

# Q4: Quarterly Industry Update

As of December 31, 2019



## Ancillary Cannabis Company Study

### INDUSTRY SUMMARY

SINGERLEWAK valuation identified ancillary publicly traded companies, IPOs, and recent M&A transactions within the Ancillary Cannabis 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 December 31, 2018, the median 52-week share price return of the Ancillary Cannabis industry was -62.9%. 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	-57.9%	-57.9%	1.75x	5.62x	4.31x	-1.21x	2.49x	-1.83x
Less than \$1 million	-66.7%	-66.7%	7.29x	11.66x	0.82x	-0.49x	31.75x	-1.13x
Cumulative*	-62.9%	-62.9%	3.01x	6.01x	3.94x	-0.91x	4.54x	-1.53x

\* Aggregated medians for ALL companies under Ancillary

# Summary of Additions from Q1-Q3 2019

## Q1

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

## Q2

- 9 public companies added.
  - 6 companies with revenues above \$1 million.
- **One delisted company** - Synergetics, Inc.

## Q3

- 6 public companies added.
- One IPO added.
- Eliminated mergers and acquisitions beyond calendar year 2019.
  - Contact [vspaulding@singerlewak.com](mailto:vspaulding@singerlewak.com) for a comprehensive list of cannabis mergers and acquisitions.

## Q4


- 13 public companies added.



## Comparable Public Company Market Metrics as of December 31, 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>3 Sixty Risk Solutions Ltd.</b>	N/A	-52.6%	N/A	\$6.95	\$21.92	\$2.55	(\$13.46)	11.6%	-61.4%	0.32x	2.72x
<b>4Front Ventures Corp.</b>	N/A	-15.7%	N/A	N/A	18.09	7.68	(16.70)	42.5%	-92.3%	17.32x	40.78x
<b>Agrios Global Holdings Ltd.</b>	-50.0%	-42.9%	-50.0%	N/A	4.31	3.28	(1.88)	76.0%	-43.6%	4.21x	5.54x
<b>Akerna Corp.</b>	N/A	42.2%	N/A	92.07	12.55	7.26	(15.40)	57.9%	-122.8%	7.34x	12.68x
<b>Alternate Health Corp.</b>	-77.8%	-47.4%	-77.8%	7.79	4.43	2.51	(17.74)	56.8%	-400.9%	1.76x	3.10x
<b>American Cannabis Company, Inc.</b>	-67.7%	-62.8%	-67.7%	5.14	2.08	1.19	(0.35)	57.4%	-16.7%	2.47x	4.31x
<b>Bellatora Inc.</b>	111.0%	201.4%	111.0%	0.00	2.00	0.44	0.06	22.0%	3.1%	N/A	N/A
<b>Blue Line Protection Group, Inc.</b>	-81.8%	-20.0%	-81.8%	0.29	3.92	1.81	(2.22)	46.1%	-56.6%	0.07x	0.16x
<b>Cannabis One Holdings Inc.</b>	N/A	-29.5%	N/A	8.33	2.71	0.81	(1.73)	29.8%	-64.0%	3.08x	10.31x
<b>Cannabiz Mobile, Inc.</b>	-33.3%	-58.3%	-33.3%	0.00	1.21	0.62	(1.25)	51.4%	-103.2%	0.00x	0.00x
<b>CannaGrow Holdings, Inc</b>	-76.0%	-46.7%	-76.0%	0.30	1.66	(0.20)	(1.97)	-12.1%	-119.3%	0.18x	-1.51x
<b>Canopy Rivers Inc.</b>	-62.9%	-47.5%	-62.9%	215.60	11.51	11.51	(11.88)	100.0%	-103.2%	18.73x	18.73x
<b>CB2 Insights Inc.</b>	N/A	-20.0%	N/A	8.00	12.75	8.95	(7.30)	70.2%	-57.2%	0.63x	0.89x
<b>CFN Enterprises Inc.</b>	-66.7%	-19.9%	-66.7%	5.98	22.36	12.87	6.56	57.6%	29.3%	0.27x	0.46x
<b>DigiPath, Inc.</b>	-20.0%	-18.7%	-20.0%	4.27	2.72	1.08	(1.56)	39.8%	-57.5%	1.57x	3.94x
<b>EVIO, Inc.</b>	-83.0%	-85.0%	-83.0%	1.67	4.08	0.30	(13.40)	7.3%	-328.8%	0.41x	5.63x
<b>General Cannabis Corp</b>	-57.9%	-8.5%	-57.9%	24.93	5.69	1.37	(14.29)	24.0%	-251.1%	4.38x	18.23x

 International

Multiple year periods are calculated as the average annual return.

