

# CORNBREAD HEMP™

## 2020 Report

### Dear investors,

Without our family of Wefunder investors, our growth in 2021 would not have been possible. We remain incredibly grateful for the trust and belief that you showed in us during such a trying time as the COVID pandemic. With your investments, we have increased our USDA organic product offering from 2 products at the beginning of 2020 to 10 products as of April 2021, with the launch of our organic CBD gummies. And our revenue continues to climb, month over month. Because of our Wefunder investors, we are in a good position to continue acquire customers and gain market share. Thank you!

#### We need your help!

On the PR front, we always need warm introduction to editors, reporters, podcast hosts, and TV talk show bookers. For our retail expansion, now that the COVID restrictions are lifting, we could use introductions to wellness buyers at health food stores and pharmacies. For online sales, we need introductions to contacts within Facebook and Google to jump-start our ad-buying program.

Sincerely,  
**Eric Zipperle**  
Co-founder & CEO

**Jim Higdon**  
Co-founder & COO

### Our Mission

Cornbread Hemp hopes to be the go-to CBD brand for every age group from Boomers to Millennials, and their pets. Our focus is to build a brand that includes audiences across all ages and genders. Our number one goal within this focus is to obtain our first major retail account (50+ stores) that will provide the same standard of customer service we have set thus far. In five years, we see Cornbread Hemp as a nationally recognized brand in major retailers like Fresh Market, Whole Foods, and more.

See our full profile



### How did we do this year?

#### Report Card



#### The Good

|                         |
|-------------------------|
| Q4 holiday sales season |
| Crowdfund on Wefunder   |
| Product formulation R&D |

#### The Bad

|                               |
|-------------------------------|
| Retail sales                  |
| COVID-related hurdles         |
| Inability to run Facebook ads |

### 2020 At a Glance

January 1 to December 31



**\$430,334** +138% Revenue



**-\$5,059** Net Loss



**\$55,090** +166% Short Term Debt



**\$392,871** Raised in 2020



**\$255,659** Cash on Hand As of 03/31/21

INCOME

BALANCE

NARRATIVE

### Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this annual report. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

#### Overview

Cornbread Hemp provides Kentucky-grown USDA certified organic CBD products and other full spectrum CBD products that are shipped directly to customers from our website as well as distributed to top-tier health food stores, pharmacies, and co-ops across America.

Cornbread Hemp hopes to become the go-to CBD brand for every age group from Boomers to Millennials. Our focus is to build a brand that includes audiences across all major ages and genders. Our number one goal within this focus is to obtain our first major retail account that will provide the same standard of customer service we have set thus far. In five years, we see Cornbread Hemp as a nationally recognized brand in major retailers, pending FDA regulations.

#### Milestones

Cornbread CBD, PBC was incorporated in the State of Kentucky in January 2019.

Since then, we have:

- Become Kentucky's first provider of USDA organic cannabidiol (CBD) products.
- Established ourselves nationally online with affiliate placements in Healthline, Rolling Stone, Thrillist, Health.com, New York Magazine, and other major publications.
- Sold in over 100 retail stores in 10 states.
- Products USDA certified organic
- In addition to our products being certified organic, our brand has received USDA organic certification in Q1 2021 from Ecocert, a third-party certifier.

#### Historical Results of Operations

Our company was organized in January 2019 and has limited operations upon which prospective investors may base an evaluation of its performance.

- **Revenues & Gross Margin.** For the period ended December 31, 2020, the Company had revenues of \$430,334.20 compared to the year ended December 31, 2019, when the Company had revenues of \$180,734. Our gross margin was 57.96% in fiscal year 2020, compared to 48.01% in 2019.
- **Assets.** As of December 31, 2020, the Company had total assets of \$545,574.01, including \$374,480.71 in cash. As of December 31, 2019, the Company had \$120,428 in total assets, including \$21,122 in cash.
- **Net Loss.** The Company has had net losses of \$5,059.14 and net losses of \$374 for the fiscal years ended December 31, 2020 and December 31, 2019, respectively.
- **Liabilities.** The Company's liabilities totaled \$537,508.19 for the fiscal year ended December 31, 2020 and \$20,702 for the fiscal year ended December 31, 2019.

