

# Q2: Quarterly Industry Update

As of June 30, 2020



## Hemp Public Company Study

### INDUSTRY SUMMARY

SINGERLEWAK valuation 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 June 30, 2019, the median 52-week share price return of the Hemp industry was -68.9%. 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	-69.7%	-21.4%	2.67x	7.96x	5.04x	-1.07x	3.94x	-1.52x
Less than \$1 million	-65.5%	-33.3%	7.32x	9.92x	3.98x	-1.01x	13.67x	-1.27x
Cumulative*	-68.9%	-26.7%	3.82x	8.87x	5.04x	-1.04x	6.59x	-1.45x

\* Aggregated medians for ALL companies under Hemp

# Summary of Additions from Q2 2020

## Q1

- 5 Public companies added.
  - Emerald Bioscience Inc.
  - Empower Clinics Inc.
  - Global Hemp Group Inc.
  - GNCC Capital, Inc.
  - Golden Developing Solutions, Inc.

## Q2

- 2 Public companies added.
 

Indoor Harvest Corp.	InMed Pharmaceuticals Inc.
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- 2 Company Delisted
  - New Leaf Brands
  - Pyxus International
- 1 Reverse merger added
- 1 Company name change
  - Elev8 Brands changed company name to Branded Legacy Inc.
- Added new visual graphs



# Comparable Public Company Market Metrics as of June 30, 2020

## 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>	-60.6%	-40.9%	-93.9%	\$3.18	\$15.79	\$2.98	(\$102.15)	18.9%	-646.8%	0.20x	1.07x
<b>Alternate Health Corp.</b>	-30.5%	1.9%	-63.4%	106.14	27.22	0.69	(25.53)	2.5%	-93.8%	3.90x	153.50x
<b>Avicanna Inc.</b>	0.0%	-23.1%	-69.7%	7.79	4.43	2.51	(17.74)	56.8%	-400.9%	1.76x	3.10x
<b>Bhang Inc.</b>	-37.0%	79.8%	N/A	42.22	1.10	1.59	(22.39)	144.6%	N/A	38.45x	26.59x
<b>C21 Investments Inc.</b>	-30.0%	5.0%	N/A	13.78	4.30	0.31	(15.83)	7.2%	-368.4%	3.21x	44.84x
<b>CLS Holdings USA, Inc.</b>	-27.0%	40.3%	-48.6%	52.17	38.09	13.70	(31.22)	36.0%	-81.9%	1.37x	3.81x
<b>EastWest Bioscience Inc.</b>	-72.5%	-25.1%	-80.0%	7.59	12.07	6.08	(7.34)	50.4%	-60.8%	0.63x	1.25x
<b>Ecofibre Limited</b>	33.3%	166.7%	-52.9%	3.38	1.27	0.51	(2.06)	40.2%	-162.3%	2.67x	6.63x
<b>Empower Clinics Inc.</b>	-16.5%	23.3%	5.7%	678.48	50.72	38.10	13.16	75.1%	25.9%	13.38x	17.81x
<b>Exactus, Inc.</b>	37.5%	37.5%	-52.2%	8.09	2.67	1.61	(4.43)	60.4%	-165.9%	3.03x	5.02x
<b>GL Brands, Inc.</b>	-75.0%	-2.4%	-89.5%	5.03	1.56	(2.15)	(11.55)	-137.8%	-741.9%	3.23x	-2.34x
<b>Golden Developing Solutions, Inc.</b>	-43.7%	10.1%	-75.8%	22.00	3.83	1.13	(26.13)	29.4%	-682.0%	5.74x	19.54x
<b>Grey Cloak Tech Inc.</b>	0.0%	42.9%	-86.7%	1.63	1.63	0.53	(6.21)	32.2%	-380.5%	1.00x	3.10x
<b>Hemp, Inc</b>	79.7%	161.9%	83.3%	6.69	1.11	0.42	(0.34)	37.8%	-30.3%	6.04x	16.00x
<b>HQ Global Education Inc.</b>	-17.8%	53.8%	-62.7%	39.13	4.17	1.70	(16.47)	40.9%	-395.4%	9.40x	22.96x
<b>Isodiol International Inc.</b>	60.0%	-55.6%	-94.9%	0.01	56.84	21.33	16.83	37.5%	29.6%	0.00x	0.00x
<b>Kona Gold Solutions, Inc.</b>	17.4%	47.5%	-55.3%	38.83	1.57	0.31	(2.02)	19.6%	-129.0%	24.75x	126.42x
<b>Medical Marijuana, Inc.</b>	-21.5%	7.9%	-69.5%	61.17	68.68	53.10	(15.92)	77.3%	-23.2%	0.89x	1.15x

Multiple year periods are calculated as the average annual return.

