



DATA DRIVEN SOLUTIONS IN CANNABIS ENFORCEMENT





FOUNDED IN 2015
BASED IN DENVER, COLORADO

NCS Analytics, Inc is an advanced analytics firm firm focused on providing comprehensive, data driven solutions to governments and financial institutions working with traditionally high-risk industries.

The NCS Analytics Platform

Data Flow

COLLECT & ANALYZE



Largest and most diverse data set, connections to data points and optimized pattern recognition.



MONITOR & ALERT



Patent Pending analytics, alerts based on near real-timed data and machine-learning algorithms.



REPORT & PREDICT



Comprehensive reports, compliance audits and historical audits.

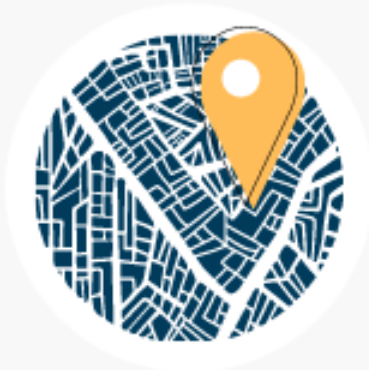


NCS ANALYTICS

POS DATA



SOCIOECONOMIC DATA



BANK DATA



TAX DATA



SEED-TO-SALE



LICENSING





NCS ANALYTICS PLATFORM

DATA INGESTION

THE DATA

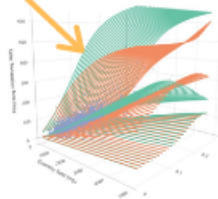


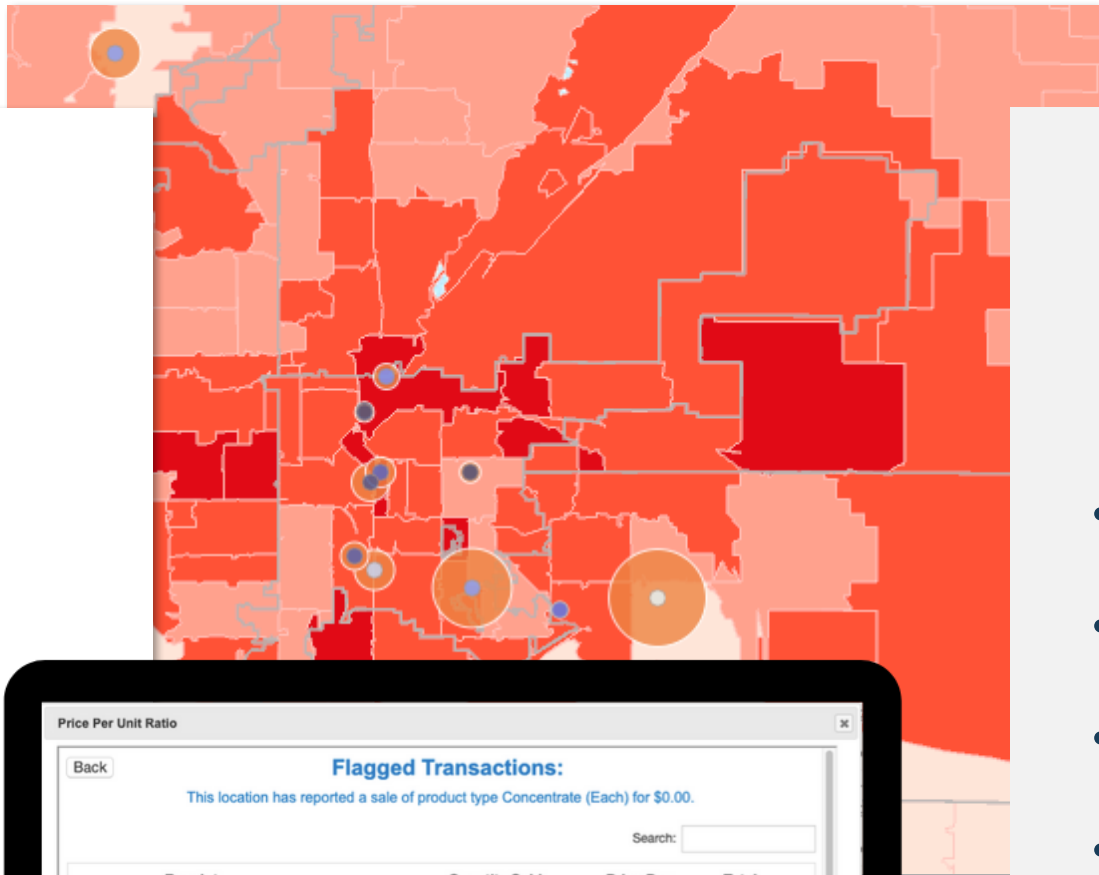
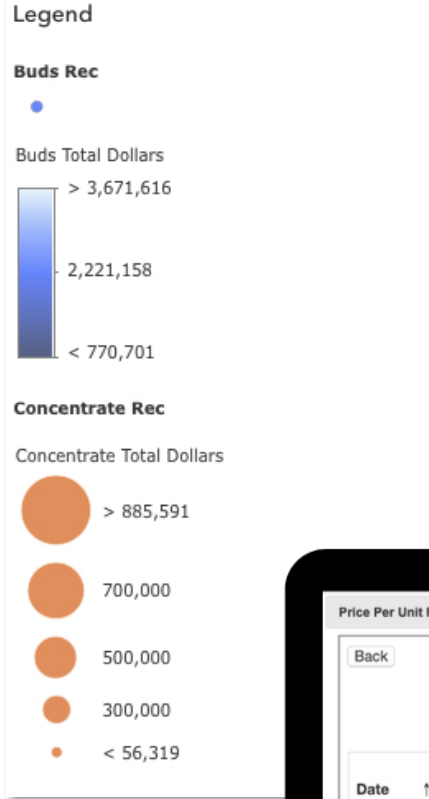
NCS ANALYTICS
ENGINE



