



One Step Vend

November 2, 2021

ONE STEP VENDING, CORP.

(OTC – KOSK)

ONE STEP VENDING CORP.

Undervalued, Pure Play CBD Vending Company

Rob Goldman
rob@goldmanresearch.com

November 2, 2021

ONE STEP VENDING CORP. (OTC – KOSK - \$0.01485)

COMPANY SNAPSHOT

One Step Vending Corp. is a holding company focused on the acquisition of market-changing and disruptive business models, including retail CBD sales via interactive vending machines. Sofos CBD Inc., a wholly owned subsidiary, is focused on the wholesale and retail distribution of CBD infused products from American suppliers, including the vending channel. Products include edibles such as tinctures, capsules, oils, beverages, gummies and other products.

KEY STATISTICS

Price as of 11/1/21	\$0.01485
52 Week High – Low	\$0.0284 – 0.0028
Est. Shares Outstanding	365.1M
Market Capitalization	\$5.4M
Average Volume	179,051
Exchange	OTCPK

COMPANY INFORMATION

One Step Vending Corp.
 600 Mamaroneck Avenue
 Harrison NY 10528

Web: www.OneStepVending.com
 Email: info@onestepvending.com
 Phone : 212.381.8029

INVESTMENT HIGHLIGHTS

KOSK is a pure play CBD vending company poised to lead its segment of the \$21B overall CBD products market. The Company is set to deploy its initial set of machines in two of the fastest-growing, in-demand markets for CBD products, in early 2022.

Each unit will offer best in class tinctures, edibles (such as gummies) beverages, topicals, etc. The refrigerated *CBD Safe* machine can hold hundreds of products and hundreds of SKUs.

KOSK’s machine has a significant advantage over other players in this nascent industry. The Company’s vending machines offer a huge interactive display which enables customers to drill down info on all the products offered.

In addition to offering products at malls, gyms, health establishments, casinos, high-end grocery stores, etc., KOSK has a sleeper feature that could substantially drive customer value and its market cap. KOSK plans to offer an auto ship feature so customers can have their favorite vending product shipped directly to them.

Our model, which excludes contribution from auto ship business, assumes revenue will jump from \$1.56M in 2022 to \$6.36M in 2023. Upside to our forecast exists based on pricing, demand, and the auto ship potential.

KOSK currently at a discount to the current market values assigned its peers. Plus, it trades above its 50 and 200 DMA, traditionally a bullish signal.

COMPANY OVERVIEW

The View from 30,000 Feet

In our view, **One Step Vending Corp. (OTC – KOSK)** appears poised to lead the burgeoning CBD self-serve vending market, a sub-segment of the overall CBD market slated to reach \$21B in 2024. Management is creating a CBD Vending Machines network spanning multiple states with plans to have deployment of the machines in retail locations, convenience stores, gyms, health stores, casinos, high-end grocery, etc. The initial network deployment is in Colorado and California, from businesses which have contracted with the Company to house the units and engage in a revenue-sharing agreement with KOSK. The branded *CBD Safe* vending machines are currently getting customized and prepared for installation, entering the “pre-rollout phase” for the strategic purpose of influencing other major metropolitan areas and establishing a regional and then nationwide presence. Just the Las Vegas market alone is huge for CBD products and our vending machines are the perfect means to facilitate the sale of such products in public and private store places.

Management has selected best in class products from vendors offering tinctures, topicals, gel caps, beverages, and edibles, ensuring that consumers have access to a popular, diverse product offering. Each unit typically carries 8 SKUs per tray which are seven deep along with 100-200 beverages. Pricing ranges from \$3.00 - \$50.00.



Management currently plans to have the initial ten machines in place in early 2022, with an additional one hundred placed during 2022. As elucidated in further detail in the *Financials* section, we project that KOSK will have 110 units deployed by year-end 2022 (with an average time in the field of 120 days for the one hundred) and a total of 310 machines in the installed base by year-end 2023. We believe this figure could prove to be conservative and could be closer to 500, a 61% rise from our current estimate, given market conditions and demand for CBD products.

We believe that the KOSK business model is built for success given that there are a number of advantages with the KOSK-branded *CBD Safe* unit relative to other competitors in this nascent segment, including those that will drive deployment of its machines versus others. While other features exist, the interactivity may be the

most compelling feature and could serve as an underrated traffic driver to retail establishments as customers can independently drill down to learn more about each product on the attractive 49-inch display.