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International

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# Comparable Public Company Market Metrics as of June 30, 2020

## 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>Naturally Splendid Enterprises Ltd.</b>	-21.4%	83.3%	-50.0%	7.78	2.98	0.40	(7.25)	13.6%	-242.8%	2.61x	19.21x
<b>NutraLife BioSciences, Inc.</b>	-40.0%	-43.8%	-78.6%	6.30	2.81	0.85	(3.29)	30.2%	-117.2%	2.25x	7.42x
<b>Orchid Ventures, Inc.</b>	28.6%	200.0%	-85.0%	4.05	4.37	0.84	(10.07)	19.2%	-230.6%	0.93x	4.84x
<b>Phivida Holdings Inc.</b>	-19.0%	30.8%	-79.0%	7.57	1.07	(0.29)	(21.99)	-26.8%	N/A	7.09x	-26.40x
<b>PotNetwork Holdings, Inc.</b>	-37.5%	10.7%	-78.7%	9.83	11.18	3.62	(3.43)	32.4%	-30.7%	0.88x	2.71x
<b>Tree of Knowledge International Corp.</b>	14.3%	300.0%	-68.0%	8.81	2.16	1.55	(11.09)	71.7%	-513.5%	4.08x	5.69x
<b>True Leaf Brands Inc.</b>	-69.2%	0.0%	-88.6%	4.04	2.21	0.98	(7.91)	44.3%	-358.2%	1.83x	4.13x
<b>Veritas Farms, Inc.</b>	-61.8%	-3.3%	-93.9%	15.09	6.16	3.00	(11.54)	48.6%	-187.4%	2.45x	5.04x
<b>Zoetic International Plc</b>	60.4%	54.8%	-5.3%	13.16	1.65	1.65	(5.42)	100.0%	-327.7%	7.96x	7.96x
<b>Median</b>	<b>-21.4%</b>	<b>-23.3%</b>	<b>-69.7%</b>	<b>\$8.09</b>	<b>\$3.83</b>	<b>\$1.55</b>	<b>(\$10.07)</b>	<b>37.5%</b>	<b>-187.4%</b>	<b>2.67x</b>	<b>5.04x</b>

Multiple year periods are calculated as the average annual return.

■ International



# Comparable Public Company Market Metrics as of June 30, 2020

## 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%	0.0%	-33.3%	\$0.00	\$0.05	\$0.05	(\$8.31)	100.0%	N/A	0.00x	0.00x
<b>Acacia Diversified Holdings, Inc.</b>	-83.4%	56.0%	-45.1%	0.68	0.52	0.13	(1.60)	25.4%	-307.5%	1.30x	5.13x
<b>Artelo Biosciences, Inc.</b>	-55.2%	26.0%	-73.7%	4.52	N/A	N/A	(4.47)	N/A	N/A	N/A	N/A
<b>Asia Green Biotechnology Corp.</b>	144.4%	22.2%	29.4%	3.99	N/A	N/A	(0.62)	N/A	N/A	N/A	N/A
<b>Benchmark Botanics Inc.</b>	-50.0%	-26.7%	-63.3%	38.85	0.39	0.01	(3.20)	3.4%	-811.7%	98.61x	N/A
<b>Bespoke Extracts, Inc.</b>	49.0%	26.1%	-45.3%	1.94	0.01	(0.05)	(4.87)	-587.9%	N/A	241.94x	-41.15x
<b>BevCanna Enterprises Inc.</b>	-26.4%	8.2%	N/A	16.05	N/A	N/A	(10.38)	N/A	N/A	N/A	N/A
<b>Branded Legacy Inc</b>	-89.1%	-80.3%	-96.0%	1.04	0.28	0.15	(2.00)	55.4%	-724.2%	3.78x	6.83x
<b>Cana Quest Medical Corp. (Formerly Algae Dynamics Corp)</b>	-61.1%	-50.0%	-58.8%	1.16	N/A	N/A	(1.10)	N/A	N/A	N/A	N/A
<b>CanaQuest Medical Corp.</b>	-61.1%	-50.0%	-58.8%	1.16	N/A	N/A	(1.10)	N/A	N/A	N/A	N/A
<b>Cannalink, Inc.</b>	461.8%	400.0%	146.6%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>CBD Unlimited, Inc.</b>	-15.8%	23.1%	-79.1%	18.23	0.13	0.01	(1.17)	8.3%	-926.2%	144.38x	N/A
<b>Corix Bioscience, Inc.</b>	9900.0%	233.3%	-85.7%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Curative Biosciences, Inc.</b>	-51.5%	-46.2%	-68.9%	2.74	N/A	N/A	(0.52)	N/A	N/A	N/A	N/A
<b>Demand Brands, Inc.</b>	-36.4%	64.7%	N/A	1.21	0.17	0.17	0.01	100.0%	8.8%	7.32x	7.32x
<b>Earth Science Tech, Inc.</b>	-47.8%	6.3%	-94.9%	1.41	0.53	0.22	(1.20)	41.5%	-228.1%	2.67x	6.44x
<b>Emerald Bioscience Inc.</b>	20.0%	108.8%	-46.0%	28.69	N/A	N/A	(3.84)	N/A	N/A	N/A	N/A
<b>Eviana Health Corporation</b>	0.0%	0.0%	-82.9%	1.55	0.09	0.15	(3.49)	164.7%	N/A	16.51x	10.03x

Multiple year periods are calculated as the average annual return.

