



CANNABOTECH

ADVANCING CANNABIS FROM FARM TO PHARMA

March 2019

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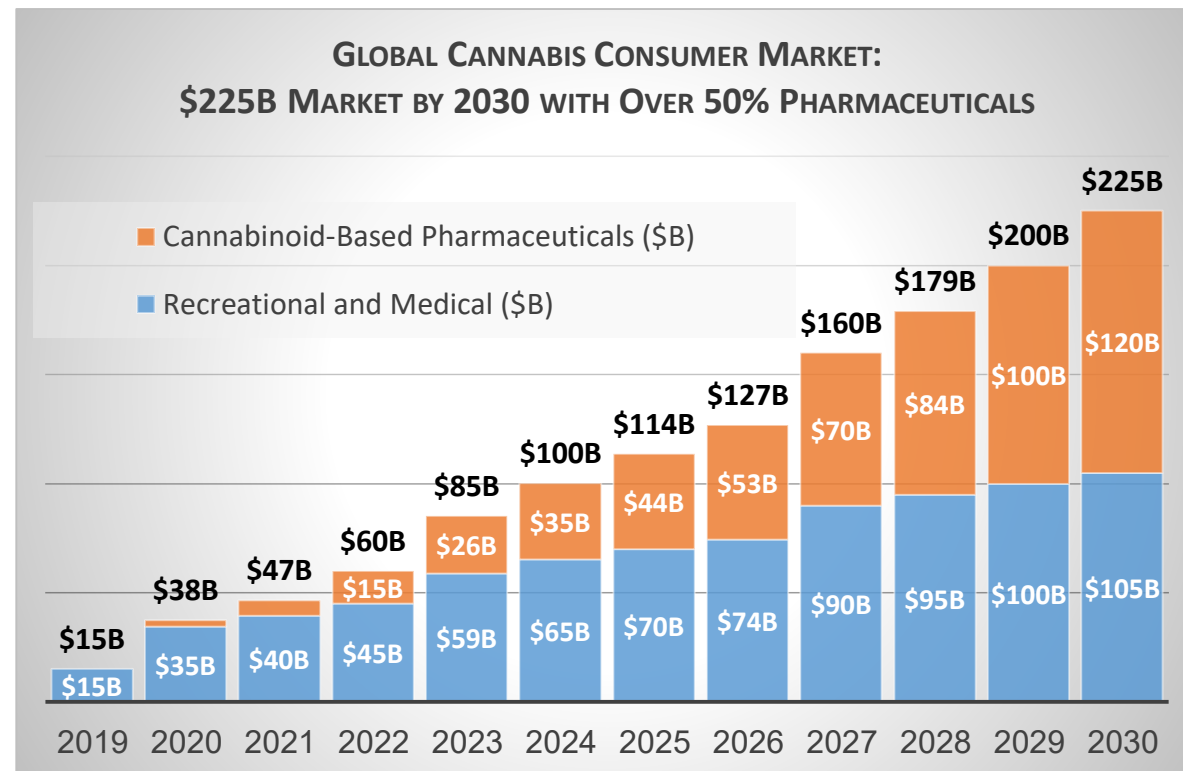
CANNABOTECH is a Pharmaceutical
Company that Develops Cannabinoid-Based
Medication and Healthcare Products





Advancing From Farm to Pharma

- The Cannabis Market today is heavily concentrated in cultivation
- The future lies in the development of added-value products
- CannaboTech was derived from the need to transfer knowhow from the pharma to the cannabis industry



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PHARMACEUTICALS

Products: FDA-approved ethical innovative drugs for three indications

Time-to-Market: 5-8 Years

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MEDICAL

Products: Personalized cannabinoid-based products that qualify under Medical Cannabis regulation.

Time-to-Market: 1-2 Years

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HEALTHCARE

Products: CBD-based skincare and food-supplement products under cosmetics and food regulation

Time-to-Market: 1 Year



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PHARMACEUTICALS

CANNABOTECH is developing FDA-approved patent-protected innovative ethical drugs for three indications:



Unexplained Subfertility

Colorectal Cancer



Fatty Liver



The drug development will be held by a leading team of experts:

- Headed by Dr. Dov Melamed
- Collaboration with Prof. Fuad Fares of Haifa Uni.
- Collaboration with 2 Israeli Universities

5-8 Years Time-to-Market

US\$ 50-80 Bn. Market Value

US\$ 5-10 Bn. Potential Sales

US\$ 130 Mn. Investment Organically Funded



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M E D I C A L

CANNABOTECH is developing cannabinoid-based products that qualify under medical cannabis regulation:

2-Year Time to Market

Potential sales of over US\$60 Mn.