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# Comparable Public Company Market Metrics as of December 31, 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>GrowGeneration Corp.</b>	82.2%	-3.5%	82.2%	150.27	63.41	17.38	(0.06)	27.4%	-0.1%	2.37x	8.65x
<b>Helix TCS, Inc.</b>	-48.8%	-23.3%	-48.8%	42.61	14.46	6.24	(10.31)	43.1%	-71.3%	2.95x	6.83x
<b>Innovative Industrial Properties, Inc.</b>	67.2%	-17.9%	67.2%	958.77	44.67	43.35	23.48	97.1%	52.6%	21.46x	22.12x
<b>Leafbuyer Technologies, Inc.</b>	-74.4%	-4.1%	-74.4%	9.04	2.28	2.28	(6.82)	100.0%	-299.3%	3.97x	3.97x
<b>Lifeloc Technologies, Inc.</b>	-6.8%	-20.0%	-6.8%	11.78	8.72	4.02	0.47	46.1%	5.4%	1.35x	2.93x
<b>Lift &amp; Co. Corp.</b>	-69.8%	-50.0%	-69.8%	5.64	7.12	4.25	(6.17)	59.7%	-86.7%	0.79x	1.33x
<b>Monarch America, Inc.</b>	-50.0%	0.0%	-50.0%	0.01	4.32	1.28	(2.40)	29.7%	-55.5%	0.00x	0.01x
<b>POSaBIT Systems Corporation</b>	N/A	-15.4%	N/A	4.57	4.32	0.80	(5.31)	18.5%	-122.7%	1.06x	5.72x
<b>PotNetwork Holdings, Inc.</b>	-74.6%	-43.2%	-74.6%	15.14	21.77	6.86	(0.50)	31.5%	-2.3%	0.70x	2.21x
<b>Sugarmade, Inc.</b>	-87.7%	-2.9%	-87.7%	13.28	2.96	0.79	(13.37)	26.7%	-452.3%	4.49x	16.82x
<b>THC Global Group Limited</b>	-18.3%	-15.6%	-18.3%	51.75	4.79	1.07	(11.68)	22.4%	-243.7%	10.80x	48.20x
<b>The Yield Growth Corp.</b>	-19.1%	-26.9%	-19.1%	18.23	4.51	1.26	(12.32)	28.0%	-273.1%	4.04x	14.42x
<b>Water Ways Technologies Inc.</b>	N/A	-40.0%	N/A	5.36	10.07	1.26	(2.16)	12.6%	-21.5%	0.53x	4.24x
<b>Median</b>	<b>-57.9%</b>	<b>-20.0%</b>	<b>-57.9%</b>	<b>\$7.89</b>	<b>\$4.65</b>	<b>\$2.04</b>	<b>(\$3.85)</b>	<b>41.2%</b>	<b>-67.6%</b>	<b>1.76x</b>	<b>4.31x</b>

International

Multiple year periods are calculated as the average annual return.