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International



# Comparable Public Company Market Metrics as of June 30, 2020

## 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>FBEC Worldwide, Inc.</b>	-50.0%	-50.0%	-50.0%	0.18	0.00	0.00	(1.49)	74.5%	N/A	91.39x	122.68x
<b>FutureWorld Corp.</b>	N/A	N/A	-100.0%	0.00	0.25	0.25	(0.87)	100.5%	-344.3%	0.00x	0.00x
<b>Gala Pharmaceutical, Inc.</b>	-75.5%	-72.2%	-89.6%	0.29	N/A	(0.00)	(3.57)	N/A	N/A	N/A	-129.78x
<b>Generation Hemp Inc.</b>	-46.4%	-3.5%	338.6%	3.95	0.57	0.46	(0.06)	79.9%	-10.3%	6.90x	8.63x
<b>Global Hemp Group Inc.</b>	-40.0%	-25.0%	-76.9%	2.82	0.03	(0.29)	(0.52)	-970.0%	N/A	93.85x	-9.67x
<b>GNCC Capital, Inc.</b>	0.0%	0.0%	0.0%	0.02	N/A	N/A	(1.32)	N/A	N/A	N/A	N/A
<b>Greenhouse Solutions Inc.</b>	1100.0%	1100.0%	-62.5%	0.11	N/A	N/A	(0.39)	N/A	N/A	N/A	N/A
<b>Gridiron BioNutrients, Inc.</b>	-51.1%	-14.2%	-40.1%	0.65	(0.00)	(0.28)	(1.91)	34572.8%	N/A	-799.80x	-2.31x
<b>Hemp Naturals, Inc.</b>	-58.5%	227.3%	-92.0%	14.74	0.00	0.00	(6.69)	14.5%	N/A	N/A	N/A
<b>HempAmericana, Inc</b>	-36.0%	15.5%	-75.2%	6.41	0.00	(0.01)	(0.89)	-196.1%	N/A	N/A	-664.36x
<b>Holy Crap Brands Inc.</b>	17200.0%	-8.9%	17200.0%	0.55	0.40	0.19	(0.65)	48.3%	-162.2%	1.37x	2.84x
<b>Indoor Harvest Corp.</b>	200.0%	680.0%	-75.8%	0.26	N/A	N/A	(1.92)	N/A	N/A	N/A	N/A
<b>InMed Pharmaceuticals Inc.</b>	10.6%	18.2%	-21.2%	44.79	N/A	N/A	(13.81)	N/A	N/A	N/A	N/A
<b>InnoCan Pharma Corporation</b>	-9.4%	141.7%	N/A	20.86	N/A	N/A	(3.37)	N/A	N/A	N/A	N/A
<b>Limitless Venture Group Inc.</b>	-28.6%	25.0%	-67.7%	0.97	0.05	0.05	(0.32)	99.4%	-684.4%	20.49x	20.61x
<b>Marijuana Company of America, Inc.</b>	-93.9%	-75.1%	-99.3%	2.06	0.54	0.28	(17.83)	52.9%	N/A	3.85x	7.28x
<b>MYM Nutraceuticals Inc.</b>	-35.6%	32.7%	-75.9%	7.36	N/A	N/A	(21.82)	N/A	N/A	N/A	N/A
<b>North American Cannabis Holdings, Inc.</b>	-33.3%	0.0%	-50.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Multiple year periods are calculated as the average annual return.

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# Comparable Public Company Market Metrics as of June 30, 2020

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

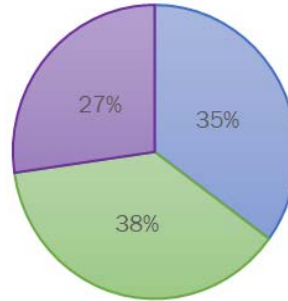
Public Company	YTD	3 Month	1 Year	Market Cap. (In millions)	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Novus Acquisition &amp; Development Corp.</b>	131.4%	153.2%	-38.4%	0.17	0.10	0.09	0.02	96.0%	24.5%	1.78x	1.86x
<b>Nuvus Gro Corp.</b>	-12.0%	21.5%	-58.5%	1.32	0.13	0.05	(0.36)	36.9%	-269.7%	10.02x	27.16x
<b>Omniscanna Health Solutions, Inc.</b>	-42.4%	58.3%	-73.6%	0.17	N/A	N/A	(5.43)	N/A	N/A	N/A	N/A
<b>Ovation Science Inc.</b>	155.0%	37.8%	14.6%	11.85	0.53	0.42	(0.76)	78.2%	-141.9%	22.17x	28.36x
<b>Peak Pharmaceuticals, Inc.</b>	10.1%	5.0%	-59.8%	1.16	N/A	N/A	(0.05)	N/A	N/A	N/A	N/A
<b>Premier Biomedical, Inc.</b>	200.0%	-33.3%	-92.5%	0.31	0.01	0.00	(0.37)	9.9%	N/A	22.03x	221.50x
<b>Pure Harvest Cannabis Group, Inc.</b>	-24.5%	14.3%	-11.1%	20.85	0.02	(0.05)	(5.82)	-186.8%	N/A	862.64x	-461.80x
<b>Right On Brands, Inc.</b>	-68.2%	75.0%	-95.7%	0.16	0.42	0.12	(4.98)	27.6%	N/A	0.38x	1.37x
<b>Rocky Mountain High Brands, Inc.</b>	-34.9%	7.3%	-77.2%	3.14	0.21	(0.54)	(5.27)	-261.1%	N/A	15.31x	-5.87x
<b>Spyder Cannabis Inc.</b>	33.3%	200.0%	-20.0%	2.59	0.61	0.26	(2.25)	43.2%	-371.0%	4.28x	9.92x
<b>Vinergy Cannabis Capital Inc.</b>	100.0%	0.0%	N/A	1.14	N/A	N/A	(2.73)	N/A	N/A	N/A	N/A
<b>Vitalibis, Inc.</b>	-99.1%	-94.6%	-99.3%	0.29	0.22	0.12	(5.14)	53.6%	N/A	1.31x	2.45x
<b>Wanderport Corporation</b>	-35.3%	6.0%	-80.6%	1.25	N/A	(0.02)	(0.17)	N/A	N/A	N/A	-55.40x
<b>Western Sierra Resource Corporation</b>	0.0%	0.0%	-69.7%	1.86	0.06	0.02	(0.11)	30.6%	-196.1%	33.39x	109.17x
<b>Median</b>	<b>-33.3%</b>	<b>8.2%</b>	<b>-65.5%</b>	<b>\$1.23</b>	<b>\$0.13</b>	<b>\$0.05</b>	<b>(\$1.60)</b>	<b>43.2%</b>	<b>-269.7%</b>	<b>7.32x</b>	<b>3.98x</b>