CLIENT USERS

- REGULATORS
- FINANCIAL INSTITUTIONS
- GOVERNMENTS





Price Per Unit Ratio

[Back](#)

Flagged Transactions:

This location has reported a sale of product type Concentrate (Each) for \$0.00.

Search:

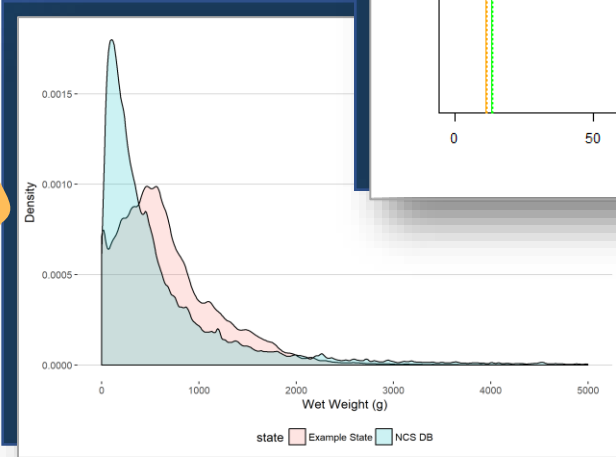
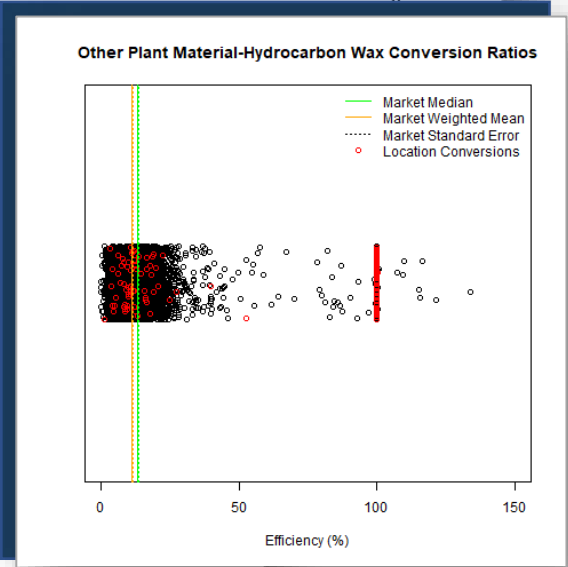
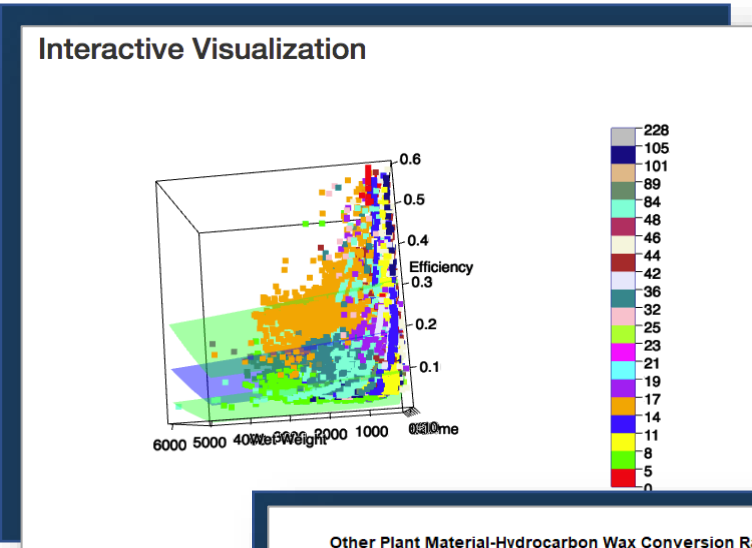
| Date | Receipt Number | Product Name | Quantity Sold (each) | Price Per Unit | Total Price |
|------------|----------------|----------------------|----------------------|----------------|-------------|
| 08/07/2019 | 1801014 | pharmaco grand daddy | 1 | \$0.00 | \$0.00 |
| 08/07/2019 | 1802867 | Claw 1g Vpod | 1 | \$0.00 | \$0.00 |
| 08/07/2019 | 1807293 | Dank Vapes 1g | 1 | \$0.00 | \$0.00 |
| 08/07/2019 | 1799464 | Dank Vapes 1g | 1 | \$0.00 | \$0.00 |