Interestingly, there is a feature/function which is a tremendous sleeper revenue-wise for the Company that we have not yet factored into our model. However, it could serve to emerge as a major sales driver: **Auto ship**. Customers can download the *CBD SAFE* App via QR code which synchronizes with a cart feature. Therefore, customers can subscribe through the app to have their products shipped monthly direct to their homes.

Looking Ahead

Our model assumes that the ten machines will be in use for all of 2022 with an average monthly gross revenue per machine to KOSK of around \$3000 (average of three hundred products purchased at an average price of \$10). The total estimate for this set of machines is \$360,000. Plus, we currently forecast that KOSK will deploy an additional minimum one hundred machines, with an average deployment period of 120 days (four months), reflecting the majority of the implementations in the second half of 2022. The revenue forecast for the one hundred machines is \$1.2M, bringing the total revenue forecast for 2022 to \$1.56M.

For the 2023 calendar year, KOSK benefits from a full year of deployment for its machines with the expectation of minimal slippage at this stage. As a result, we project the 110-machine carryover from 2022 could generate \$3.96M using the same metrics as above. Much like in 2022, we project a minimum of two hundred new machines will be deployed for an average period of 120 days with similar pricing and purchase metrics and would account for \$2.4M in revenue generated from 310 machines. Still, to be conservative our current total revenue forecast for 2023 is \$6.36M.

We believe that KOSK's shares could be news or milestone-driven in the near term, with key events such as the completion of the software customization per unit, including the shopping cart and app for future auto ship. Another interesting milestone includes the white labeling of key CBD products which is a differentiator in certain markets and an attractive strategy for both producer and marketer. Finally, the primary milestone event we believe will begin to attract investors and consumers is the delivery of all ten machines in the early part of 2022.

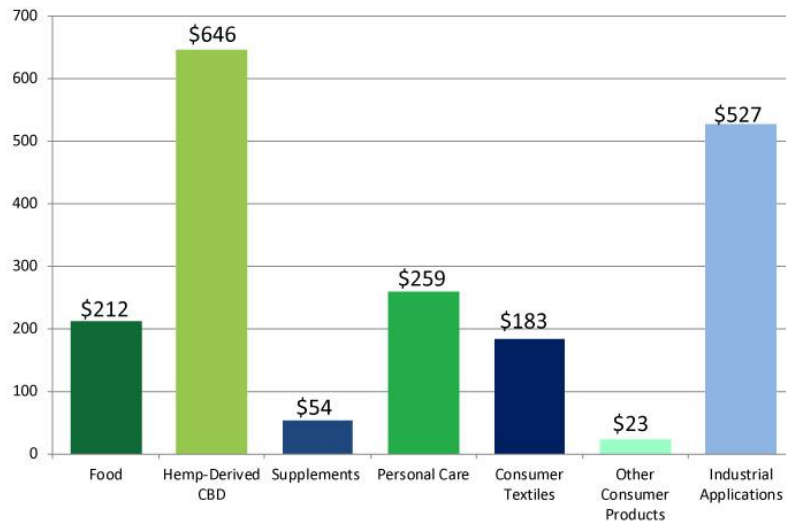
Based on recent prices, the current valuation for ERBB and CBDL, which participate in this segment but also have other related CBD businesses, is in the \$12-16M+ range. This compares with the paltry \$5M market cap afforded KOSK—a pure play on the CBD vending market, who in our view, offers a superior product with a revenue roadmap (auto ship) that could result in huge revenue gains in 2022 and beyond. Plus, it trades above its 50 and 200 DMA, traditionally a bullish signal.

A CBD PRIMER

There are few industry segments that are as dynamic or offer as much upside potential as hemp-based CBDs. As has been widely publicized, the Brightfield Group projects the hemp-derived CBD market will reach \$21B by 2024, up from an estimated \$6.5B in 2020. It should be noted that the current state of the CBD segment is in a bit of a state of flux. FDA comments regarding labeling, potential health risks, and the lack of comprehensive studies with ingestible and edible CBD-infused products, have impacted broad sale and distribution by major retailers, and procurement by some CBD buyers.