Multiple year periods are calculated as the average annual return.

International

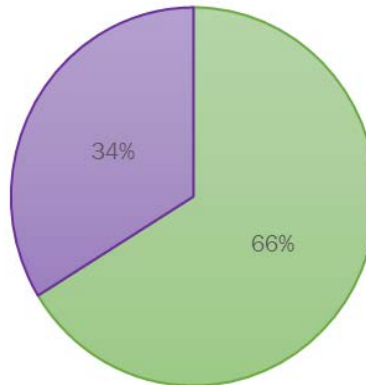
# Summary

### Public Hemp Companies by Revenue



- Public Hemp Comps w/ More than a Million Revenue
- Public Hemp Comps w/ Less Than a Million Revenue
- Public Hemp Comps. w/ No Reported Revenues

### Public Hemp Companies by Location



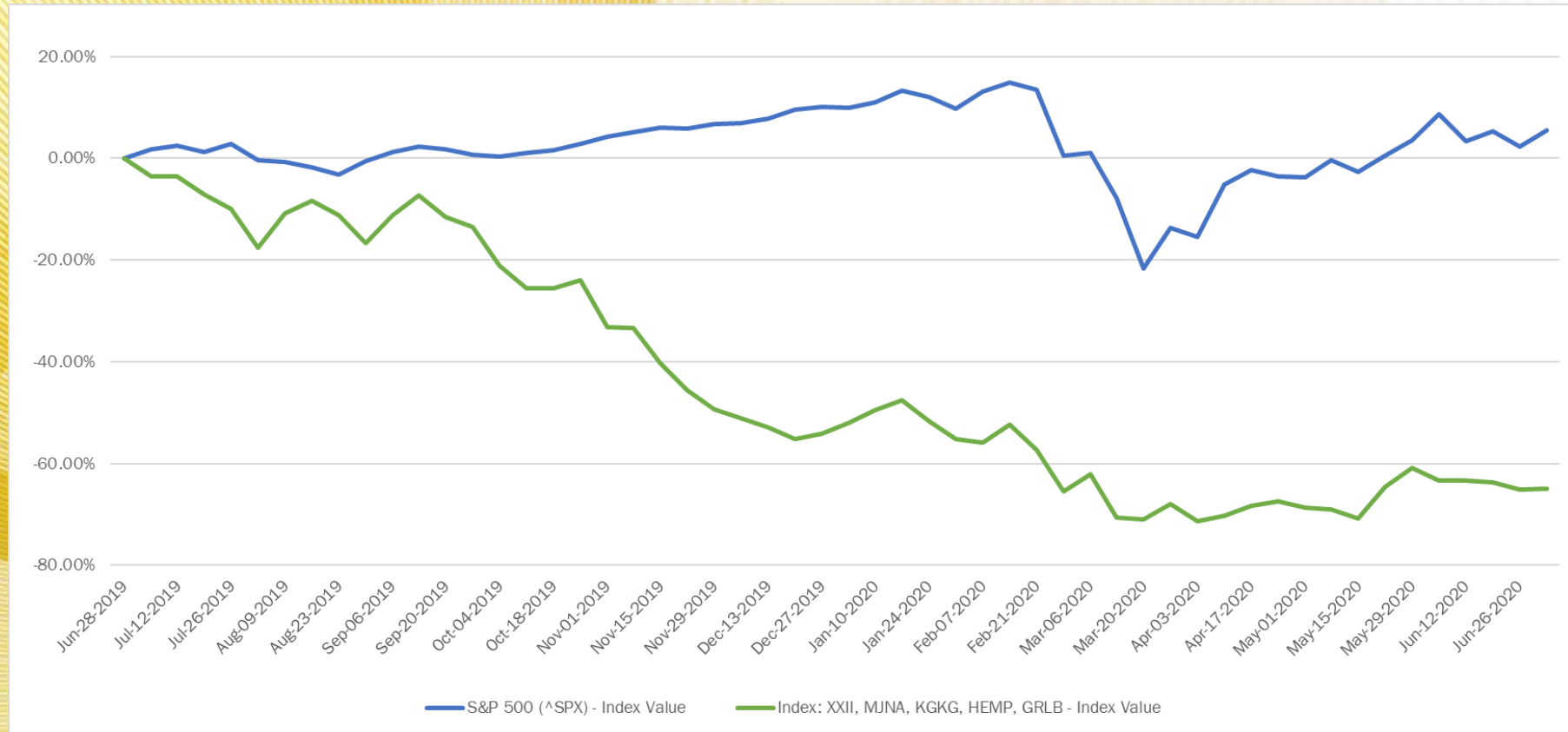
- US-Based Hemp Public Comps
- International Public Hemp Comps\*

