



Assure – Behind The Numbers

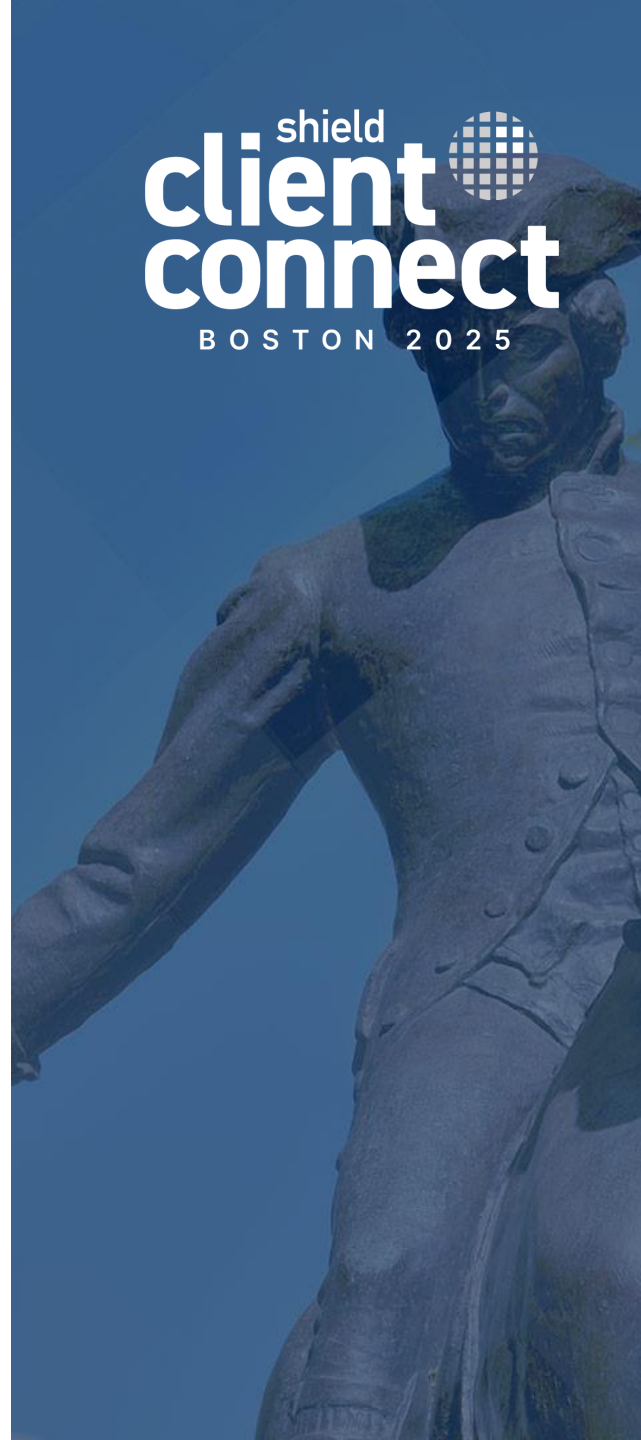
Understanding Seed to Sale Tracking Data and
Financial Statement Data

[VIEW AGENDA](#)



Agenda

- Financial Data Overview (Jenna)
- Seed to Sale – Metrc (David)
- Financial Statement Data - Validis (Tom)





Financial Data

Retail Licensees

[VIEW AGENDA](#)



Three Key Pieces of Financial Data for each CRB



Seed to Sale Data

Metrc / BioTrack Data



Deposit Data

Deposits made into FI
Assumed to be Sales Revenue but may be adjusted



Financial Statement Data

Financials (Income Statement / Balance Sheet)
from Quickbooks, etc.
OR
manually attested

Three Key Pieces of Financial Data for each CRB



Seed to Sale Data

Metrc / BioTrack Data

- ✓ Plant Touching Sales
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Deposit Data

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes



Financial Statement Data

Financials (Income Statement / Balance Sheet)

from Quickbooks, etc. OR manually attested

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✗ Taxes

Three Key Pieces of Financial Data for each CRB



Seed to Sale Data

\$100

BioTrack / Metrc Data

- ✓ Plant Touching Sales \$100
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Sales Reconciliation

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes



Deposit Data

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

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Financial Statement Data

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Three Key Pieces of Financial Data for each CRB



Seed to Sale Data

\$100

BioTrack / Metrc Data

- ✓ Plant Touching Sales \$100
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Sales Reconciliation

\$145

- ✓ Plant Touching Sales \$100
- ✓ Non- Plant Touching Sales \$10
- ✓ Taxes \$35



Deposit Data

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes



Financial Statement Data

Financials (Income Statement / Balance Sheet) *from Quickbooks, etc OR manually attested*

- ✓ Plant Touching Sales \$100
- ✓ Non- Plant Touching Sales \$10
- ✗ Taxes

Three Key Pieces of Financial Data for each CRB



Seed to Sale Data

\$100

BioTrack / Metrc Data

- ✓ Plant Touching Sales \$100
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Sales Reconciliation

\$145

- ✓ Plant Touching Sales \$100
- ✓ Non- Plant Touching Sales \$10
- ✓ Taxes \$35



Deposit Data

\$130

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes

Petty Cash = \$15 NOT Deposited



Financial Statement Data

Financials (Income Statement / Balance Sheet) *from Quickbooks, etc OR manually attested*

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✗ Taxes

Three Key Pieces of Financial Data for each MRB



Seed to Sale Data

\$100

BioTrack / Metrc Data

- ✓ Plant Touching Sales \$100
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Sales Reconciliation

\$145

- ✓ Plant Touching Sales \$100
- ✓ Non- Plant Touching Sales \$10
- ✓ Taxes \$35



Deposit Data

\$130

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes

Petty Cash = \$15 NOT Deposited



Financial Statement Data

\$110

Financials (Income Statement / Balance Sheet) *from Quickbooks, etc OR manually attested*

- ✓ Plant Touching Sales \$100
- ✓ Non- Plant Touching Sales \$10
- ✗ Taxes



Wholesale Licensees

[VIEW AGENDA](#)



Three Key Pieces of Financial Data for each MRB



Seed to Sale Data

BioTrack / Metrc Data

- ✓ Plant Touching Sales
- ✗ Non- Plant Touching Sales
- ✗ Taxes



Deposit Data

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes



Financial Statement Data

Financials (Income Statement / Balance Sheet)

Includes Change in A/R
from Quickbooks etc OR manually attested

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✗ Taxes

Three Key Pieces of Financial Data for each MRB

Seed to Sale Data \$100

BioTrack / Metrc Data

- ✓ Plant Touching Sales
- ✗ Non- Plant Touching Sales
- ✗ Taxes

Deposit Data \$160

Deposits made into FI

Assumed to be Sales Revenue but may be adjusted

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✓ Taxes

Financial Statement Data \$150

Financials (Income Statement / Balance Sheet)

Includes Change in A/R from Quickbooks etc OR manually attested

- ✓ Plant Touching Sales
- ✓ Non- Plant Touching Sales
- ✗ Taxes

Change in A/R

\$200

Metrc

Metrc overview

Who is Metrc

Company overview

Metrc helped pioneer the legal cannabis industry through launching a track-and-trace technology solution that supports market security, public safety, and business compliance.