As a result, a shift toward topical solutions versus edibles and beverages occurred for a brief period. Today, consumers appear convinced that non-topical and topical based, CBD-infused products aid in anxiety, inflammation, immune health, and other conditions.

\$1.9 Billion U.S. Hemp-Based Product Sales by Category in 2022e



Source: *Hemp Business Journal* estimates (\$ mil., consumer sales)

Cannabis plants contain unique compounds known as cannabinoids---these plants have 100 active varieties of cannabinoids, including THC, which is the psychoactive chemical associated with “getting high”. Unlike marijuana, which contains meaningful amounts of THC, hemp may only contain a trace amount of THC (0.3% of chemical), which is a critical differentiator (more on that below.) **Since CBDs are far more abundant in hemp products than marijuana-derived CBDs, hemp-derived CBD is the preferred source for CBDs.**

Interestingly, both marijuana and hemp contain a cannabinoid known as *Cannabidiol*, CBD, which makes up 40% of the plant’s extract. **As confirmed by major organizations such as the NIH and WHO, CBDs have demonstrated to be useful to treat a number of major diseases and serious conditions while simultaneously been found to be safe for use by consumers.**

In early November 2017, the World Health Organization's Expert Committee on Drug Dependence issued the following statement in its report:

"CBD has been demonstrated as an effective treatment of epilepsy in several clinical trials, with one pure CBD product Epidiolex®... There is also evidence that CBD may be a useful treatment for a number of other medical conditions...The range of conditions for which CBD has been assessed is diverse, consistent with its neuroprotective, antiepileptic, hypoxia-ischemia, anxiolytic, antipsychotic, analgesic, anti-inflammatory, anti-asthmatic, and antitumor properties." http://www.who.int/medicines/access/controlled-substances/5.2_CBD.pdf

Diseases for which CBD may have therapeutic benefits, as listed in the report include:

- Alzheimer's
- Parkinson's
- Multiple Sclerosis
- Cancer
- Crohn's
- Pain
- Anxiety/Depression
- Nausea
- Cardiovascular Diseases

The National Institutes of Health (NIH) is a huge supporter of CBD research, with hundreds of projects funded in the past 5-6 years. Up to \$111M annually alone. The NIH website notes that: *"Drugs containing cannabinoids may be helpful in treating certain rare forms of **epilepsy, nausea and vomiting** associated with cancer chemotherapy, and **loss of appetite and weight loss** associated with HIV/AIDS. In addition, some evidence suggests modest benefits of cannabis or cannabinoids for **chronic pain** and **multiple sclerosis** symptoms."*

Against this backdrop, the proliferation of CBD-based products, including CBD-infused beverages has ballooned of late and huge growth is expected in the coming years---aided by the new channel and opportunity created by the vending market, KOSK's primary channel. Hemp Business Journal projects total CBD product sales will leap from \$262 million in 2016 to \$1.95 billion in 2020, a 34% CAGR, and dominated by Hemp-Derived CBD products.

By the Numbers: (courtesy of Hemp Business Journal, Brightfield Group, GSCR)

- The most popular product category is CBD oil/tinctures, but beverages and edibles are the fastest-growing categories—with beverages accounting for 20% of future CBD sales.
- According to Zenith Global, the U.S. CBD-filled drinks market will reach \$1.4 billion by 2023
- Reports commented that 65 million Americans have tried CBDs with well over 60% finding the products to be effective CBD Users range in age from 18-65, with the majority of users in the 18-34 group
- Consumers procure products to treat anxiety, insomnia, and joint pain/inflammation.
- 50% say they are more effective than OTC products.
- 84% of users proclaim they are very or extremely effective.
- Consumers view these offerings as executing their personal health, and fitness needs.

THE KOSK APPROACH

Based in New York, One Step Vending Corp. appears poised to lead the burgeoning CBD self-serve vending market by creating a CBD Vending Machines network spanning multiple states with plans to have deployment of the machines in retail locations, convenience stores, gyms, health stores, casinos, high-end grocery, etc. The initial network deployment is in Colorado and California, from businesses which have contracted with the Company to house the units and engage in a revenue-sharing agreement with KOSK. The branded *CBD Safe* vending machines have been imported and are currently getting customized and prepared for installation, entering the “pre-rollout phase” for the strategic purpose of influencing other major metropolitan areas and establishing a regional and then nationwide presence. Just the Las Vegas market alone is huge for CBD products and our vending machines are the perfect means to facilitate the sale of such products in public and private store places. Management is leveraging the team’s personal relationships in the corporate world as well as via direct sales.