#### Related Party Transactions

Refer to Question 26 of this Form C for disclosure of all related party transactions.

#### Liquidity & Capital Resources

Before our Wefunder campaign, the company had been financed with \$100,000 in equity.

After the conclusion of this annual report, we raised nearly \$400,000 to provide us with a projected runway of 12 months before we need to raise further capital.

We plan to use the proceeds as set forth in Form C under "Use of Funds". We don't have any other sources of capital in the immediate future.

We will likely require additional financing in excess of the proceeds from the Offering in order to perform operations over the lifetime of the Company. We plan to raise capital in 2022. Except as otherwise described in this Form C, we do not have additional sources of capital other than the proceeds from the offering. Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to adequately project whether the proceeds of this annual report will be sufficient to enable us to implement our strategy. This complexity and uncertainty will be increased if less than the maximum amount of securities offered in this offering is sold. The Company intends to raise additional capital in the future from investors. Although capital may be available for early-stage companies, there is no guarantee that the Company will receive any investments from investors.

#### Runway & Short-Term Expenses

Cornbread CBD, PBC cash in hand is \$255,659, as of March 2021. Over the last three months, revenues have averaged \$66,000/month, cost of goods sold has averaged \$22,000/month, and operational expenses have averaged \$50,000/month, for an average burn rate of \$6,000 per month. Our intent is to be profitable in 3 months.

Since the beginning of 2021, we have grown month over month. March 2021 was our best month ever, beating the holiday sales season of November 2020.

For the next two quarters, we expect our revenues to grow along with our expenses, as we continue to deploy resources to acquire customers.

|                     |                   |                                 |                             |                                 |
|---------------------|-------------------|---------------------------------|-----------------------------|---------------------------------|
| Net Margin: -1%     | Gross Margin: 58% | Return on Assets: -1%           | Earnings per Share: -\$7.03 | Revenue per Employee: \$143,445 |
| Cash to Assets: 69% |                   | Revenue to Receivables: 10,674% |                             | Debt Ratio: 99%                 |

|   |  |  |
|---|--|--|
| <a href="#">CBH_Financials_2020_Final.pdf</a> | <a href="#">Cornbread_Hemp_2020_financials.pdf</a> | <a href="#">Cornbread_Revieed_Financials.pdf</a> |
| <a href="#">CBH_Financials_Final.pdf</a>      |  |  |

