



# **High-Profit, Low-Operating-Cost Cannabis Growing Facility**

**An Advanced Technology Growing Facility  
Located in Southern Europe**

**The facility has been built to Good Manufacturing Practices (GMP) standards which will allow it to export to 52 non-U.S. countries including the European Union, United Kingdom, Canada, South Africa, Central and South America, Australia, and New Zealand**

## **Financial Highlights Excerpt**

**January 2025 for Distribution**

## 6. Financial Highlights

**Gold Leaf is seeking a \$1,551,000 USD investment for a 31% equity share to complete the first phase of its four-phase North Macedonia growing facility and place Phase 1 in operation.**

At the European market level, where Gold Leaf intends to participate via its North Macedonia facility, industry acceptance and demand are increasing at a rapid rate. According to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), **the average retail cannabis prices in Europe range from €5 per gram to more the €20 per gram** (wholesale prices are approximately half of the retail prices).

- ✦ Cyprus, the Republic of Ireland, and Estonia have the highest prices: from €20 to more than €36 per gram (453.592 grams = 1 pound, €1 = \$1.04) hence, cannabis flower costs from \$9,434.71 to \$16,982.48 per pound retail. **Wholesale prices are approximately \$4,717.36 to \$8,491.24 per pound.**
- ✦ Germany is the second highest. Licensed dispensaries in Germany, such as [Apotheke LUX 99](#) in Koln, are selling cannabis with 20%-22% THC from two growers in North Macedonia (click [here](#) and [here](#) to see details) for €14.04 to €20.35 per gram (\$6,623.17 to \$9,599.82 per pound retail). **Wholesale prices are approximately \$3,311.58 to \$4,799.91 per pound.**
- ✦ Norway and Greece are the third highest (€15 to a little under €20 per gram, or \$7,076.04 to a little under \$9,434.71 per pound retail. **Wholesale prices are approximately \$3,538.02.94 to \$4,717.36 per pound).**
- ✦ Sweden, Latvia, Austria, and Slovenia are the fourth highest (€10 to slightly under €15 per gram, or \$4,717.36 to slightly under \$7,076.04 per pound retail. **Wholesale prices are approximately \$2,358.68 to \$3,538.02 per pound).**

### 6.1 Revenue Model

**GOLD LEAF'S BUSINESS PLAN FOR THE NEXT 24-48 MONTHS** is to focus on establishing itself as one of the best hydroponic, high-productivity, and high-quality growers of cannabis plants in the market provided by its North Macedonia growing license and GMP certification, which gives it the ability to export to 52 countries worldwide with a combined population of more than 1 billion people.

Gold Leaf therefore expects to generate the bulk of its revenue from a small number of select clients, with which it will establish long-term business relations.

**Table 6.1** below describes the estimated 5-year revenue profile for Gold Leaf's Phase 1 North Macedonia facility per product <sup>1</sup>.

**Table 6.1: Gold Leaf's North Macedonia Revenue Profile<sup>1</sup>**

Macedonia - revenue profile est.					
(\$'000s)	2025	2026	2027	2028	2029
Flower output (lbs)	300	2,000	12,000	12,000	16,000
Flower price (\$)	\$ 1,085	\$ 1,128	\$ 1,174	\$ 1,220	\$ 1,269
<i>(\$'000s, below)</i>					
Flower revenue	\$ 326	\$ 2,257	\$ 14,082	\$ 14,646	\$ 20,309
Capsules revenue	\$ -	\$ 564	\$ 3,521	\$ 3,661	\$ 5,077
<b>Total revenue</b>	<b>\$ 326</b>	<b>\$ 2,821</b>	<b>\$ 17,603</b>	<b>\$ 18,307</b>	<b>\$ 25,386</b>
<b>Less 20% discount for direct sale to pharmaceutical firm</b>	<b>\$ (65)</b>	<b>\$ (564)</b>	<b>\$ (3,521)</b>	<b>\$ (3,661)</b>	<b>\$ (5,077)</b>
<b>Net Revenue</b>	<b>\$ 260</b>	<b>\$ 2,257</b>	<b>\$ 14,082</b>	<b>\$ 14,646</b>	<b>\$ 20,309</b>

