



# GHOST FLOWER

## 2020 Report

### *Dear investors,*

2020 was an excellent year for Ghost Flower with YR/YR revenue growth of over 300%. We completed our Wefunder equity raise in October with \$304,000 being raised. We are both humbled and pleased that 333 new and existing investors decided to invest in Ghost Flower. These funds allowed us to fund our increase digital marketing efforts, build our Fall/Winter collection, and provide some much-needed working capital entering 2021. Our new Onesie collection and Luxury lines were mostly sold out during the Holiday season.

At our core, we are a health and wellness company with a mission to help women achieve their personal health related goals, both physical and mental. Our activewear is specifically designed for wellness, as the energy channels and acupressure points are stitched and woven into the designs that serves as a self-care guide. Our Co-Founders who are experts in yoga, resistive stretching, acupuncture/acupressure, dance, and Pilates, also offer online classes showing how to get the most out of their Ghost Flower activewear. During the height of Covid, we found that many of our customers were becoming much more interested in the health and wellness aspects of our activewear including reading our blogs and signing up for our popular online classes lead by Co-Founder Bonnie Crotzer. Bonnie was recently featured in Vanity Fair for her class on flossing your fascia for better health and movement.

We have learned It takes time, talent, patience and capital to build a national brand. In 2020 we significantly ramped up our digital marketing effort which became a primary driver for our 300% revenue growth. We have doubled our customer base over the last year from 860 to 1600, with the majority in the United States, but we also had 70 new international customers, and as far away as New Zealand. We are also pleased to have 1200 email subscribers with 75% of them already existing customers. Our customers are delighted with our products. We have mostly 5 Star reviews and a low of 10% returned, compared to an online industry average of 20-30%.

Having sufficient capital is a big challenge for early-stage growth companies like Ghost Flower as digital marketing is expensive to optimize and managing inventory efficiently is difficult due to relatively small volumes. Anticipating what your customers wants, how much to manufacture and what sizes is part of the learning experience. After gathering Ghost Flower customer purchasing data over three major collections, we now have a much better understanding of what will sell, the number of units we need to stock, and the distribution of sizes. We also are getting a much better feel for the preferences of our customers as to styles and colors. That knowledge, combined with a plan to have 3-4 inventory builds a year verses 2, should significantly increase sell-through rates, increase inventory turns, and reduce the amount of inventory that ends up being sold at deep discounts. We also better understand our competitive advantage and must stay focused as we don't have the capital or bandwidth to compete directly against the larger firms. Our strategy is to carve out a high value niche by focusing on producing the highest quality activewear that include our unique energy channels and acupressure points sewn in and supplemented with online classes and instructional videos to build a loyal customer base.

We also understand that a business is not sustainable unless it eventually hits breakeven cash and then moves to growing positive earnings year after year. In the online fashion Industry this takes time for a new national brand in a very competitive industry. Most of the capital goes to marketing and inventory builds plus needed staff, either contracted or permanent to run the business. Our modeling suggests we can get to breakeven cash at \$750K revenues/year and start generating a profit at \$1.5 million. That is our goal, and we are targeting breakeven cash in 2022 and profitability in 2023. There are no guarantees that we will accomplish our goal since there are many variables in our business assumptions, and many out of our control.

Even though we have started out as a 100% online business we believe it's important to also have physical stores where our customers can see, touch, and try on our activewear. Most successful

activewear brands do have a physical presence as well. We are envisioning a very different retail experience where we want to leverage our roots as a health and wellness company. We plan to build a flagship store not only where we sell our Ghost Flower products, but also a place where our customers can come to learn, relax, refresh and partake in our health and wellness classes and services that will be rooted in the integration of eastern and western medicine. We are in the planning stages for this endeavor and will likely be an important part of our next capital raise.

In summary 2020 was an exciting and solid growth year for Ghost Flower and we could not have accomplished what we did without the financial support of our 333 new shareholders. We look forward to another growth year and assuming we have another Wefunder raise this coming summer, we hope our current investors will participate again to help us build towards our future.

### **We need your help!**

First and foremost, the best customer and the lowest acquisition cost comes from word-of-mouth. We would appreciate having our investors help us recruit new customers for Ghost Flower including friends, families, and business contacts.