- **25+** years of business experience in (high flow and volume) supply chain processes and tracking including: Cannabis (10+ years), Air Cargo, etc.
- Most experienced and tenured provider of cannabis regulatory technology
- Currently contracts with 29 regulatory contracts
- Serves more than 520,000+ industry users and 58,000+ licensed businesses
- 390+ Third-party integrators leverage Metrc's Premium API: Metrc Connect

Track-and-trace background

Track-and-trace context

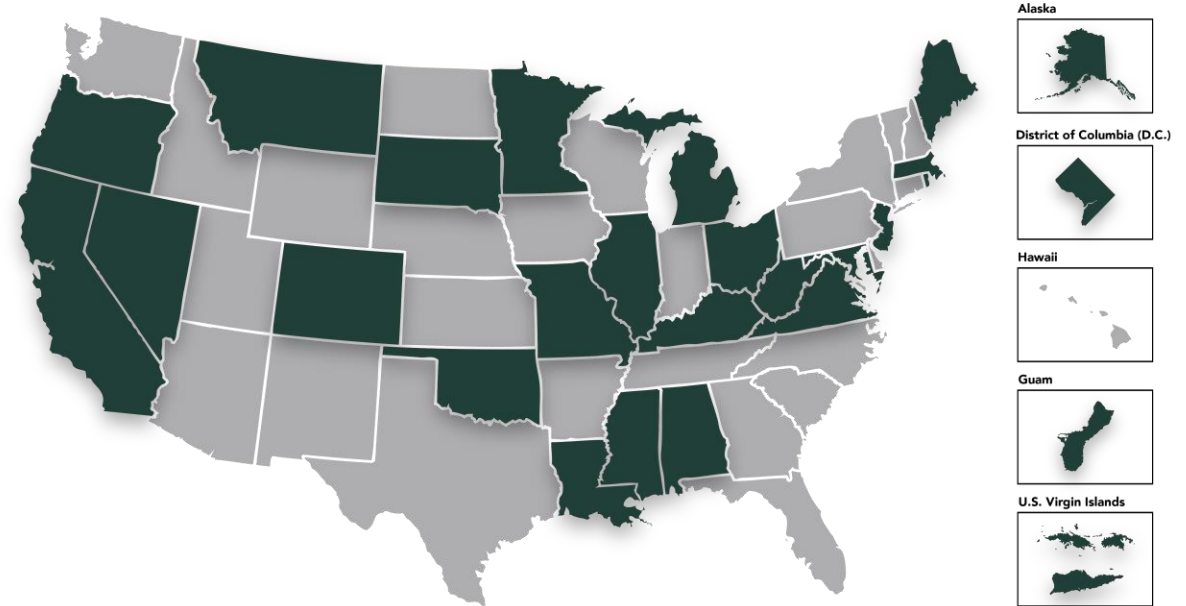
First considered: Colorado, 2011

First use case: Inversion and diversion

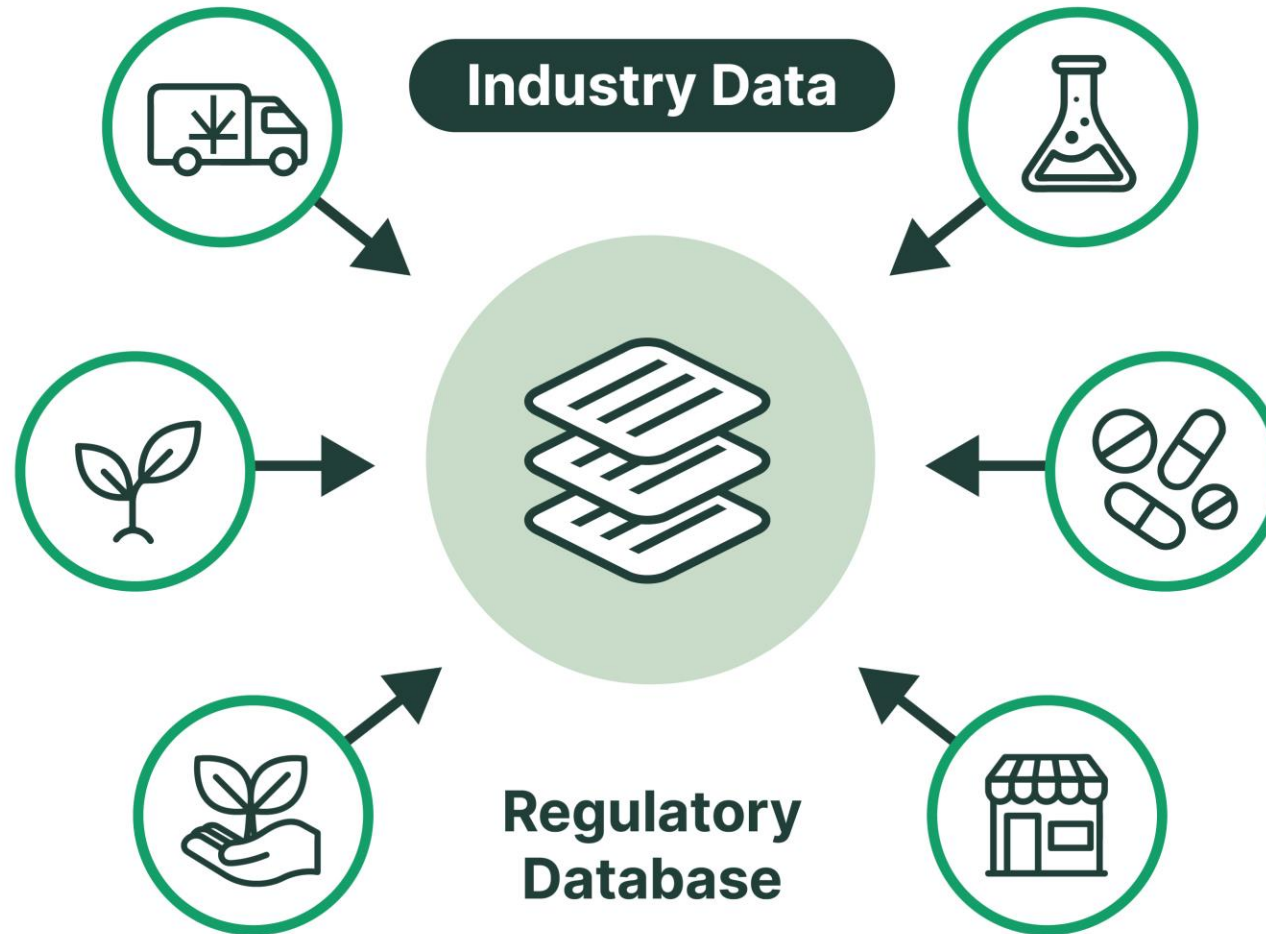
First implemented: Colorado, 2012

Expanded use: Compliance, recalls,
tax, reporting

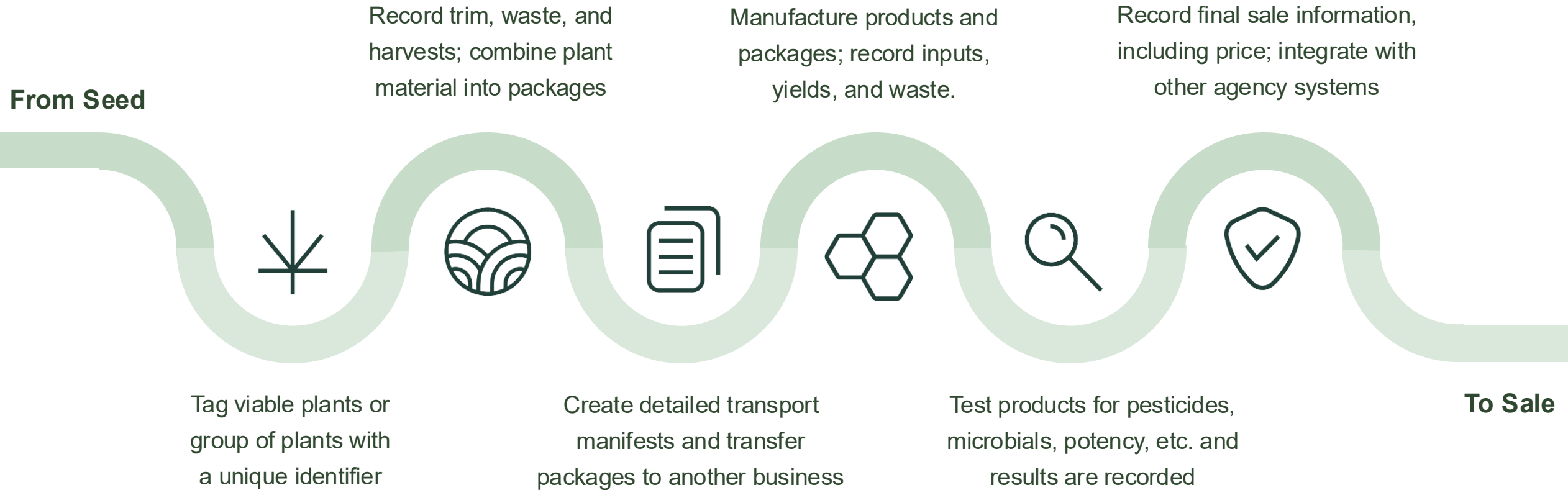
Expanded adoption: Required by most U.S. states with legal markets



Track-and-Trace explained: **A centralized database**



Track-and-trace information flow



Benefits to all involved in the supply chain

Every party along the supply chain from seed to sale plays a critical part in ensuring the legal market thrives.



Government Agencies

- Enables real-time, seamless, and automated tracking/regulation of the entire cannabis supply chain
- Alleviates public health concerns
- Expedites the compliance and commerce process, while maximizing cannabis tax revenue
- Enhances policy and eases reporting burden with greater visibility across the ecosystem



Licensed Operators/API Partners

