

# Q1: Quarterly Industry Update

AS OF March 31, 2019



## Hemp

### INDUSTRY SUMMARY

COGENT 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 March 31, 2018, the median 52-week share price return of the Hemp industry was -50.5%. As this industry is new and many companies trade through over-the-counter markets, multiples varied widely.

### Public Company Key Statistics

Median 52-Week Return	Median Year-to-Date Return	Median Price/Revenue Multiple	Median MVIC/Gross Profit Multiple
-34.5%	-33.3%	6x	8.077x
Median Price//Gross Profit Multiple	Median Price/Earnings Multiple	Median MVIC/ Revenue Multiple	Median MVIC/ Earnings Multiple
7.13x	-3.45x	8.97x	-3.65x

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

	2019	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>22nd Century Group, Inc.</b>	-55.7%	-55.7%	-32.4%	130.0%	\$25.23	\$0.46	-278.3%	1.8%	-11.0%	12.28x	679.82x
<b>420 Property Management, Inc.</b>	-18.7%	-18.7%	29.7%	141.2%	\$0.05	\$0.05	-831.2%	100.0%	-16624.9%	0.01x	0.01x
<b>Acacia Diversified Holdings, Inc.</b>	-36.8%	-36.8%	-31.3%	-21.8%	\$0.27	\$0.11	-198.4%	42.5%	-738.6%	13.71x	32.28x
<b>Algae Dynamics Corp.</b>	-52.6%	-52.6%	-52.7%	87.8%	N/A	N/A	-262.3%	N/A	N/A	N/A	N/A
<b>Artelo Biosciences, Inc.</b>	-18.3%	-18.3%	-59.6%	30.3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Aurora Cannabis Inc.</b>	-50.0%	-50.0%	19.4%	123.6%	\$87.28	\$50.14	-5249.8%	57.4%	-60.1%	56.82x	98.91x
<b>Bespoke Extracts, Inc.</b>	-17.9%	-17.9%	186.1%	190.3%	\$0.06	\$0.02	-261.9%	39.8%	-4566.2%	46.12x	115.90x
<b>C21 Investments Inc.</b>	33.3%	33.3%	33.3%	100.0%	\$0.40	(\$0.17)	-1209.5%	-42.9%	-2996.3%	63.81x	-148.71x
<b>Canbiola, Inc.</b>	-39.0%	-39.0%	-15.9%	18.6%	N/A	N/A	-85.4%	N/A	N/A	N/A	N/A
<b>Canopy Growth Corporation</b>	-71.4%	-71.4%	-91.0%	-98.4%	\$0.44	\$0.08	-639.6%	18.5%	-1440.4%	63.70x	343.49x
<b>Charlotte's Web Holdings, Inc.</b>	-33.3%	-33.3%	-82.9%	-45.2%	\$113.66	\$24.32	-30147.5%	21.4%	-265.2%	80.96x	378.31x
<b>CorGreen Technologies Holding</b>	-59.7%	-59.7%	-60.0%	-30.8%	\$0.13	\$0.01	-116.9%	8.3%	-926.2%	89.15x	1067.97x
<b>Corix Bioscience, Inc.</b>	-77.3%	-77.3%	-87.1%	-80.5%	\$60.60	\$46.02	1101.4%	75.9%	18.2%	17.08x	22.49x
<b>Crailar Technologies Inc.</b>	-44.1%	-44.1%	-15.9%	-11.8%	\$1.95	\$1.20	80.0%	61.4%	41.0%	24.91x	40.58x
<b>Curative Biosciences, Inc.</b>	0.0%	0.0%	0.0%	41.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Demand Brands, Inc.</b>	-8.1%	-8.1%	-45.2%	210.1%	\$6.55	\$0.15	-1218.2%	2.3%	-186.0%	0.02x	1.02x
<b>Earth Science Tech, Inc.</b>	0.0%	0.0%	-50.0%	0.0%	N/A	N/A	-51.8%	N/A	N/A	N/A	N/A
<b>Elev8 Brands, Inc.</b>	-65.9%	-65.9%	-8.3%	90.3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>ENDEXX Corp.</b>	-52.3%	-52.3%	360.9%	213.6%	\$0.74	\$0.29	-223.6%	39.6%	-301.1%	54.50x	137.59x
<b>Eviana Health Corporation</b>	25.0%	25.0%	-32.9%	-4.7%	\$0.13	(\$0.01)	-285.2%	-11.0%	-2166.2%	62.98x	-573.79x