We would also like to hear from our investors who have purchased Ghost Flower on what they like, and how we can improve, and ideas for new products.

We are also contemplating another fund raise this summer and we hope our current investors will once again participate in the coming round and help us recruit other investors as well.

*Sincerely,*

*Susan Peebler*

Founder, CEO

*Robert Peebler*

Co-Founder, Executive Chairman

*Bonnie Crotzer*

Co-Founder, Business Development Manager, NY

*Kaita Mrazek*

Co-Founder, Advisor

## **Our Mission**

Our plan is to be a multi-million dollar, profitable company that sells fashionable activewear and related products and services that serve our mission. Phase II, planned for years 4-5, will be the launch of our first experiential Ghost Flower Wellness Center, which will include movement classes, oxygenated water therapy, acupressure and energy channel massage, a retail space for our activewear products, as well as a juice and food bar.

[See our full profile](#)



## **How did we do this year?**

*Resort Card*

A-



### The Good

We had year over year revenue growth of 300% driven by successful digital marketing including over 10,000 Instagram followers.

We made our WeFunder crowd funding goal of \$300K.

A successful launch of fall/winter collection with many hot items selling out within 2-3 months.



### The Bad

Covid seriously impacted our manufacturing adding cost and delays to our fall/winter collection.

Service issues in our LA fulfillment center caused us to make an expensive inventory transfer to a center in Texas.

Inventory turns are still much too high as we refine our sizing and item selections for new builds.

## 2020 At a Glance

January 1 to December 31



**\$217,903** +210%  
Revenue



**-\$313,626**  
Net Loss



**\$0** [100%]  
Short Term Debt



**\$331,131**  
Raised in 2020



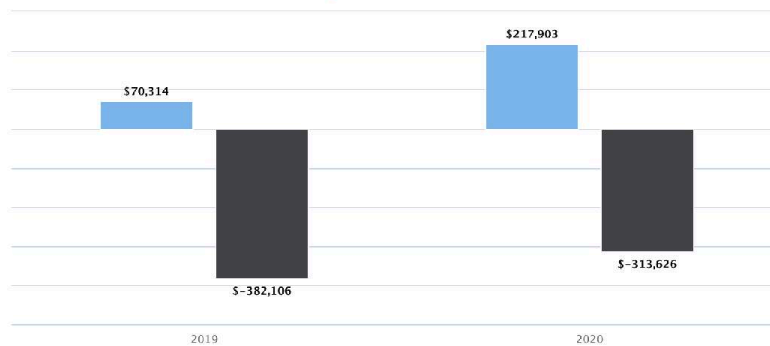
**\$51,211**  
Cash on Hand  
As of 12/31/20

INCOME

BALANCE

NARRATIVE

● Revenues ● Profit



Net Margin: -144%   Gross Margin: 38%   Return on Assets: -89%   Earnings per Share: -\$519.25

Revenue per Employee: \$108,952   Cash to Assets: 14%   Revenue to Receivables: ~   Debt Ratio: 0%