- Simplifies compliance and commerce by ensuring accurate and complete information
- Operators and third-party integrators have a level playing field for compliance
- Drives efficiency of testing and rejected product compliance
- Allows cannabis businesses to fully integrate their operational platforms via an open API



Local Government & Law Enforcement

- Eases inspection burdens
- Maintains safety across the supply chain via enhanced ecosystem visibility
- Automates product recall via seamless track, trace and recall of contaminated or non-compliant product
- Reduces theft infiltration concerns with increased adoption



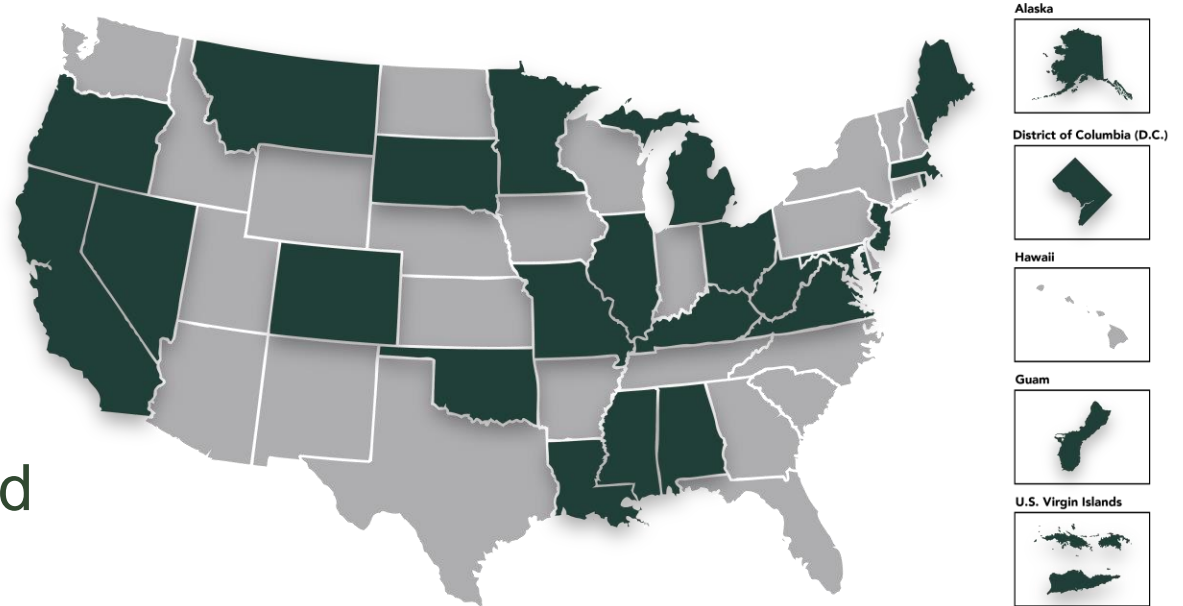
Consumers

- Receive a compliant cannabis product that has passed the appropriate testing measures
- Ensure safe products with reliable potency levels and an identifiable source via supply chain transparency

The Metric difference

Track-and-trace context

- **100%** Contract renewal rate
- **29** Regulatory contracts
- **58,000+** Licensees
- **520,000+** System users
- **560 Million+** Plants tracked
- **11 Billion+** Supply chain events recorded
- **\$85 Billion+** of sales recorded
- **1,000+** Third-party integrations



Metrc product

A powerful regulatory and public safety tool

Metrc track-and-trace technology consolidates every meaningful data point into one platform—so you can do more.



The Metrc system

The most trusted, secure cloud-based system in the industry.