*\* International Public Hemp Companies may have US operations.*





# Top 5 U.S. Public Hemp Companies Compared to the S&P 500\*



\* By market cap on a weekly basis over one-year period; excludes pharmaceutical companies

(See next page for Public Company Description)



## Public Company Description\*



22nd Century Group, Inc., a plant biotechnology company, provides technology that allows increasing or decreasing the level of nicotine and other nicotinic alkaloids in tobacco plants, and cannabinoids in hemp/cannabis plants through genetic engineering and plant breeding. It offers premium cigarettes under the RED SUN and MAGIC brands; and SPECTRUM research cigarettes for use in independent clinical studies.



Medical Marijuana, Inc., an investment holding company, operates in the cannabinoid-based nutraceutical industry. It focuses on the development, sale, and distribution of hemp oil that contains naturally occurring cannabinoids, including cannabidiol (CBD) and other products containing CBD-rich hemp oil; treatment of pain and other medical disorders with the application of chewing gum-based cannabis/cannabinoid medical products; and nonpsychoactive cannabidiol products. The company is also involved in the research and development of new therapeutic agents that are designed to reduce oxidative stress and act as immuno-modulators and neuroprotectants; dietary supplements, skin care products, and prescription-based hemp oil under the Kannaway and HempMeds brands; and proprietary testing, genetics, labeling and packaging, tracking, and production and standardization methods for the medicinal cannabinoid industry.



Kona Gold Solutions, Inc. develops and sells hemp and cannabidiol (CBD) products in the functional beverage and fitness markets in the United States. It offers hemp energy drinks and CBD energy water; and alkaline waters, beverages for kids, energy drinks, fruit flavored sodas, low carb lemonade, healthy aloe juice drinks, and CBD-infused jellybeans. The company also sells merchandise and apparel, such as shirts, tanks, hats, and towels. Kona Gold Solutions, Inc. sells its products primarily to beverage distributors and resellers, retail grocery, smoke shops and specialty stores, wholesalers, merchandisers, convenience stores, and beverage services under the Kona Gold Hemp Energy Drinks and Highdrate trademarks. The company was incorporated in 1997 and is based in Melbourne, Florida.



Hemp, Inc. focuses on the provision of industrial hemp. The company is involved in processing and farming industrial hemp; extracting hemp CBD oil; and educating and empowering hemp farmers and entrepreneurs with knowledge, processing, infrastructure, and support. It also engages in the sale of hemp accessories, such as extractors, harvesters, storage bags, containers, fertilizer, soil amendments, humidifiers, dehumidifiers, balers, greenhouses, and greenhouse equipment; and drying, trimming, curing, storing, and brokering for other farmers harvesting hemp, as well as provision of research and development, hemp consulting, and educational entertainment services. The company was formerly known as Marijuana, Inc. and changed its name to Hemp, Inc. in June 2012. Hemp, Inc. was founded in 2008 and is based in Las Vegas, Nevada.



GL Brands, Inc., a hemp consumer packaged goods company, engages in the development and commercialization of cannabinoid-rich products for health and well-being in the United States, Mexico, and internationally. The company offers various cannabinoid products made from organic industrial hemp, including tinctures, gel caps, edibles, topicals, vape cartridges, capsules, and beverages under the Green Lotus and IrieCBD brand names. It markets products through direct-to-store sales and direct-to-consumer models, as well as through distribution partnerships. The company was formerly known as Freedom Leaf, Inc. and changed its name to GL Brands, Inc. in November 2019. GL Brands, Inc. was incorporated in 2013 and is headquartered in Addison, Texas.

