

# INVESTMENT OPPORTUNITY

Get **in** on the ground floor of an exclusive cannabis industry. Shaped by elevated barriers to entry, businesses within this segment are faced with **limited competition** and **rapid demand growth**. *This is the perfect combination.* Without unreasonable risk, investors should expect **double-digit returns**.



# Is Investing in "Cannabis Firm" Worth the Risk?

*Like all startup businesses, "Cannabis Firm" faces a number of risks.*

*Axiom Valuation Solutions (Axiom) has embarked on a substantive analysis of these risks.*

*Furthermore, we have explored the ways in which the rates of return, which an investor might expect, could be impacted by these risks. Our analysis, calculations, and supporting research will be addressed in the remainder of this presentation.*

**To the best of Axiom's knowledge, the underlying analysis herein is based on accurate data and valuation metrics, which an informed investor would employ to evaluate, and logically arrive at an investment decision regarding "Cannabis Firm".**

Anyone contemplating making an investment in "Cannabis Firm" should contact their financial advisor and/or accountant to ensure that the investment fits their return-risk requirements.

LET'S EXPLORE WHY  
"CANNABIS FIRM" OFFERS  
AN *EXCITING & PROFITABLE*  
INVESTMENT OPPORTUNITY

*Within an Industry Poised for Exceptional Growth*

**"Cannabis Firm"** will *cultivate* and offer *retail* cannabis-related products. Licensed in "City", "State", the business is **one** of *only five* vendors in the city.

# "Cannabis Firm" Checks *All* of the Boxes for Investment Success

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There are four  
*determinants*  
of investment  
success.

An investment in  
***"Cannabis Firm"***  
meets them all.

### Product Demand is Growing Rapidly

The cannabis market in "State" is currently experiencing double-digit growth. Legalization and regulation have brought more people to the marketplace and, for the first time, the underground cannabis economy is now being serviced by legal establishments.

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### Strong and Sustainable Barriers to Entry

The legalization of cannabis means regulation, which translates to limited licensing for cannabis establishments within local market areas. This means there is limited local competition. At the moment, "City" has granted five licenses with little or no competition from surrounding towns.

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### Experienced Management

Longtime members of the community with experience operating business establishments in "City", and relatives who have operated cannabis dispensaries in other states.

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### First Mover Advantage

Early entrants in the cannabis industry have the opportunity to uniquely service a rapidly growing market & to establish a recognized brand that sustains its market share. "Cannabis Firm" is distinctive in that it will combine cultivation of product with a strong retail presence. To meet market demands, the company will gauge customer preferences for product varieties and use its cultivation capacity to meet those demands; thus, establishing "Cannabis Firm" as a distinctive and competitive player in the local cannabis market.

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# Fair Market Value of "Cannabis Firm"

Axiom has determined that the pre-money value of "Cannabis Firm" is  
**\$14.3 million.**

1,000 scenarios were considered to arrive at this value. The scenarios capture both the upside potential and the downside risk, which characterize "Cannabis Firm" and the industry in which it operates. Emerging only after a capital raise is successful and an investment is made, this value is known as the ***pre-money value***.

"Cannabis Firm" is raising \$5.5 million to fund capital equipment & promote the brand that produces their cash flows. Cash flows that underlie investor returns construct the ***post-money*** value of the firm.

The post-money value of "Cannabis Firm" is  
**\$19.8 million.**

*(\$14.3 million + \$5.5 million)*

# "Cannabis Firm"

## Financial Projections\*

Dollar Values in thousands	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
<i>Retail Revenue</i>	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
<i>Cultivation Revenue</i>	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
<b>Net Revenue</b>	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
Gross Profit	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
Operating Expenses	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
<b>Earnings Before Interest &amp; Taxes (EBIT)</b>	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
<b>Free Cash Flow**</b>	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$	\$ \$ \$
Profit Margin (EBIT/Revenue)	%	%	%	%	%

\*For detailed Income Statement, Balance Sheet, and Cash Flow Projections, see Appendix

\*\*Free Cash Flow = EBIT – Tax – Change in Net Fixed Assets – Change in Working Capital

# "Cannabis Firm" Investment Profile

- "Cannabis Firm" aims to raise \$5,500,000 in return for a 25% stake in the company. The funds will be used to outfit the cultivation operation and retail operation as well as promoting the brand.
- Axiom carried out a substantive analysis that indicates a 25% ownership, based on an expected equity value of \$14.3 million, would generate a 16% internal rate of return (IRR). The equity value could be as high as \$26.5 million.
- To analyze the risk return tradeoff for investors, Axiom has considered a 1,000 different scenarios with 1,000 different "Cannabis Firm" profit paths & associated rates of return. The analysis, formally known as a Monte Carlo analysis, indicates that the return to investors could be as high as 28%, or as low as 12%. There is a 90% probability that the return will be in this range.
- Expected free cash flow will be positive in Year 1, and, based on "Cannabis Firm's" expected distribution policy, a 25% of share of free cash flow produces about \$550,000 for investors in the first year.

Free Cash Flow After Taxes – Non-Discounted in Thousands										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7+ Perpetuity	IRR	Total Received (25% Stake)	Equity Value of "Cannabis Firm"
\$5.5 mm	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	→ %	\$\$\$	\$26 Million
	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	→ %	\$\$\$	\$14 Million
	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	→ %	\$\$\$	\$11 Million



# "Cannabis Firm's" Retail Business Will Acquire 10,000 Customers in Its First Year of Operation

Attitude towards cannabis use & legalization is measured by the response to Question 4 on "State" 2018 ballot.

*Based on the populations of "City" and its surrounding regions.*

## "Cannabis Firm"

Year 1	"City"	"Neighboring Town"	"County"
<i>Population</i>	43,415	52,987	702,246
<i>21 or Older</i>	32,385	39,526	523,841
<i>"Yes" on Question 4</i>	60%	46%	51%
<i>% Purchased in City</i>	90%	80%	50%
<i>Total Potential Clients</i>	17,487	10,865	133,579
Marijuana Purchased Legally (vs. Illegal)	24%		
"Cannabis Firm's" Market Share in City (of 5 Stores)	25%		
Expected Customers	9,715		

# "Cannabis Firm's" Cultivation Unit Will Drive Overall Profit Growth, Creating a Unique Competitive Advantage which Will Leverage "Cannabis Firm's" Retail Channel

"Cannabis Firm" has a **"xxx"** **Cultivation License**. This allows the company *10,001 ft.<sup>2</sup> to 20,000 ft.<sup>2</sup>* of canopy space.

<i>Space</i>	<u>23,000 ft.<sup>2</sup></u>
<i>Canopy</i>	<u>14,000 ft.<sup>2</sup></u>
<i>Lights</i>	<u>614</u>
<i>Harvests Per Year</i>	<u>6</u>
<i>Pounds Per 16 ft.<sup>2</sup></i>	<u>1.25 lbs.</u>
<i>Annual Yield</i>	<u>4,221 lbs.</u>

	<u>Annual Yield</u>	<u>Price Per Pound</u>	<u>Annual Sales</u>
<i>Retail</i>	<u>1,006 lbs.</u>	<u>\$6,091</u>	<u>\$6,127,546</u>
<i>Wholesale</i>	<u>2.874 lbs.</u>	<u>\$2,874</u>	<u>\$8,259,876</u>

# Strong Financials and Profitability

**"Cannabis Firm's"**  
*Cultivation &*  
*Retail Businesses*  
**Will Show**  
**Strong Growth**

### Cultivation Boosts Profit Margins

Profit margins in recreational retail dispensaries in Colorado have been estimated to be between 15% to 21%. "Cannabis Firm's" profit margins are projected to be between 26% and 34%. The cultivation business increases these margins.

### Cannabis Wholesale Prices to Hold in the Near Term Due to Controls on Production

The "State" Commission limits cultivation production. If a cultivator sells less than 70% of their crop, the Commission limits the amount they are allowed to grow in the next year. Cross-state wholesale trade is illegal.

### "State's" Legal Cannabis Spending: Double-Digit Growth Expected for the Next Four Years

According to Headset, Inc., the average person spends \$645 per year on cannabis. Legal spend in "State" is projected to grow 60% in 2019, 40% in 2020 and 10% in the following years.

# The Management Team

Experienced Retail Operators & Members of "City's" Community

*"They're raising their families in City," Peterson said. "This is their home, so this is their community as much as it is ours, which is a little different than the proposals that have come through so far."*

John Doe  
"City", "State"

- About John Doe.

Jane Doe  
"City", "State"

- About Jane Doe.

John Doe  
"City", "State"

- About John Doe

**Source**

[https://www."City"news.com](https://www.)

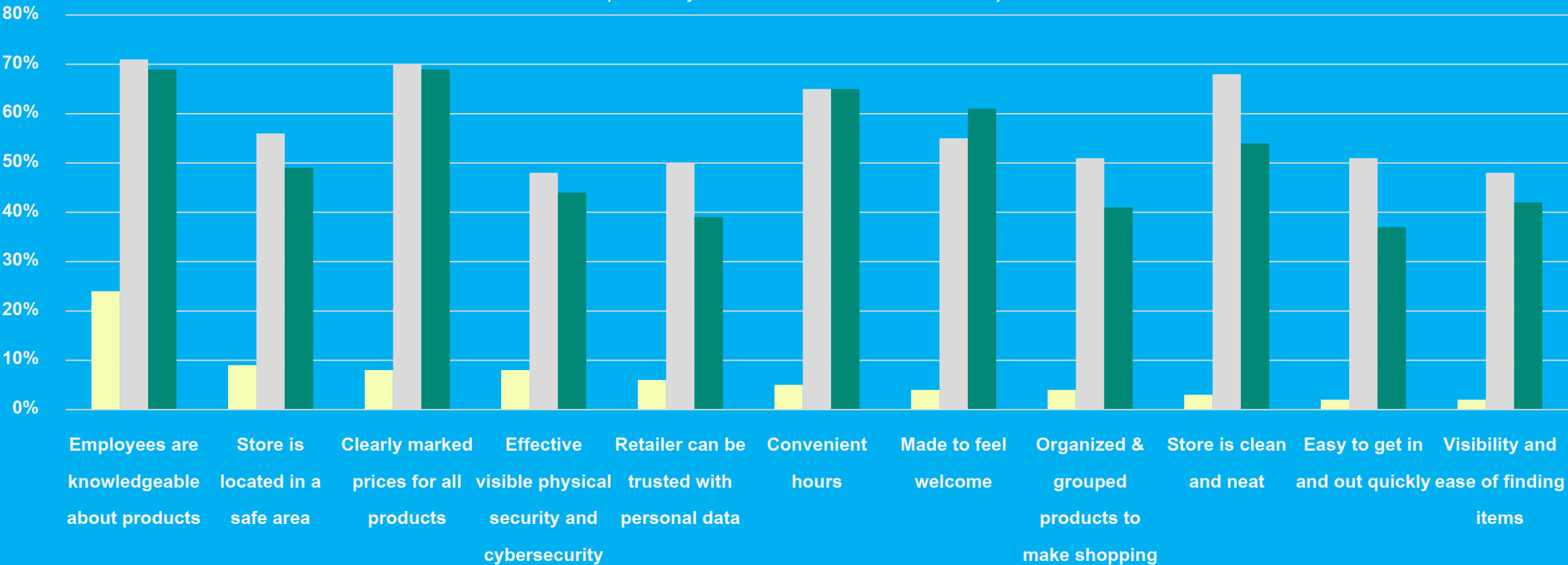
# Operators' Product Knowledge is *Essential* in Purchase Decisions

Cannabis Consumers State that Knowledgeable Employees are Most Important

## Preferred Legal Purchase Channel

Source  
Deloitte 2018 Canadian Cannabis Report

Most important feature   Current user   Likely user



## "Cannabis Firm"

# "Cannabis Firm" Will Open Their Retail Shop- *First Cultivation Will Soon Follow*

2019



**January**

*Town license approval*



**March**

*C.C.C. approval*



**April**

*Retail space  
improvements*



**June**

*Improvements finished*



**July**

*Retail Opening*



**September**

*Plant first cultivation*



**December**

*Harvest first cultivation*

# THE COMPETITION

"Cannabis Firm"

"Cannabis Firm" is

One of *Only Five* Licenses Issued in "City"

Population of "City": 43,41

Population of "Neighbor": 52,957

- Five licenses will be issued for "City", "State"
- "Town", which neighbors "City", will not issue any licenses

Establishment	Address	Special Permit Issued*	Host Agreement Signed**	State License Approved
Company Name	# Street Name	X	X	X
Company Name	# Street Name	X	X	
Company Name	# Street Name			
Company Name	# Street Name	X	X	Testing Lab
Company Name	# Street Name			
Company Name	# Street Name			
Company Name	# Street Name	X	X	
Company Name	# Street Name	X		
Company Name	# Street Name			
Company Name	# Street Name	X		
Company Name	# Street Name	X		
Company Name	# Street Name	X	X	
Company Name	# Street Name	X		
"Cannabis Firm"	# Street Name	X	X	

\* Special permits are issued by the Zoning Board of Appeals      \*\* Host Agreements are signed by the City



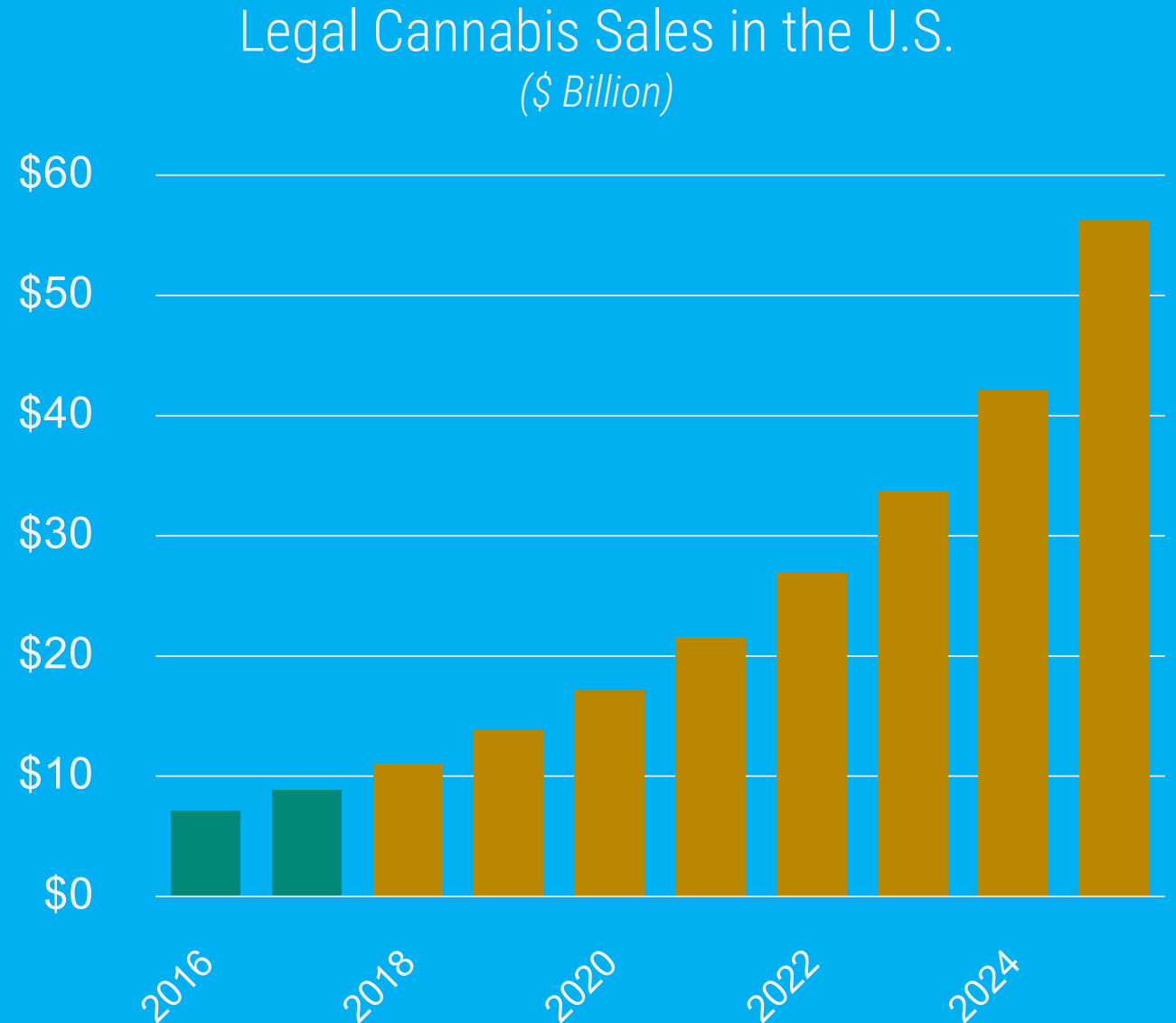


# "CANNABIS FIRM'S" MARKETPLACE

Legal  
Cannabis Sales  
in the U.S.  
are Projected  
to *Rise Rapidly*

**Source**

Grand View Research, WSJ



# "Cannabis Firm" Customers are Expected to Spend \$645 Annually

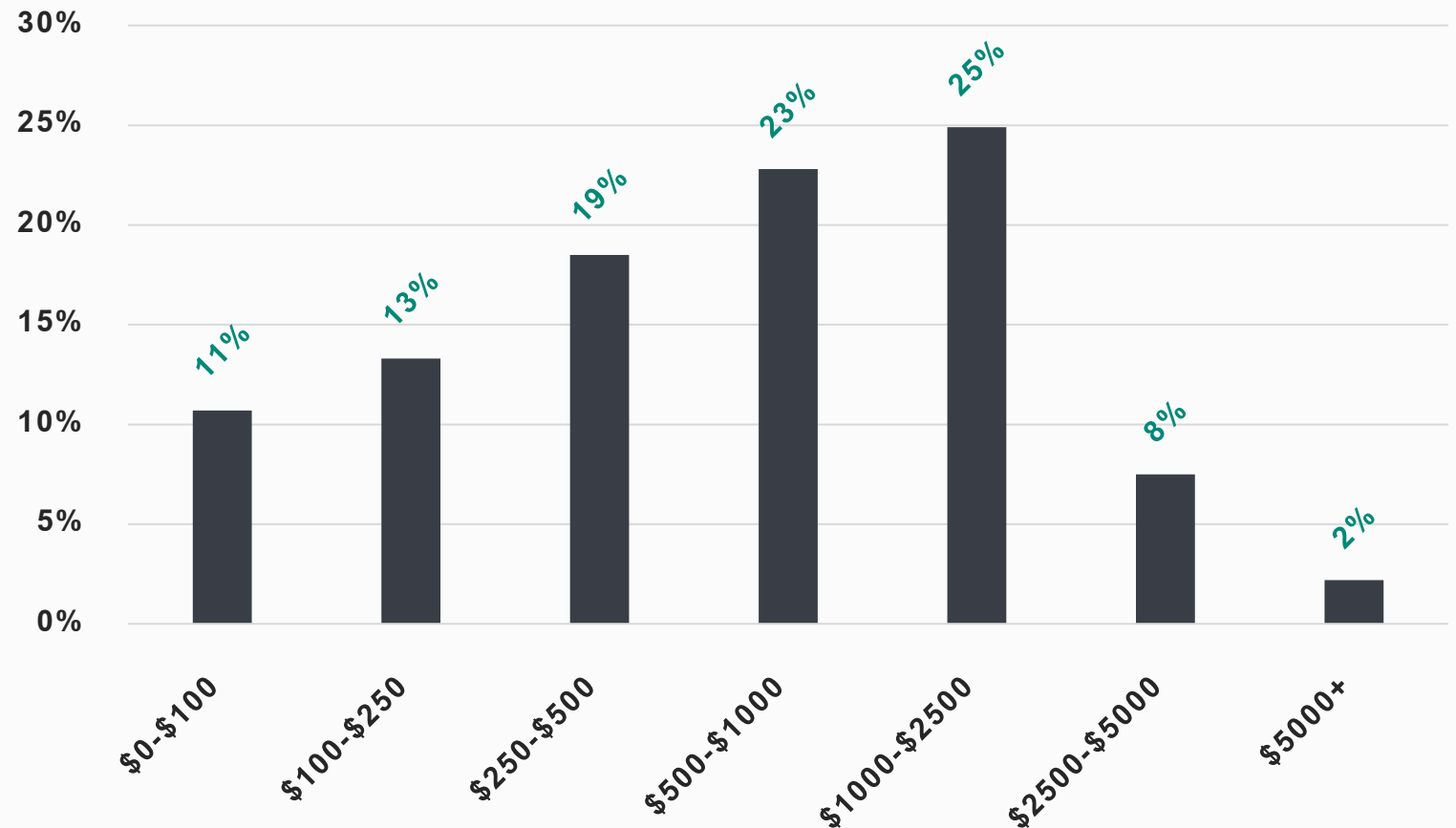
*We also analyzed the distribution of annual spend by customer loyalty members on marijuana. The chart shows the total amount spend in dispensaries over the last year by customers who have been loyalty members for over one year.*  
– Headset, Inc.

- The median customer spends **\$645** on cannabis products each year.
- Over **57%** of customers spend more than **\$500**
- Less than **10%** spent over **\$2,500**

Source  
Headset, Inc.



Average Amount Spent on Cannabis Products  
Per Year



# "Cannabis Firm" is Projected to Follow Industry Trend

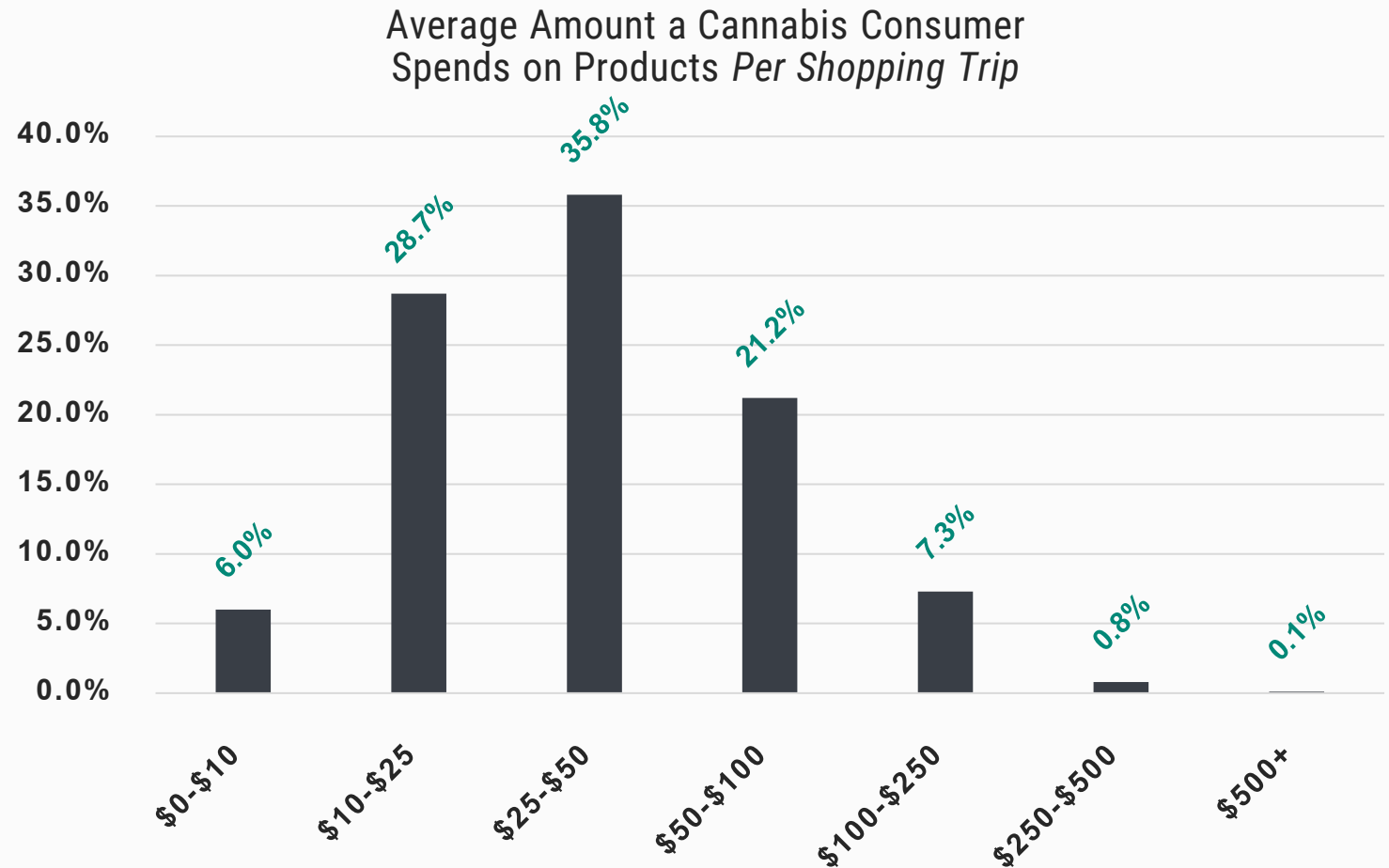
**Average Spend Per Trip: Between \$25 and \$50**

"State" law limits purchase quantities to 1 oz. of marijuana or 5 grams of concentrate per visit.

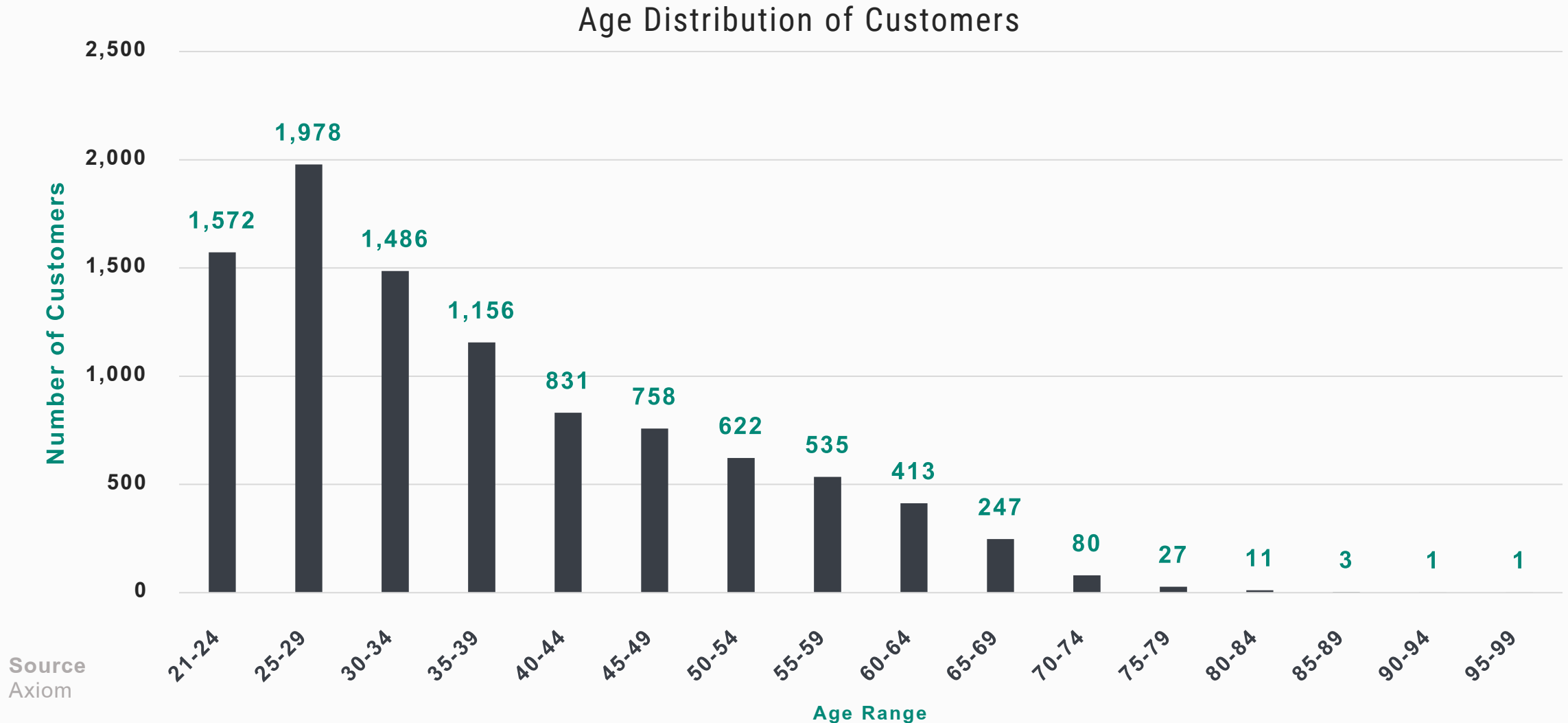
- Most people spend between **\$25-\$50** per trip, with a **\$33** median spend per trip.
- **34.7%** of customers spend less than **\$25**, on average; usually on single items, such as a half gram pre-roll or a carbonated beverage.

### Sources

Axiom & Headset, Inc.



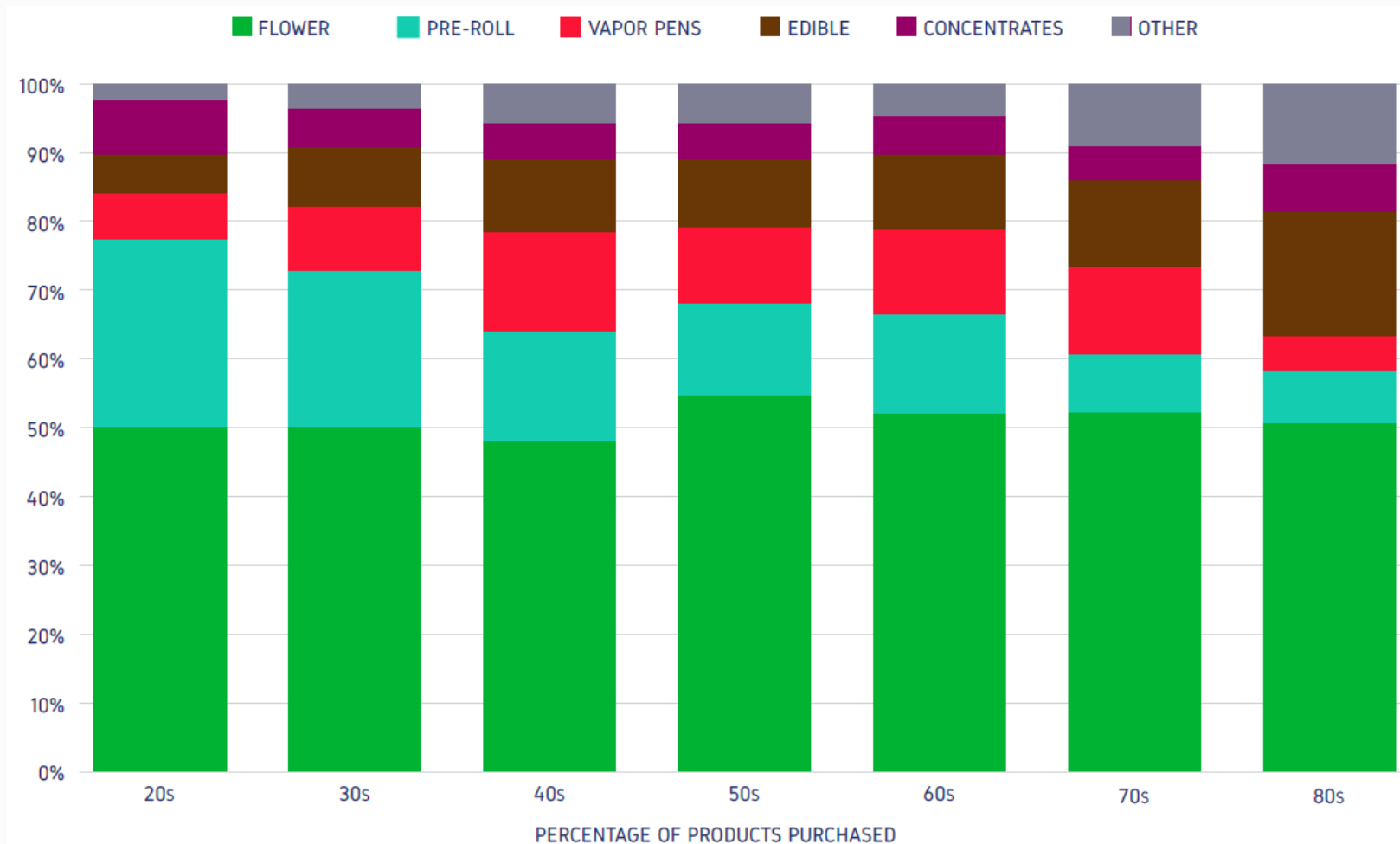
# Expected Number of Firm Customers (*by Age*) in Year 1



## "Cannabis Firm"

# Firm Will Deliver a Diverse Product Mix for Customers of All Ages

## Distinct Purchase Trends Exist Amongst Each Age Group



- Customers in their **50's** purchase the cannabis flower at the highest rate.
- Older customers buy less pre-rolled marijuana than their younger counterparts.
- Customers in their **20's** make up **27%** of purchases vs. **8%** of purchases made by customers in their **80's**.
- Proportion of Edibles & Other purchased increases with age.
  - Edibles: **6% - 18%**
  - Other: **3% - 12%**

Source  
Headset, Inc.



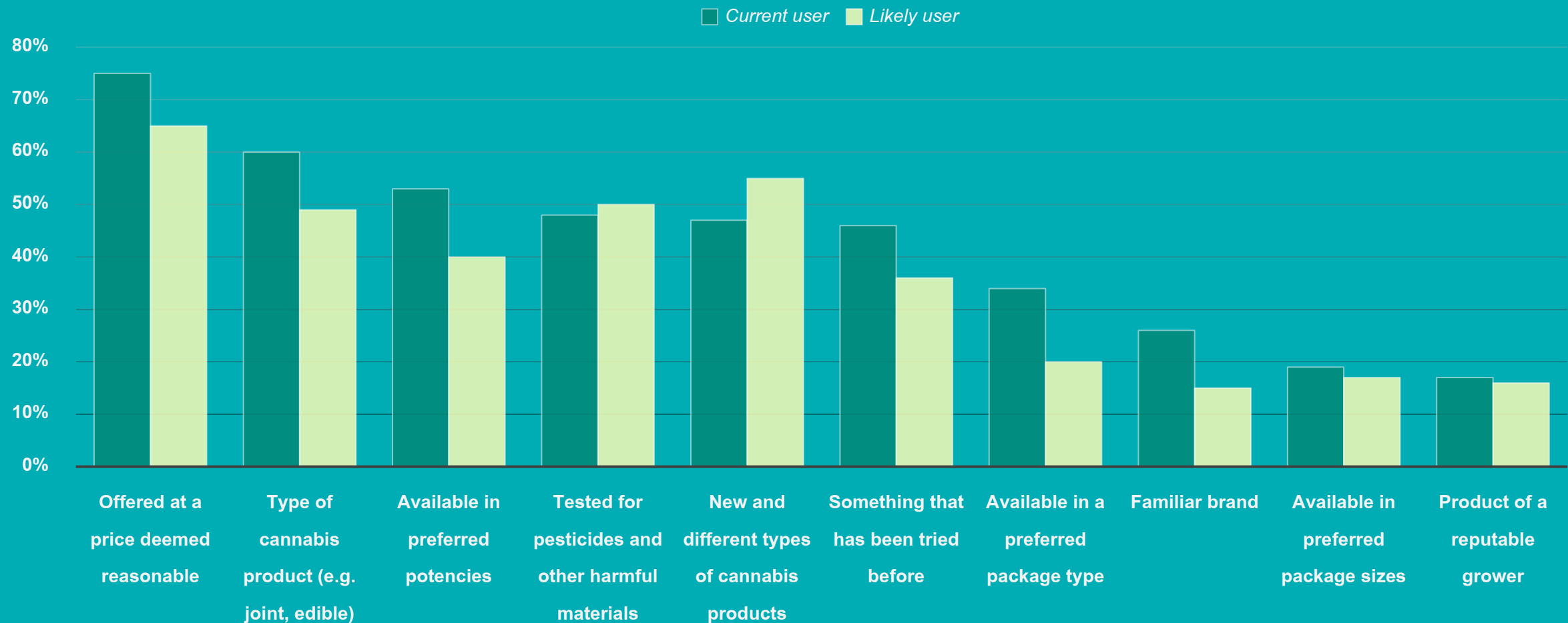
# LIKELY PRODUCT PRICING IN THE "CANNABIS FIRM'S" MARKETPLACE



# Firm's Prices Will Be a Key Factor in Purchase Decisions

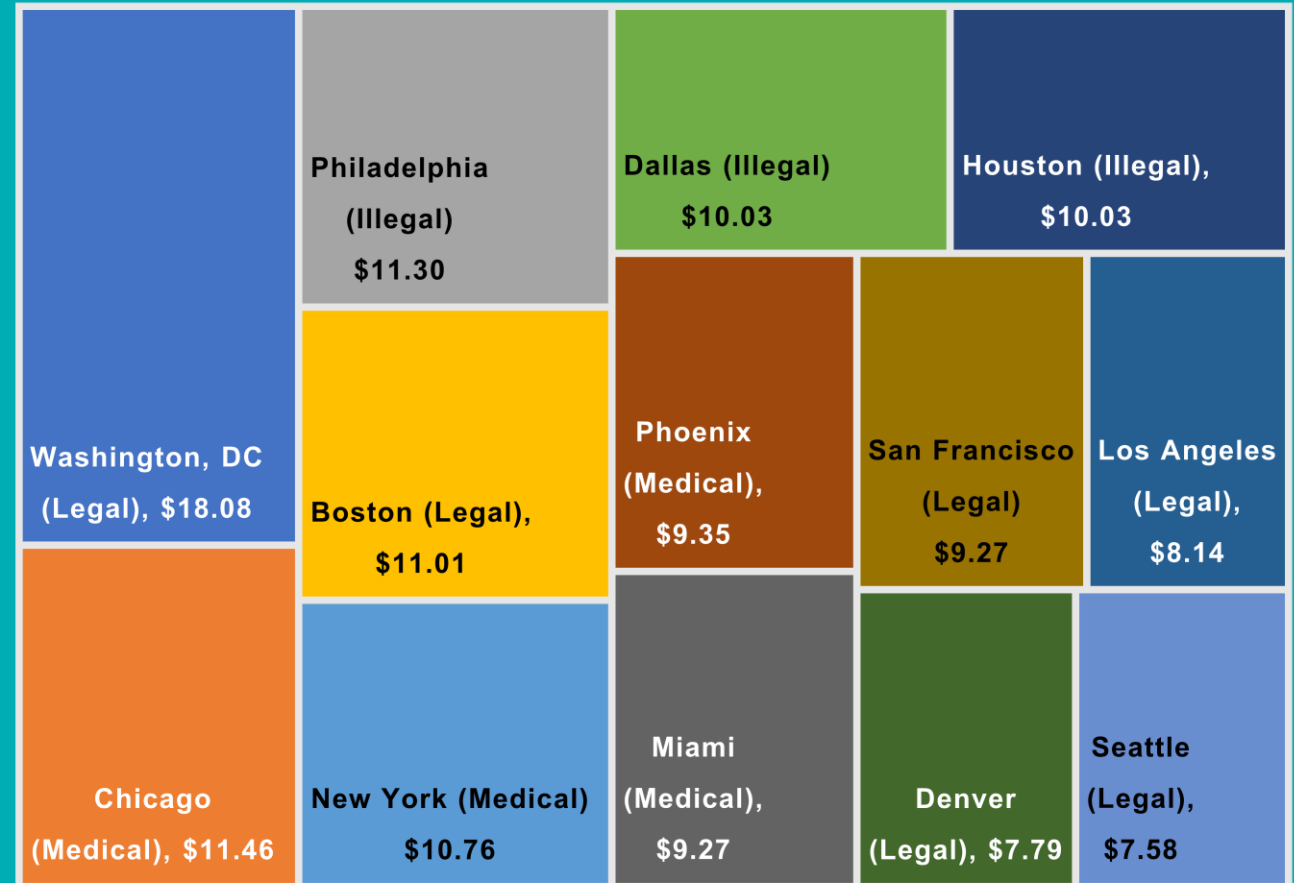
## Considerations For Purchase Decisions