Analytics Applications can include...

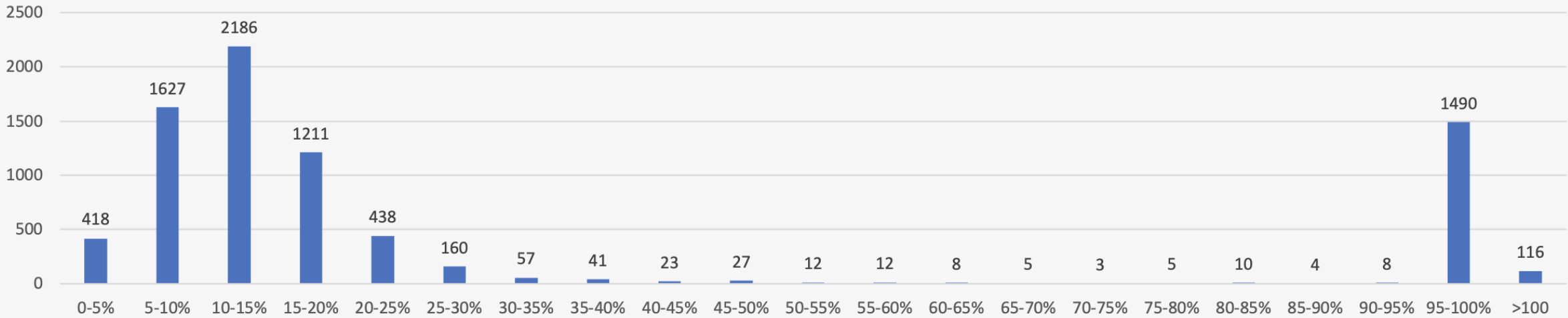
- Identification of Patterns
- Hot Spotting
- Behavioral Analytics
- Initiation of Trigger Events

What We Report

| Month | Tax Return | Metric | Expected Amount | Deposits* |
|---------|------------|-----------|-----------------|-----------|
| 18-Jan | No Data | No Data | No Data | No Data |
| 18-Feb | No Data | \$17,100 | \$24,163 | \$17,563 |
| 18-Mar | \$122,055 | \$99,102 | \$131,352 | \$74,455 |
| 18-Apr | \$129,299 | \$130,644 | \$123,601 | \$54,245 |
| 18-May | \$48,312 | \$66,405 | \$70,682 | \$91,087 |
| 18-Jun | \$114,830 | \$52,756 | \$31,346 | \$84,102 |
| 18-Jul | \$90,561 | \$75,247 | \$76,410 | \$101,657 |
| 18-Aug | \$39,160 | \$55,922 | \$30,801 | \$86,723 |
| 18-Sep | \$47,691 | \$65,867 | \$30,782 | \$96,649 |
| 18-Oct | \$145,814 | \$132,444 | \$132,280 | \$94,724 |
| 18-Nov | \$137,402 | \$162,792 | \$139,459 | \$182,251 |
| 18-Dec | \$145,125 | \$139,733 | \$141,493 | \$107,226 |
| Average | \$82,025 | \$75,819 | \$126,970 | \$65,409 |