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# Comparable Public Company Market Metrics as of December 31, 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>	0.0%	50.0%	0.0%	\$0.00	\$0.05	\$0.05	(\$8.31)	100.0%	N/A	0.01x	0.01x
<b>AgriTek Holdings, Inc.</b>	-94.1%	-82.4%	-94.1%	(0.92)	0.00	(0.24)	(10.25)	N/A	N/A	411.52x	-3.64x
<b>Alternative Energy Partners, Inc.</b>	N/A	N/A	N/A	0.00	N/A	N/A	(1.19)	N/A	N/A	N/A	N/A
<b>American Green, Inc.</b>	-94.9%	-93.9%	-94.9%	0.04	0.05	0.05	(0.77)	100.0%	N/A	0.83x	0.83x
<b>AmeriCann, Inc.</b>	-71.3%	-35.7%	-71.3%	14.36	0.05	0.05	(3.35)	100.0%	N/A	310.45x	310.45x
<b>Amfil Technologies Inc.</b>	-33.0%	-9.6%	-33.0%	31.24	0.19	0.10	(0.29)	50.7%	-153.6%	165.78x	327.03x
<b>Arias Intel Corp.</b>	-82.5%	-36.4%	-82.5%	0.04	N/A	N/A	(9.11)	N/A	N/A	N/A	N/A
<b>Bangi Inc.</b>	-100.0%	-100.0%	-100.0%	0.00	N/A	N/A	(0.32)	N/A	N/A	N/A	N/A
<b>Bespoke Capital Acquisition Corp.</b>	N/A	1.1%	N/A	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Bingo Nation, Inc.</b>	900.0%	0.0%	900.0%	0.03	0.42	0.40	(41.25)	95.8%	N/A	0.07x	0.07x
<b>BLOK Technologies Inc.</b>	-75.0%	-50.0%	-75.0%	0.60	N/A	N/A	(1.67)	N/A	N/A	N/A	N/A
<b>Braingrid Limited</b>	-94.7%	100.0%	-94.7%	0.61	0.14	0.10	(3.58)	70.3%	N/A	4.28x	6.09x
<b>Café Serendipity Holdings, Inc.</b>	-39.0%	0.0%	-39.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Calyx Ventures Inc.</b>	-66.7%	0.0%	-66.7%	0.95	0.00	0.00	(2.38)	100.0%	N/A	N/A	N/A
<b>Canna Consumer Goods, Inc.</b>	-53.1%	-17.9%	-53.1%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Cannabis Growth Opportunity Corporation</b>	-29.9%	-37.6%	-29.9%	10.93	(1.52)	(1.52)	(2.88)	100.0%	189.5%	-7.19x	-7.19x
<b>Cannabix Technologies Inc.</b>	-73.0%	-44.8%	-73.0%	38.90	N/A	N/A	(3.29)	N/A	N/A	N/A	N/A
<b>CannaOne Technologies Inc.</b>	-77.6%	-67.6%	-77.6%	4.95	0.10	0.10	(1.11)	100.0%	N/A	51.21x	51.21x
<b>CannaSys, Inc.</b>	-33.3%	100.0%	-33.3%	0.38	0.00	0.00	(6.12)	100.0%	N/A	N/A	N/A

 International

Multiple year periods are calculated as the average annual return.

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# Comparable Public Company Market Metrics as of December 31, 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>Captiva Verde Land Corp.</b>	195.0%	22.9%	195.0%	28.04	N/A	(0.21)	(1.57)	N/A	N/A	N/A	-132.52x
<b>CB Scientific, Inc.</b>	-82.8%	-67.1%	-82.8%	2.93	0.05	0.03	(0.64)	54.3%	N/A	58.16x	107.04x
<b>Eurolife Brands Inc.</b>	-41.0%	-47.1%	-41.0%	15.72	0.01	0.01	(6.53)	100.0%	N/A	N/A	N/A
<b>FinCanna Capital Corp.</b>	13.6%	-26.5%	13.6%	12.41	0.77	0.67	(1.68)	86.1%	-216.9%	16.05x	18.63x
<b>FutureWorld Corp.</b>	-100.0%	N/A	-100.0%	0.00	0.25	0.25	(0.87)	100.5%	-344.3%	0.00x	0.00x
<b>Green Energy Enterprises, Inc.</b>	0.0%	0.0%	0.0%	0.01	0.36	0.30	0.02	83.4%	5.7%	0.03x	0.03x
<b>Green Technology Solutions, Inc.</b>	16.7%	180.0%	16.7%	0.39	N/A	N/A	(6.60)	N/A	N/A	N/A	N/A
<b>GreenPlex Services, Inc.</b>	217.1%	18.2%	217.1%	4.86	0.04	0.04	(0.40)	100.0%	N/A	127.46x	127.46x
<b>Grow Solutions Holdings, Inc.</b>	-62.9%	-66.1%	-62.9%	0.13	N/A	N/A	(0.42)	N/A	N/A	N/A	N/A
<b>International Consolidated Companies, Inc.</b>	0.0%	0.0%	0.0%	0.41	0.06	0.06	(0.20)	100.0%	-357.1%	7.29x	7.29x
<b>Leviathan Cannabis Group Inc.</b>	-45.0%	-53.7%	-45.0%	18.64	0.06	(1.43)	(28.22)	N/A	N/A	303.64x	-13.07x
<b>MassRoots, Inc.</b>	-92.1%	30.6%	-92.1%	1.66	0.04	0.84	(29.41)	N/A	N/A	46.80x	1.97x
<b>Medical Cannabis Payment Solutions, Inc.</b>	-73.5%	-58.4%	-73.5%	2.07	N/A	N/A	(4.25)	N/A	N/A	N/A	N/A
<b>MediGreen Holdings Corporation</b>	N/A	N/A	N/A	0.00	0.00	(0.11)	(2.42)	N/A	N/A	0.00x	0.00x
<b>MyDx, Inc.</b>	-100.0%	-100.0%	-100.0%	0.00	0.26	0.12	(2.95)	47.5%	N/A	0.00x	0.00x
<b>Nhale, Inc.</b>	-20.0%	4.9%	-20.0%	0.19	N/A	N/A	(0.07)	N/A	N/A	N/A	N/A
<b>North American Cannabis Holdings, Inc.</b>	-76.0%	-25.0%	-76.0%	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