A configurable suite of features and functionality within a single ecosystem



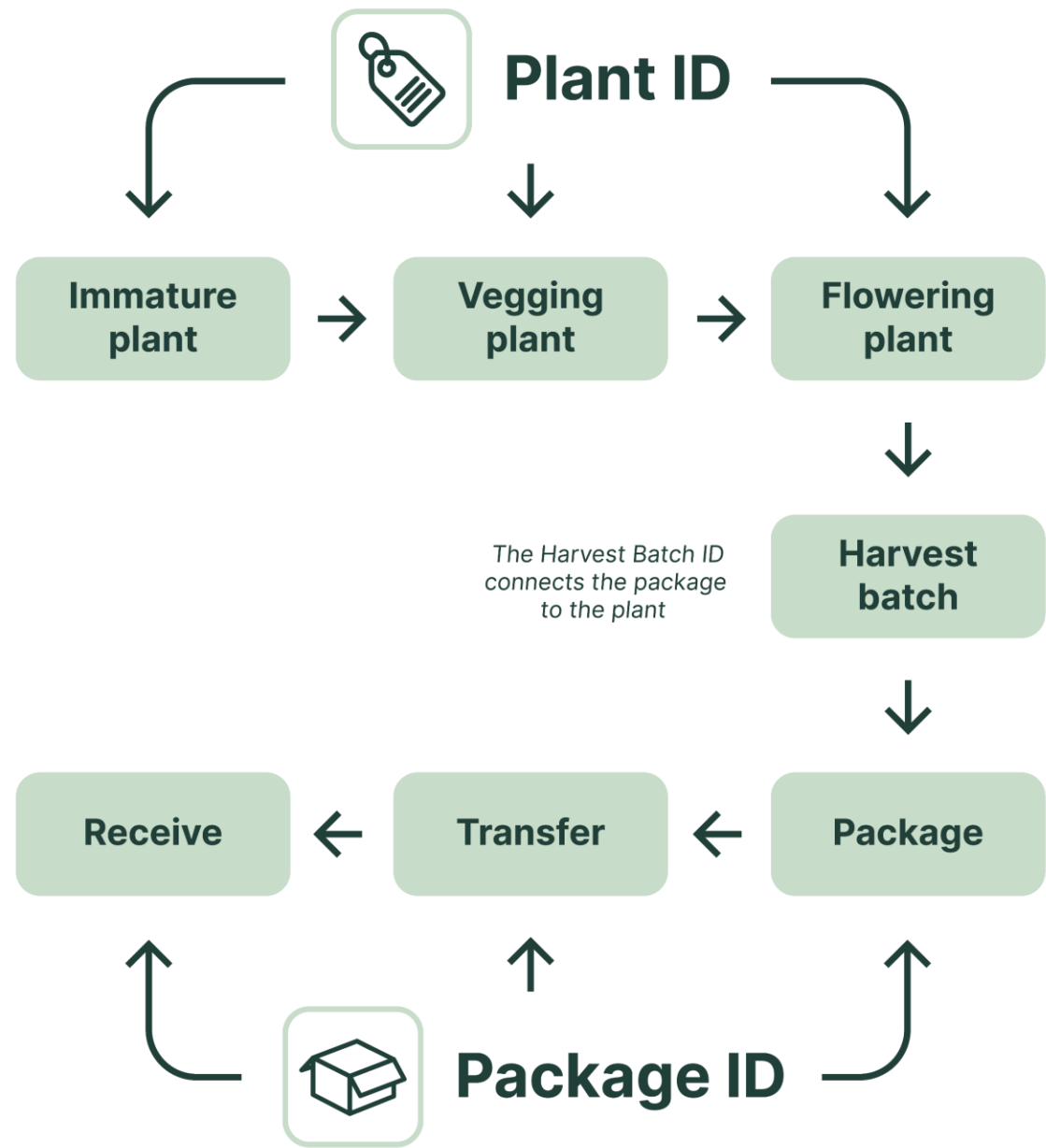
Securely tracks, stores, retrieves, and reports millions of data points, from seed-to-sale, to facilitate regulatory compliance



Enables full product traceability to build a more resilient cannabis supply chain



Chain of custody



Tagged inventory

- There are two types of tagged inventory in Metrc: **plants** and **packages**.
- **Plants** are immature, vegetative, or flowering. All plants must enter the system through immature plant batches. However, immature plants will be entered as un-tagged Planting Groups in Metrc.
- **Packages** are created from immature plants, harvest batches or other packages.



Plant tracking

The plants inventory grids offer detailed information for each uniquely serialized plant across all growth phases.

Plants

AU Cultivation Center | 020-X0001

Illinois Testing

ImmatureOn HoldInactiveVegetativeFloweringOn HoldInactiveHarvestedOn HoldInactiveAdditivesWaste

Create PackagesRenameChange LocationReport WasteFinishRestore All

Harvest Batch	Strain	Location	Plants	Wet Wgt.	Waste	Total Pkg'd	Pkg's	Weight	Restored	Lab Testing	A.H.	Date		
Q * Mineminemine	Shaub 04/09 7:52	Franks Mortuary	4	12,221 g	1,221 g	4 g	1	10,996 g	0 g	NotSubmitted	No	04/09/2025	x	
Q * Testing250409	Flo	Franks Mortuary	1	10 g	1 g	0 g	0	9 g	0 g	NotSubmitted	No	04/09/2025	x	
Q * Test Harvest0409 11:30	Joe's Secret	nick's packages vault	2	26 g	0 g	4 g	1	22 g	0 g	NotSubmitted	No	04/09/2025	x	

PlantsPackagesLab ResultsWasteHistory

Description	Employee	Date	Reported	Sources	External App
Harvest "Test Harvest0409 11:30" created in location "Harvest Location B" - Location Type: Default	Babu George (George0...)	04/09/2025	04/09/2025 12:32 pm	User	
Harvested 12 Grams from Plant ABCDEF012345670000023316	Babu George (George0...)	04/09/2025	04/09/2025 12:32 pm	User	
Harvested 14 Grams from Plant ABCDEF012345670000023317	Babu George (George0...)	04/09/2025	04/09/2025 12:32 pm	User	
Used 4 Grams for Package (1A4FF0300000016000000165) of Buds - Metrc Bliss	Babu George (George0...)	04/09/2025	04/09/2025 12:43 pm	User	

Harvest tracking

In the Harvest grid, all granular information and associated historical data is captured.

Plants AU Cultivation Center | 020-X0001 Illinois Testing

Immature On Hold Inactive | Vegetative Flowering On Hold Inactive | **Harvested** On Hold Inactive | Additives Waste

Create Packages Rename Change Location Report Waste Finish Restore All

Harvest Batch	Strain	Location	Plants	Wet Wgt.	Waste	Total Pkg'd	Pkg's	Weight	Restored	Lab Testing	A.H.	Date
Q * Mineminemine	Shaub 04/09 7:52	Franks Mortuary	4	12,221 g	1,221 g	4 g	1	10,996 g	0 g	NotSubmitted	No	04/09/2025
Q * Testing250409	Flo	Franks Mortuary	1	10 g	1 g	0 g	0	9 g	0 g	NotSubmitted	No	04/09/2025
Q * Test Harvest0409 11:30	Joe's Secret	nick's packages vault	2	26 g	0 g	4 g	1	22 g	0 g	NotSubmitted	No	04/09/2025

Plants **Packages** Lab Results Waste **History**

Tag	Item	Category	Quantity	P.B.	Discontinued	Finished	Date	Exp.
1A4FF0300000016000000165	Buds - Metrc Blis	Bud/Flower (Bulk)	4 g	No	No	No	04/09/2025	

Page 1 of 1 20 rows per page Viewing 1 - 1 (1 total)

Historical data is easy to view

Package tracking

In the Packages grid, each package has uniquely serialized package tag numbers.

