

Value Proposition

Accelerant Holdings (“Accelerant”) provides cannabis automation equipment at no cost to customers in exchange for a long term per unit contract (similar to Xerox Copiers or SaaS platforms i.e. Salesforce).

- Picks and Shovels business allows for participation in the rapidly growing Cannabis industry without legal financial conflicts (IRS 280E).
- Tremendous upside based on SaaS/PaaS comps

Company Background:

Accelerant was established to provide the legal Cannabis industry automation and related products with a focus on Production as a Service (PaaS) whereby the company is paid on a per unit basis. The Accelerant corporate structure can manage various types of partnerships to optimize for commercializing both original and licensing opportunities for equipment and product offerings. For example, Accelerant Holding owns Accelerant Manufacturing, a PaaS pre-roll machine(“PRO”) that can produce 2-3K joints per hour. The PRO provides inline production joint automation with superior speed, precision and quality.

Leadership Team:

Exits: 33+, \$8B I Capital Raised: \$6.5B I Mergers & Acquisitions: 53+, \$30B

- Michael Borom - Chairman & Co-Founder
- Grant Schuster - CEO & Co-Founder
- Alan Ellman - COO & Co-Founder
- Bob Archer - Engineering
- Matt Kelly - Engineering
- Jacob Dooley - Operations & Marketing

Products/Services:

We provide automation at no CapEx to Cannabis companies who produce joints. Joints are the second highest market share in the Cannabis Industry and growth outpaces the broader market. Labor is the highest contribution to COGS for Joints and regularly exceeds \$0.30 per unit. With cost of capital exceeding 15%, a Production as a Service model eliminates the carrying costs associated with capital purchases.

Technologies/Special Know-How:

Our joint machine is Patent Pending and is more precise than the competition and is applicable to a wider range of customers given the modular design.

Market:

Legal Cannabis Market forecasted to be \$41.6 Billion by 2025 and CAGR of 20%+
 2020 joint sales grew 47% YoY in established markets
 Cannabis pre-rolls have 10%+ market share

Distribution Channels:

Continue selling via direct sales team to single & multi-state operators
 Capitalize on expansion opportunities with MSO’s
 Canada distribution & servicing partnership
 Industry Conference MjBizCon in October

Competition:

Futurola and StmCanna knockboxes require multiple low level workers and use volume based weigh systems leading to inconsistent pre-rolls.
 JuanaRoll and Pre-Roll-ER pre-roll machines cost 300K to 400K, take ~7 -10 years to pay back and often become expensive paperweights due a misalignment of incentives between the OEM & customer.

Financial Projections (Unaudited):

	2021	2022	2023	2024	2025
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Quick Facts

Company Name: Accelerant
Contact: Grant Schuster
Address:
 1800 Purdy Ave
 Miami, FL 33139
Phone: 443-604-5516
Email:
 grant@accelerantmanufacturing.com
Website:
 www.accelerantmanufacturing.com
Industry: Cannabis
Domain: B2B Ancillary Services
Bank: Bank of America
Number of Employees: 8
Leadership Team:
 Chairman: Mike Borom
 CEO: Grant Schuster
 COO: Alan Ellman
 Marketing: Jacob Dooley
 Engineering: Matt Kelly
 Engineering: Bob Archer
Amount of Financing Sought:
 \$1M Convertible Note
 20% Discount - 8% Interest
Current Investors: \$1.75MM Private
Use of Funds:
 Ongoing machine deployment,
 marketing & sales

Revenue	2,545	8,233	16,988	27,423	33,722
EBIT (dollars in thousands)	1,203	5,960	12,897	22,092	32,346