■ International

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# Comparable Public Company Market Metrics as of December 31, 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>Northsight Capital, Inc.</b>	-82.9%	-52.0%	-82.9%	0.18	0.05	0.05	(1.99)	100.0%	N/A	3.49x	3.49x
<b>Novus Acquisition &amp; Development Corp.</b>	-79.0%	-43.7%	-79.0%	0.07	0.10	0.09	0.02	96.0%	24.5%	0.77x	0.80x
<b>Ovation Science Inc.</b>	-33.3%	-32.2%	-33.3%	4.65	0.24	0.23	(0.74)	95.7%	-303.8%	19.10x	19.97x
<b>Peak Pharmaceuticals, Inc.</b>	-88.8%	11.7%	-88.8%	1.05	N/A	N/A	(0.05)	N/A	N/A	N/A	N/A
<b>Pineapple Express, Inc.</b>	42.9%	222.6%	42.9%	64.22	0.61	0.61	(3.37)	100.0%	-555.4%	105.87x	105.87x
<b>SOL Global Investments Corp.</b>	-73.3%	-50.4%	-73.3%	32.78	(125.43)	(125.43)	(150.40)	100.0%	119.9%	-0.26x	-0.26x
<b>STWC Holdings, Inc.</b>	-97.5%	-80.8%	-97.5%	1.73	0.27	0.10	(2.92)	37.8%	N/A	6.43x	17.01x
<b>TruTrace Technologies Inc.</b>	-42.3%	-62.5%	-42.3%	6.23	0.36	(0.76)	(6.14)	-209.8%	N/A	17.24x	-8.22x
<b>Two Rivers Water &amp; Farming Company</b>	-54.7%	-56.0%	-54.7%	6.41	0.19	0.19	(4.45)	100.0%	N/A	33.89x	33.89x
<b>BioELife Corp.</b>	9.8%	27.3%	9.8%	1.32	N/A	(0.00)	(0.59)	N/A	N/A	N/A	N/A
<b>Vert Infrastructure Ltd.</b>	-96.7%	-77.8%	-96.7%	1.72	(0.05)	(0.05)	(7.28)	100.0%	N/A	-34.63x	-34.63x
<b>WEED, Inc.</b>	-69.6%	-25.8%	-69.6%	34.54	N/A	N/A	(31.76)	N/A	N/A	N/A	N/A
<b>World Class Extractions Inc.</b>	N/A	-14.3%	N/A	36.01	0.18	(0.07)	(31.94)	-37.2%	N/A	200.24x	-538.70x
<b>Median</b>	<b>-66.7%</b>	<b>-29.3%</b>	<b>-66.7%</b>	<b>\$0.95</b>	<b>\$0.06</b>	<b>\$0.05</b>	<b>(\$2.88)</b>	<b>N/A</b>	<b>-185.3%</b>	<b>7.29x</b>	<b>0.82x</b>

International

Multiple year periods are calculated as the average annual return.

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## Median Public Companies\*