Establishment of a processing facility in Israel under strict GMP regulation

Collaboration with an Israeli technology accelerator and a leading University

Division Headed by a Molecular Biologist with extensive knowledge of the industry

CANNABOTECH's innovation stems from developing customer-oriented personalized products through:



Monitoring System (Sensor + App) and Big Data Characterization System

Linking Phenomena to Specific Cannabinoids through R&D



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HEALTHCARE

CANNABOTECH is developing healthcare products based on CBD and medicinal mushrooms under cosmetics and food regulation



Skincare Pro-Aging

Topicals for Skin Problems



Drops & Food Supplements



Quick penetration to EU markets

Unique Patent-Protected Formulas

1-Year Time-to-Market

Potential sales of over US\$ 40 Mn.

In-house pharma experience in developing, producing and marketing healthcare products

- Headed by Mr. Gadi Klarsfeld - A renowned pharmacologist and product developer
- Collaboration with Prof. Solomon Vasser and Prof. Fuad Fares of the Haifa University
- Collaboration with food-tech and dermo-cosmetic innovators



CANNABOTECH is Developing 32 Healthcare Products Based on Complexes of Medicinal Mushrooms and Hemp-Based CBD Oil

All complexes are indication-oriented and patent protected based on advanced academic research



Skin Care

- Antioxidant Cleanser (50ml)
- Antioxidant Capsules (30 Cap)
- Pro Aging Cream (50ml)
- Pro Aging Capsules (30 cap)
- Pro Aging Eye Cream (30ml)
- Deep Tissue Therapy (30ml)
- Lifting Cream (30ml)
- Antioxidant Cleanse (200ml)



Topical Products

- Asthma of the Skin / Redness (50ml)
- Seborrheic Dermatitis (50ml)
- Psoriasis Cream (50ml)
- Psoriasis Capsules (30 cap)
- Acne Cream (50ml)
- Analgesic Cream (50ml)
- Analgesic Capsules (30 cap)
- Disinfection & Wound Heal (50ml)
- Antihistamine (50ml)
- Menstrual Pain Oil (150ml)
- Menstrual Pain Capsules (30 cap)
- Calming Massage Oil (150ml)



Drops & Supplements

- Anti-Anxiety (30ml)
- Energy Drink (30ml)
- Pain Killers (30ml)
- Anti-Nausea (30ml)
- Glaucoma Eye Drops (10ml)
- 15% CBD Full Spectrum (30ml)
- Memory Support (30 cap)
- High Cholesterol (30 cap)
- Fati Liver (30 cap)
- Diabetes (30 cap)
- Bone Straightener (30 cap)
- Anti-Inflammatory (30 cap)



Collaborations & Supporting Activities



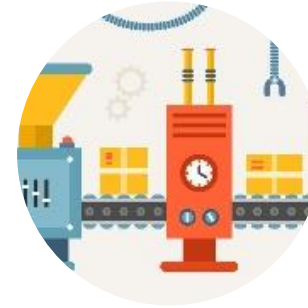
R&D

- Cooperation with two leading Israeli universities
- Research and Development
- Big data analysis
- Clinical trials
- strain analysis
- Personalization methods



Digital Technology

- Collaboration with a tech. accelerator and a leading Uni.
- Development of an E-Commerce platform
- Development of a monitoring system (sensor + app)
- Development of personalized Big data characterization sys.



Production Units

- Collaboration with EU GMP contract manufacturer
- Establishment of a processing facility in Israel
- Establishment of a 1.5 hectare cultivation farm