2020\_Ghost\_Flower\_Financial\_3\_Statement.pdf

SIGNED\_RESTATED\_Financial\_Statements\_Ghost\_Flower\_Inc\_2019.pdf

We ♥ Our  
334 Investors

## 324 Investors

### Thank You For Believing In Us

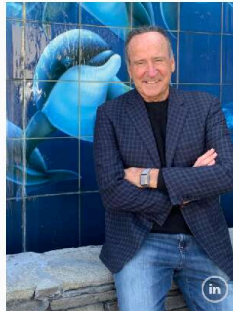
Robert Peebler	Tom Harvey	Patrick Mellor	Paul J Chambers	Kim Oppenheim	Daniel Gonzalez	John Brown
Genevieve Bergman	Dennis Ramos	Kelly Ray	Stephen Peyton	Nicola Spieser	Kenneth Stricklen	Toni Sutherland
Alan Rudo	Alfredo Gomez	Georgios Papadimitriou	Karen Kelley	Leon Holliday	Roger Nurse	Tony Capobianco
James Murphy	Jeremy Edward Skywolf ...	Alicia McCalla	Jasper Gallo	Scott Underwood	Michael Vischi	Rowell Marcos
Kendall Huntsman-Schmall	Howard Harding	Johnson Hor	Linda Fraser	Kirit K Patel	Richard McIntire	Frank Palazzolo
Wouter Van Tiel	Longkill Group LLC	Bob Oppermann	Robert Wright	Suman Purumandla	Hatem Rowailhy	Sushanto Calatur
Allan USARAGA	John Wayne S. III	Christopher J Reed	Wayne Warner	Christina Truax	Keely Jackson	Myron Stout
Michael S Anderson	Sean Stobart	David Thoman	Murray Roth	Dave Moffat	Michael Krieger	Eric Lori Johnston
Patrick Neeson	Tom Mastoris	Daniel DeWalt	Catherine Pelletier Herna...	Benjamin Paine	Dawn Chapman	Tabatha Atou-Jakobs
James Gambucci	Megan Moran	Deborah Oettinger	Chelsey Shockley	Kerry Goldstein	Joan Rodriguez	Joel Hunter Ward
Claire Cocciole	Paul Regalia	Jillian Alahaydolan	Glenn Hauer	Caroline Kinsolving	Kim Morris	David Rawlings
Gary Jones	Charlene Myers	Chris Schilling	Frank Prieffer	Mike Peebler	David Lanfair	Vanessa Manohar
David Moore	Cahit Cenk Celik	Mevin Daniels	Brendan Knott	Jeanne Sejonas	David M Crenshaw	Tiago Nakamura
Todd Lewandowski	Paula Smith	Jon Pendergrass	Kenneth Gilmore	Ronald Sylvester Allen	Stacey Rie Gibbs	Sandrine Gadal
Elin Johnson Tietz	Richard A Harriman	Chris Smith	Rick Orzall	W. TAYLOR	Samuel E Etto	John Arthur Anderson III
James Morgart	Glen VanderKloot	Welton Egerton	Gregory F Bower	Kevin Anthony	Richard Cristancho	Philip A Cristancho
Matt Weiss	Michael L Brown Sr	James Molnar	Andrew Powell	Raymond Hayes	Jeffrey N. Vargas	Earl Greene
Vadim Vagapov	Sean Porter	Wilkie Lai	Christopher Lamont	Dr. Pette I. Maduka-Okafor	Joyce Dinyar	Steven James Rogers
Eric Raub	Bryan Peebler	Nicole Braley	Andrew Webster	David Wong	Paslo Lauretti	Maggie Montaigne
Arthur Huffman	Jeffrey B Wright	Blair Ferguson	Malek BOHSALI	Susan Peebler	Jill Prabuacki	Mickey Altman
Sulexan Chery	Amandeep Parhar	Susan Reilly	James M Lapeyre Jr	Michael Fainberg	Rob Horrocks	Danese D. Van Dyne
Aaron Sugarman	Edward Burns	Elizabeth Mastoris	William and Leslie Mastoris	John M Hopper	Adam Hansen	Richelle Rice
Medina Sarah Torabally	Sagar Rastte	Frank Burgess	Yunjio Bi	Nataly De La Pena	Brad Chisum	Saskala Vemulapalli
Ramesh Manian	Christopher Niemann	Orlante Siankam	Eric Heacock	Doasha Hamilton	Chris Gorolaski	Leonard Anemer
Puneet Gupta	Jennifer Anne LeBourveau	Eric Reiff	Jacobus Dirk Spreewen...	Apurva Shah	Gerald S Robb Jr	Jhari Baskota
Joseph Wold	Alexandre Miranda	Bill Corry	Tiki Nelson	Lawrence Chong	Lachezar Tolev	Ryan Stockmal
Cody Clark	Peter Costello	Emmett ATKINS	Paul Giamos	Barri Lynn Spaulding	David Ellegant	Jorge Partida Jr
Stephen F. Branham	Kathleen Bell	Juan Sanchez	Philip Ward	David Antoine	Vinay S	Danald Price
Rhonda Gail Barnes	James Greenleaf	Wen Chun Greene	Wei Chuan Greene	Paige Harwell	Joe Hisselberger	Jesse Medina
Lidia Cytkin	Mary Timmons	Steve Kwak	Paul Kapsar	Patrick Watkins	Emilie Brown	Kuan Thye LIM
Elise Cossart-Daly	Linda Choi	Lynette Johnson	Lorene Evans	Amber Drake	Mamoni Mitchell	CLARKE THORELL
Jolene Richison	Michael Hayes	James Hollis	Adojoke Paul	Lauren Cheney	Lenora Ashford	Lawrence Copeland III
Michael E PARKER	William R Jones	Karthik Thenkondar	Robin Silveira	Brad Dancer	Serena Harriman	Cynthia Hankins
Gordian Boreilho	David Rucci	Jon Van Vleck	Gary Caplan	Robert H Fowler Zjr	Joseph Jeffrey	Devonda Smith
Keith Hanson	Judith Snyder	Eric Schreiber	Miguel A Flores	Christina Provine	Ryan Stone	Niki Patricia
Michelle Houston	Teresa Pasricha	Luis Elieir Rodriguez	Carol Cahill	Paulina McGrath	Lokesh Wuluvarana	Erika SPinnickie
Anallia Grossman	Fikadu Sirur	Dorothy Bautista Silvestre	Bader Zohdi	Preston Boxyue	Santha Rai	Brian Joseph Lehr
Gary A Reneau	Janice Delvacchio Reneau	Samuel Cruz	Nirmal Patel	Diane K Kuecken	William Johnson, IV	Robert Lee McCullah
Heather Wals	Azucono Gee	Dovinder Sharma	Lisa Averyhart	Felix Heinrich	David Torracca	Janar Shah
Eric C Helberg	Mark Tremmel	Martin Nwosu	Joanne Florek	Sandra Wong	Joel Newman	Larsty Woods
Dan TRAN	Sheila Waterman	Christopher Paul	Rebecca Urciuolo	Aaron Wayne Carpenter	Gina Perodi De Reid	Amy Swinford
Katie Wang	Mo Taherzadeh	Pradeep Anand	Lynn Luehwesmann	Robert Maonera	Christopher Bari	Charles Bowie
Armstrong Mynama	Amer Dastgir	Talal Abosalla	Elijah Greene	Jimmy Roger Leake	Paul McCulloch	Tammy Tibbles
Lena Capapas	Christina Paericha	Christina Paericha	Simon Grant	Elena Haskin	Kyle DeWoody	Robyn Squires
Nabor Rodriguez	Carolyn Rhone	Robert Holder	Dylan Lueith	Laurelie Holley	Kona Raub	Danella Stanford
Alec Amaya	Rhonda Cho					Vijay Konduru