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

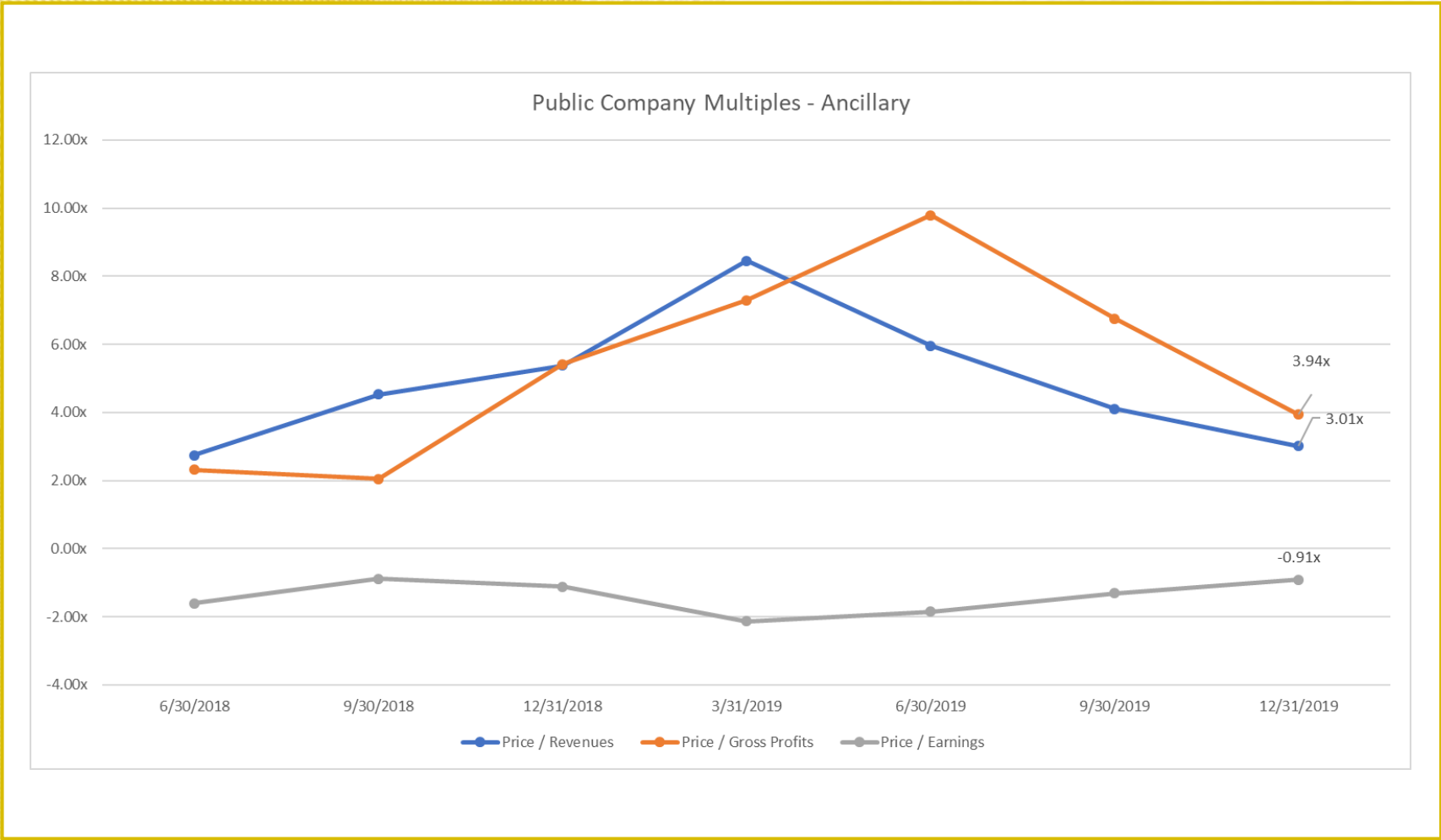
	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18	9/30/18	6/30/18	Average
Price / Revenues	3.01x	4.10x	5.96x	8.45x	5.38x	4.53x	2.74x	4.88x
Price / Gross Profits	3.94x	6.76x	9.79x	7.29x	5.42x	2.05x	2.31x	5.37x
Price / Earnings	-0.91x	-1.30x	-1.85x	-2.13x	-1.12x	-0.89x	-1.60x	-1.40x
MVIC / Revenues	4.54x	5.53x	9.08x	14.06x	6.23x	7.32x	8.24x	7.86x
MVIC / Gross Profits	6.01x	9.20x	13.34x	10.57x	7.31x	7.91x	9.25x	9.08x
MVIC / Earnings	-1.53x	-1.74x	-2.28x	-2.65x	-1.90x	-1.87x	-2.57x	-2.08x

