

BLOK Technologies Inc.

(CSE:BLK)

Building Disruptive Blockchain Solutions BLOK by BLOK

Company Description

BLOK Technologies Inc. (“BLOK Tech”) invests in and develops emerging companies in the blockchain technology sector. The Company’s acquisitive approach is centered on leveraging its proprietary blockchain development expertise to build a portfolio of disruptive solutions. With core technology being developed for the leading cannabis supply chain integrity network, BLOK Tech continues to grow its business into other blockchain-based high potential verticals. The Company systematically identifies early-stage technologies with potential to disrupt and innovate within their industry and invests the necessary resources to ensure operational success.

Investment Highlights

- BLOK Technologies' first investment targets opportunity in the cannabis market.** In a 2016 report, Deloitte estimated the addressable market for the legalized cannabis industry at \$22.6 billion in Canada. In January 2018, BLOK Tech acquired Greenstream, a blockchain-enabled, supply chain integrity platform encompassing licensed producers, consumers and government agencies in the Canadian cannabis ecosystem. The platform under development is addressing payment, compliance, data integrity, infrastructure and data insight endpoints. This foothold makes BLOK Tech a first-in pioneer in this nascent sector.
- Robust Acquisitive Growth Strategy.** The Company’s business strategy calls for investment and development in emerging blockchain-based verticals. By design, BLOK Tech acts as an early-stage incubator by funding, supporting and implementing strategies to advance blockchain solutions. On March 1, the Company entered into a non-binding letter of intent (LOI) to acquire SimpleBlock Payment Systems, a mobile payment and banking software that has been largely deployed in Asia and has been in development since 2014 with over US\$10M invested to date. The proposed deal provides BLOK Tech with an established footprint to enter the banking sector and serve the unbanked masses.
- Strategic Partnership with FogChain Provides Robust Deal Flow Pipeline.** In March 2018, the Company entered into a strategic partnership with FogChain, Inc., a Silicon Valley-based blockchain development and deployment suite, which gives BLOK Tech a tier 1 U.S. channel distribution partner. FogChain, through its connections in the technology start-up community, will identify accretive investment opportunities for the Company with an emphasis on Silicon Valley. Accordingly, the product distribution and deal flow aspects of this key relationship opens doors for BLOK Tech in key verticals to source additional investments and ramp up market penetration.

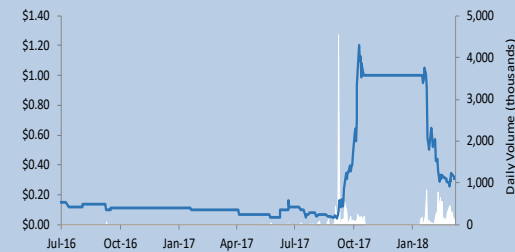
Financial Analysis

- In March 2018, BLOK Tech announced it was raising \$3 million at \$0.30/unit (1 share and 1 24-month warrant at \$0.50) and intends to use the funds for strategic investment purposes and blockchain technology development.** This follows on a \$1.6 million financing at \$0.20/unit in November 2017. Each unit included a share and one half 12-month warrant with a strike price of \$0.50. The proceeds were earmarked for the Greenstream acquisition as well as further investment opportunities.

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Price Performance



Market Data (CSE:BLK)

Price (March 28, 2018)	\$0.33
Market Cap (M)	\$11.6
Current Shares Outstanding (basic, M)	35.2
Current Shares Outstanding (fully diluted, M)	42.5
Free Float	73%
Average Daily Volume (3 months)	87,594

Last Reported Cash (M)*	\$0.5
Total Assets (M)	\$1.0
Total Debt (M)	\$0

Headquarters Vancouver, BC, Canada

Top Shareholders

Joel Yaffe	6.4%
Doug Kukura	6.4%
Rumi Gudzer	6.2%

Management

Rob Dawson	CEO
Jamie Hayland	VP, Director
David Alexander	CFO
Joel Yaffe.	CTO & Director
Lui Franciosi	Chairman

* Unaudited

All figures in CAD unless otherwise stated.
Source: Company Reports, Thomson Reuters



Source: Company Presentation

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