*Multiple year periods are calculated as the average annual return.*

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

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	2019	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>FBEC Worldwide, Inc.</b>	-75.7%	-75.7%	-87.7%	-88.8%	\$0.00	\$0.00	-148.5%	74.5%	-75789.8%	182.77x	245.37x
<b>Freedom Leaf, Inc.</b>	1.2%	1.2%	114.2%	N/A	\$1.76	\$0.71	-600.2%	40.5%	-340.7%	27.69x	68.38x
<b>FutureWorld Corp.</b>	-40.0%	-40.0%	-62.5%	133.5%	\$0.25	\$0.25	-86.6%	100.5%	-344.3%	2.06x	2.05x
<b>Gabriella's Kitchen Inc.</b>	-20.8%	-20.8%	-30.2%	-32.4%	\$1.17	(\$0.67)	-465.9%	-57.2%	-397.3%	14.94x	-26.14x
<b>Gala Pharmaceutical, Inc.</b>	0.0%	0.0%	-66.7%	0.0%	\$0.00	\$0.00	-257.1%	31.2%	-54933.3%	326.14x	1045.43x
<b>Global Hemp Group Inc.</b>	-58.8%	-58.8%	-74.0%	-55.6%	N/A	(\$0.01)	-333.3%	N/A	N/A	N/A	-2511.19x
<b>Greenhouse Solutions Inc.</b>	-61.4%	-61.4%	-63.2%	-29.5%	N/A	N/A	-39.1%	N/A	N/A	N/A	N/A
<b>Grey Cloak Tech, Inc.</b>	0.0%	0.0%	-98.9%	-68.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Harbour Star Capital Inc.</b>	-33.3%	-33.3%	-42.9%	-46.5%	\$2.36	\$1.76	-120.1%	74.8%	-51.0%	2.92x	3.91x
<b>Hemp Inc.</b>	81.8%	81.8%	-34.5%	182.8%	N/A	N/A	-889.0%	N/A	N/A	N/A	N/A
<b>Hemp Naturals, Inc.</b>	-42.9%	-42.9%	-42.9%	15.5%	\$0.00	\$0.00	-31.2%	100.0%	-50388.7%	6706.08x	6706.08x
<b>HempAmericana, Inc</b>	-63.5%	-63.5%	-62.8%	-43.3%	\$1.82	\$0.09	-403.1%	4.9%	-221.3%	25.80x	523.30x
<b>Hempco Food and Fiber Inc.</b>	-41.9%	-41.9%	-28.4%	353.9%	\$21.86	\$9.86	-4090.3%	45.1%	-187.1%	1.71x	3.79x
<b>ICC Labs Inc.</b>	N/A	N/A	-100.0%	-100.0%	\$0.83	\$0.77	19.6%	92.9%	23.6%	0.17x	0.18x
<b>Isodiol International Inc.</b>	-75.7%	-75.7%	-87.7%	-88.8%	\$0.00	\$0.00	-148.5%	74.5%	-75789.8%	182.77x	245.37x
<b>Kona Gold Solutions, Inc.</b>	1.2%	1.2%	114.2%	N/A	\$1.76	\$0.71	-600.2%	40.5%	-340.7%	27.69x	68.38x