■ 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
8/15/2019	<b>Bespoke Capital Acquisition Corp.</b>	\$10.00	35.00	\$350.00	\$0.00	\$0.00	\$0.00	\$0.00	97%
12/13/2018	<b>The Yield Growth Corp.</b>	0.50	4.48	2.24	2.61	0.06	3.06	(5.86)	6%
11/20/2018	<b>CannaOne Technologies Inc.</b>	0.40	1.25	0.50	0.54	0.16	0.01	(0.42)	6%
11/15/2018	<b>Ovation Science Inc.</b>	0.30	7.00	2.10	0.90	0.30	0.03	0.00	30%
1/29/2018	<b>MTech Acquisition Corp.</b>	10.00	5.00	50.00	0.16	0.13	0.00	0.00	100%
1/26/2018	<b>Cannabis Growth Opportunity Corporation</b>	2.50	15.51	38.78	0.00	0.00	0.00	0.00	100%
12/21/2017	<b>Cannabis Strategies Acquisition Corp.</b>	10.00	12.50	125.00	0.00	0.00	0.00	0.00	100%
5/3/2017	<b>THC Global Group Limited</b>	0.20	40.00	8.00	1.00	0.00	0.00	0.00	53%
7/7/2014	<b>Searchtech Ventures Inc.</b>	0.10	6.85	0.68	0.24	0.00	0.00	0.00	58%
12/16/2013	<b>Cannabix Technologies Inc.</b>	0.10	6.63	0.79	0.09	0.00	0.00	0.00	60%
5/30/2013	<b>Nhale, Inc.</b>	0.01	10.00	0.10	0.04	0.05	0.04	0.00	33%
2/21/2012	<b>MJ Holdings, Inc.</b>	0.05	0.03	0.00	0.01	0.05	0.00	(0.02)	<1%
2/15/2012	<b>Aja Cannafacturing, Inc.</b>	0.01	2.00	0.02	0.02	0.00	0.00	0.00	17%
10/31/2011	<b>IPOWorld</b>	0.01	1.00	0.01	0.01	0.00	0.00	0.00	4%
10/23/2009	<b>Peak Pharmaceuticals, Inc.</b>	0.10	0.41	0.04	0.01	0.00	0.00	0.00	9%
	<b>Median of all IPOs</b>	<b>\$0.20</b>	<b>6.63</b>	<b>\$0.79</b>	<b>\$0.04</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>43%</b>


\* LTM as of the closing date



# Reverse Merger/Backdoor IPO

## Cannabis Co. LTM Information\*

Transaction Date	Acquirer	Cannabis Company Being Acquired	LTM Revenues	LTM EBITDA	LTM NET INCOME
6/17/2019	<b>MTech Acquisition Corp.</b>	<b>MJ Freeway LLC (nka:Akerna Corp.)</b>	\$9.93	\$0.00	(\$6.43)
4/3/2019	<b>Foreshore Exploration Partners Corp.</b>	<b>POSaBIT, Inc. (nka:POSaBIT Systems Corporation)</b>	3.25	(3.58)	(3.76)
3/11/2019	<b>CBD MED Research Corp.</b>	<b>World Class Extractions Inc.</b>	0.00	(1.86)	(4.51)
9/17/2018	<b>Aim2 Ventures Inc.</b>	<b>Canopy Rivers Corporation (nka:Canopy Rivers Inc.)</b>	55.52	0.00	33.62
9/13/2018	<b>MJ Opportunity Corp.</b>	<b>Lift Co. Ltd. (nka:Lift &amp; Co. Corp.)</b>	3.56	(3.92)	(6.91)
5/30/2018	<b>Transform Capital Corp.</b>	<b>CannAmerica Brands Corp.</b>	0.34	0.00	(0.09)
3/12/2018	<b>Arco Resources Corp.</b>	<b>4Front Ventures Corp.</b>	5.72	3.65	(2.09)
3/2/2018	<b>Fortify Resources Inc.</b>	<b>Dope Ventures Infrastructure Corp. (nka:Crop Infrastructure Corp.)</b>	0.00	0.00	(0.65)
12/22/2017	<b>Astar Minerals Ltd.</b>	<b>FinCanna Capital Corp.</b>	(0.01)	NA	(1.26)
12/22/2016	<b>Alternate Health Corp.</b>	<b>Alternate Health Inc. (nka:Alternate Health Corp.)</b>	0.18	(0.35)	(0.50)
12/4/2015	<b>Net X America Inc.</b>	<b>CB Scientific, Inc.</b>	0.00	0.00	0.00
8/24/2015	<b>Globestar Industries Inc.</b>	<b>Pineapple Express, Inc.</b>	0.00	0.00	0.00
8/7/2015	<b>Asta Holdings, Corp.</b>	<b>CSA LLC (nka:CSA Holdings, Inc.)</b>	0.98	(0.57)	(0.59)
4/30/2015	<b>Brista Corp.</b>	<b>CDx, Inc. (nka:MyDx, Inc.)</b>	0.00	(4.77)	(5.32)
4/28/2015	<b>LightTouch Vein &amp; Laser, Inc.</b>	<b>Grow Solutions Holdings, Inc.</b>	0.00	0.00	(0.20)
1/14/2015	<b>Cannabis Kinetics Corp.</b>	<b>The Big Tomato (nka:Monarch America, Inc.)</b>	3.02	0.20	0.19