## 6.2 Funding Requirements, Sources and Uses of Funds

**TABLE 6.2-1 BELOW** details the estimated sources and uses of funds to complete Phase 1 and place it into operation.

**Table 6.2-1: Gold Leaf Europe Sources and Uses**

SOURCES		
Requested Investment		\$ 1,551,000
<b>Total Sources</b>		<b>\$1,551,000</b>
USES		
Deferred Expenses		Deferred Costs
Deferred rent - Dec 2022 - April 2024 @ \$8,200/mo		\$ 131,200
Security cameras payment		\$ 16,500
Vendor payments		\$ 58,400
Repayment of loans for 2023 & 2024 <i>monthly operating expenses 14 mos x \$6K</i>		\$ 84,000
Deferred payments - employees		\$ 118,400
Deferred operating expenses		\$ 28,500
<b>Subtotal</b>	<b>\$ • -</b>	<b>\$ 437,000</b>

<sup>1</sup> The Gold Leaf revenue projections are based on the domestic wholesale prices set by the German government in 2019 which, at the time, were \$1,085 per pound. These prices have increased dramatically (see **Page 1** above). Gold Leaf has continued to use the 2019 \$1,085 per pound wholesale price to remain as conservative as possible and to show how the growing facility will remain profitable, with robust net earnings, due to its low operating costs, should supply catch up to demand and prices return to 2019 levels.

Table 6.2-1 (continued)

Start Up Costs	Monthly	Start Up Costs
Retainer for legal services <i>investor LOI, preparation of term sheet, PPM, operating agreement, etc</i>	<i>one time</i>	\$ 50,000
Purchase of remaining equipment <i>HVAC systems, growing tables and structures, GMP laboratory equipment</i>	<i>one time</i>	\$ 73,000
Lighting and supplies	<i>one time</i>	\$ 250,000
Construction worker & labor payroll	\$ 6,000	\$ 36,000
<b>Subtotal</b>	\$ -	<b>\$ 409,000</b>
Operating Costs January - December 2025	Monthly	12 months
Legal and accounting	\$ 1,000	\$ 12,000
Rent, taxes, insurance	\$ 24,000	\$ 288,000
General manager - American - 1/2 salary, yr 1	\$ 6,000	\$ 72,000
Asst. general mgr - N. Macedonia	\$ 1,000	\$ 12,000
Master Grower - <i>estimated</i> - 6 months	\$ 15,000	\$ 90,000
Pharmacist	\$ 1,500	\$ 18,000
Agronomist	\$ 1,000	\$ 12,000
Labor - 6 months, following startup	\$ 12,500	\$ 75,000
Seedlings	<i>one time</i>	\$ 6,000
Security	\$ 4,000	\$ 48,000
Utilities	\$ 2,500	\$ 30,000
Armored delivery +shipping - 6 months	\$ 2,000	\$ 12,000
Maintaince and repairs - 6 months	\$ 1,000	\$ 6,000
Supplies (see Lighting and supplies above)	\$ -	\$ -
Contingencies	\$ 2,000	\$ 24,000
<b>Jan - Dec 2025 Subtotal</b>	\$ 73,500	<b>\$ 705,000</b>
<b>TOTAL INVESTMENT FOR 2025</b>		<b>\$1,551,000</b>

Table 6.2-2: Lighting and Supplies

North Macedonia Phase 1	SKU	Qty	Cost	Notes
1/2" Shutoffs		6		
1/2" Vinyl Tubing		200		
1/4" Vinyl Air Tubing		500		
3/4" Shutoffs		20		
3/4" Vinyl Tubing		200		
4x8 tables		30		Alibaba
Ares 10 CO2 LP Generator w/controller	702869	4		Need extended hose for LP bottles outsi
Big Bud Powder (10 kg)	5000-57	2		
Botanicare 4x8 OD Trays	707350	28	see below	
Botanicare Cal Mag (15 gal)	732124	2		
Botanicare Pure Blend Pro (15 gal)	718464	4		
Botanicare Silica Blast (15 gal)	732493	2		
Botanicare Sweet Carbo Citrus (5 gal)	732269	2		
Calibrating Solution 7.0	722030	2		
Dehumidifiers		4		
Delta 4 Blockes w/hole (384/case)	RWP96490	10		