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

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	2019	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Limitless Venture Group Inc.</b>	-41.0%	-41.0%	57.8%	171.6%	\$0.00	(\$0.01)	-1.6%	-329.6%	-431.8%	N/A	N/A
<b>Marijuana Company of America, Inc.</b>	64.7%	64.7%	-6.7%	-75.1%	\$0.14	\$0.10	-1170.7%	70.1%	-8096.0%	337.85x	481.98x
<b>Medical Marijuana, Inc.</b>	-50.1%	-17.0%	-50.1%	-39.0%	\$51.59	\$34.69	-31892.2%	67.3%	-618.2%	5.02x	7.46x
<b>MYM Nutraceuticals Inc.</b>	-87.7%	-55.0%	-87.7%	219.5%	\$0.83	\$0.55	-955.1%	65.9%	-1152.6%	53.24x	80.83x
<b>Naturally Splendid Enterprises Ltd.</b>	-66.2%	-21.1%	-66.2%	-39.8%	\$1.31	\$0.40	-356.7%	30.8%	-272.4%	7.10x	23.05x
<b>North American Cannabis Holdings, Inc.</b>	78.6%	212.5%	78.6%	104.1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Novus Acquisition &amp; Development Corp.</b>	-68.4%	-63.0%	-68.4%	-60.9%	\$0.10	\$0.09	2.4%	96.0%	24.5%	3.67x	3.82x
<b>NutraFuels, Inc.</b>	-69.9%	0.1%	-69.9%	-27.7%	\$3.63	\$1.69	-198.1%	46.6%	-54.6%	4.92x	10.58x
<b>NuvusGro Corp</b>	-98.7%	-31.3%	-98.7%	-93.2%	N/A	N/A	-57.0%	N/A	N/A	N/A	N/A
<b>Omniscanna Health Solutions, Inc.</b>	-57.6%	-41.2%	-57.6%	-35.5%	N/A	N/A	-543.2%	N/A	N/A	N/A	N/A
<b>Ovation Science Inc.</b>	N/A	N/A	N/A	N/A	\$0.02	\$0.02	-11.8%	100.0%	-490.5%	138.29x	138.29x
<b>Peak Pharmaceuticals, Inc.</b>	-20.3%	-4.4%	-20.3%	72.8%	N/A	N/A	-4.6%	N/A	N/A	N/A	N/A
<b>Phivida Holdings Inc.</b>	-57.5%	-53.9%	-57.5%	N/A	\$0.04	\$0.03	-817.9%	81.6%	-20179.5%	613.57x	751.52x
<b>PotNetwork Holdings, Inc</b>	-21.7%	-61.5%	-21.7%	471.8%	\$22.83	\$9.23	-0.2%	40.4%	0.0%	1.74x	4.31x
<b>Premier Biomedical, Inc.</b>	-90.3%	-55.5%	-90.3%	-74.0%	\$0.05	\$0.01	-80.6%	24.4%	-1744.5%	6.91x	28.38x
<b>Pyxus International, Inc.</b>	-10.5%	-48.4%	-10.5%	-21.4%	\$1,854.20	\$240.03	-6498.7%	12.9%	-3.5%	0.06x	0.45x

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

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	2019	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
<b>Right On Brands, Inc.</b>	-59.5%	6.3%	-59.5%	-58.4%	\$0.16	(\$0.00)	-323.3%	-1.6%	-2047.8%	35.85x	-2300.66x
<b>Rocky Mountain High Brands, Inc.</b>	-50.9%	7.1%	-50.9%	-50.6%	\$0.24	(\$0.24)	-1026.7%	-101.7%	-4325.4%	75.60x	-74.35x
<b>SanSal Wellness Holdings, Inc.</b>	N/A	-69.4%	N/A	N/A	\$0.81	\$0.26	-1263.8%	31.9%	-1551.2%	14.59x	45.70x
<b>Tree of Knowledge International Corp.</b>	-68.7%	-39.6%	-68.7%	38.4%	\$1.54	\$0.55	-382.4%	35.9%	-248.5%	18.72x	52.13x
<b>True Leaf Medicine International</b>	-56.5%	-28.6%	-56.5%	N/A	\$1.64	\$0.40	-315.8%	24.2%	-192.9%	16.83x	69.56x
<b>Vitalibis, Inc.</b>	N/A	-44.3%	N/A	N/A	\$0.04	\$0.02	-162.9%	52.9%	-4533.0%	1360.73x	2570.50x
<b>Wanderport Corporation</b>	-11.3%	308.0%	-11.3%	125.8%	N/A	(\$0.02)	-16.7%	N/A	N/A	N/A	-582.53x
<b>Western Sierra Resource Corporation</b>	1900.0%	44.0%	1900.0%	701.8%	\$0.06	\$0.02	-10.9%	30.6%	-196.1%	509.32x	1665.36x
<b>Median of Industry Public Companies</b>	<b>-41.9%</b>	<b>-33.3%</b>	<b>-50.5%</b>	<b>-11.8%</b>	<b>\$0.59</b>	<b>\$0.11</b>	<b>-262.1%</b>	<b>40.1%</b>	<b>-370.8%</b>	<b>27.69x</b>	<b>40.58x</b>