Active packages include a detailed history including:

- Source harvest
- Source package(s)
- Item, category
- Strain quantity
- Package status
- Lab results...and more

Packages AU Cultivation Center | 020-X0001 Illinois Testing

Active On Hold Inactive In Transit Transferred

New Packages Submit for Testing Remediate Create Plantings New Transfer Add Processing Job Change Locations Change Items Change Req'd LTBs Adjust Change Notes Finish Edit Shelf Life

Tag	Src. H's	Src. Pkg's	Src. P's	Location	Item	Category	Item Strain	Quantity	P.B. No.	LT Status	A.H.	A.R.	Date	Rcv'd
1A4FF0300000016000000139		1A4FF0300000016000000103		Package Vault BG	Metrc Bliss Clones	Immature Plants	Metrc Bliss	-28 ea		NotSubmitted	No	No	04/09/2025	

Source Harvests Lab Test Batches Lab Results History

Description	Employee	Date	Reported	Sources
Repackaged 2 plants - Took 2 plants from Package 1A4FF0300000016000000103	Jamie Fergues (Fergues0●●●)	04/09/2025	04/09/2025 07:53 am	User
Used 2 Each for Package 1A4FF0300000016000000144	Bill Shaub (Shaub0●●●)	04/01/2025	04/09/2025 08:04 am	User
Used 13 Each for Package 1A4FF0300000016000000161	Bill Shaub (Shaub0●●●)	04/09/2025	04/09/2025 11:47 am	User
Repackaged 1 plant into Package 1A4FF0300000016000000172	Belinda Burciaga (Burciaga0●●●)	04/09/2025	04/09/2025 01:56 pm	User
Repackaged 14 plants into Package 1A4FF0300000016000000181	Brian Floyd (Floyd0●●●)	04/09/2025	04/09/2025 05:59 pm	User

Lab test results tracking

All test results that were entered by the testing lab for the product that is in the package is visible.

Packages Testing Facility | 010-X0001 Illinois Testing

Active | On Hold | Inactive | Lab Samples | In Transit | Transferred

New Packages | Submit for Testing | Test Status | Record Tests | New Transfer | Change Locations | Change Items | Change Req'd LTBS | Adjust | Change Notes | Finish

Tag	Src. H's	Src. Pkg's	Src. Pl's	Location	Item	Category	Item Strain	Quantity	P.B. No.	LT Status	A.H.	A.R.	Date
1A4FF0300000016000000043	2023-02-27-Harvest Location-M	1A4FF0300000016000000038	Food Grade Rosin	Vault	Food Grade Rosin	Concentrate (Bulk)		11.3 g		TestPassed	No	No	03/26/2025

Source Harvests | Req'd Lab Test Batches | Lab Test Batches | **Lab Results** | History | Source Packages

Test Date	Overall	Test Name	Test Passed	Result	Notes	Released Date	Sample Package
03/26/2025	Passed	Abamectin (ppm) Solvent Based Concentrate/Extract	Passed	0	OK	03/26/2025 01:20 pm	
03/26/2025	Passed	Acephate (ppm) Solvent Based Concentrate/Extract	Passed	0	OK	03/26/2025 01:20 pm	
03/26/2025	Passed	Acequinocyl (ppm) Solvent Based Concentrate/Extract	Passed	0	OK	03/26/2025 01:20 pm	
03/26/2025	Passed	Acetamiprid (ppm) Solvent Based Concentrate/Extract	Passed	0	OK	03/26/2025 01:20 pm	
03/26/2025	Passed	Acetone (ppm) Solvent Based Concentrate/Extract	Passed	0	OK	03/26/2025 01:20 pm	

Test status tracking

Lab test results

Package History

Easily view the Package History Source – User or CSV (File Import).

Packages

Testing Facility | 010-X0001

ActiveOn HoldInactiveLab SamplesIn TransitTransferred

New PackagesSubmit for TestingTest StatusRecord TestsNew TransferChange LocationsChange ItemsChange Req'd LTBSAdjustChange NotesFinish

Tag

Src. H's

Src. Pkg's

Src. P's

Location

Item

Category

Item Strain

Quantity

P.B. No.

LT Status

A.H.

A.R.

Date

Rcv'd

L.T.E.

1A4FF0300000016000000043

2023-02-27-Harvest Location-M

1A4FF03000000160000000038

Food Grade Rosin

Vault

Food Grade Rosin

Concentrate (Bulk)

11.3 g

TestPassed

No

No

03/26/2025

03/26/2025

Source HarvestsReq'd Lab Test BatchesLab Test BatchesLab ResultsHistorySource Packages

Description

Employee

Date

Reported

Sources

External App

Packaged 11.3 Grams of Food Grade Rosin from another Package
- Took 11.3 Grams of Food Grade Rosin from Package 1A4FF03000000160000000038
- Package Type: Product
- Location: Packages Vault
- Location Type: Default
- Required Lab Test Batches:
--- Solvent Based Concentrate/Extract

Myra Chinn (Chinn0●●●)

03/26/2025

03/26/2025 01:07 pm

User

Package's Lab Testing set to SubmittedForTesting

Myra Chinn (Chinn0●●●)

03/26/2025

03/26/2025 01:07 pm

User

Package added to Manifest # 0000001401
- From: IL Testing - AU Cultivation Center (020-X0001)
- To: IL Testing - Testing Facility 01 (010-X0001)
- License Type: Licensed
- Transfer Type: Testing Facility Transfer

Myra Chinn (Chinn0●●●)

03/26/2025 01:08 pm

FileImport, User

11.3 Grams accepted from Manifest # 0000001401 by IL Testing - Testing Facility 01 (010-X0001)
- Location: Vault
- Location Type: Default

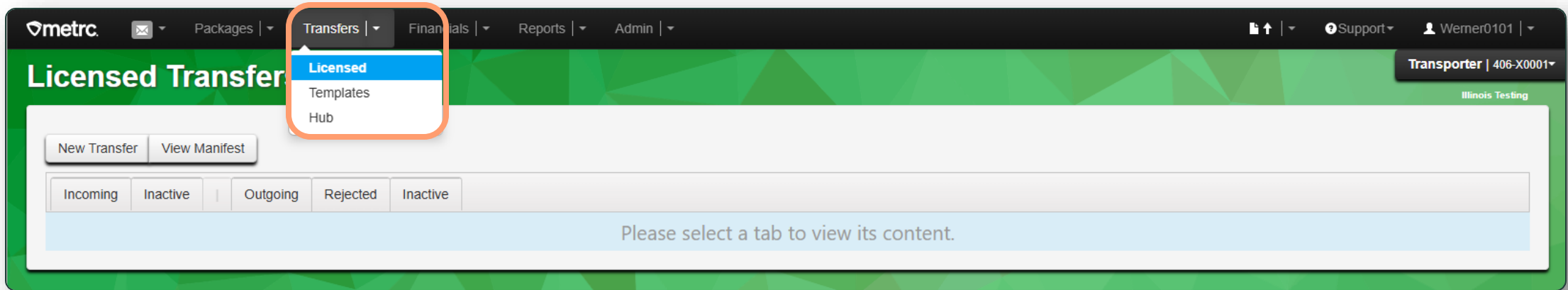
Myra Chinn (Chinn0●●●)

03/26/2025 01:08 pm

FileImport, User

Transfers overview

Metrc system functionality for licensed Transporters.