**Table 6.2-2 (continued)**

North Macedonia Phase 1	SKU	Qty	Cost	Notes
Dome Lights		10		
Duralastics 75 gallon reservoir	707925	28		
Extech EC500 PH/TDS Meter		2		
FS 3000 LED Flower Fixtures		52		
FS 3500 LED Veg Fixtures		10		
Grodan A-OK 1.5" x 1.5" Starter (30 sheets)	RWAO3640	1		
Humidity Dome + Trays		10		
Hydrofarm 9" Square Net Basket	HG9SQBK	960		
Hydrotan (pallet of 33)	714116	198		
Kool Bloom Powder (16 lb)	732535	2		
Lost Coast Plant Therapy (2.5 gal)	LCPT2.5GAL	3		
Olivia's Cloning Gel	OCG4	3		
Oscillating Fans		12		
PH Down	722125	8		
PH Up	722095	3		
Ratchets		250		
Trimming Shears		20		
Vivosum 800 GPH Submersible Pump		20		Amazon
<b>Total 2025 Estimated Cost:</b>			<b>\$250,000</b>	

Due to logistics, these items must be sourced in the U.S., packed in a shipping container and shipped to North Macedonia

## 6.3 Financial Projections

**Table 6.3: Gold Leaf North Macedonia Income Statement (based on \$1,085/pound wholesale price)**

Macedonia - income statement est.					
(\$'000s)	2025	2026	2027	2028	2029
Revenue <sup>1</sup>	\$ 260	\$ 2,257	\$ 14,082	\$ 14,646	\$ 20,309
Expenses <sup>2</sup>					
Legal and accounting	\$ (12)	\$ (60)	\$ (62)	\$ (65)	\$ (67)
Rent, taxes, insurance	\$ (288)	\$ (288)	\$ (300)	\$ (312)	\$ (324)
General Mgr. (American)	\$ (72)	\$ (120)	\$ (125)	\$ (130)	\$ (135)
Asst. GM (Macedonian)	\$ (12)	\$ (36)	\$ (37)	\$ (39)	\$ (40)
Master Grower (estimated)	\$ (90)	\$ (180)	\$ (187)	\$ (195)	\$ (202)
Pharmacist	\$ (18)	\$ (24)	\$ (25)	\$ (26)	\$ (27)
Agronomist	\$ (12)	\$ (18)	\$ (19)	\$ (19)	\$ (20)
Labor	\$ (75)	\$ (100)	\$ (200)	\$ (225)	\$ (300)
Seedlings	\$ (6)	\$ -	\$ -	\$ -	\$ -
Security	\$ (48)	\$ (96)	\$ (100)	\$ (104)	\$ (108)
Utilities	\$ (30)	\$ (50)	\$ (100)	\$ (110)	\$ (150)
Armored delivery +shipping	\$ (12)	\$ (30)	\$ (60)	\$ (62)	\$ (80)
Maintenance and repairs	\$ (6)	\$ (12)	\$ (15)	\$ (16)	\$ (20)
Supplies	\$ -	\$ (60)	\$ (96)	\$ (100)	\$ (104)
Contingencies	\$ (24)	\$ (24)	\$ (25)	\$ (26)	\$ (27)
<b>Total costs &amp; expenses</b>	<b>\$ (705)</b>	<b>\$ (1,098)</b>	<b>\$ (1,351)</b>	<b>\$ (1,428)</b>	<b>\$ (1,605)</b>
<b>EBITDA</b>	<b>\$ (445)</b>	<b>\$ 1,159</b>	<b>\$ 12,732</b>	<b>\$ 13,218</b>	<b>\$ 18,703</b>

Notes:

<sup>1</sup> Reflects 20% discount for direct sale to a pharmaceutical firm; <sup>2</sup> See footnotes on page 6

## 6.4 Return on Investment

**Table 6.4-1: Projected Return on Investment (based on \$1,085/pound wholesale price)**

<b>REVENUE<sup>1</sup></b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Flower Produced (pounds)	300	2,000	12,000	12,000	16,000
Flower Price Per Pound	\$ 1,085	\$ 1,128	\$ 1,174	\$ 1,220	\$ 1,269
Flower Revenue	\$ 325,500	\$ 2,256,800	\$ 14,082,432	\$ 14,645,729	\$ 20,308,745
Edibles (capsules)	\$ -	\$ 564,200	\$ 3,520,608	\$ 3,661,432	\$ 5,077,186
Cartridges	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 325,500</b>	<b>\$ 2,821,000</b>	<b>\$ 17,603,040</b>	<b>\$ 18,307,162</b>	<b>\$ 25,385,931</b>
<b>Less 20% discount for direct sale to pharmaceutical firm</b>	<b>\$ (65,100)</b>	<b>\$ (564,200)</b>	<b>\$ (3,520,608)</b>	<b>\$ (3,661,432)</b>	<b>\$ (5,077,186)</b>
<b>Net Revenue</b>	<b>\$ 260,400</b>	<b>\$ 2,256,800</b>	<b>\$ 14,082,432</b>	<b>\$ 14,645,729</b>	<b>\$ 20,308,745</b>

