

## Thoughtful Brands Inc. Announces Q2 2020 Highlights

*An eCommerce company specializing in natural health products chronicles latest revenue, strategic acquisitions and partnerships, expansion and trajectory*

VANCOUVER, BRITISH COLUMBIA, CANADA (September 4, 2020) – Global natural health products and eCommerce technology company [Thoughtful Brands Inc.](#) (the “**Company**” or “**Thoughtful Brands**”), which recently changed its name from Mota Ventures Corp. to better reflect the Company’s long-term growth strategy, is proud to announce its second quarter 2020 earnings results, as reported on August 31, 2020.

During a period of three months that ended June 30, 2020, the Company recorded revenue of \$12,842,934, which was primarily due to the operations and strong sales performances of the [Nature’s Exclusive](#) CBD brand, whose product line led to a major sales boost amid the COVID-19 pandemic. Cost of goods sold amounted to \$11,293,727 during the three months ended June 30, 2020. Cost of goods sold included costs for product fulfillment, as well as eCommerce campaign costs including customer acquisition. Revenues grew by 68% in the second quarter. Customers acquired for the twelve months ended June 30, 2020 reached 202,564 up from 44,207 compared with the twelve months ended June 30, 2019. Gross margin in Q2 2020 increased to 12%, as compared to gross margin in Q1 2020 of 8%, due to increased efficiencies in operations and increased customer acquisition due to online marketing campaigns in the current period.

“The Thoughtful Brands team would like to emphasize the Company’s commitment to its partners, the integral role of supply chain across its businesses, and its unrelenting effort to provide the best possible experience for its customers,” said CEO Ryan Hoggan. “Each of the ventures outlined below is part of our broader expansion plan and we’re looking forward to the remainder of 2020 and beyond.”

### **Key Highlights for the six months ended June 30, 2020**

#### **Financing**

**In April 2020**, the Company completed a non-brokered private placement for gross proceeds of \$4.5 million.

#### **Acquisitions & Joint Ventures**

**On June 1, 2020** the Company completed its acquisition of Verrian, which owns and operates a 110,000 square foot pharmaceutical manufacturing facility in Radebuel, Germany. Operations within this full suite pharmaceutical manufacturing site include analytical laboratory and finished dose manufacturing, which exceed all international quality standards. The facility and equipment of Verrian have been independently

appraised at Cdn\$10,600,000 and include an analytical laboratory and full pharmaceutical manufacturing suite. Verrian also specializes in the development of psychedelic-derived medicines with the goal of formulating treatments for addictions—including opioids and alcohol. The move propelled Thoughtful Brands into the burgeoning psychedelic market and supports the Company's forays into the natural health sector beyond the cannabidiol ("CBD") market.

**On April 7, 2020** the Company acquired a 20% ownership interest in Folium Life Sciences Inc., a Health Canada-licensed cannabis cultivator. Folium is expanding its licensed indoor cannabis production facility on Vancouver Island to produce a high quality and consistent cannabis product on site.

**On March 25, 2020** the Company, through its Spanish subsidiary Global Zifar S.L., acquired the intellectual property and trade names of "Sativida" in Spain, and will license both back to Sativida in exchange for a royalty associated with the gross revenues generated by Sativida. Sativida is a producer and online retailer of CBD and branded CBD products in certain jurisdictions in Europe, including Spain, Portugal, Austria, Germany, France and the UK. Sativida is also the top search-ranked online retailer of CBD products in Spain and Mexico and plans to continue expanding its footprint in Europe and Latin America.

**On January 17, 2020** Thoughtful Brands completed its acquisition of First Class CBD (which was re-branded as *Nature's Exclusive* on April 6, 2020), an online direct-to-consumer retail distributor in the United States. Nature's Exclusive offers a CBD hemp-oil formula intended to provide users with the therapeutic benefits that hemp-derived CBD may offer. The hemp oil used in the products is derived from hemp grown and cultivated in the United States. The extraction process is designed to maintain all the beneficial qualities that hemp may offer. Nature's Exclusive offers a range of products, which include CBD oil drops, CBD gummies, CBD pain relief cream and CBD skin serum.