## Median Public Companies

	3/31/19	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17	9/30/17	6/30/17
<b>Price / Revenues</b>	6.00x	8.74x	6.55x	5.15x	7.67x	12.24x	4.91x	5.22x
<b>Price / Gross Profits</b>	7.13x	12.09x	8.46x	9.25x	10.22x	15.86x	5.63x	7.29x
<b>Price / Earnings</b>	-3.45x	-4.63x	-3.48x	-4.63x	-5.33x	-5.11x	-2.97x	-2.19x
<b>MVIC / Revenues</b>	10.38x	17.20x	8.41x	7.11x	9.22x	17.93x	5.90x	7.01x
<b>MVIC / Gross Profits</b>	8.97x	14.03x	9.09x	10.76x	11.23x	19.75x	8.56x	18.26x
<b>MVIC / Earnings</b>	-3.65x	-6.18x	-3.75x	-5.48x	-6.18x	-5.59x	-4.38x	-3.30x

## 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	LTM Net Income	LTM Cash Flows
1/11/19	Asia Cannabis Corp.	\$7.86	12.50	\$98.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/15/18	Ovation Science Inc.	\$0.15	40.00	\$5.96	\$0.73	\$0.00	\$0.00	\$0.00	(\$0.46)	(\$0.46)
8/30/18	Charlotte's Web Holdings, Inc.	\$0.09	6.85	\$0.64	\$0.22	\$0.00	\$0.00	\$0.00	(\$0.02)	(\$0.02)
1/5/18	Elixinol Global Limited	\$0.09	6.63	\$0.75	\$0.08	\$0.00	\$0.00	\$0.00	(\$0.14)	(\$0.14)
12/18/17	Phivida Holdings Inc.	\$0.01	10.00	\$0.10	\$0.04	\$0.05	\$0.04	\$0.00	(\$0.12)	(\$0.12)
10/18/16	Creso Pharma Limited	\$0.05	0.03	\$0.00	\$0.01	\$0.05	\$0.00	(\$0.02)	(\$0.02)	(\$0.02)
2/15/12	Aja Cannafacturing, Inc.	\$0.01	2.00	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	(\$0.02)	(\$0.02)
9/16/10	Phoenix Life Sciences International Limited	\$0.01	1.00	\$0.01	\$0.01	\$0.00	\$0.00	\$0.00	(\$0.02)	(\$0.02)
10/23/09	Peak Pharmaceuticals, Inc.	\$0.10	0.41	\$0.04	\$0.01	\$0.00	\$0.00	\$0.00	(\$0.02)	(\$0.02)
	<b>Median of all IPOs</b>	<b>\$0.07</b>	<b>6.74</b>	<b>\$0.37</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
2/28/19	<b>Fresh Hemp Foods Ltd.</b>	Tilray, Inc.	\$318.50	100.0%	N/A	N/A	N/A	N/A