Hydrocarbon Wax



The Value Proposition

Efficiency



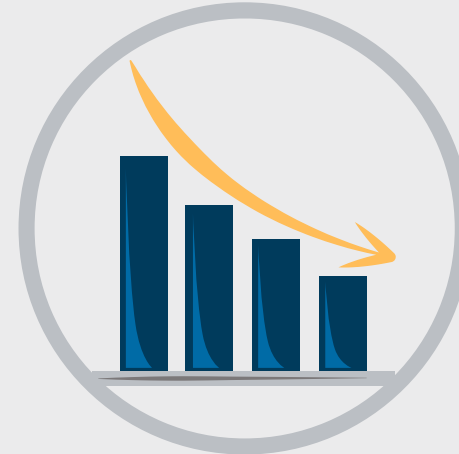
Instantly validate info and identify anomalies

Precision



Consistent improvement when an area is targeted

Speed



Rapid extinction of unwanted behaviors

Insight



An immediate response is apparent in the data

Our clients have proven that using the NCS Platform and launching targeted action in a timely manner leads to long-lasting results. This means a better, more efficient market for years to come.

Proposed Solutions

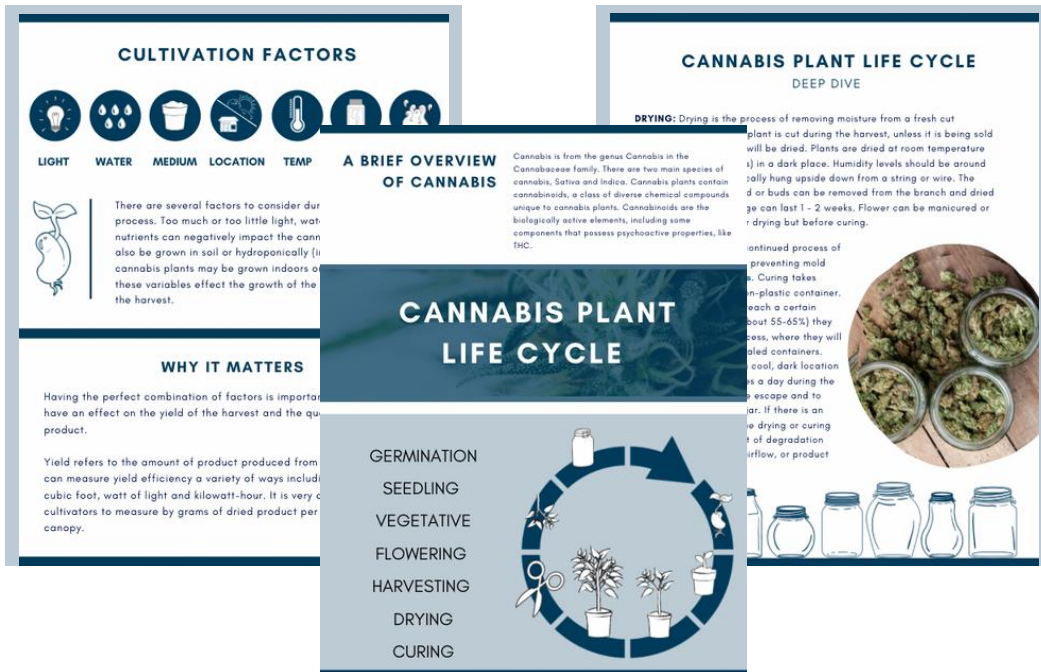
- Experts On-Demand
- Priority Identification and Audit Selection
- Anomaly Detection
- Retail/Wholesale Market Validation
- Audit Support



Experts On-Demand

EDUCATION AND UNDERSTANDING

- Instructor-led cannabis-specific training
- Cannabis 101 Series
- Learning Library