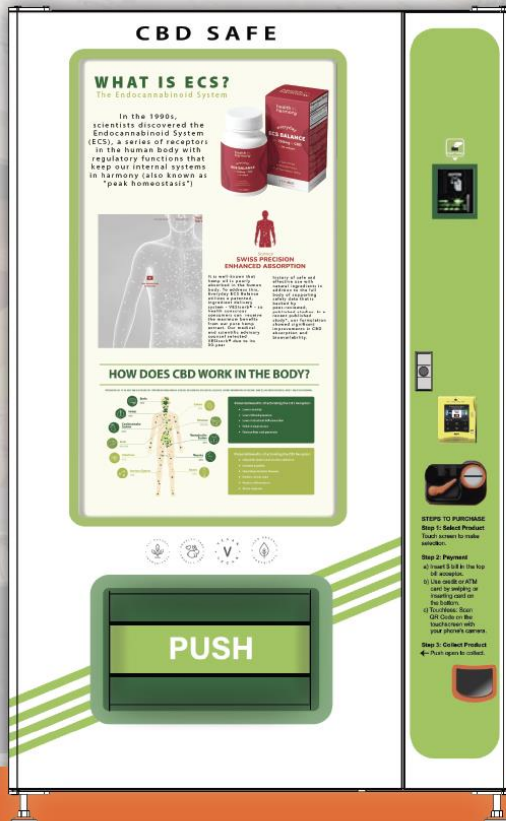
Management currently plans to have the initial ten machines in place in early 2022, with an additional one hundred placed during 2022. As elucidated in further detail in the *Financials* section, we project that KOSK will have 110 units deployed by year-end 2022 (with an average time in the field of 120 days for the one hundred) and a total of 310 machines in the installed base by year-end 2023. We believe this figure could prove to be conservative and could be closer to 500, a 61% rise from our current estimate, given market conditions and demand for CBD products.

Each *CBD Safe* machine has been procured from China and is currently undergoing product and technology customization for the US market. The machine is 46 inches wide, 75 inches high, and 33 inches deep, thereby enabling it to hold between 300-500 products for sale. Each machine has six tray runners, an elevator lift system and multiple belt conveyors.

The unit weighs about 750 pounds when empty and has an attractive vinyl wrap or skin which can also be customized---a huge marketing advantage. This interactive machine has 4 LCD screens including a 49-inch touch screen that provides product as well as info on the CBD market, health benefits, and individual products. In our view, this feature is a game-changer and will be a huge draw for new and existing consumers.

CBD SAFE

Multimedia CBD Vending Machine



BENEFITS OF A CBD VENDING MACHINE FOR YOUR STORE

- CBD vending machines can be highly profitable.
- Customer accessibility and convenience.
- Customized options and selections.
- Saves time and money on employee productivity.
- No store overhead costs or vending maintenance required.
- Reduces Risk - CBD products are safe and secured out of consumers reach.
- Vending machine runs on common 110V-220V, 50/60HZ.



VENDING ADVANTAGES

- Large 49" LCD multimedia display to capture customer attention.
- Optimum visibility for quick product selection.
- Touchscreen display enhances customer experience through informative interaction.
- Customer can learn more about a product without staff assistance.
- CBD products are safe and secured out of consumers reach.
- Payment Options: Cash, Credit Card, Mobile Payment, Apple Pay.

Management has selected best in class products from vendors offering tinctures, topicals, gel caps, beverages, and edibles, ensuring that consumers have access to a popular, diverse product offering. Vendors include Terra Vida, Cannamour Lux Skincare, Tyson Energy and Cannaki CBD beverages. The unit typically carries 8 SKUs per tray which are seven deep along with 100-200 beverages. Pricing ranges from \$3.00 - \$50.00.