Transfers functionality is available from the Transfers dropdown on the navigational toolbar:

**Licensed
Transfers**

**Transfers
HUB**

Transfer Manifests

Common Errors:

- Wrong quantity shipped
- Wrong product shipped
- Wrong wholesale pricing recorded



METRC®

MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

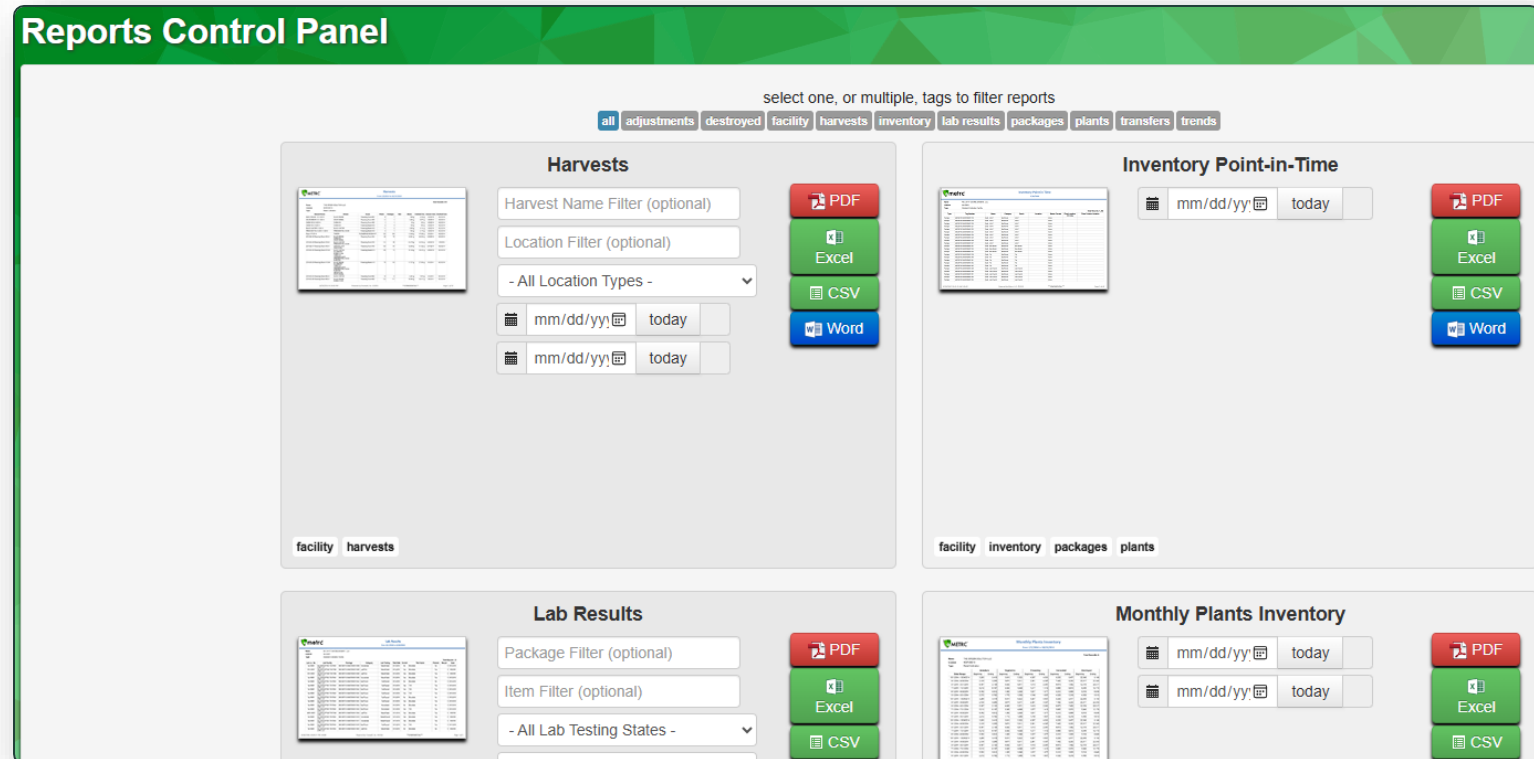
Manifest No.	0000001503	Date Created	3/26/2025 6:42 PM
Originating Entity	IL Testing - AU Cultivation Center	For Agency Use Only	
Originating License Number	020-X0001		
Address of Originating Entity			
Phone No. of Originating Entity			
1. Destination	IL Testing - AU Infuser 01	Destination Phone No.	
Invoice Number	IL5415		
Destination License Number	030-X0001	Date and Approx. Time of Departure	3/26/2025 5:17 PM
Address of Destination		Date and Approx. Time of Arrival	3/26/2025 7:17 PM
		Date/Time Received	
Route to be Traveled Right on Bravo, left on Charlie		Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
1. Outbound Transporter	IL Testing - Transporter 01	Layover Schedule	
Transporter License Number	406-X0001	Date and Approx. Time of Check-In	3/26/2025 8:09 PM
Address of Transporter		Actual Date/Time of Arrival	3/27/2025 10:42 AM
		Date and Approx. Time of Check-Out	3/26/2025 8:09 PM
		Actual Date/Time of Departure	3/27/2025 10:43 AM
Contact Phone No. for Inquiries: 111-111-1111			
Name of Person Transporting	Mordecai Brown	Employee ID of Driver	IL239-130
State Driver's License No.	IL-253-5424	Signature of Person Transporting	
Make, Model, License Plate No.	Ford Van CARGO	Leg of Layover Trip	From And To Layover
1. Package Shipped	Production Batch No.	Item Name	Quantity
1A4FF0300000016000000045 Lab Test: TestPassed		Buds - Blue Dream (Buds)	Shp: 1000 g
Item Details	Strain: Blue Dream		
Source Harvest	2023-02-27-Harvest Location-M		
Source Package(s)	1A4FF030000000160000000005		
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment not circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature		Date	
Signature of individual taking receipt of rejected portion of this shipment			

Reports Control Panel

All reports are configured based on license data and are exportable in PDF, Word, Excel and CSV.