2/15/19	<b>All Assets of Khrysos Global, Inc./ INXL Laboratories, Inc./INXL Holdings, Inc.</b>	Khrysos Industries Inc.	\$15.14	100.0%	N/A	N/A	N/A	N/A
1/15/19	<b>Substantially All of the Assets of Grander Distribution, LLC</b>	TerrAscend Corp.	\$23.00	100.0%	N/A	N/A	N/A	N/A
12/17/18	<b>Viverian</b>	Chemesis International Inc.	\$0.50	100.0%	N/A	N/A	N/A	N/A
11/22/18	<b>ICC Labs Inc.</b>	Aurora Cannabis Inc.	\$219.45	100.0%	\$0.53	\$4.54	396.35x	46.60x
11/1/18	<b>Eviana Inc.</b>	Eviana Health Corporation	\$0.38	100.0%	N/A	N/A	N/A	N/A
10/19/18	<b>Hemp Extraction Technology Corp.</b>	EVITRADE Health Systems Corp.	\$6.42	100.0%	N/A	N/A	N/A	N/A
7/27/18	<b>Pasa Verde, LLC</b>	Nutritional High International Inc.	\$6.34	100.0%	N/A	N/A	N/A	N/A
7/16/18	<b>Absorbent Concepts Inc.</b>	Naturally Splendid Enterprises Ltd.	\$0.50	100.0%	\$0.84	N/A	0.59x	N/A
6/18/18	<b>430,000-square-foot Greenhouse Complex near Valencia, Spain</b>	Freedom Leaf, Inc.	\$4.76	100.0%	N/A	N/A	N/A	N/A
6/4/18	<b>Farmtiva, LLC</b>	Isodiol International Inc.	\$1.50	51.0%	N/A	N/A	N/A	N/A
5/31/18	<b>Cash Crop Today Media LLC</b>	Global Hemp Group Inc.	\$0.14	50.0%	N/A	N/A	N/A	N/A
12/18/17	<b>7GENx LLC</b>	ORIOR MENU AG	\$4.20	100.0%	N/A	N/A	N/A	N/A
10/16/17	<b>Canna Relief Consulting Canada Inc.</b>	Maricann B.V.	\$0.20	100.0%	N/A	N/A	N/A	N/A
10/12/17	<b>Natures Hemp Corporation</b>	Tilray, Inc.	\$0.48	100.0%	N/A	N/A	N/A	N/A
6/16/17	<b>91% of Alternate Medicine Association LC and 91% Infused Mfg., LLC</b>	Quikflo Health Inc. (nka:1933 Industries Inc.)	\$5.26	100.0%	N/A	N/A	N/A	N/A
6/8/17	<b>CannaCanada Inc.</b>	MYM Nutraceuticals Inc.	\$0.12	75.0%	N/A	N/A	N/A	N/A
4/11/17	<b>Assets and Brand of HempMed</b>	MYM Nutraceuticals Inc.	\$0.68	100.0%	N/A	N/A	N/A	N/A
1/31/17	<b>Mettrum Health Corp.</b>	Canopy Growth Corporation	\$321.91	100.0%	\$10.28	(\$3.29)	29.56x	-92.47x