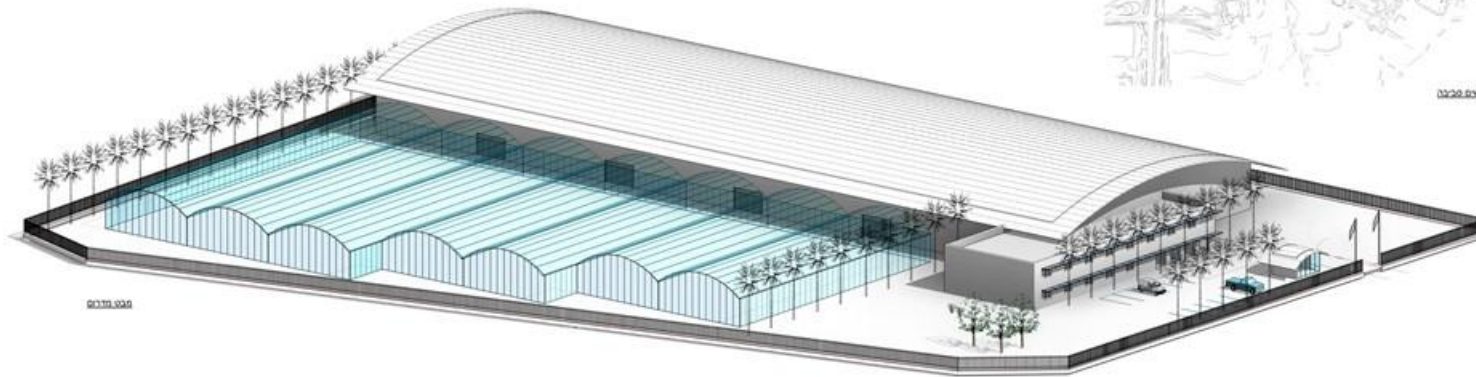
Marketing and Sales

- Collaboration with local UE and US distributors
- Use of digital technology platforms
- Royalties and licensing agreements

All platforms will be provided to distributors based on royalties and licensing agreements



Establishment of a Processing Facility



Fully operational by 2021	Full GMP Standards
Establishment Costs of US\$5 Million*	Primary Development Zone
30% subsidy on CAPEX US\$1.5 Million	7% Corporate Tax

* Not Including Establishment of Greenhouses





Elchanan Shaked; CEO

Long-standing experience in executive management, strategy generation, business development, marketing and global networks. Chairman and main shareholder at STA Asia Holdings, delivering Israeli technologies to emerging markets in agriculture, pharma & medicine. Co-Founder and former CEO at Natural Formula; and the former CEO of consumer products at Perrigo and Agis Industries.



Dr. Dov Melamed; CTO

Co-Founder of Periness LTD and Oshadi LTD, Non-Executive Director of XTL Biopharmaceuticals and former president of SciVac. researcher at Bar-Ilan University's Male Fertility clinic and QBI. Demonstrated success in taking drugs from the lab to the shelf by identifying target markets, planning regulatory strategy, raising capital, executing clinical trials and scaling up to commercial production.



Prof. Fuad Fares; Drug Development

World renowned biologist and pharmacologist. Founder and director of the Department of Molecular Genetics at Carmel Medical Center, an associate professor in the Department of Human Biology in University of Haifa; Member of the Israel Council for Higher Education. Founder and CTO of Prolor Biotechnology and founder of CanCurX Ltd.



Yoav Rothler; CFO

Long-standing experience in finance, economics and business development. Partner in TerraVerde Agriculture Ltd., specializing in the economic planning and implementation of agro-industrial projects around the globe. Researcher in Tel-Aviv University, analyzing agricultural technology adoption in low and middle-income countries.



Gadi Klarsfeld; Marketing, Sales and Regulation

Extensive experience in building new business units and companies in the retail, FMCG and medical devices fields. Owner and CEO of G.K. Consulting, specializing in international consultancy for pharmacy retailers. Former CEO of Dental View and New Life Drugstores SRL, Health and Beauty division manager in Blue Suqare Israel and franchisee of Super-Pharm Eilat.



Dr. Efrat Oron; Executive Advisor

Director of Research and Outreach at the Manna Center for Food safety and security in Tel Aviv University. Food-Tech expert with extensive knowledge of the local and global industry. MSc and a PhD in Molecular Biology from Tel-Aviv University, and postdoctoral fellow at Yale University





Sarel Chen-Tov; Executive Advisor

CEO of Biopharmax Group. He is an expert in design and construction of API, Pharma and Biotech projects to FDA / EMEA standards and has near 20 years of experience.

Unique expertise in efficient and innovative plant design to suit the business case, optimize Capex and Opex, providing the client a competitive edge in the marketplace.



Freddy Shaviv; Executive Advisor

Serves as the COO of Perrigo Israel Pharmaceuticals Limited and is the former CEO of Optimata Ltd. and ChemAgis; and former VP of Agis Industries.

Leading expert in management in the pharmaceutical and chemical industry; serves as Director of several companies in the biotech field.

Extensive international experience in business development in the US, Europe and the Far East



Dr. Michal Ben-Attar; Advisory Board

CEO of SciVac Ltd and former Chief Biologist at Syneron Medical Ltd.

