

Core State Holdings, Corp.



Mission & Vision

"My vision is to create a financial platform that will allow everyone to use crypto on a truly day-by-day basis in all industries...globally" - Oleg Cheine, Founder

We design and deliver the most high-end, user-friendly, technological business solutions to the world, and are shaping the future of the cannabis and crypto industry through our PTPWallet and CannaSOS platforms.

Delivering Only the Best to Users!

Company Summary

- ✓ Core State Holdings Corp. offers the multi-billion-dollar cannabis and cryptocurrency industries the best available solutions to grow their brands, expand client base, reward clients, and advertise products and services.
- ✓ Core State Holdings, Corp. founders were able to build a successful team that developed, marketed, and operates two digital properties: CannaSOS.com and PTPwallet.com. The company has been registered, and is operating, in Canada since 2014.

CSHC Owns And Operates PTPWallet

- ✓ World's most advanced cryptocurrency wallet
 - Our goal with PTPWallet is to increase and improve the functionality of the wallet so that our users will not only be able to store cryptocurrencies, but also to actively use it in purchasing goods and services all throughout the world.
- ✓ PTPWallet cannot be hacked due to the design of the hybrid blockchain platform.
- ✓ Every transaction is protected by a PIN Code, is completely anonymous from public eyes, and is instantaneous.

CannaSOS

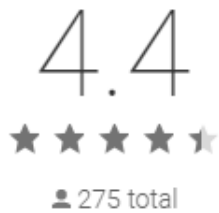
- ✓ CannaSOS is a social network that connects cannabis businesses and users worldwide.
- ✓ The largest social network for the cannabis industry. Launched in 2014, CannaSOS was originally created as an informative strain database. Today, CannaSOS is a comprehensive social network and sophisticated advertising platform designed primarily for the cannabis industry.
- ✓ CannaSOS users can freely create a profile or surf the site without one. CannaSOS has banner advertising, which allows users to advertise their business and brands, and there is also the ability for businesses to boost their business page(s) and create sponsored articles. Sponsored articles provide businesses with brand exposure and improvements in Search Engine Optimization (SEO).
- ✓ CannaSOS is informative, supportive, innovative, and competitive. It is responsible, reliable, and outspoken which means CannaSOS has all the necessary aspects to be a worldwide leader. The benefit? Business are more successful, and users are satisfied.
- ✓ In order to further develop CannaSOS, and for CSH to expand into other industries, and to provide users with the ability to pay for CannaSOS advertising services in crypto, the Core State Holdings team has created PTPWallet. PTPWallet is being implementing not only into the cannabis industry through the CannaSOS platform, but also expanding to all areas of the globe and in all industries.

PTPWallet

PTPWallet is a hybrid crypto wallet which has the following unique functionalities:

- ✓ *High-Tech Security.* A dependable and durable system has been developed in order to keep the highest level of security. Some security features include: if the wallet is used by anyone other than the user, the wallet will automatically close; all internal transactions of the wallet are closed from the public and no one can trace a transaction; a PIN Code is asked upon launching the wallet and when doing a transaction. The users can sleep well at night knowing that their identity and coins are safe.
- ✓ *Different Fund Transfer Capabilities.* Transfer of funds can be done through QR Code, via deposit or receive address, and transfers can also be accomplished via any social platform, email, or other forms of communication. This means that users can make transfers with other PTPWallet(s) in any manner they are most comfortable with.
- ✓ *Loyalty Program.* The developed program allows everyone, who wants to sell products for cryptocurrency, to create a business page and position it on a Map. The program shows potential customers information such as the address, contact information, the percentage of cashback, and more. The system makes it clear to the customer that if they come to the location and buy a product, they will receive a certain cashback.
- ✓ *Drain The Bank.* This module ties in with the Referral Program. Users are able to buy "GEMS". For every GEM that they buy, they receive a boost in their referral commission, and at the same time, are enrolled in Drain The Bank. In addition, when the timer in the module goes to 0, and the user was the last person to acquire a GEM, they win the prize.
- ✓ *Referral Program.* The PTPWallet's Referral Program gives users the ability to make money. There is a bonus for opening a wallet account, the user has the ability to receive commission from transaction fees of their referrals, and there is also a paid program which allows users to receive higher commission from their growing network.
- ✓ *Know Your Customer (KYC).* Everyone who wants our company to carry out support must pass the KYC. KYC system was designed in such a way that the information received from the client is fully encrypted with a unique key. Therefore, all information received from the client is under reliable protection. The benefit is that more users will trust, and are confident with, PTPWallet.
- ✓ *Merchant API.* Merchant API enables businesses to accept cryptocurrencies worldwide on their e-commerce platform.
- ✓ *White Label Solution.* White Labeling allows the business to use PTPWallet under their own brand, color, and logo.

Testimonials



Ratings and Reviews

4.8 out of 5



★★★★★

mmpeaceman, 12/18/2018

Thx for the coin !!
This is a wonderful easy app to use!! Even a dummy can figure this out !

★★★★★

LouCypher13, 03/11/2019

Excellent!
Great Crypto app! Love the UI. Super easy to use! Thx!

★★★★☆

Jay Grizz1, 03/09/2019

It's great when no errors
Simple easy to use when it works

"I have been working with and using CannaSOS for the past several months to promote our event. CannaSOS has been a great resource for information and referrals. It is very easy to navigate, and any questions I have had are always answered quickly. All in all I think it is one of the best online resources for someone interested in cannabis."

Angela, Marketing Manager/Client Relations, CannaCon

"Cannasos was on point and effective in targeting, promoting and bringing valuable strategic social engagement for our event, New West Summit, and to mention a professional, creative and fun staff to work with!"