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

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
12/30/16	<b>Crowd 4 Seeds, Inc. (nka:Vitalibis, Inc.)</b>	Tycoon Lock Global Limited	\$0.27	65.7%	N/A	N/A	N/A	N/A
11/1/16	<b>Groupe H.E.M.P.CA Inc.</b>	Canopy Growth Corporation	\$1.69	75.0%	N/A	N/A	N/A	N/A
10/21/16	<b>Elev8 Hemp, LLC</b>	PLAD, Inc	\$0.20	100.0%	\$5.00	N/A	0.04x	N/A
9/9/16	<b>HealthTalk Live, Inc. (nka:Right On Brands, Inc.)</b>	N/A	\$0.21	69.9%	\$0.02	(\$0.03)	17.10x	-8.95x
4/1/16	<b>Dia-Stron Limited</b>	Judges Scientific plc	\$3.90	100.0%	N/A	N/A	N/A	N/A
1/4/16	<b>MariJ Agricultural, Inc.</b>	Acacia Diversified Holdings, Inc.	\$1.06	100.0%	\$0.26	(\$0.59)	3.30x	-1.44x
12/31/15	<b>93.4% in HempMeds Brasil and 20% HempMeds PX</b>	Medical Marijuana, Inc.	\$13.88	100.0%	N/A	N/A	N/A	N/A
12/31/15	<b>HempMeds PR Ventures, LLC and KannaMex, LLC</b>	HempMeds PX, LLC	\$13.88	100.0%	N/A	N/A	N/A	N/A
12/15/15	<b>Hemp Oil Canada Inc.</b>	Fresh Hemp Foods Ltd.	\$30.59	100.0%	\$13.11	\$3.64	2.33x	8.40x
12/2/15	<b>Chii Hemp Industries Inc.</b>	Naturally Splendid Enterprises	\$0.16	100.0%	\$0.23	N/A	0.70x	N/A
7/17/15	<b>Dollar Shots Club, LLC</b>	Totally Hemp Crazy Inc.	\$0.26	100.0%	N/A	N/A	N/A	N/A
11/18/14	<b>Specialty Commodities Inc.</b>	Archer-Daniels-Midland Company	\$191.00	100.0%	N/A	N/A	N/A	N/A
10/3/14	<b>Arkadia International, Inc. (nka:Freedom Leaf, Inc.)</b>	N/A	\$0.10	92.7%	\$0.16	N/A	0.69x	N/A
9/11/14	<b>Ovation Research, Inc. (nka:Weed Growth Fund, Inc.)</b>	New Compendium Corporation	\$0.34	90.4%	\$0.09	N/A	3.97x	N/A
6/30/14	<b>Kush Inc.</b>	Cannabis Sativa, Inc.	\$13.20	100.0%	N/A	N/A	N/A	N/A
6/4/14	<b>Hemp Technologies Ltd.</b>	Creative Edge Nutrition, Inc.	\$1.31	51.0%	N/A	N/A	N/A	N/A
5/2/14	<b>CB Scientific, Inc.</b>	HempTech Corporation (nka:NuvusGro Corp)	\$0.09	100.0%	N/A	N/A	N/A	N/A

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(Continued on next page)

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
1/29/14	<b>HempLife Today, LLC</b>	Global Links Corp.	\$0.83	100.0%	N/A	N/A	N/A	N/A
10/29/13	<b>Ultimate Novelty Sports Inc.</b>	N/A	\$0.06	65.2%	\$0.03	N/A	3.82x	N/A
5/31/13	<b>VOX TRADING CO., LTD.</b>	House Foods Corporation (nka:House Foods Group Inc.)	\$3.11	51.1%	\$160.97	N/A	0.04x	N/A
4/23/13	<b>Scrubnuts, Inc.</b>	Hemp Inc.	\$0.22	100.0%	N/A	N/A	N/A	N/A
12/31/12	<b>Attune Foods, LLC</b>	Post Foods, LLC	\$9.20	100.0%	N/A	N/A	N/A	N/A
5/25/12	<b>Gala Global Inc. (nka:Gala Pharmaceutical, Inc.)</b>	IDG Ventures	\$0.45	59.7%	N/A	(\$0.02)	N/A	-47.24x
2/29/12	<b>PharmaSphere, LLC, License for the use of TerraSphere Systems</b>	CannaVest Laboratories, LLC	\$0.65	100.0%	N/A	N/A	N/A	N/A
11/3/10	<b>Eco-Friendly Power Technologies Corp. (nka:420 Property Management, Inc.)</b>	N/A	\$0.20	54.6%	N/A	N/A	N/A	N/A
5/19/10	<b>Gichner Systems Group, Inc.</b>	Kratos Defense & Security Solutions, Inc.	\$133.00	100.0%	N/A	N/A	N/A	N/A
5/18/10	<b>Green Technology Solutions, Inc.</b>	Cambridge Securities of Panama	\$0.65	69.7%	N/A	N/A	N/A	N/A
4/30/10	<b>Northsight Capital, Inc.</b>	N/A	\$0.26	52.1%	N/A	N/A	N/A	N/A
2/8/10	<b>Weave Corporation (nka:Weave Textiles, LLC)</b>	N/A	\$1.90	100.0%	N/A	N/A	N/A	N/A
<b>Median of the M&amp;A Transaction Targets</b>			<b>\$1.40</b>	<b>100.0%</b>	<b>\$0.53</b>	<b>(\$0.02)</b>	<b>2.33x</b>	<b>-1.44x</b>

■ USA
 ■ International

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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):** 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

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

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