POLICY AND PROCEDURE SUPPORT

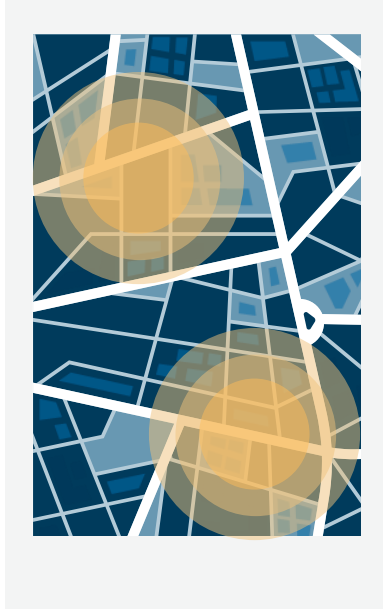
- Collaboration with experienced industry experts
- One-on-one assistance
- Tailored anomaly detection



NCS Analysis and Prioritization Process



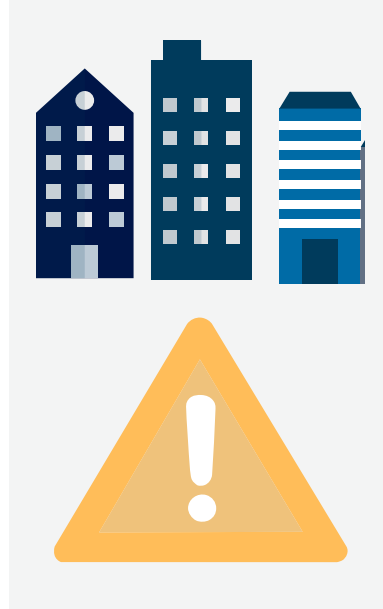
40,000 Licensees
Submitting Data



1,000 Licensees
with Alerted Data



100 Licensees
Prioritized



3 Licensees Visited

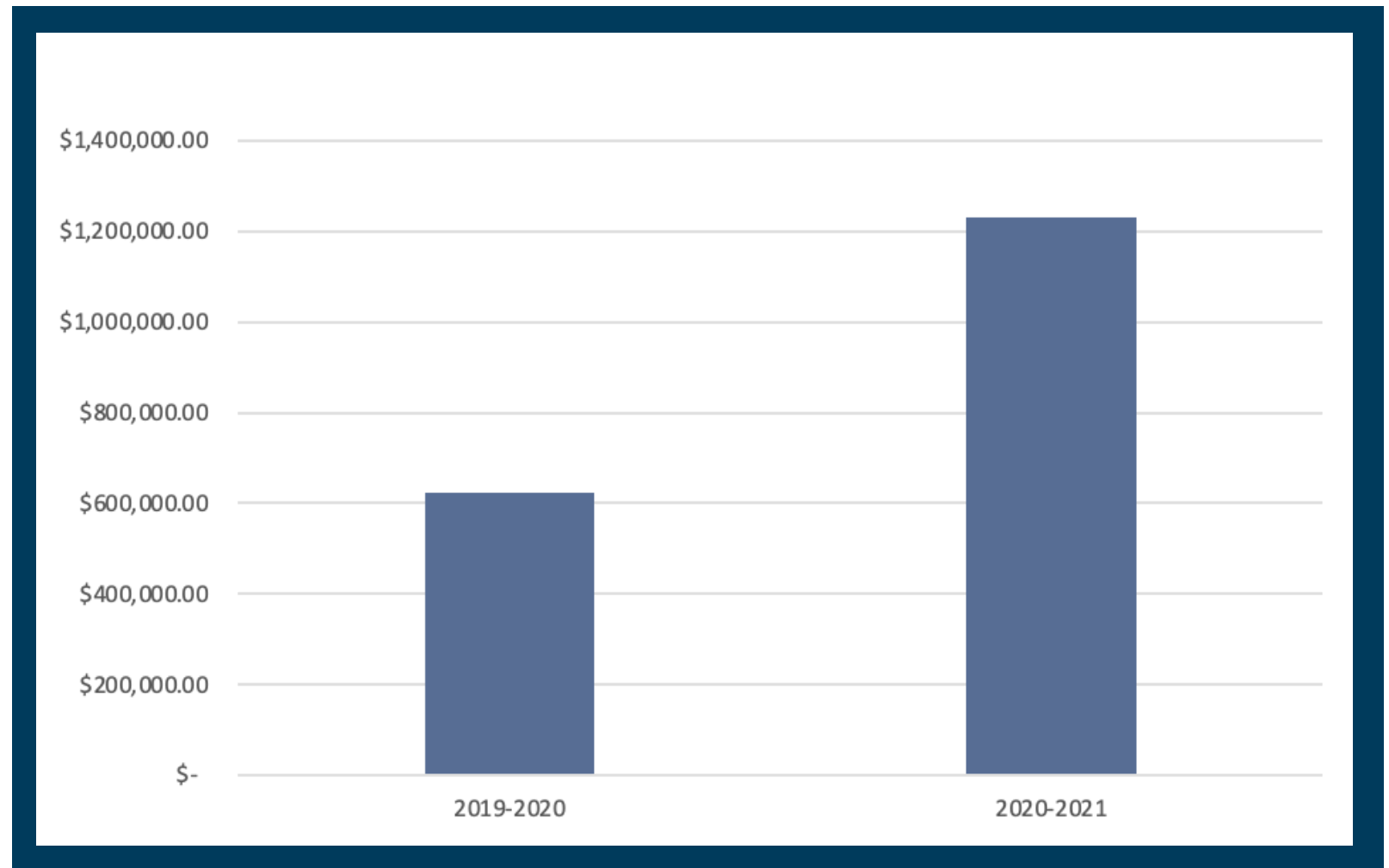
NCS ingests millions of data points weekly. We identify anomalous behavior and activity, pinpointing the companies and locations farthest outside the bounds. We use our patent-pending analytics to prioritize severity based on tiered alerting, allowing for swift enforcement action.