Has more than a decade of progressively responsible experience in life science industry and applying a strong expertise in various senior managerial positions

Oversaw medical aesthetic devices from early-stage research up to regulatory approval and commercialization.



Moav Gafni; Advisory Board

CEO of Eternal Cannabis Ltd. - the Business development arm Pathebo GmbH - German Medical Cannabis importer and distributor with 25 years experience.

Extensive experience in the agronomic aspects of Cannabis Cultivation, Marketing and Regulation



Prof. Benjamin Bartoov; Advisory Board

World-renown expert in sperm cell morphology for over 30 years.

Associate Professor in the Faculty of Life Sciences of Bar-Ilan University,

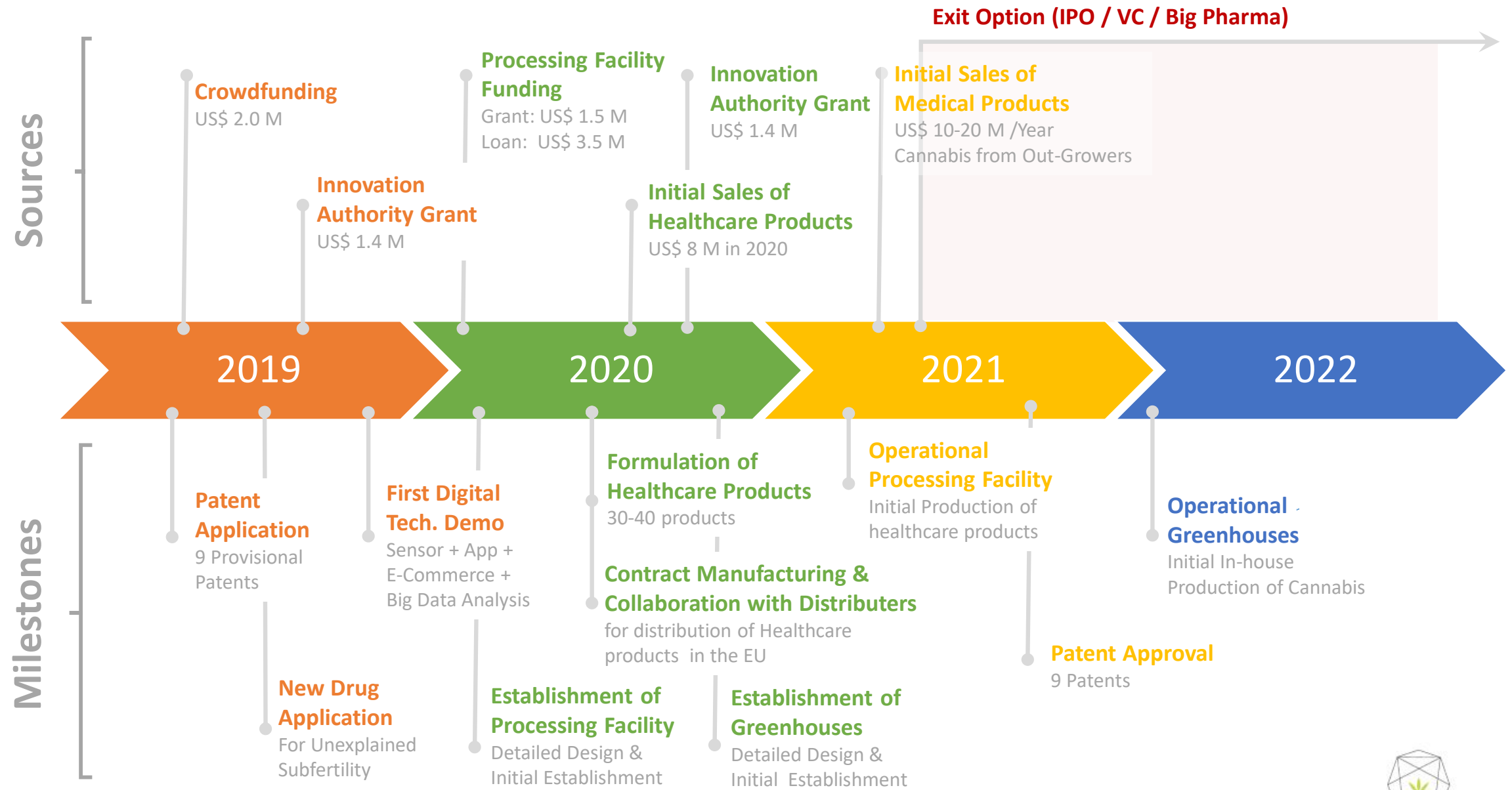
CTO and founder Periness Ltd. and the owner of Sperma. Es tablished and headed the Male Fertility Laboratory in Bar-Ilan University for 25 years and the Male Fertility clinic in Meir Hospital for 29 years.