\*Public Company Description Retrieved from S&P Capital IQ





## Median Public Companies\*

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

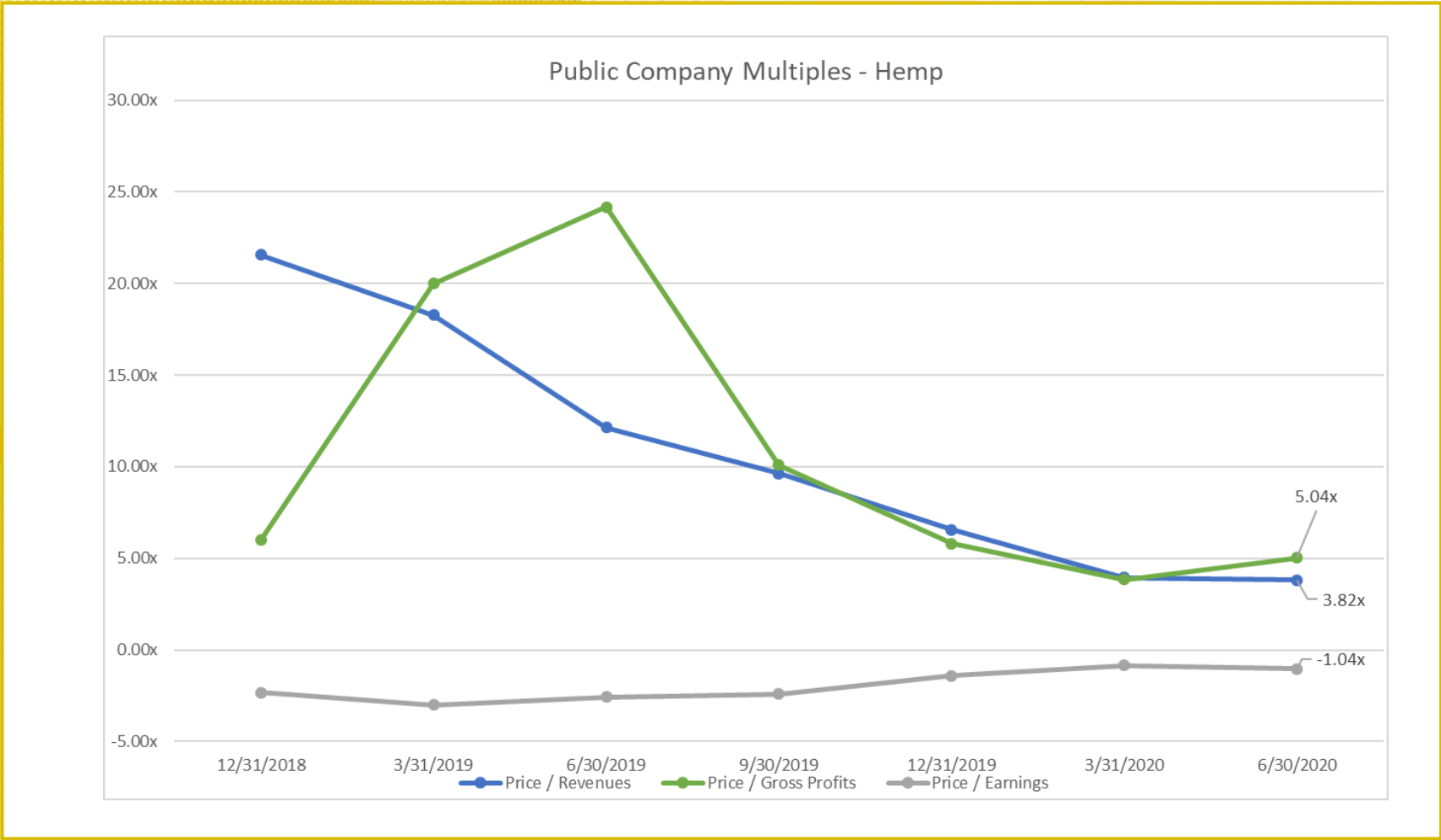
	6/30/20	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	Average
<b>Price / Revenues</b>	<b>3.82x</b>	3.95x	6.56x	<b>9.62x</b>	12.14x	18.29x	<b>21.58x</b>	10.85x
<b>Price / Gross Profits</b>	5.04x	<b>3.84x</b>	5.82x	10.09x	<b>24.19x</b>	20.00x	<b>6.00x</b>	10.71x
<b>Price / Earnings</b>	-1.04x	<b>-0.84x</b>	-1.41x	-2.41x	-2.56x	<b>-3.00x</b>	<b>-2.33x</b>	-1.94x
<b>MVIC / Revenues</b>	6.59x	<b>5.33x</b>	10.37x	<b>11.13x</b>	17.25x	19.53x	<b>21.19x</b>	13.06x
<b>MVIC / Gross Profits</b>	8.87x	<b>7.44x</b>	<b>12.80x</b>	15.88x	<b>24.24x</b>	23.05x	10.35x	14.66x
<b>MVIC / Earnings</b>	-1.45x	<b>-1.29x</b>	-2.00x	-3.16x	-2.90x	<b>-3.34x</b>	<b>-2.77x</b>	-2.41x