## We ♥ Our 856 Investors

### Thank You For Believing In Us

- |                             |                         |                       |                        |                          |                            |                           |
|-----------------------------|-------------------------|-----------------------|------------------------|--------------------------|----------------------------|---------------------------|
| Rendler Capital Investme... | Craig Brindle           | David Macario         | Johan C Nowack         | Clay Woods               | Steve Bozjens              | Edar Uribe                |
| Craig Brindle               | Taxes Ward              | Craig Vonn Lahn       | John C Nowack          | Clay Woods               | Nancy Ramos                | Linda Jordan              |
| Adwait Kulkarni             | Douglas Cole Fenske     | Jon Scott FORTINO     | Anu Apta               | Alan Jacobson            | Wardell Carter             | Lyle Notica               |
| Charles Friedman            | Jack Rovers             | Victor Modesto TORRES | Travis Venter          | Carl Blankenship         | Candace Hounger            | Anthony Mills             |
| Daniel Herrera              | Wesley Wiersom          | Daniel Carr           | Maggie Dayton          | Shaundale Reed           | Michael Saincluis          | Michael Everson           |
| Elizabeth Lumbattis Cha...  | Bren Walton             | Joseph Ballinger      | Sara Makin             | Christopher J Rena       | Tawayna Dobbie             | Scott Hinkle              |
| Shantel Johnson             | Andrew Truschinski      | Bonnie Forsythe       | James Britt            | Leon Davis               | Jose Acosta                | Craig Mercier             |
| Ronald Cunningham           | Thomas Trickett         | Javai Whitehurst      | Jean Jadotte           | Sherry Cochran           | Tré Baker                  | Melanie Yakemovic         |
| Pedro E Cadoma              | Jared Bidula            | Van Holt              | A Vaughn Williams      | Sherrynn Philogene       | Mark Rodger Dilico         | Chris Verhey              |
| Jesus Santiago              | Erika Huerta-Gallington | Lancel P. Hann        | Rieker De Waal Dawit   | Josue Escala             | Jacob E Goltz              | Michael Rains             |
| Salvador Briggman           | Lee Jarvis              | Charles Ellis         | Lara Richards          | Adrian Garcia            | Angela Perry               | Tom Harvey                |
| Faris Alami                 | Jerome Zhu              | Takara Nicholson      | Malik Hyton            | Ricky Bate               | David Gilis                | Lyndon Winn Carter        |
| Douglas Andrew Roehrig      | Tony Wilkins            | Daron Kitterman       | Patrick Henshaw        | Rae Lynn Nettles         | Alli Fudali                | Vincent Scott             |
| Jasper Gallo                | Leonardo Pagan          | Douglas Cole Fenske   | Amox R Henry III       | Christina Truax          | Raquil Thomas              | Dan Harrison              |
| Hakem Rowahly               | Roman Ocasio            | Johnson Hol           | Shymac Edwards         | Wendy D Jeffers          | Adrin Navarro              | Luka Williams             |
| Lambo Astwood               | Tony Gullory            | Peter Dardak          | Jean Aristide          | Flax Glor                | Gregory Turquet            | La Florida Mitchell       |
| Neil Edward Lummis          | Michael S Anderson      | Kevin Koo Sang Kiatt  | Zachary Hansen         | Michael Phillips         | Makel Badawi               | Frank Koster              |
| William N Brown             | Dillon Davanzo Joseph   | Emmanuel Okonkai      | Jack Nexeman           | Mary Helen Ayres         | Jordan Leach               | Adrian David Williams     |
| Ethan Shuckmayer            | Mandre Zachary          | Janet Ra'Shadd        | Sean Stobart           | Antonio Galvan           | Maggie Payton              | Tommy Acree               |
| Daron Kitterman             | Craig Mercier           | Terrance Montgomery   | Paul R Grace           | Pam Highton Doyle        | Anthony Kulzer             | Beulah Smith              |
| Jeffrey TURNEIS             | William Dillon          | Lesia Sellbert        | Everette SPIGNER       | Christal Rayford         | Christopher Noebels        | Kingslake                 |
| Nancy O Byrne               | Suzannah Ibrahim        | Matthew J Vinez       | Jerry D. Boyette       | Andrew Swartz            | Louie Lopez                | Raymond Brown             |
| Joseph HIRSTY               | Zachary Weiner          | Chad Roper            | Joey Danekiewicz       | Greg Breznalcer          | David Paszodyn             | Melissa Locke             |
| Debra Bissett               | Memor Enoch Emmanuel... | Joey Danekiewicz      | Joy Danekiewicz        | Jonathan Bates           | Ben Sykes                  | Glenn Sullivan            |
| Shawn Eric Walker           | Gwendolyn Jones         | Joan Rodriguez        | Jennifer Laird-Jackson | Aaron Portie             | Villiamia Tuinukutolu      | Jimmy Woods               |
| Frank Lopez                 | Marika VanderSmith      | Phillip E Bolin       | William Fleming        | Heidi Goltberg           | Necoma Ugwuadu             | Brett Chapman             |
| Jamie Lee Watkins           | Jerry Walker            | Ross Willard          | Ta Tanisha Miller      | Neville George           | Mary Harrington            | Shaun Donovan             |
| Tracy Radtzi                | Princess Pretty Ndink   | Bill Bauk             | Randy R Davis          | Tasia McCoy              | Michele Fischer            | Dawn Over                 |
| Dr Blackmon                 | Gordon Lemons           | Siena Rachmansky      | Zach Thompson          | Nathaniel L Moulton      | Francis Gioliani Kamaka... | Kevin Flanagan            |
| Nicole Canina               | Frank Neundorff         | Hadiyn Hoorman        | James David Silvio     | Jose Jojica Lemus        | Kristopher Eichman         | Brittany Kastrali         |
| Phillip Stoddard            | Omur A. Haler           | Michael Krieger       | Casey Billups          | Sunel Kumar Parvathar... | John Jay Newman            | Theresa Hayward-Callow... |
| Neil Swankarran             | Nari Muhammad           | Michael Krieger       | Noelle Lynne           | Ben Paul                 | Keith Guerin               | Adam Gousse               |
| Bob Oliver                  | John E Meason           | Vincent Piazoli       | Justin Jarman          | Dean McKinley            | Joseph E. Naustus Sr.      | Yannis Bassiss            |
| Leoni Young                 | Frank Prieffler         | Amber Jackson         | Dean McKinley          | Alexander Zografi        | Anthony A Cook             | Eduard Branov             |
| Cregg Huey                  | Abel Minto              | Michael Bates         | Alexander Zografi      | Corey Johnson            | Edwin J. Hoang             | Shamin Anwar              |
| Ken Manni                   | Kylin Robinson          | Richard Herron        | Dylan Curtis           | James Dillman            | Corbett Knoeber            | John Gray Brittain        |
| Robert Costic               | Michael Asaro           | Donald R Fenyotag     | Casey Billups          | James Damian             | John H. Hoang              | John Lauritzen            |
| Kevin N Green               | Chris Baderman          | David Widrick         | Mark Zieringer         | Brian Gentileman         | Charlene Sealy             | Donnie Armstrong          |
| Nicolas Radin               | John E Meason           | Fabs Chan             | J.R. Coleman           | Heidi Goltberg           | Johny Gettewebit           | John Roshier              |
| Ami Nader A Ghazvini        | Marcus Ashmore          | Jim Higdon            | Jake Bartzam           | Adrian C. Moore          | James S. Hill              | Adam Grotstein Caperton   |
| Debra Estrada               | John De Rochefort       | James R. Spears       | Arthur Bautista        | Jeff Cresping            | Ken Manni                  | Eric H. Child             |
| Nathaniel HAZLOMAN          | John De Rochefort       | James R. Spears       | John Zambrozic         | Everett H Barnett        | Kenny LaPorte              | Oliver N Browne           |
| Lari Szalai                 | John De Rochefort       | James R. Spears       | Thomas Yarnall         | Justin K Drew            | Roger Shambaugh            | Mike Stronach             |
| Moran Gelman                | John De Rochefort       | James R. Spears       | John Zambrozic         | George Braun             | Lisa Jucyera Antas Videira | Rosewell Durham           |
| John Volmy                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Ricardo Gonzalez           | Colie Bahakel             |
| Herman Akwall               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Tyler Gilmore             |
| Jeaninne A Dechy            | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Dianne Guirao             |
| Judy Sempke DECHALUS        | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Michael Ryan Owens        |
| Terry Lynn Johnson          | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | William Beaufort          |
| Jeff Hainnah                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | James Wolfe               |
| Alan VanderKloof            | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Devon W Yoder             |
| Jeff Rehfeldt               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Scott Sanford             |
| Rainer Filibaut             | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Larry Anderson              | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Eric Zipperle               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Karen Mueller               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Brian Fischer               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Brad Steiler                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| David HATA                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| DRYAN                       | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Robert Albert               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Yasmin Thompson             | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Stephen Baker               | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Hana Binford                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Adamson                     | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Ryan Kopycianski            | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Frank P Hyslop              | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| James Rode                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Susie Neal Rogers           | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Sean Lamanna                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Samyria Okafor              | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Matt Hinkler                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Angel Soto                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Ben Hinton                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Gill Charles                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Kevin Beck                  | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Peter Lee                   | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Elgin Rosenbaum             | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Pablo Martinez-Hisp         | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| David Allen Carlson         | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Kimberly Eston              | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |
| Fritz Allard                | John De Rochefort       | James R. Spears       | John Zambrozic         | Robert J. Moasley        | Matthew Richardson         | Ed Bondar                 |