**Legal Counselling by
Herzog Fox Ne'eman Law Firm**



**Financial Counselling by
Deloitte Israel**





24 Month Burn-Rate

	2019			2020				2021
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sources								
Crowdfunding: Fundit*	\$2,000,000							
Innovation Authority Grants			\$1,400,000					
Total Sources				\$3,400,000				
Uses								
NDA subfertility	\$15,000	\$50,000	\$100,000	\$140,000				
Formulation of Healthcare Products	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000			
Collaboration with Distributers	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000			
Demo of the Digital Unit	\$25,000	\$50,000	\$50,000	\$50,000				
Digital unit development					\$100,000	\$100,000	\$100,000	\$100,000
Application of patents			\$50,000	\$50,000	\$100,000	\$100,000		
Drug R&D			\$100,000	\$100,000	\$200,000	\$200,000	\$200,000	\$200,000
Overheads	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Legal and auditing	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Total Uses				\$3,000,000				

* Funding under the supervision of the Israel Securities Authority



Processing Plant Establishment

	2020			
	Q1	Q2	Q3	Q4
Sources				
Ministry of Economy Grant	\$1,500,000			
Establishment Loan	\$3,500,000			
Total	\$5,000,000			
Uses				
Planning & Design	\$100,000			
Establishment	\$800,000	\$900,000	\$1,500,000	\$1,500,000
Interest During Construction				\$200,000
Total	\$5,000,000			