The KOSK Model

The KOSK business model is built for success and includes a 20% revenue share with each store with an expected 50% product cost for the Company. In our view, there are a number of advantages with the *CBD Safe* unit relative to other competitors in this nascent segment, including those that will drive deployment of its machines versus others. For example, having a custom skin which can be used for marketing, rolling ads on each machine can promote the Company's installed products as well as the store's information. The interactivity, however, may be the most compelling feature and could serve as an underrated traffic driver to retail establishments as customers can independently drill down to learn more about each product on the attractive 49-inch display.

The Wi-Fi cloud network capability enables KOSK to monitor and manage each refrigerated unit remotely which is a major advantage to the Company.

Interestingly, there is a feature/function which is a tremendous sleeper revenue-wise for the Company that we have not yet factored into our model. However, it could serve to emerge as a major sales driver: **Auto Ship**. Customers can download the *CBD SAFE* App via QR code which synchronizes with a cart feature. Therefore, customers can subscribe through the app to have their products shipped monthly direct to their homes.

The Space

At present there are a handful of companies in the segment. These peers include: Diamond CBD, Passive CBD Vending, American Green (OTC – ERBB), CBD Life Sciences (OTC – CBDL), and Intelligent Vending, among others. (Note: We have covered CBDL in the past two years.) All of the firms contest with the necessary state compliance laws related to CBD product sales, given the lack of a national referendum at this time. Therefore, there may be hurdles or product deployment delays as the companies seek to establish regional or national footprints. Plus, the recent supply chain issues are a problem not just in the procurement of products but the machines themselves, including KOSK which sources its machines from China. Given the time delays and subsequent higher costs, we believe KOSK will elect to utilize a local machine producer and then complete software customization and other functionality prior to deployment.

Looking Ahead

We believe that KOSK's shares could be news or milestone-driven in the near term, with key events such as the completion of the software customization per unit, including the shopping cart and app for future auto ship. Another interesting milestone includes the white labeling of key CBD products which is a differentiator in certain markets and an attractive strategy for both producer and marketer. Finally, the primary milestone event

we believe will begin to attract investors and consumers is the delivery of all ten machines in the early part of 2022.

Based on recent prices, the current valuation for ERBB and CBDL, which participate in this segment but also have other related CBD businesses, is in the \$12-16M+ range. This compares with the paltry \$3M market cap afforded KOSK—who in our view, offers a superior product with a revenue roadmap (auto ship) that could result in huge revenue gains in 2022 and beyond. As a result, we believe a 2.3x price/revenue multiple on our projected \$6.4M revenue for 2023 which equates to about a \$16M market cap, or \$0.04, is achievable, and represents the average of its two publicly traded peers.

ONE STEP VENDING LEADERSHIP

Ronald Minsky, President and Treasurer

Mr. Ronald Minsky is a multi-dimensional professional with valuable experience in law, finance and government. His previous positions include Deputy Attorney General for the State of New Jersey, Vice President and Litigation Counsel for a Fortune 500 company. Mr. Minsky will make the most of his many years of valuable expertise to build on new initiatives, perform due diligence, and evaluate deals for One Step Vending Corp., in addition to helping the company optimize its existing operations.

FINANCIALS SNAPSHOT

As noted above, our business model assumes general rules of thumb in the nascent CBD vending space, including a 20% revenue share with the store/locale hosting the machines. While some of the current 10-order machines could be deployed in 2021, revenue generation would not yet be meaningful. However, in 2022, we believe that meaningful revenue will be generated, particularly later in the year. Moreover, we project hockey stick type revenue growth to occur beginning in 2023.

2022

Our model assumes that the ten machines will be in use for all of 2022 with an average monthly gross revenue per machine to KOSK of around \$3000 (average of three hundred products purchased at an average price of \$10). The total estimate for this set of machines is \$36,000. Plus, we currently forecast that KOSK will deploy an additional minimum one hundred machines, with an average deployment period of 120 days (four months), reflecting the majority of the implementations in the second half of 2022. The timing reflects the expectation that current supply chain issues persist well into 2022. The revenue forecast for the one hundred machines is \$1.2M, bringing the total revenue forecast to \$1.56M.

It should be noted that current supply chain issues may prompt KOSK to procure machines with a similar quality and functionality, making the price per machine to KOSK markedly higher, and pushing out ROI and net profit by a couple of quarters.

Using an industry standard cost of goods metric, our model assumes KOSK will generate a 30% gross profit margin but not operate profitably given the operating expense models associated with early stage, high growth

companies seeking to quickly build and expand its footprint in key markets such as Colorado and California. Plus, there are variable costs associated with machine servicing, and other expenses. It should be noted that we believe a number of variables to our model exist, with upside potential outweighing risks to our financial forecasts. For example, we deem it that the average monthly number of products sold (300) and the average purchase price per customer (not per product) could exceed the \$10 as times goes on and consumers actively seek out multiple product categories offered in the machines. Moreover, the convenience and availability could emerge as key, consistent, procurement decisions.

2023

For the 2023 calendar year, KOSK benefits from a full year of deployment for its machines with the expectation of minimal slippage at this stage. As a result, we project the 110-machine carryover from 2022 could generate \$3.96M using the same metrics as above. Much like in 2022, we project a minimum of two hundred new machines will be deployed for an average period of 120 days with similar pricing and purchase metrics and would account for \$2.4M in revenue generated from 310 machines. Given market demand, we believe the ultimate figure could be as high as five hundred in the installed base, a 61% rise from our initial estimate. Still, to be conservative our current total revenue forecast for 2023 is \$6.36M.

Looking ahead, we are confident that in 2023, product pricing and the number of products purchased by consumers would exceed the \$10/month figure. As a result, our top-line figures could prove to be conservative and KOSK could post 15-20% operating margins. In the big picture, sales success is in the cards for KOSK. The determining factor in measuring the success will be built on the timing and magnitude or number of the machines deployed. Thus, we believe that KOSK could generate a 15-20% operating margin.

As noted above, two sleepers for the Company from the revenue perspective includes advertising on the machines as well as the capability to offer customers auto ship of their favorite CBD Safe products. We have not yet factored in any revenue from these sources. While advertising revenue would be an incremental add to KOSK, auto ship could emerge as a game-changer for the Company and the space.

RISK FACTORS

In our view, there are two categories of non-capital markets risk: regulatory and business. The federal risk Company's biggest risk is related to the lack of streamlined approval for CBD products. The clearance of CBD product sales (topical and non-topical) is essentially state by state, despite comment by the FDA regarding non-topicals. Still, while this is a natural course of business in the segment, we do not view it as considerable risk. A real business risk relates to the procurement (at reasonable prices) of domestic vending machines capable of upgrades and customization. Continuing on the China route may not be the best choice given delays and substantial increases in container prices. Given that we believe KOSK will elect to source domestically going forward, we view this risk as one of potential delays in 2022, but not materially so. The primary risk, in our view, is execution; the timing and order of magnitude of machine deployment and demand leading to product sales in this market. A lesser issue is the success of the auto ship feature, which, while offering huge potential, is not factored into our financial model or price target.

The aforementioned risks could come from larger competitors, existing firms, or new entrants. Still, these future concerns are consistent with firms of KOSK's size and standing. Moreover, we believe that KOSK's seasoned management team is prepared to overcome these hurdles and generate significant top-line growth and may also create a large following via social media management implementations.

Volatility and liquidity are typical concerns for microcap stocks that trade on the over the counter (OTC) stock market. An overriding financial benefit as a public company is the favorable access to and the availability of capital to fund product launches, consistent marketing campaigns and other initiatives. Since the proceeds of any future funding would be used in large part to advance major business development and sales, we believe that any dilutive effect from such a funding could be offset by related increases in market value.

VALUATION AND CONCLUSION

KOSK is a pure play CBD vending company poised to lead its segment of the \$21B overall CBD products market. The Company is set to deploy its initial set of machines in two of the fastest-growing, in-demand markets for CBD products, in early 2022.

Each unit will offer best in class tinctures, edibles (such as gummies) beverages, topicals, etc. The refrigerated CBD Safe machine can hold hundreds of products and hundreds of SKUs. KOSK's machine has a significant advantage over other players in this nascent industry. The Company's vending machines offer a huge interactive display which enables customers to drill down info on all the products offered.

In addition to offering products at malls, gyms, health establishments, casinos, high-end grocery stores, etc., KOSK has a sleeper feature that could substantially drive customer value and its market cap. KOSK plans to offer an auto ship feature so customers can have their favorite vending product shipped directly to them.