<b>EXPENSES<sup>2</sup></b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Legal and accounting	\$ 12,000	\$ 60,000	\$ 62,400	\$ 64,896	\$ 67,492
Rent, taxes, insurance	\$ 288,000	\$ 288,000	\$ 299,520	\$ 311,501	\$ 323,961
General Mgr. (American)	\$ 72,000	\$ 120,000	\$ 124,800	\$ 129,792	\$ 134,984
Asst. GM (Macedonian)	\$ 12,000	\$ 36,000	\$ 37,440	\$ 38,938	\$ 40,495
Master Grower (estimated)	\$ 90,000	\$ 180,000	\$ 187,200	\$ 194,688	\$ 202,476
Pharmacist	\$ 18,000	\$ 24,000	\$ 24,960	\$ 25,958	\$ 26,997
Agronomist	\$ 12,000	\$ 18,000	\$ 18,720	\$ 19,469	\$ 20,248
Labor	\$ 75,000	\$ 100,000	\$ 200,000	\$ 225,000	\$ 300,000
Seedlings	\$ 6,000	\$ -	\$ -	\$ -	\$ -
Security	\$ 48,000	\$ 96,000	\$ 99,840	\$ 103,834	\$ 107,987
Utilities	\$ 30,000	\$ 50,000	\$ 100,000	\$ 110,000	\$ 150,000
Armored delivery +shipping	\$ 12,000	\$ 30,000	\$ 60,000	\$ 62,400	\$ 80,000
Maintenance and repairs	\$ 6,000	\$ 12,000	\$ 15,000	\$ 15,600	\$ 20,000
Supplies	\$ -	\$ 60,000	\$ 96,000	\$ 99,840	\$ 103,834
Contingencies	\$ 24,000	\$ 24,000	\$ 24,960	\$ 25,958	\$ 26,997
<b>Total Expenses</b>	<b>\$ 705,000</b>	<b>\$ 1,098,000</b>	<b>\$ 1,350,840</b>	<b>\$ 1,427,874</b>	<b>\$ 1,605,469</b>

**Table 6.4-1 (continued):**

	2025	2026	2027	2028	2029
<b>EBITDA</b>	<b>\$ (444,600)</b>	<b>\$ 1,158,800</b>	<b>\$ 12,731,592</b>	<b>\$ 13,217,856</b>	<b>\$ 18,703,276</b>
Sales and excise taxes <sup>3</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation (no deduction)	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Earnings Before Taxes</b>	<b>\$ (444,600)</b>	<b>\$ 1,158,800</b>	<b>\$ 12,731,592</b>	<b>\$ 13,217,856</b>	<b>\$ 18,703,276</b>
Corporate Income Tax: 10%	\$ -	\$ 115,880	\$ 1,273,159	\$ 1,321,786	\$ 1,870,328
<b>NET EARNINGS (estimated)</b>	<b>\$ (444,600)</b>	<b>\$ 1,042,920</b>	<b>\$ 11,458,433</b>	<b>\$ 11,896,070</b>	<b>\$ 16,832,948</b>
<b>COST OF PRODUCTION PER POUND AS A PERCENTAGE OF NET REVENUES PER POUND</b>					
2019 wholesale price (per above)	270.7%	48.7%	9.6%	9.7%	7.9%
2025 wholesale price - 20% THC <sup>4</sup>	88.7%	15.9%	3.1%	3.2%	2.6%
2025 wholesale price - 22% THC <sup>4</sup>	61.2%	11.0%	2.2%	2.2%	1.9%
<b>MARGIN (2019 wholesale price)</b>	<b>-136.6%</b>	<b>37.0%</b>	<b>65.1%</b>	<b>65.0%</b>	<b>66.3%</b>

### Footnotes for Revenues and Expenses above:

<sup>1</sup> The flower revenue projections are based on a report by VK Premium, a medical cannabis consulting firm based in Athens, Greece, *European Medical Cannabis Market - Trends & Opportunities 2020* (<https://www.vkmedicalcannabis.com/european-medical-cannabis-market-trends-and-opportunities-in-2020>). The four, nearly five years since the report was published have seen even greater increases in flower revenues than were projected. The 2019 prices from the report have nevertheless been used in Tables 6.1, 6.3, and 6.4.