Reports include:

- Harvests
- Inventory Point-in-Time
- Lab Results
- Monthly Plants Inventory
- Packages Adjustments
- Packages Inventory
- Plants Destroyed
- Plants Inventory
- Plants Trend
- Test Batches Relationships
- Transfers
- Transfers (limited)
- Wholesale Transfers (summary)



API partnership overview

Metrc has partnered with over 1,000+ organizations for API integrations and has 390+ integrators on Metrc Connect

Wholesale Marketplace



ERP



Cultivation



Payments



GovTech



POS



Compliance



Questions

Validis

Shield Compliance Panel

Company Overview

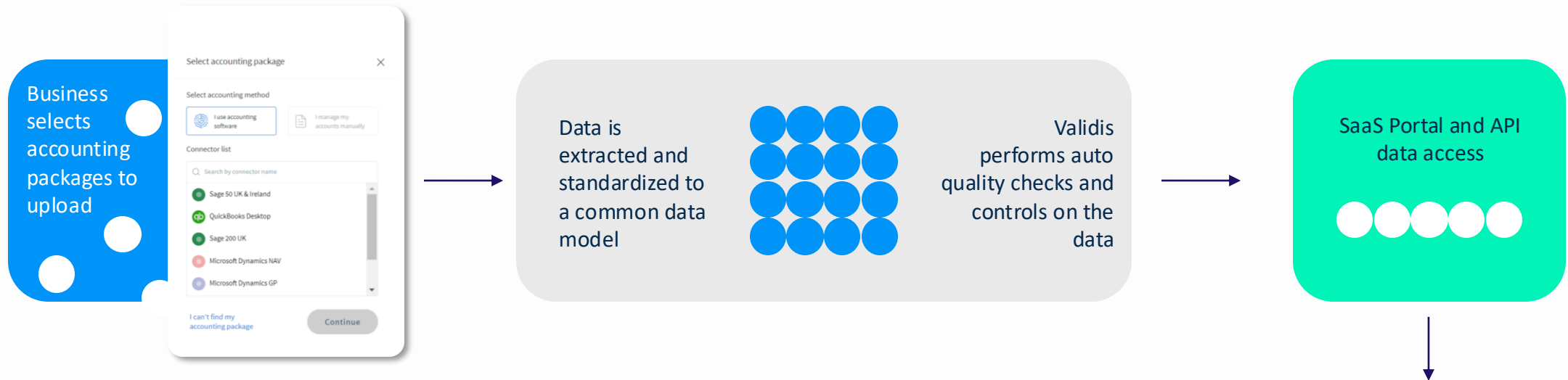
- 10+ years experience with lenders and auditors
- 70+ staff
- >50% business in US
- UK HQ
- Investors: management, PE, strategics

Validis allows borrowers to upload financial data instantly

Share

Standardize

Deploy



 **Secure** ISO27001/SOC2

 **Fast** 30-90 seconds data transfer

 **Comprehensive** cloud + desktop + xls

 **Regular** annual, quarterly, monthly, daily, ad hoc

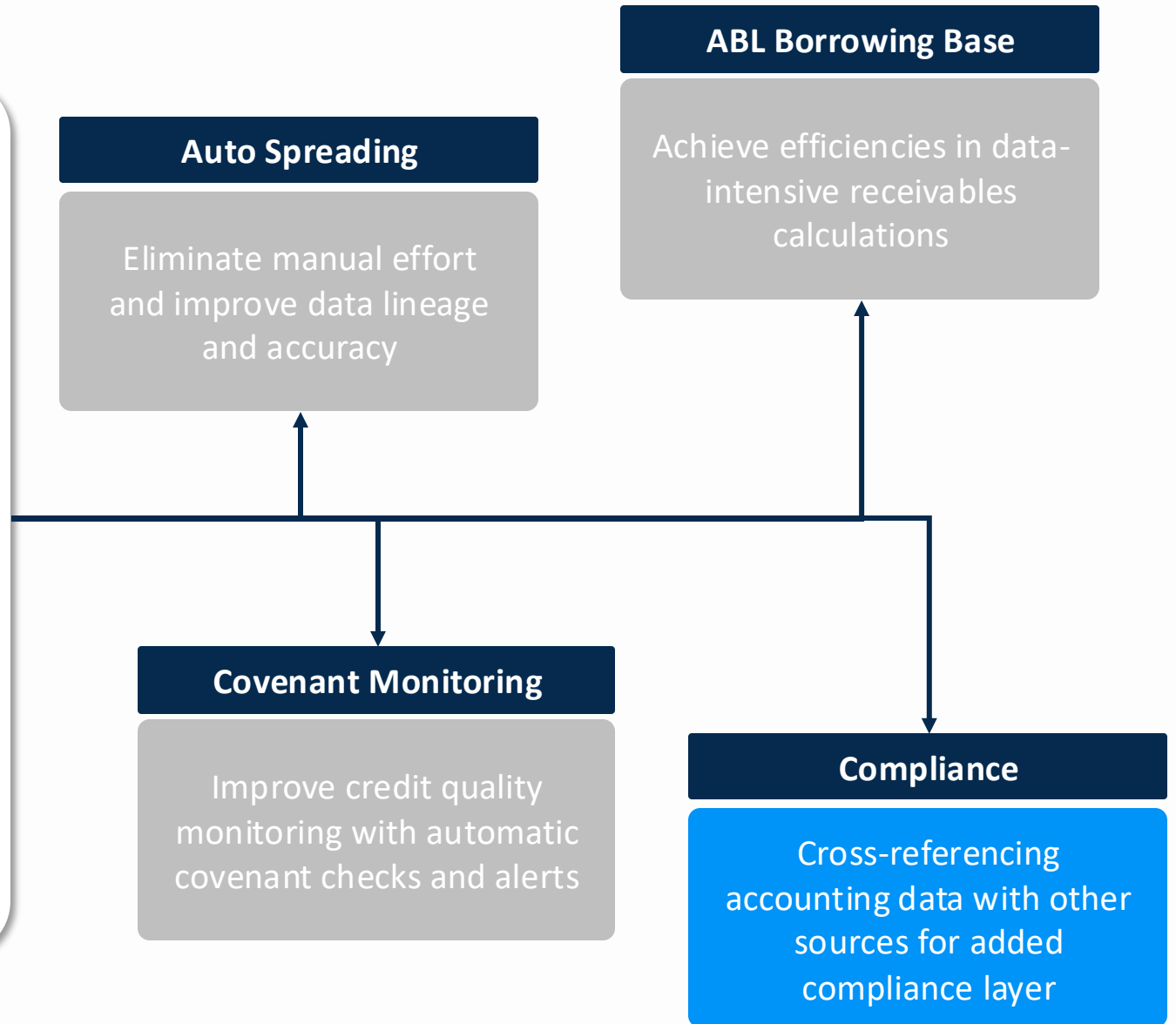
Other third-party applications



It Starts With Validis



ERP data extraction is the first step in achieving many strategic objectives

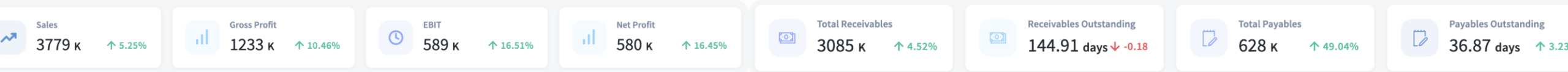


Overview of Data Sourced from Validis (1/2)

- **Normalized, refreshable ledger data** direct from clients' accounting systems
- **Core statements:** Income Statement, Balance Sheet, Cash Flow, Trial Balance with drill-down.
- **Working papers:** AR/AP aging & detail, cash transfers, equity movements, tax analysis.
- **Entity & counterparty context:** customer/vendor contacts, addresses, emails, domains - *varies a little by accounting package*

Overview of Data Sourced from Validis (2/2)

Validis provides banks with quality, consistent and reliable data to evaluate the commercial lending risks



Creditworthiness

The company's overall financial health and creditworthiness.