Our model, which excludes contribution from auto ship business, assumes revenue will jump from \$1.56M in 2022 to \$6.36M in 2023. Upside to our forecast exists based on pricing, demand, and the auto ship potential. In our view, the stock trades at a low valuation compared to its peers yet it trades above its 50 and 200 DMA, traditionally a bullish signal.

RECENT TRADING HISTORY FOR KOSK

(Source: www.StockCharts.com)





SENIOR ANALYST: ROBERT GOLDMAN

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 25 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

ANALYST CERTIFICATION

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

DISCLAIMER

This *Opportunity Research* report was prepared for informational purposes only.

Goldman Small Cap Research, (a division of Two Triangle Consulting Group, LLC) produces research via two formats: *Goldman Select Research* and *Goldman Opportunity Research*. The *Select* format reflects the Firm's internally generated stock ideas along with economic and stock market outlooks. *Opportunity Research* reports, updates and Microcap Hot Topics articles reflect sponsored (paid) research but can also include non-sponsored micro-cap research ideas that typically carry greater risks than those stocks covered in the *Select Research* category. It is important to note that while we may track performance separately, we utilize many of the same coverage criteria in determining coverage of all stocks in both research formats. Research reports on profiled stocks in the *Opportunity Research* format typically have a higher risk profile and may offer greater upside. *Goldman Small Cap Research* was compensated by the Company in the amount of \$4000 for research report production. In 2020, GSCR was compensated \$4000 by CBD Life Science, Inc. (OTC – CBDL) for a report on CBDL. All information contained in this report was provided by the Company via filings, press releases or its website, or through our own due diligence. Our analysts are responsible only to the public, and are paid in advance to eliminate pecuniary interests, retain editorial control, and ensure independence. Analysts are compensated on a per report basis and not on the basis of his/her recommendations.

Goldman Small Cap Research is not affiliated in any way with Goldman Sachs & Co.

Separate from the factual content of our articles about the Company, we may from time to time include our own opinions about the Company, its business, markets and opportunities. Any opinions we may offer about the Company are solely our own and are made in reliance upon our rights under the First Amendment to the U.S. Constitution, and are provided solely for the general opinionated discussion of our readers. Our opinions should not be considered to be complete, precise, accurate, or current investment advice. Such information and the opinions expressed are subject to change without notice.

The information used and statements of fact made have been obtained from sources considered reliable but we neither guarantee nor represent the completeness or accuracy. *Goldman Small Cap Research* did not make an independent investigation or inquiry as to the accuracy of any information provided by the Company, or other firms. *Goldman Small Cap Research* relied solely upon information provided by the Company through its filings, press releases, presentations, and through its own internal due diligence for accuracy and

completeness. Such information and the opinions expressed are subject to change without notice. A *Goldman Small Cap Research* report or note is not intended as an offering, recommendation, or a solicitation of an offer to buy or sell the securities mentioned or discussed. This report does not take into account the investment objectives, financial situation, or particular needs of any particular person. This report does not provide all information material to an investor's decision about whether or not to make any investment. Any discussion of risks in this presentation is not a disclosure of all risks or a complete discussion of the risks mentioned. Neither *Goldman Small Cap Research*, nor its parent, is registered as a securities broker-dealer or an investment adviser with FINRA, the U.S. Securities and Exchange Commission or with any state securities regulatory authority.

ALL INFORMATION IN THIS REPORT IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, *TWO TRIANGLE CONSULTING GROUP, LLC* WILL NOT BE LIABLE FOR THE QUALITY, ACCURACY, COMPLETENESS, RELIABILITY OR TIMELINESS OF THIS INFORMATION, OR FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT MAY ARISE OUT OF THE USE OF THIS INFORMATION BY YOU OR ANYONE ELSE (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF OPPORTUNITIES, TRADING LOSSES, AND DAMAGES THAT MAY RESULT FROM ANY INACCURACY OR INCOMPLETENESS OF THIS INFORMATION). TO THE FULLEST EXTENT PERMITTED BY LAW, *TWO TRIANGLE CONSULTING GROUP, LLC* WILL NOT BE LIABLE TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO THIS PRESENTATION OF INFORMATION.

For more information, visit our Disclaimer: www.goldmanresearch.com