The revenue, EBIDTA, and net earnings in these tables are based on the average 2019 wholesale price set by the German government for the purchase of domestically grown medicinal cannabis (rather than the higher price for cannabis imported from outside of Germany). This price was €2.30 per gram (with 453.592 grams per pound and an exchange rate of €1:\$1.04), i.e., \$2.39 per gram – or \$1,084.99 per pound. The 2019 purchase price for imported cannabis was €4 (\$4.66) per gram, or \$1,886.94 per pound, \$801.95 per pound more than domestically grown cannabis.

**The \$1,084.99 price per pound was used in these calculations, with annual increases in Table 6.4 based on 4% per year.** This was done to be as conservative as possible, with the intent of showing how the Gold Leaf Europe facility will remain profitable, with robust net earnings due to its low operating costs, should supply catch up with demand and should prices return to their 2019 levels.

These prices have increased dramatically, as described in **Section 3.1** of the Project Plan. Cannabis imported from North Macedonia with 20% THC was being sold for €14.04 per gram and 22% THC cannabis was being sold for €20.35 per gram (**see links in Section 3.1**) in German dispensaries in January 2025<sup>4</sup>.

This equates to \$6,623.17 per pound for 20% THC cannabis and \$9,599.82 per pound for 22% THC cannabis, **with an estimated wholesale price (at 50% of the retail price) of from \$3,311.58 to \$4,799.91 per pound.** Should these prices remain firm during the first five years of Phase 1 operations, the 5-year yield on a \$1,551,000 investment will range from \$53,165,751 to \$77,837,182.

**None of these potential higher prices are used in the calculations in Tables 6.1, 6.3, and 6.4 above.** The 5-year yield on a \$1,551,000 investment at the 2019 German domestic wholesale prices would be \$16,241,506.

- <sup>2</sup> Because of North Macedonia's extremely low labor, utility, tax, and operating costs, which average 21% of revenues at full operation, ROI is greatly enhanced. Expense estimates are based on prevailing costs in North Macedonia, including actual costs experienced to date by the project developer.

### Footnote for Sales and excise taxes, above:

- <sup>3</sup> As a wholesale seller, Sigma is not subject to Macedonia's 12% sales tax, which is levied only on retail cannabis sales. There is, as yet, no excise tax on cannabis, and only a 10% corporate tax on revenues.

### Footnote for January 2025 German Dispensary Prices for North Macedonia Cannabis

- <sup>4</sup> "Cannamedial Hybrid classic, North Macedonia," 20% THC and 22% THC, Cannabis Flower Pricing Options, Apotheke LUX 99, Cologne, Germany, <https://cannabis-apotheke.de/sorten?search=Gorilla%20Zkittlez> (the wholesale price is estimated at 50% of the retail price).



**Table 6.4-2: Projected Return for a \$1,551,000 Investment with a 31% Equity Share in Phase 1 (based on 2% per \$100,000)**

Wholesale Cannabis Price Per Pound	Investment Amount	Equity Share of Phase 1	Equity Earnings Years 1-5	Average Annual Earnings	Average Annual ROI	5-Year ROI
31% Equity Share of Year 1-5 Net Earnings for a \$1,551,00 USD Phase 1 Investment @ <b>\$1,085/lb wholesale</b> per the Gold Leaf Europe financial model based on 2019 domestic wholesale price in Germany (see footnotes above on page 6) <b>with a 20% discount for direct sale to a pharmaceutical firm</b>	\$1,551,000	31.0%	\$ 12,643,589	\$ 2,528,718	<b>163%</b>	<b>815%</b>
31% Equity Share of Year 1-5 Net Earnings for a \$1,551,00 USD Phase 1 Investment @ <b>\$3,312/lb wholesale</b> based on January 2025 German dispensary prices for 20% THC cannabis imported from North Macedonia <b>with a 20% discount for direct sale to a pharmaceutical firm</b>	\$1,551,000	31.0%	\$ 42,182,985	\$ 8,436,597	<b>544%</b>	<b>2720%</b>
31% Equity Share of Year 1-5 Net Earnings for a \$1,551,00 USD Phase 1 Investment @ <b>\$4,799.91/lb wholesale</b> based on January 2025 German dispensary prices for 22% THC cannabis imported from North Macedonia <b>with a 20% discount for direct sale to a pharmaceutical firm</b>	\$1,551,000	31.0%	\$ 61,918,936	\$ 12,383,787	<b>798%</b>	<b>3992%</b>

