0%	N/A	N/A	N/A	N/A
4/1/2019	CBD Lifestyle Corp.	River Wild Exploration Inc. (nka:CENTR Brands Corp.)	14.30	100.0%	N/A	N/A	N/A	N/A
3/25/2019	US Canniceuticals, LLC	Strategic Management and Opportunity Corporation	\$0.20	100.0%	N/A	N/A	N/A	N/A
2/27/2019	Fresh Hemp Foods Ltd. (dba Manitoba Harvest)	Tilray, Inc.	\$414.11	100.0%	87.42	(67.19)	4.74x	-6.16x
2/15/2019	All Assets of Khrysos Global, Inc./INXL Laboratories, Inc./INXL Holdings, Inc.	Khrysos Industries Inc.	15.14	100.0%	N/A	N/A	N/A	N/A
1/15/2019	Substantially All of the Assets of Grander Distribution, LLC	TerrAscend Corp.	23.00	100.0%	N/A	N/A	N/A	N/A
<b>Median of the M&amp;A Transaction Targets</b>			<b>\$0.82</b>	<b>100.0%</b>	<b>NMF*</b>	<b>NMF</b>	<b>NMF</b>	<b>NMF</b>

\* Not Meaningful

■ International

## M&A Transactions for Each Year

Year	Number of Acquisitions
2019	24*
2018	15
2017	8
2016	5
2015	5
2014	7
2013	3
2012	3
2011	0
2010	5

\* As of September 30, 2019

Contact [vspaulding@singerlewak.com](mailto:vspaulding@singerlewak.com) for a comprehensive list + description of cannabis mergers and acquisitions.

SINGERLEWAK is a nationally recognized full service accounting, advisory, tax and business valuation firm that has provided independent financial advisory and valuation services in thousands of situations for more than 50 years. These assignments include the valuation of companies and pass-through entities, their securities, and their intangible assets ranging in size from small, closely-held businesses and start-ups, to corporations with market values over a billion dollars, covering almost every industry and all types of transactions. With the collective backgrounds of our managing directors and professional staff, SingerLewak brings substantial large deal experience to bear on our middle market transaction opinions. SingerLewak utilizes proprietary research, intensive due diligence, and the experience and insights of its professionals to produce thoughtful, well-documented opinions that have consistently withstood the scrutiny of clients and their advisors, investors, regulators, and courts.

This industry research is provided at no charge to SingerLewak valuation clients and cannabis contacts. Values obtained from Standard and Poor's Capital IQ database. Research or detailed information not covered in this report can be obtained for a fee. Contact Vanita Spaulding at [vspaulding@singerlewak](mailto:vspaulding@singerlewak) for additional information or questions in connection with this research report.



**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.

**Disclosures and Limitations:** This research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources SingerLewak believes to be reliable. SingerLewak has accurately reflected such information in this research report; however, SingerLewak makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of SingerLewak. SingerLewak's research is as of the date reported herein. SingerLewak has no affiliation with any of the companies comprising the industry used as a basis for research in this report, nor does SingerLewak hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that SingerLewak performs for you in the future at the sole discretion of SingerLewak. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE.