



EST. 2020

Cannabis business in prime
downtown Boston location with
over 18 million visitors/year

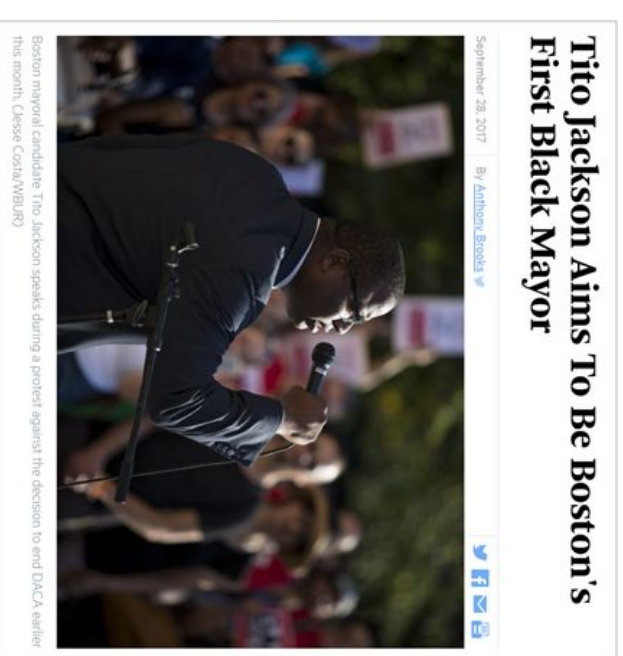
Corporate Presentation

June 2023

Apex Noire

HIGHLIGHTS

- Operating Adult-use Cannabis Dispensary and Brand
 - Massachusetts Cannabis Control Commission License obtained Sep 17, 2021.
 - City of Boston Host Community Agreement signed March 9, 2021
- Prime downtown Boston location within Faneuil Hall.
 - Faneuil Hall is the 7th most visited tourist destination in the world.
- Doors opened Q1 2023.
- Owner & CEO is Tito Jackson, former Boston councilman.
- Next 12-month projected revenue of \$9.75M.
- 5 Year revenue projected as \$100M+
- Raising \$2M for:
 - Open all lines of business in addition to dispensary (manufacturing and bar)
 - Marketing blitz
 - Working capital



PROFORMA FINANCIALS – Faneuil Hall Location Only

- Highly profitable financial plan thanks to world-class location and cannabis retail exclusivity to Faneuil Hall, one of the most visited tourist destinations in the world
- Projected 5-year revenue of > \$100M+
- Excellent gross margins and short-time to break-even
- Diverse revenue streams
 - Cannabis Retail
 - Marijuana Infused Product Manufacturing (Edibles)
 - Merchandise and Accessories
 - High-end Cocktail Lounge

Apex Noire 5 Year Proforma Profit and Loss

| P&L | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|--------------------|---------------------|---------------------|---------------------|----------------------|
| Cannabis Retail Revenue | 8,463,000 | 12,694,500 | 14,560,000 | 18,018,000 | 24,752,000 |
| Marijuana Infused Products Revenue | 775,000 | 2,500,000 | 4,000,000 | 5,500,000 | 7,000,000 |
| Merchandise/Accessories Revenue | 225,680 | 327,600 | 364,000 | 436,800 | 582,400 |
| Bar Revenue | 282,100 | 491,400 | 637,000 | 873,600 | 1,310,400 |
| Total Revenues | \$9,745,780 | \$16,013,500 | \$19,561,000 | \$24,828,400 | \$33,644,800 |
| Cumulative Revenue | 9,745,780 | 25,759,280 | 45,320,280 | 70,148,680 | 103,793,480 |
| Cost of Goods | | | | | |
| Cannabis Retail Cost of Goods | 4,589,612 | 7,174,850 | 8,480,400 | 10,633,160 | 14,533,120 |
| MILPS Cost of Goods | 155,000 | 500,000 | 800,000 | 1,100,000 | 1,400,000 |
| Merchandise/Accessories COGS | 90,272 | 131,040 | 145,600 | 174,720 | 232,960 |
| Bar COGS | 112,840 | 196,560 | 254,800 | 349,440 | 524,160 |
| Total Cost of Goods | \$4,947,724 | \$ 8,002,450 | \$ 9,680,800 | \$12,257,320 | \$ 16,690,240 |
| Gross Profit | 4,798,056 | 8,011,050 | 9,880,200 | 12,571,080 | 16,954,560 |
| Other Expenses | | | | | |
| Operating Expenses (SG&A) | 2,307,951 | 2,307,951 | 2,876,290 | 3,160,824 | 3,705,315 |
| CapEx Expenses | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| Boston Community/Host Agreement | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Other Expenses (w/out Depreciation) | 2,357,951 | 2,357,951 | 2,926,290 | 3,210,824 | 3,755,315 |
| Total Operating Expenses (SG&A) | 2,381,951 | 2,381,951 | 2,950,290 | 3,234,824 | 3,779,315 |
| EBITDA | 2,416,105 | 5,629,099 | 6,929,910 | 9,336,256 | 13,175,245 |
| Tax (Based on 280e) | 1,249,894 | 2,086,879 | 2,573,792 | 3,274,766 | 4,416,663 |
| Net Free Cash Flow | \$1,166,211 | \$ 3,542,220 | \$ 4,356,117 | \$ 6,061,489 | \$ 8,758,582 |

As of October 2020, average revenue for a marijuana retailer in Massachusetts was \$12.5M*

NETA Brookline = Closest comparison, though much less foot traffic ~ \$88M for 2020*

NETA Northampton = Next closest comparison, small town ~ \$43M for 2020*

*Pre-pandemic retail numbers

COMPARISONS & ASSUMPTIONS



Apex Noire by Tito Financial Assumptions

Given NETA Brookline reported 2,500 customers a day last year, and given that our location is central & has naturally much higher foot traffic (240,000 workers & 63,000 residents within a 10-min walk & 200,000+ residents within a 10-min MBTA ride), we think it's conservative to estimate 1,000 customers a day by month 3 in year 1. Being open 364 days a year, assuming an average basket of \$98.34 per customer, this gives us our \$31M predicted revenue in

THE VISION

- **Experiential branding & product development** that will influence the next generation
- **Social justice** that will bring awareness in an environment accessible by many
- **Art of all types**, including DJ booths, muralists, poetry sessions, live music, and traditional rotating art from local artists
- **Cannabis education** and wellness

THE SPECIFICS
Including gummies, chocolate, cookies, soups, edibles, pre-rolled, etc

- Floor 7: Retractable Rooftop International Cocktail Lounge + DJ Booth
- Floor 6: 2nd Level of the Cocktail Bar & Lounge + DJ Booth
- Floor 5: Staff & Storage
- Floor 4: Art + Education Floor + Sales
- Floor 3: Concierge Sales Booths + Health/Wellness Consulting
- Floor 2: Upscale Retail – Gummies, chocolates, cookies, pre-rolls, etc
- Floor 1: Online Order Pickup & Retail
- Basement: \$750K pre-existing commercial kitchen – Co-location of Manufacturing (Marijuana Infused Products) with retail allows customer feedback, quality control, and agile iteration on new products

FIRST FULL SERVICE 7-STORY EXPERIENTIAL CANNABIS RETAIL SHOP + COCKTAIL BAR

Apex Noire by Tito

Funky, chic, appeals to London, NY, but
also has the transcendent hip/hop
Atlanta/LA, social impact vibe, which is
the Tito Jackson brand.

INVESTMENT HIGHLIGHTS

- Highly profitable financial plan thanks to world-class location and cannabis retail exclusivity to Faneuil

Hall

- Business Model with multiple streams of revenue
 - Cannabis Retail
 - Marijuana Infused Products Manufacturing
 - Bar (Liquor License has been secured)
 - Merchandise / Accessories
- Attractive Economics
- High Barriers to Entry with Finite Number of Stores in Boston
- Social Equity Program Candidate – 100% Black Owned
- CEO/Owner: Tito Jackson, former Boston City Councilor and Boston Mayoral Candidate

CAPITAL RAISE & USE OF FUNDS

Capital Raise

- Raising up to \$2M in Convertible Notes

Use of Funds

- \$100K Furniture/Fixtures and limited renovations
- \$20K Cooking Equipment
- \$500K Additional Inventory
- \$300K Marketing Blitz (Billboards on Highways, Signage in Faneuil Hall, Etc)

\$920K Subtotal

- \$600K Operating Capital Requirements to Break-even
- \$480K Buffer

\$2.0M Capital Raise

Titan and Team have structured the memorandum to the current state with exit and determination through regulatory process and

GROWTH STRATEGY

MATTAPAN

2nd Retail

City of Boston Host Community Agreement signed September 2020
Massachusetts Cannabis Control Commission License expected
Q3 2021

SEAPORT

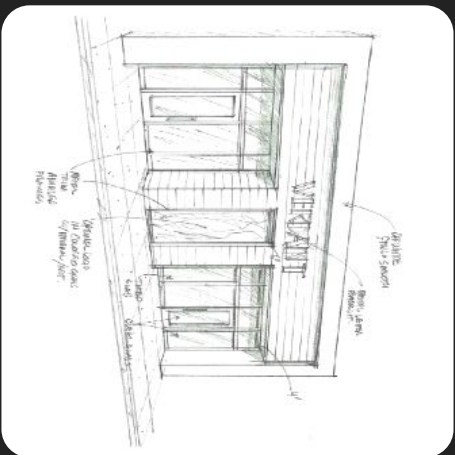
3rd Retail

Currently no cannabis retail here

ROWLEY

Cultivation & Manufacturing

Location secured



Journal of Management Inquiry 25(4) 391-407

City of Boston Host Community Agreement signed September 2020
Massachusetts Cannabis Control Commission License expected
Q3 2021



Journal of Management Inquiry 23(4) 391-407

Currently no cannabis retail here



| |
|--|
| |
|--|

Location secured

TEAM



TITO JACKSON

Founder & CEO
Former Boston Councilman



LYSAH HEBRON,
MBA

COO – Upon Financing
4+ years operating a highly
profitable dispensary in Quincy



JENNIFER SMITH,
MBA

Advisor
10+ years operational
experience building franchises



BLAKE WILLIAMS

CGO – Future Member of Team
12+ years growing cannabis in
Colorado and Massachusetts





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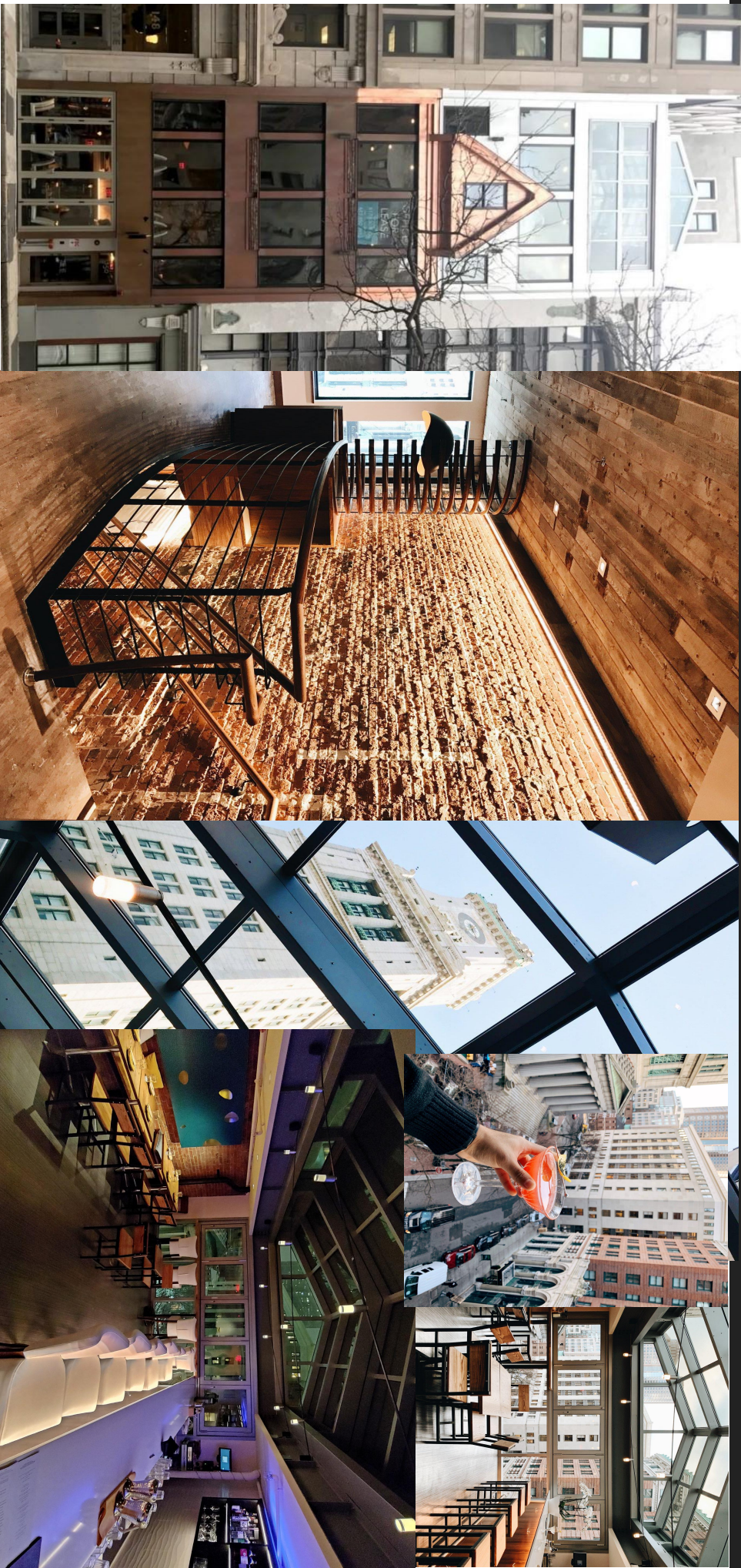
Join us in transforming the
cannabis industry

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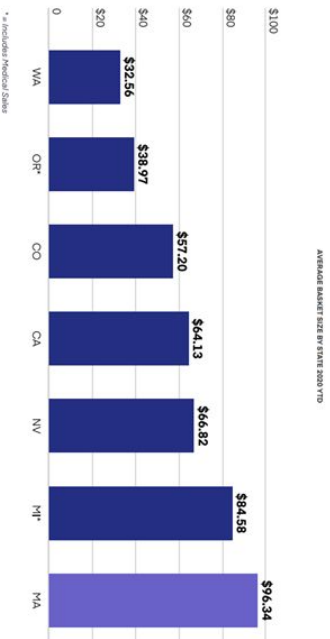
150 State Street
Boston, Massachusetts 02109

Apex Noire
by Tito

BACK-UP



References for Financial Calculations



<https://www.massive.com/local/2021/01/marijuana-revenue-presents-opportunities-challenges-for-massachusetts-communities-as-industry-enters-third-year.htm>

- "Massachusetts' 80 operating marijuana retailers topped \$1 billion in total gross sales, according to the state's Cannabis Control Commission"
- \$1B/80 retailers = **\$12.5M** average revenue per retailer

<https://www.boston.com/news/local-news/2020/03/16/neta-brookline-recreation-al-sales-coronavirus/>

- "**NETA's Brookline** store...effectively the busiest pot shop on the East Coast...an average of **2,500 customers a day**."
- Average basket in MA is **\$96.34**. NETA Brookline is open **365 days a year**.
 $2,500 \times \$96.34 \times 365 = \text{\$87.9M for 2020 projection}$

<https://www.massive.com/marijuana/2020/08/heres-where-marijuana-tax-revenue-has-gone-in-massachusetts.html>

- Cannabis Control Commission data shows that Northampton "has collected just over **\$2.6M in local option excise taxes** since NETA [Northampton] opened." Northampton excise tax is **3% of gross sales**.
- Given NETA Northampton opened November 2018, and this article was published August 2020. that means NETA Northampton did \$86M in

INVESTMENT TERMS

- \$2M Convertible Notes
- (\$50K minimum investment)
- 10% interest rate
- 36 month note
- Converts at a 15% Discount in future Qualified Series A Financing
- \$25M Valuation Ceiling for Convertible Note Investors