Source  
Deloitte 2018 Canadian Cannabis Report



# Cannabis Prices Per Gram in Selected U.S. Cities

Price Per Gram



Source  
*Seedo 2018 Price Index*

Based on a survey of Canadian cannabis customers, who have similar characteristics to US customers, survey research indicates they will pay a price premium of as much as 10% to purchase cannabis legally vs. Illegally

If the price premium exceeds 10%, the illegal market will likely expand relative to the legal market.

**Source**

*Deloitte 2018 Canadian Cannabis Report*

	<i>Average Price Per Gram (Illegal Market)</i>	<i>Price Willing to Pay After Legalization</i>	<i>Price Difference</i>	<i>Price Difference (%)</i>
West	\$8.36	\$8.89	\$0.53	-6.3%
Ontario	\$8.33	\$9.33	\$1.00	-12.0%
Quebec	\$7.53	\$7.81	\$0.28	-3.7%
Atlantic	\$8.17	\$9.04	\$0.87	-10.6%

# Cannabis Pricing in "City"

## FLOWER

### Source

<http://atgstate.org/>

**"State" Purchase Limitations Per Visit:** 1 ounce (28.3 grams) maximum

	Strain Type	Genetics
Blissful Wizard	Hybrid	<i>Captain's Cookies * Girl Scout</i>
Blue Nina	Hybrid	<i>Blue Dream and Nina Limone strains</i>
Captain's Cake	Indica	<i>Girl Scout Cookies * Wifi Alien</i>
Chronic	Hybrid	<i>Northern Lights * Skunk * AK-47</i>
Gorilla Glue	Hybrid	<i>Sour Dubb * Chem Sis * Chocolate</i>
Snow Dawg	Hybrid	<i>Chemdawg * Superskunk * Oregon</i>

3 ½ grams	<b>\$ 47</b>
7 grams	<b>\$ 94</b>
14 grams	<b>\$ 188</b>
28 grams	<b>\$ 350</b>

Pre-Rolled: Blissful Wizard

1 gram **\$ 15**

## Cannabis Pricing in "City"

# TOPICALS & CONCENTRATES

Source  
<http://atgstate.org/>

**"State" Purchase Limitations Per Visit:** maximum of 5 grams

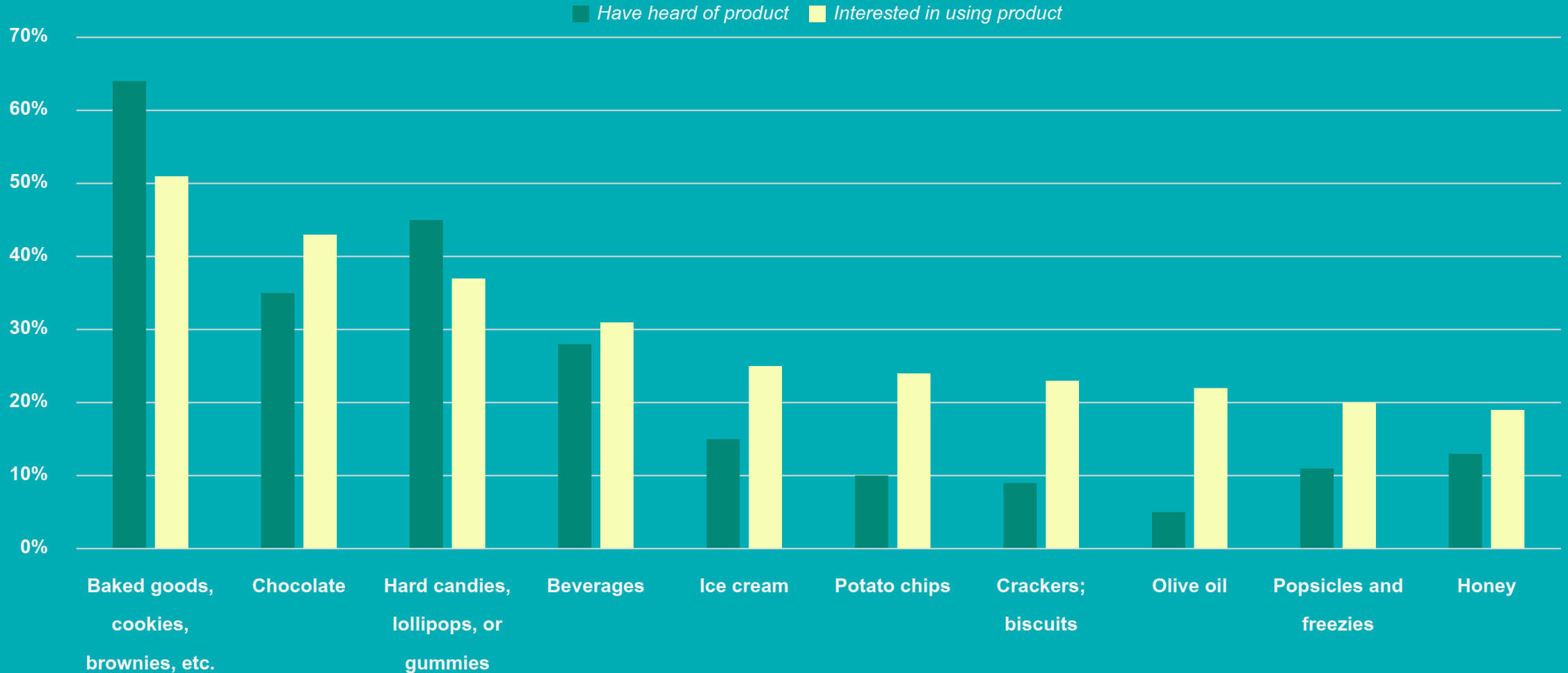
Topicals		\$ 25
O.penVAPE	250 mg	\$ 45
O.penVAPE	500 mg	\$ 75
Rich Distillate	1000 mg	\$ 95
Craft Reserve	250 mg	\$ 60
Craft Reserve	500 mg	\$ 90
Cannabis Oil	1 gram	\$ 75
Rick Simpson Oil	1 gram	\$ 75

# Edibles Are an Increasing Portion of the Retail Offering

## Potential Cannabis-based Edible Products

Source

Deloitte 2018 Canadian Cannabis Report



## Cannabis Pricing in "City"

# EDIBLES

### Source

<http://atgstate.org/>

### "Cannabis Firm"

#### Brother Jonathan's 1 fl. Oz. Tincture \$ 50

Kind	Indica; Sativa; High CBD
Serving Size	1 ml.
Cannabis Oil per Serving	10 mg.