 International

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9/17/2018	<b>Searchtech Ventures Inc.</b>	<b>PharmaCan Capital (nka:Cronos Group Inc.)</b>	(0.49)	0.00	(1.99)
9/13/2018	<b>Brazil Interactive Media, Inc.</b>	<b>Hollister &amp; Blacksmith, Inc. (nka:American Cannabis Company, Inc.)</b>	0.22	(0.07)	(0.07)
5/30/2018	<b>4th Grade Films, Inc.</b>	<b>Strainwise, Inc. (nka:STWC Holdings, Inc.)</b>	0.10	(0.05)	(0.07)
12/22/2017	<b>Thermal Tennis, Inc.</b>	<b>CannaSys, Inc.</b>	0.00	0.00	(0.13)
12/22/2016	<b>Crownbutte Wind Power, Inc.</b>	<b>Canna Brands, Inc. (nka:Canna Consumer Goods, Inc.)</b>	0.00	0.00	0.00
4/30/2015	<b>Force Fuels, Inc.</b>	<b>Café Serendipity Holdings, Inc.</b>	0.00	0.00	0.00
4/28/2015	<b>Gideon Capital Corp.</b>	<b>Bathurst Resources Corp. (nka:Leviathan Cannabis Group Inc.)</b>	0.00	0.00	(0.24)
1/14/2015	<b>Refill Energy, Inc.</b>	<b>Medical Cannabis Financial Group, Inc. (nka:Medical Cannabis Payment Solutions, Inc.)</b>	0.00	0.00	0.00
12/10/2014	<b>Savanna East Africa Inc.</b>	<b>Algae International Group Inc. (nka:North American Cannabis Holdings, Inc.)</b>	0.00	0.00	0.00
9/29/2014	<b>Diversified Opportunities, Inc.</b>	<b>Sugarmade, Inc.</b>	0.03	(0.60)	(0.70)
8/19/2014	<b>Estate Coffee Holdings Corp.</b>	<b>Fresh Traffic Group Corp. (nka:Synergetics, Inc.)</b>	0.38	(0.02)	(0.04)
1/6/2014	<b>Seraph Security, Inc.</b>	<b>Commerce Online Technologies, Inc. (nka:AgriTek Holdings, Inc.)</b>	0.05	0.00	(0.01)
5/9/2011	<b>Equus Resources, Inc.</b>	<b>Quasar Aerospace Industries, Inc. (nka:Green Energy Enterprises, Inc.)</b>	0.00	0.00	0.00
3/18/2009	<b>Famous Food Group, Inc. (nka:Kootenai Corp.)</b>	<b>BizAuctions, Inc. (nka:CannaGrow Holdings, Inc.)</b>	0.00	0.00	(0.22)


International

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Transaction Date	Acquirer	Cannabis Co. LTM Information*			
		Cannabis Company Being Acquired	LTM Revenues	LTM EBITDA	LTM NET INCOME
4/26/2006	<b>Quantech Electronics Corp.</b>	<b>Quantech Electronics Corp. (nka:EVIO, Inc.)</b>	0.00	0.00	0.00
6/28/2005	<b>Sunrise Energy Resources, Inc.</b>	<b>Esko Pivnich CJSC (nka:Green Technology Solutions, Inc.)</b>	0.55	(0.05)	(0.26)
12/19/2000	<b>Ponder Industries, Inc.</b>	<b>N-Vision Technology, Inc. (nka:MediGreen Holdings Corporation)</b>	0.70	(0.84)	(1.20)
7/25/2000	<b>Desert Winds Entertainment Corporation</b>	<b>SunnComm International Inc. (nka:American Green, Inc.)</b>	0.00	0.00	(0.55)