**In January 2020**, the Company's wholly-owned subsidiary Ihuana S.A.S entered into a research cooperation agreement with La Fundacion Universitaria de Ciencias de la Salud (The University Foundation of Health Sciences) located in Bogota, Colombia. Pursuant to the agreement with the university, the parties agreed to engage in research and formulation of medicinal products made with non-psychoactive cannabis and cannabis byproducts.

**In January 2020**, Ihuana completed its 2,000 square foot research and development facility in Guasca, Colombia. The purpose-built R&D facility is for a seed registration program on Ihuana's licensed land. This was a significant step, as it allows Ihuana to register the genetics of its high-CBD, low-THC strains of cannabis with the Colombian Agricultural Institute (Instituto Colombiano Agropecuario, or ICA).

**Key highlights subsequent to June 30, 2020**

**On August 22, 2020**, the Company, through its wholly-owned US subsidiary, Ecommerce Tech LLC, acquired the rights to an eCommerce software platform from Unified Funding LLC's wholly-owned subsidiary, Offer Space LLC. Prior to the Software acquisition, the Software was being used by the Company's Nature's Exclusive brand, and by the newly acquired brands, Golden Path and Wild Mariposa, through service agreements with Offer Space. The acquisition of the asset provides the Company with the opportunity to capture previously unrealized value from the products it launches in the online natural health market. The Software facilitated over Cdn\$350 million in consumer transactions, including Cdn\$93.8 million in 2019. The asset enhances the management of the Company's already profitable online brands, and allows the Company to launch new products and enter into emerging natural health markets worldwide, more efficiently.

**On August 19, 2020**, the Company acquired Golden Path LLC and Wild Mariposa LLC, two direct-to-consumer eCommerce brands offering a range of natural health products, including nutraceutical and hemp-based CBD, within the United States. Every product manufactured is third-party tested for purity and manufactured in the United States in GMP certified facilities. The acquisitions expanded the Company's portfolio in the nutraceutical and hemp-based CBD product space.

**On July 21, 2020**, the Company entered into a binding agreement with Franchise Cannabis Corp. to form a joint venture in Europe to sell and market Franchise-manufactured CBD, hemp and cosmetic products in the European Union, Switzerland, Norway and the United Kingdom. Sales of the custom-manufactured products will be sold online utilizing the Company's eCommerce infrastructure.

Franchise is a European-focused cannabis and pharmaceutical distribution company based in Germany with two Good Distribution Practices (GDP) certified distribution facilities, exporting to over 18 countries and currently serving a network of over 1,500 pharmacies within Germany for medical cannabis sales.

### **About Thoughtful Brands Inc.**

Thoughtful Brands Inc. is an eCommerce technology company that researches, develops, markets, and distributes natural health products through various brands in North America and Europe. Through continuous strategic acquisitions, the Company has a strong footprint in the CBD market, as well as the burgeoning psychedelic medicine sector. Thoughtful Brands owns and operates a 110,000 square foot pharmaceutical manufacturing facility in Radebeul, Germany, where its highly skilled team conducts clinical studies utilizing naturally occurring psilocybin and other compounds found in psychedelics for the treatment of opiate addiction, while planning for future opportunities to create proprietary psilocybin products.



CSE: TBI  
FWB: 1WZ1  
OTCQB: PEMTF

## **ON BEHALF OF THE BOARD OF DIRECTORS**

### **THOUGHTFUL BRANDS INC.**

Ryan Hoggan  
Chief Executive Officer

For further information, readers are encouraged to contact Joel Shacker, President at +604.423.4733 or by email at [info@thoughtful-brands.com](mailto:info@thoughtful-brands.com)

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### ***Cautionary Note Regarding Forward-Looking Statement***

*All statements in this press release, other than statements of historical fact, are “forward-looking information” with respect to the Company within the meaning of applicable securities laws, including with respect to its plans to the acquisition of the eCommerce platform from offer space providing the Company with the opportunity to capture previously unrealized value from the products it launches in the online natural health market. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited those identified and reported in the Company’s public filings under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.*