#### Brother Jonathan's Chocolates \$ 30

Chocolate Type	Milk; Dark; White
Kind	Indica; Sativa; High CBD
Servings	6
Cannabis Oil per Serving	10 mg.

#### Brother Jonathan's Capsules \$ 50

Kind	Indica; Sativa
Servings	30 capsules
Cannabis Oil per Serving	10 mg.

#### Brother Jonathan's Lozenges \$ 25

Flavor	Alchemy Raspberry; Alchemy Lemon
Kind	Indica
Servings	15
Cannabis Oil per Serving	10 mg.



# A UNIQUE INVESTMENT OPPORTUNITY



# "Cannabis Firm"

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## Reasons to Invest in "Cannabis Firm"

A cannabis cultivator & retailer that offers a unique investment opportunity for those desiring returns and willing to take a reasonable risk to achieve them.

- An exciting market, with favorable growth fundamentals. Returns are expected to *exceed 15%*.
- A business that has already achieved town approval – *limiting competition*.
- A company with an *experienced* management team & *local ties* to "City".
- A product that is unique, in an environment where the first movers will have a huge advantage – *Early Mover Advantage*.
- A company which will combine the *retail* outlet with a *cultivation* business to maximize profits.

# Statement of Contingent and Limiting Conditions

- This presentation is made subject to these general contingent and limiting conditions:
- We assume no responsibility for the legal description or matters including legal or title considerations. Title to the business interests is assumed to be good and marketable unless otherwise stated.
- The subject business interests are appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- We assume responsible ownership and competent management with respect to the subject assets, properties, or business interests.
- The information furnished by others is believed to be reliable. However, we issue no warranty or other form of assurance regarding its accuracy.
- We assume no hidden or unapparent conditions regarding its accuracy.
- We assume that there is full compliance with all applicable federal, state, and local regulations and laws unless the lack of compliance is stated, defined, and considered in the appraisal report.
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- We, by reason of this opinion, are not required to furnish a complete valuation report, or to give testimony, or to be in attendance in court with reference to the assets, properties, or business interests in question unless arrangements have been previously made.
- Neither all nor any part of the contents of this presentation shall be disseminated to the public through advertising, public relations, news, sales, or other media without our prior written consent and approval.
- The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of context presented herein. This presentation is valid only for the effective date(s) specified herein and only for the purpose(s) specified herein.

# APPENDIX

# "Cannabis Firm"

## Pro Forma Projected Income Statement

"Cannabis Firm's" Financial Statements

Schedule 1

Prepared for "Cannabis Firm"

Projected Income Statement

Projection Date: mm/dd/yyyy

USD	Fiscal Year End (FYE): mm/dd	Projected				
		Annual mm/dd	Annual mm/dd	Annual mm/dd	Annual mm/dd	Annual mm/dd
1)	Retail Revenue	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
1)	Cultivation Revenue	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	<b>Net Revenue</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	% Revenue Growth		%	%	%	%
1)	Cost of Goods Sold	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	% Cost of Goods Sold Growth		%	%	%	%
	<b>Gross Profit</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	% Gross Profit Growth		%	%	%	%
1)	Operating Expenses	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	% Operating Expenses Growth		%	%	%	%
	<b>Earnings Before Interest &amp; Taxes (EBIT)</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	% EBIT Growth		%	%	%	%
2)	Provision for Taxes	-	-	-	-	-
	<b>Net Income (Loss)</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	% Net Income (Loss) Growth		%	%	%	%
3)	<b>Supplemental Information Regarding Distribution</b>					
	Net Income (Loss)	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Capital Expenditure Requirement	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Additional Working Capital Requirement	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	<b>Net Distribution</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>

Note:

- 1) Represents the average amount of 1,000 trials simulated using Monte-Carlo method for each category.
- 2) Due to "Cannabis Firm's" company structure, the tax is borne by each individual partner, instead of the company.
- 3) Represents the following distribution assumption - other than the capital expenditure and additional working capital requirement,

# "Cannabis Firm"

## Pro Forma Projected Balance Sheet

"Cannabis Firm's" Financial Statements

Schedule 2

Prepared for "Cannabis Firm"

Projected Balance Sheet

Projection Date: mm/dd/yyyy

USD Fiscal Year End (FYE): mm/dd

		Projected					
	@ Capital	Starting Point	Annual	Annual	Annual	Annual	Annual
	Raise	Jun 30, 19	Jun 30, 20	Jun 30, 21	Jun 30, 22	Jun 30, 23	Jun 30, 24
1) Cash		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
Accounts Receivable		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
2) Inventory		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Current Assets</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
3) Gross Property, Plant, and Equipment (PP&E)		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
Accumulated Depreciation		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Net Property, Plant, and Equipment (PP&amp;E)</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Total Assets</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
Accounts Payable and Accrued Exp		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Current Liabilities</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Total Liabilities</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
Equity	Equity	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
4) Net Income (Loss)		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
4) Net Distribution		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
Retained Earnings		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Shareholders' Equity</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
<b>Total Liabilities &amp; Equity</b>		\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$

# "Cannabis Firm"

## Pro Forma Projected Cash Flow Statement

"Cannabis Firm's" Financial Statements

Schedule 3

Prepared for "Cannabis Firm"

Projected Cash Flow Statement

Projection Date: mm/dd/yyyy

USD	Fiscal Year End (FYE): mm/dd					
	Fiscal Year End (FYE): Jun 30	Projected				
		Annual	Annual	Annual	Annual	Annual
		Jun 30, 20	Jun 30, 21	Jun 30, 22	Jun 30, 23	Jun 30, 24
	<b>Operating Activities</b>					
1)	Net Income	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Adjustments to Reconcile Net Income to Cash Provided by:					
	<b>Operating Activities:</b>					
	Depreciation	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Changes in Assets and Liabilities:					
	(Increase) Decrease in:					
	Inventory	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Increase (Decrease) in:					
	Current Liabilities	-	-	-	-	-
	<b>Net Cash Provided by Operating Activities</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	<b>Investment Activities</b>					
	Additions to PP&E	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	<b>Net Cash Used in Investing Activities</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	<b>Financing activities</b>					
	Distribution to Partners	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	<b>Net Cash Provided by Financing Activities</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	<b>Net Increase (decrease) in Cash</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>	<b>\$\$\$</b>
	Cash at Beginning of Year	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$
	Cash at End of Year	\$\$\$	\$\$\$	\$\$\$	\$\$\$	\$\$\$