 International

\* LTM as of the closing date

## 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
12/31/2019	Green Grow Farms Inc.	Canbiola, Inc. (nka:Can B Corp.)	0.66	51.0%	\$0.33	N/A	3.92x	N/A
12/14/2019	BIG Publications LLC	High Times	0.00	100.0%	0.00	N/A	N/A	N/A
12/3/2019	Media Assets of Cannabis Club TV	Enlighten Technologies	0.00	100.0%	0.00	N/A	N/A	N/A
12/3/2019	Civilized Worldwide Inc.	Frontier Financial Group, Inc.	0.00	100.0%	0.00	N/A	N/A	N/A
11/26/2019	Cannabis Compliance Inc.	Deloitte & Touche LLP (Canada) Textmunication Holdings, Inc. (nka:Resonate Blends Inc.)	0.00	100.0%	0.00	N/A	N/A	N/A
10/25/2019	Resonate Blends, LLC		0.11	100.0%	0.06	N/A	2.00x	N/A
10/25/2019	Certain Cannabis Related Real Estate Assets	GreenAcreage Real Estate Corp.	18.30	100.0%	N/A	N/A	N/A	N/A
10/24/2019	Cannabis Europa and HAPP Holdings Limited	Nobl Group Limited	0.00	100.0%	N/A	N/A	N/A	N/A
10/23/2019	Five Buildings in Quincy, Florida	Innovative Industrial Properties, Inc. GD Entertainment & Technology, Inc.	17.00	100.0%	N/A	N/A	N/A	N/A
10/17/2019	cbd hempbuzz.com		0.00	100.0%	N/A	N/A	N/A	N/A
10/11/2019	Cannpos Services Corp.	Halo Labs Inc.	3.75	100.0%	N/A	N/A	N/A	N/A
10/10/2019	Sackville & Co. Merchandising Ltd.	48North Cannabis Corp.	3.66	100.0%	N/A	N/A	N/A	N/A
10/1/2019	Grow Shop Hydroponics	Hydroponics, Inc.	0.00	100.0%	N/A	N/A	N/A	N/A
9/18/2019	Harvest 360 Technologies LLC	Blue Diamond Ventures, Inc.	0.00	100.0%	0.00	N/A	N/A	N/A
9/10/2019	Green Tree International, Inc.	Helix TCS, Inc.	15.00	100.0%	7.50	N/A	2.00x	N/A
8/28/2019	Blox Labs Inc.	Best Cannabis Products Inc. (nka:Sire Bioscience Inc.)	0.00	100.0%	0.00	N/A	N/A	N/A
8/20/2019	CannaMed Clinic Inc.	Natural Care Group	0.00	100.0%	0.00	N/A	N/A	N/A

\* Not Meaningful

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
N/A	<b>Goodfellas Group, LLC</b>	<b>TransCanna Holdings Inc.</b>	0.52	100.0%	0.26	N/A	2.00x	N/A
7/2/2019	<b>Verity Corp.</b>	<b>Healthcare Solutions Holdings Inc (nka:Verity Corp.)</b>	0.00	100.0%	0.00	N/A	N/A	N/A
6/17/2019	<b>Quadron Cannatech Corporation</b>	<b>World Class Extractions Inc.</b>	18.63	100.0%	3.58	(5.22)	4.95x	-3.39x
6/12/2019	<b>Potnt Agency</b>	<b>MediaJel, Inc.</b>	0.00	100.0%	N/A	N/A	N/A	N/A
5/9/2019	<b>Green Grow Farms Inc.</b>	<b>Iconic Brands, Inc.</b>	11.08	51.0%	N/A	N/A	N/A	N/A
5/1/2019	<b>Complia, LLC</b>	<b>NIC Inc.</b>	15.00	100.0%	N/A	N/A	N/A	N/A
2/11/2019	<b>EFX Laboratories Inc.</b>	<b>Viridium Pacific Group Ltd. (nka:Experion Holdings Ltd.)</b>	25.05	100.0%	N/A	N/A	N/A	N/A
1/31/2019	<b>Delta West Limited Partnership</b>	<b>Westleaf Inc.</b>	14.95	50.0%	N/A	N/A	N/A	N/A
1/21/2019	<b>Bodhi Research &amp; Development Inc.</b>	<b>Green Relief Inc.</b>	20.00	51.0%	N/A	N/A	N/A	N/A
1/16/2019	<b>Blackbird Logistics Corporation</b>	<b>Santé Veritas Holdings Inc.</b>	50.00	100.0%	N/A	N/A	N/A	N/A
1/15/2019	<b>Silver State Relief LLC/Silver State Cultivation LLC</b>	<b>320204 Nevada Holdings Corp.</b>	46.69	100.0%	17.35	N/A	2.69x	N/A
1/11/2019	<b>Merritt Valley Cannabis Company</b>	<b>EPHS Holdings, Inc. (nka:SKYE Life Ventures Ltd.)</b>	14.17	100.0%	N/A	N/A	N/A	N/A
1/7/2019	<b>Trace Analytics Inc.</b>	<b>Applied Biosciences Corp.</b>	1.25	51.0%	N/A	N/A	N/A	N/A
<b>Median of the M&amp;A Transaction Targets</b>			<b>\$0.95</b>	<b>100.0%</b>	<b>NMF*</b>	<b>NMF</b>	<b>2.35x</b>	<b>NMF</b>

\* Not Meaningful

International

## M&A Transactions for Each Year

Year	Number of Acquisitions
2019	30*
2018	21
2017	12
2016	5
2015	6
2014	20
2013	3
2012	3
2011	0
2010	1

\* As of December 31, 2019

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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