NCS ALERT CATEGORIES

- Harvest Weight Discrepancy
- Harvest Volatility
- Price Per Unit
- Package Quantity
- Cure Ratio
- And 100's more

Case Study 1 - Monterey County, CA

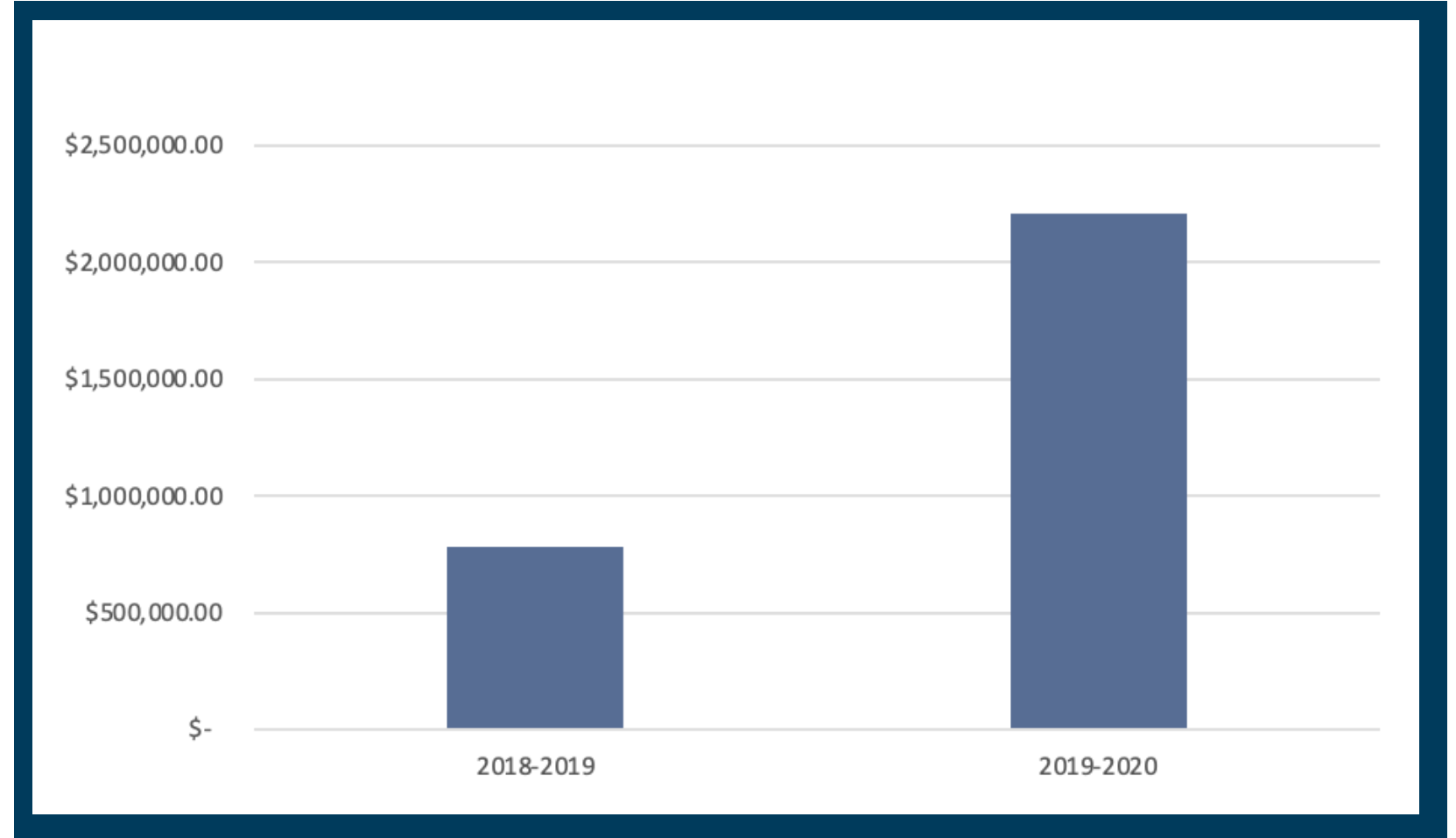
In the fiscal year 2019-2020 the total taxes paid by distributors based on cannabis sales was roughly \$623k. On July 15th, 2020, the decision was made by the Board of Supervisors to require full integration of all licensees into the NCS/CCA platform. After enforcing the integration to NCS, the taxes collected by Monterey County nearly doubled to \$1.23m