Catherine Enny, Producer, New West Summit

Value Proposition

- ✓ Core State Holdings, Corp. offers its clients and users a technology and social solution that is unmatched in the industry. We consider ourselves partners with the business that uses us to support their visions, missions, and goals. It is our pleasure to connect our partners with a social base that appreciates the products and services they offer.

Competitive Comparison

- ✓ Core State Holdings, Corp. has a critical competitive advantage. No competitor can match the level of technology in PTPWallet and in CannaSOS. In addition, the size and scope of CannaSOS, specifically the high number of users, gives CSH unlimited possibilities when it comes to promoting a wide range of future products.

For a competitive comparison of Core State Holdings' core product, PTPWallet, the following options are considered;

- ✓ • PTPWallet can make transactions via SMS, messenger, and email, whereas other wallets cannot.
- ✓ • PTPWallet has real time market information - less than 25% of our competitors have that feature.
- ✓ • PTPWallet has a loyalty program, whereas our competitors do not.
- ✓ • PTPWallet allows users to make money on referrals - less than 30% of our competitors have that feature.
- ✓ • Our Merchant API is one of PTPWallet's best features - less than 10% of our competitors have this capability.
- ✓ • PTPWallet transactions are instant and transaction fees are 0.5% - where our competitors are over 3%.

Executive Team



Oleg Cheine
Founder, CEO



Daniel Cheine
Director of Business Development



Les Barber
VP of Business Development



Sergey Shneron
CTO, Network Administrator



Vit Ivanov
Director of Development



Robert Kane
Investor Relations

Market

- ✓ The cannabis market continues to grow as legalization is slowly taking course all across the globe. The USA market will reach \$24.07 billion dollars in sales by 2025
- ✓ Cointelegraph states: "the highly anticipated cannabis industry in the United States is similarly being pushed into the spotlight by a "green rush" of investors flooding Wall Street, who expect the cryptocurrency cannabis industry to be worth \$75 billion".
- ✓ Coinbase has processed over \$2 billion in transaction fees since its creation. Binance has over 10 million traders using their platform.
- ✓ Coinmarketcap.com shows a market capitalization of more than \$250 billion USD.
- ✓ According to Smartereum, "the valuation of the cryptocurrency market is expected to hit \$1 trillion in 2019".

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Financial Forecast

- ✓ EBITDA is a loss of (\$517,491) in 2020, but then it turns positive to \$3,788,448 in 2021, grows to \$8,093,300 in 2022; and then hits an impressive \$20,054,610 in 2024 - after hitting the sweet spot using a 'S' curve model.
- ✓ Net Profit starts at a loss of (\$517,491) in 2020, which then grows to a positive \$2,651,914 in 2021 and becomes \$5,665,310 in 2022. In 2024, it increases to \$14,038,227.
- ✓ In 2018, CSH had gross sales of \$1,262,000. In 2020, total sales are expected to be \$4,829,797, growing to \$14,364,011 in 2021, \$24,223,908 in 2022; and then growing to \$50,904,430 in 2024.

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Equity Raise & Current Offering

Shareholders of Class B on Record: 26

Outstanding Class B Shares: 30,000,000

Floating Class B Shares: 16,976,978

Class B Shares in the Company's Treasury for Future Sale: 13,023,022

Value of Each Class B Share: \$0.50

Shareholders of Class A on Record: 3

Outstanding Class A Shares: 10,000,000

Floating Class A Shares: 7,050,000

Class A Shares in the Company's Treasury for Future Sale: 2,950,000

Value of Each Class A Share: \$1.00

✓ In 2014, CSH raised \$37,500 for 14.72% equity. In 2015, CSH raised \$288,383 for 10.55% equity, and in 2016, CSH raised \$296,440 for 10.68% equity.

✓ In 2017, CSH authorized a Series A Raise. In 2017, CSH raised \$493,070 for 16.43% equity. In 2018, CSH raised \$4,250 for 0.06% equity, and in 2019, they raised \$432,403 for 2.85% equity.

✓ Total offering of Preferred Shares (Class B) for sale: 4,500,000 – 15%

✓ Capital requirement for Class B: \$2.25M

✓ Total offering of Common Shares (Class A): 2,250,000 – 22.5%

✓ Capital requirement for Class A: \$2.25M

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Extra Funding Will Allow Us To Flourish

<i>Use</i>	<i>Amount</i>
<i>Legal Fees</i>	\$105,000
<i>Software Development</i>	\$1,240,000
<i>Network Cost</i>	\$8,000
<i>Financial Cost</i>	\$5,000
<i>Marketing</i>	\$1,200,000
<i>Paid Advertising</i>	\$900,000

<i>Travel</i>	\$25,000
<i>Executive Expenses</i>	\$500,000
<i>Labor Expenses</i>	\$60,000
<i>Preparing for IPO</i>	\$325,000
<i>Operating Capital Reserves</i>	\$462,000
<i>Total</i>	\$4,830,000

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Valuation

- 2020 sales of \$4,753,698 at 2x sales equals \$ 9,507,936
- 2021 sales of \$14,364,011 at 2x sales equals \$ 28,728,022
- 2022 sales of \$50,123,908 at 2x sales equals \$ 100,247,816

Earnings Based Valuation Method 10X

- 2021 \$2,651,914 x10 \$ 26,519,140 2021
- 2022 \$22,395,310 x10 \$ 223,953,100 2022

Average Valuation Price

- 2020 Valuation for CSHC is \$9,507,936 based on 2x sales
- 2021 Average Valuation of CSHC is \$27,443,581
Calculated by ((28,728,022 2x sales) and (\$26,519,140 10x earnings))
- 2022 Average Valuation of CSHC is \$137,038,504
Calculated by ((\$50,123,908 2x sales) and (\$223,953,100 10x earnings))

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