\*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: Hemp (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	(\$7.24)	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%
3/24/2015	<b>Zoetic International Plc</b>	0.05	19.00	0.95	0.00	0.00	0.00	0.00	95%
	<b>Median of all IPOs</b>	<b>\$0.35</b>	<b>13.35</b>	<b>\$5.00</b>	<b>\$0.87</b>	<b>\$0.14</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>24%</b>

\* LTM as of the closing date

## Reverse Merger/Backdoor IPO (\$ in 000,000s)

Transaction Date	Acquirer	Cannabis Co. LTM Information*			
		Cannabis Company Being Acquired	LTM Revenues	LTM EBITDA	LTM NET INCOME
Pending	<b>Scientus Pharma Inc.</b>	<b>RISE Life Science Corp.</b>	N/A	N/A	N/A
5/31/2019	<b>Spyder Vapes Inc. (nka:Spyder Cannabis Inc.)</b>	<b>Anchor Capital Corporation</b>	\$1.00	(\$0.55)	(\$0.84)
7/9/2019	<b>Bhang Corporation. (nka:Bhang Inc.)</b>	<b>Pele Mountain Resources Inc. (nka:Bhang Inc.)</b>	0.00	(0.60)	(0.38)
3/7/2019	<b>CR International Inc. (nka:Orchid Ventures, Inc.)</b>	<b>Earny Resources Ltd.</b>	3.61	(2.36)	(2.40)
7/16/2018	<b>1011705 B.C. Ltd. (nka:EastWest Bioscience Inc.)</b>	<b>Harbour Star Capital Inc.</b>	0.04	(1.27)	(1.60)
6/29/2018	<b>Tree of Knowledge, Inc. (nka:Tree of Knowledge International Corp.)</b>	<b>Courtland Capital Inc.</b>	0.43	(3.61)	(3.91)
10/9/2017	<b>Gridiron BioNutrients, Inc.</b>	<b>My Cloudz, Inc.</b>	0.00	0.00	(0.16)
9/27/2017	<b>271 Lake Davis Holdings, LLC (nka:Veritas Farms, Inc.)</b>	<b>Armeau Brands Inc.</b>	0.56	(1.47)	(1.86)
5/18/2017	<b>Iso International, LLC (nka:Isodiol International Inc.)</b>	<b>Laguna Blends Inc.</b>	0.36	(3.03)	(4.29)
3/31/2017	<b>ShareRails, LLC (nka:Grey Cloak Tech, Inc.)</b>	<b>Grey Cloak Tech Inc.</b>	0.17	(0.85)	(3.54)
3/13/2017	<b>American Housing Income Trust, Inc. (nka:Corix Bioscience, Inc.)</b>	<b>American Housing Income Trust, Inc.</b>	0.00	0.00	0.00
12/22/2016	<b>Alternate Health Inc. (nka:Alternate Health Corp.)</b>	<b>Alternate Health Corp.</b>	0.18	(0.35)	(0.50)
4/15/2016	<b>Dharma Distributors Ltd (nka:Hempco Food and Fiber Inc.)</b>	<b>Genview Capital Corp.</b>	4.03	0.12	0.02
7/7/2015	<b>Innovativ Media Group, Inc. (nka:Demand Brands, Inc.)</b>	<b>Global Gaming Network, Inc.</b>	0.00	0.00	0.00

\* LTM as of the closing date

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## 2020 M&amp;A Transactions for a Majority Stake (\$ in 000,000s)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
6/23/2020	<b>Atalo Holdings, Inc</b>	<b>AVF CBD, LLC</b>	\$0.00	100.0%	N/A	N/A	N/A	N/A
6/22/2020	<b>Rockflowr GmbH</b>	<b>CBD of Denver Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
6/18/2020	<b>Leaf Life, Inc.</b>	<b>Bayou City Hemp Company, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
6/11/2020	<b>Abacus Health Products, Inc.</b>	<b>Charlotte's Web Holdings, Inc.</b>	88.35	100.0%	\$15.52	(\$17.01)	3.60x	-3.28x
5/28/2020	<b>Reliva, LLC</b>	<b>Aurora Cannabis Inc.</b>	81.46	100.0%	N/A	N/A	N/A	N/A
5/26/2020	<b>CBDWelt24 GmbH</b>	<b>CBD of Denver Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
5/21/2020	<b>All Assets of Seven Oaks Hemp Center in Southern Oregon</b>	<b>Hempnova Lifetech Corporation</b>	2.03	100.0%	N/A	N/A	N/A	N/A
5/15/2020	<b>Substantially all the assets of GenCanna Global USA, Inc.</b>	<b>MGG Investment Group, LP</b>	77.00	100.0%	N/A	N/A	N/A	N/A
5/13/2020	<b>GPS Associates, LLC</b>	<b>Mountain High Acquisitions Corp.</b>	1.61	100.0%	N/A	N/A	N/A	N/A
5/8/2020	<b>Assets Of Renew CBD Store, E-Blunt and Southside Garden Supply</b>	<b>Green Farms Co LLC</b>	0.00	100.0%	N/A	N/A	N/A	N/A
4/24/2020	<b>EdenFlo, LLC</b>	<b>Prolific Nutrition LLC</b>	4.77	100.0%	N/A	N/A	N/A	N/A
4/17/2020	<b>Nasalbinoid Natural Devices Corp.</b>	<b>Halo Labs Inc.</b>	3.84	100.0%	N/A	N/A	N/A	N/A
3/30/2020	<b>CBIO Brand Development Inc.</b>	<b>Block X Capital Corp. (nka:Brand X Lifestyle Corp.)</b>	0.38	100.0%	N/A	N/A	N/A	N/A
3/13/2020	<b>Hemp4mula CBD Confections Operations of Kali, Inc.</b>	<b>Puration, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
3/11/2020	<b>Nutraceutical Line of Cannabidiol Health and Wellness Products of HMNRTH, LLC</b>	<b>Scalematix, LLC</b>	1.73	100.0%	N/A	N/A	N/A	N/A