## Thank You!

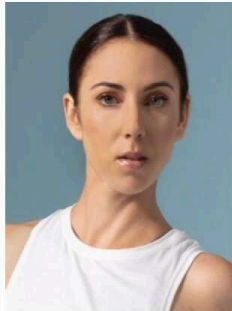
### From the Ghost Flower Team



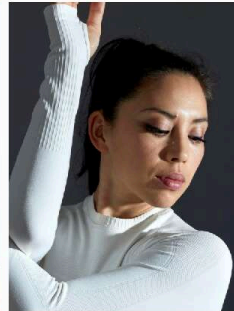
**Susan Peebler**  
Founder, CEO



**Robert Peebler**  
Co-Founder, Executive  
Chairman



**Bonnie Crotzer**  
Co-Founder, Business  
Development Manager, NY



**Kaita Mrazek**  
Co-Founder, Advisor



**Dr. Daniel Keown**  
**MCEM, MBChB, Lic. Ac.**  
Chief Scientist

*A practicing doctor, emergency physician, and acupuncturist. He is a best selling author, bridging the divide between Western and Eastern medicine with his two books, "The Spark in the Machine", and "The Uncharted Body".*



**Tali Rechnitz**  
Production Manager  
*Manages production of clothing, trim and packaging manufacturers as well as assisting in inventory management and other operational support roles.*



**Ulises Mancia**  
Pattern and Fit Specialist  
*Master problem solver and pattern maker; created all of Ghost Flower's pattern blocks.*



**Miranda Luebke**  
Digital Marketing Manager  
*An accomplished Digital Marketing expert that specializes in fashion and other consumer products.*



**Jessie Donahue**

Brand Strategist

*Helping position Ghost Flower in the luxury health & wellness activewear space.*

**Brad Saranecki**

Chief Marketing Officer

*Redesigned the Ghost Flower Website to elevate the brand plus coordinating all marketing functions across the team.*