- ✓ Revenue
- ✓ Gross Profit
- ✓ Net Income
- ✓ Current Assets
- ✓ Current Liabilities
- ✓ Long-term Debt
- ✓ Equity
- ✓ Loan-to-Value (LTV) Ratio
- ✓ Debt-to-Equity (D/E) Ratio
- ✓ Fixed Assets

These metrics provide insights into the company's ability to repay the loan over time and the amount of collateral available to secure the loan.

Serviceability

The company's ability to service the debt and make timely payments.

- ✓ Cash Flow
- ✓ Debt Service Coverage Ratio (DSCR)
- ✓ Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)
- ✓ Inventory Turnover
- ✓ Accounts Receivable Turnover

These metrics provide insights into the company's operating performance, liquidity, and efficiency in managing inventory and accounts receivable.

Quantitative Uses: Working Papers Excerpt – "AR-Report"



Toms Tomatoes

AR Aging Comparison

Report Date

Period

3 Apr 2025 14:07 (14:07 UTC)

01 Jan 2024 - 31 Dec 2024

	Period FP-12 ended 31 Dec 2024	%	Period FP-12 ended 31 Dec 2023	%	Variance
receivable-aging-comparison-table-1					
0-30 days	835,549.85	24.15 %	773,518.65	24.10 %	
31 - 60 days	856,139.63	24.75 %	787,331.23	24.53 %	
61 - 90 days	851,244.96	24.60 %	778,059.16	24.24 %	
91 - 120 days	855,956.95	24.74 %	784,065.76	24.43 %	
121+ days	60,847.32	1.76 %	86,637.42	2.70 %	
	3,459,738.71	100.00 %	3,209,612.22	100.00 %	
	Financial Year Jan 24 - Dec 24	Financial Year Jan 23 - Dec 23	Variance	Variance %	
Accounts Receivable Balance	3,459,738.71	3,209,612.22	250,126.49	7.79 %	
Net Credit Sales	8,272,556.41	7,690,862.93	581,693.48	7.56 %	
Ratio of Accounts Receivable to Net Credit Sales	0.42	0.42	-	0.21 %	
x 365 Days per Annum	366.00	365.00	1.00	0.27 %	
Days Sales Outstanding	153.07	152.32	0.74	0.49 %	
Allowance for Doubtful Accounts	5,105.00	5,105.00	0.00	-	
Sales Returns and Allowances	45,252.00	53,768.18	(8,516.18)	(15.84) %	
Bad Debt Expense	0.00	667.36	(667.36)	(100.00) %	
Accounts Receivable Balance	3,459,738.71	3,209,612.22	250,126.49	7.79 %	
Current Assets	3,984,216.18	3,780,276.69	203,939.49	5.39 %	
Ratio of Accounts Receivable to Current Assets	0.87	0.85	0.02	2.28 %	
Accounts Receivable Balance	3,459,738.71	3,209,612.22	250,126.49	7.79 %	
Total Assets	4,962,008.79	4,775,069.30	186,939.49	3.91 %	
Ratio of Accounts Receivable to Total Assets	0.70	0.67	0.03	3.73 %	

Quantitative Uses: Turn Compliance Data into Lending Insight

Underwriting

- Working-capital underwriting: validate AR quality, dilution, concentration; assess AP stretch.
 - AR is usually longer for cannabis vs other industries

Portfolio Management

- **ABL & borrowing base:**
 - Eligible AR
 - Eligible Inventory
 - – Ineligibles

Quantitative Uses: Working Papers Excerpt – "Financial Reports"

Validis™

Toms Tomatoes

Financial Snapshot

Report Date3 Apr 2025 14:07 (14:07 UTC)

Period01 Jan 2024 - 31 Dec 2024

	Financial Year Jan 24 - Dec 24	Financial Year Jan 23 - Dec 23	Variance	Variance %
Income Statement				
Revenue	8,272,556.41	7,890,862.93	581,693.48	7.56 %
Gross Profit/(Loss)	2,641,018.93	2,511,104.50	129,914.43	5.17 %
EBITDA				
Depreciation				
Operating Profit/(Loss)				
Finance charges/Other Income				
Income/(Loss) Before Taxation				
Balance Sheet				
Total Assets				
Net Current Assets/(Liabilities)				
Bank and Cash				
Total Liabilities				
Shareholders' Funds/(Deficit)				
Operating Ratios				
Gross Profit Margin				
Gross Profit Markup				
Net Profit Margin				
Performance Ratios				
Return on Total Assets			24.67 %	27.21 % (2.54) % (9.34) %
Return on Capital Employed			36.15 %	40.66 % (4.51) % (11.10) %
Activity Ratios				
Inventory Days			21.67	21.27 0.40 1.88 %
Days Sales Outstanding			146.72	146.23 0.50 0.34 %
Days Payable Outstanding			38.06	36.55 1.50 4.12 %
Cash Conversion Cycle			130.33	130.94 (0.61) (0.47) %
Liquidity Ratios				
Current Ratio			2.46	2.26 0.21 9.19 %
Quick Ratio			2.26	2.03 0.23 11.21 %
Debt Ratios				
Debt to Equity			7.66 %	9.97 % (2.31) % (23.16) %
Interest Cover			31.45	52.90 (21.46) (40.56) %
Insolvency Score				
Altman's Z-Score (private companies)			4.00	3.79 0.21 5.62 %
Cash Flow Availability				
Cash Flow Available for Debt Servicing (CFADS)			78,893.01	(356,473.44) 435,366.45 (122.13) %

Quantitative Uses: Turn Compliance Data into Lending Insight

Underwriting

- Working-capital underwriting: validate AR quality, dilution, concentration; assess AP stretch.
 - AR is usually longer for cannabis vs other industries
- Cash-flow lending: EBITDA, debt servicing coverage ratio, and seasonality evidenced directly from financials

Portfolio Management

- **ABL & borrowing base:**
 - Eligible AR
 - Eligible Inventory
 - – Ineligibles
- **Covenants & monitoring:**
 - Minimum DSCR (or Fixed-Charge Coverage)
 - Maximum Total Leverage (and Senior Leverage)
 - Minimum EBITDA (floor)
 - Minimum Liquidity
 - Interest Coverage

Qualitative Use: Quality Score

Category			
	2025	2024	2023
Overall Score	GOOD	SATISFACTORY	SATISFACTORY
Accounts Receivable	GOOD	GOOD	GOOD
Accounts Payable	GOOD	GOOD	GOOD
Wages	GOOD	GOOD	GOOD
Depreciation	POOR	SATISFACTORY	SATISFACTORY
Inventories	POOR	POOR	POOR
Accruals	POOR	POOR	POOR
Timeliness	GOOD	GOOD	SATISFACTORY
Trial Balance	GOOD	GOOD	GOOD
Unexpected Transactions (Income Statement)	GOOD	POOR	POOR
Unexpected Transactions (Balance Sheet)	GOOD	POOR	POOR
Unexpected Balances (Income Statement)	GOOD	GOOD	GOOD
Unexpected Balances (Balance Sheet)	SATISFACTORY	SATISFACTORY	GOOD