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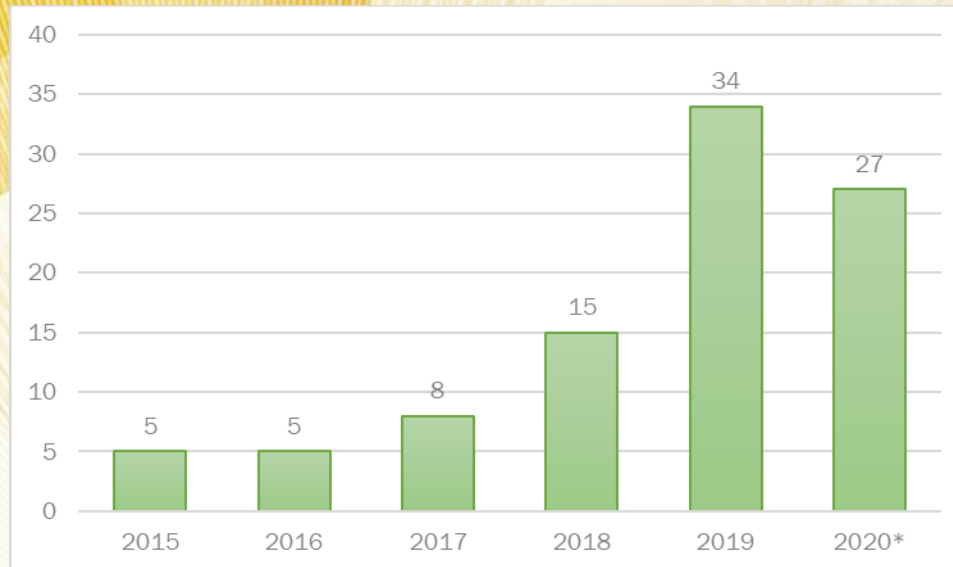
## 2020 M&amp;A Transactions for a Majority Stake (\$ in 000,000s)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
2/28/2020	New Earth Development Corporation	Stevia Nutra Corp	26.25	100.0%	N/A	N/A	N/A	N/A
2/24/2020	Warrender Enterprise Inc.	Acquired Sales Corp.	20.00	100.0%	4.37	1.00	4.37x	19.21x
2/20/2020	GK Manufacturing and Packaging, Inc.	Cannabis Sativa, Inc.	0.10	51.0%	N/A	N/A	N/A	N/A
2/21/2020	TAAT International LLC	Molori Energy Inc. (nka:TAAT Lifestyle & Wellness Ltd.)	5.33	100.0%	N/A	N/A	N/A	N/A
2/10/2020	Harmony Hemp Assets	Abacus Wellness, Inc.	5.50	100.0%	2.20	N/A	0.00x	N/A
1/30/2020	Hemporti, Inc.	Amarantus BioScience Holdings, Inc.	0.33	51.0%	N/A	N/A	N/A	N/A
1/30/2020	Canabanix (nka:Kadenwood BioSciences)	Kadenwood, LLC	0.00	100.0%	N/A	N/A	N/A	N/A
1/28/2020	Kase Farma Inc.	HTC Purenergy Inc.	2.67	100.0%	N/A	N/A	N/A	N/A
1/17/2020	First Class CBD	Mota Ventures Corp. (nka:Thoughtful Brands Inc.)	30.87	100.0%	N/A	N/A	N/A	N/A
1/15/2020	Librede, Inc.	Lygos, Inc.	0.00	100.0%	N/A	N/A	N/A	N/A
1/13/2020	Budding Botanicals	Next Generation Farming Inc.	0.00	100.0%	N/A	N/A	N/A	N/A
1/10/2020	2Rise Naturals LLC	GABY Inc.	1.00	100.0%	N/A	N/A	N/A	N/A
<b>Median of the M&amp;A Transaction Targets</b>			<b>\$1.61</b>	<b>100.0%</b>	<b>\$4.37</b>	<b>N/A</b>	<b>3.60x</b>	<b>7.96x</b>

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## M&A transactions for each year



Year	Number of Acquisitions
<b>2020</b>	<b>27*</b>
<b>2019</b>	<b>34</b>
<b>2018</b>	<b>15</b>
<b>2017</b>	<b>8</b>
<b>2016</b>	<b>5</b>
<b>2015</b>	<b>5</b>

\* As of June 30, 2020

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

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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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