In addition to the tax increase, through the work with NCS/CCA the county was able to identify 110 entities that did not have proper authorization to be operating within Monterey County, nor were they paying taxes.

Case Study 2 - Yolo County, CA

In the first year following the full integration, on-time reporting among cannabis businesses increased from 64% to 86%, and collected revenue increased from \$782k to \$2.2m. This increase represents an average of \$11,686 per cannabis business to an average of \$32,711 per cannabis business.



Case Study 1 - State X

The NCS Platform creates projected outcomes based on patent-pending analytics for east comparison to reported results

Each line represents real companies' reported sales over a 24-month period.

The first column shows the projected sales for this market, this is based on the output from NCS's patent-pending analytics engine.

The second column shows the actual reported numbers in State X's tracking system.

The last column shows the difference between the two and can be used as a starting point for investigations

| Market Projected Sales | Actual Reported Sales | Taxable Income Gap |
|------------------------|-----------------------|--------------------|
| \$ 7,832,674.35 | \$ 7,252,517.14 | \$ 580,157.21 |
| \$ 5,448,732.51 | \$ 4,880,409.91 | \$ 568,322.60 |
| \$ 9,304,827.13 | \$ 8,791,931.88 | \$ 512,895.25 |
| \$ 8,538,958.53 | \$ 8,190,757.60 | \$ 348,200.93 |
| \$ 6,778,119.72 | \$ 6,432,958.80 | \$ 345,160.92 |
| \$ 5,681,338.21 | \$ 5,364,110.67 | \$ 317,227.54 |
| \$ 6,059,295.78 | \$ 5,752,121.82 | \$ 307,173.96 |
| \$ 4,996,483.22 | \$ 4,736,617.95 | \$ 259,865.27 |
| \$ 3,006,846.58 | \$ 2,764,625.78 | \$ 242,220.80 |
| \$ 2,832,231.51 | \$ 2,610,311.94 | \$ 221,919.57 |
| \$ 2,597,494.13 | \$ 2,386,477.11 | \$ 211,017.02 |
| \$ 3,342,475.68 | \$ 3,141,210.12 | \$ 201,265.56 |
| \$ 5,791,420.83 | \$ 5,597,275.19 | \$ 194,145.64 |
| \$ 4,165,484.67 | \$ 3,972,545.66 | \$ 192,939.01 |
| \$ 2,969,814.40 | \$ 2,777,431.87 | \$ 192,382.53 |
| \$ 2,770,498.99 | \$ 2,587,573.39 | \$ 182,925.60 |
| \$ 2,260,615.72 | \$ 2,079,544.50 | \$ 181,071.22 |
| \$ 3,784,493.72 | \$ 3,604,884.35 | \$ 179,609.37 |
| \$ 4,157,725.10 | \$ 3,985,165.09 | \$ 172,560.01 |
| \$ 3,102,781.51 | \$ 2,936,364.80 | \$ 166,416.71 |
| \$ 2,438,108.58 | \$ 2,292,392.02 | \$ 145,716.56 |