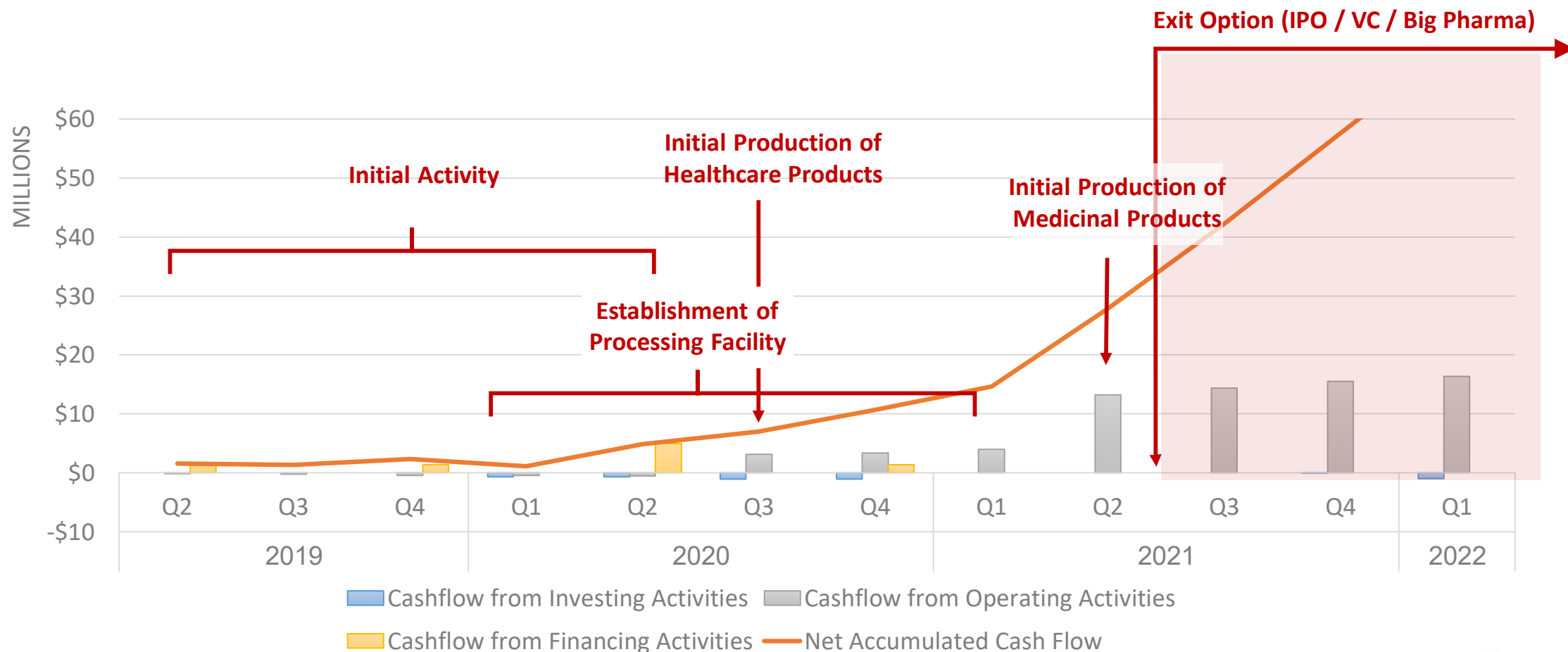


Healthcare and Medicinal Products P&L

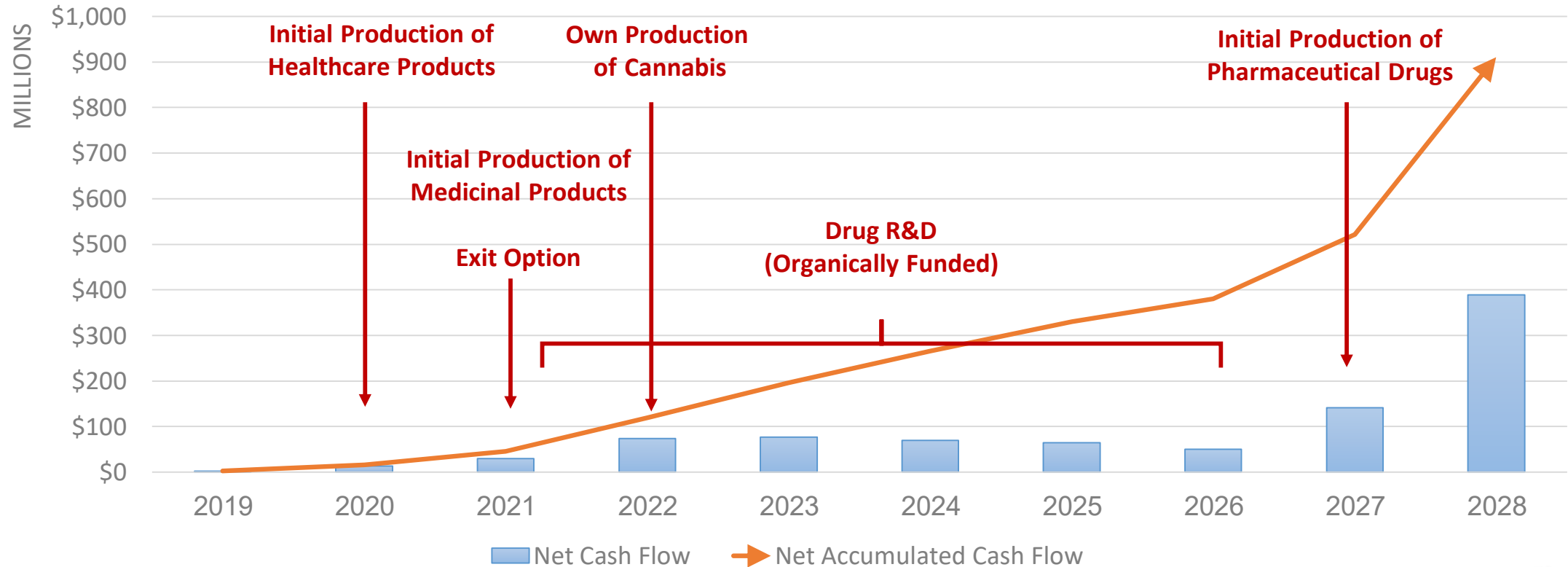
	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenues								
Healthcare Products			\$4,920,000	\$5,410,000	\$5,950,000	\$6,550,000	\$7,210,000	\$7,930,000
Medicinal Products						\$12,000,000	\$12,960,000	\$14,000,000
Total Revenues			\$10,330,000				\$66,600,000	
Cost of Goods Sold								
Healthcare Products			\$1,317,000	\$1,450,000	\$1,600,000	\$1,760,000	\$1,940,000	\$2,130,000
Medicinal Products						\$3,240,000	\$3,500,000	\$3,780,000
Total COGS			\$2,767,000				\$17,950,000	



3-Year Cash Flow Overview



10-Year Cash Flow Overview





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