Transparency Project

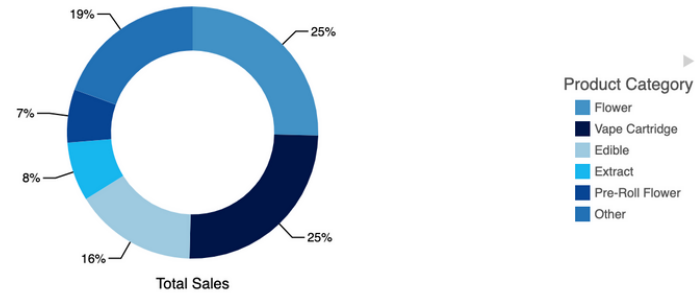
TRANSPARENCY IS THE CORNERSTONE OF GOOD GOVERNMENT

The NCS Transparency Project is a publicly available data portal filled with industry insights and useful information geared towards the average citizen. We believe that sharing information in an easy-to-understand, visually appealing, and timely manner is essential. Our regulatory clients select the update interval and data contained within the report. The data is then aggregated, anonymized, and securely displayed.

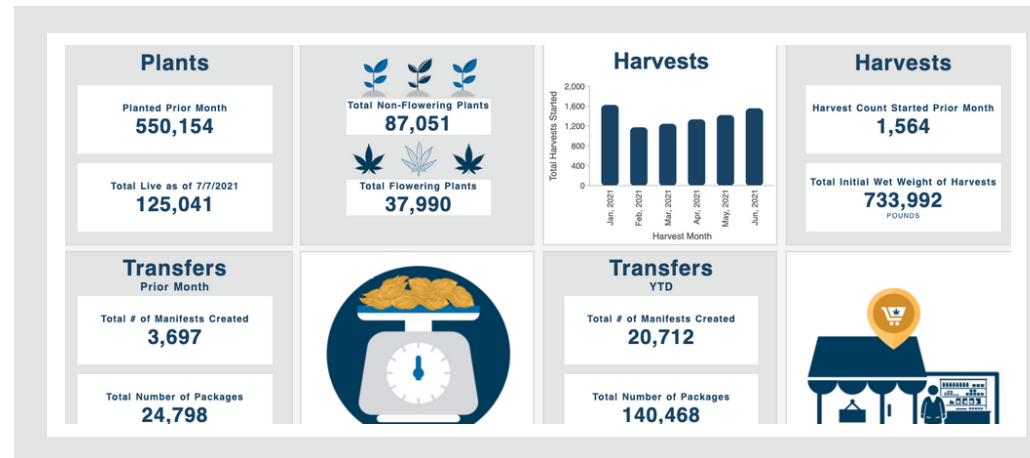
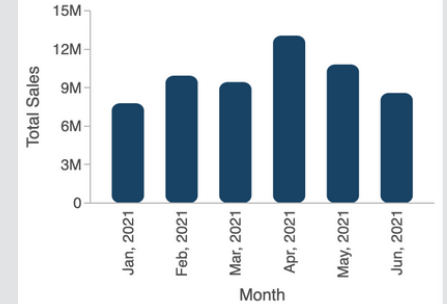
The goal of the Transparency Project is to raise awareness and understanding about the complex and rapidly growing cannabis industry.

Our regulatory clients select the update interval and data contained within the report. The data is then aggregated, anonymized, and securely displayed.

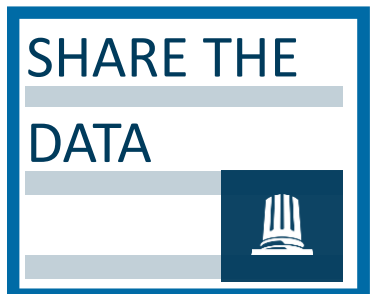
Top 5 Product Category Retail Sales (prior month)



Total Reported Sales



Customize report widgets and graphs to highlight important data.



CONTACT

ADAM CRABTREE | FOUNDER AND CEO

ADAM@NCSANALYTICS.COM

800.462.0787

NCSANALYTICS.COM

Appendix