

## Altitude Investment Management Updates Its Cannabis Fund's Holdings with \$23.8 Million in Raised Capital



### Ten New Investments Since Initial March 2018 Fund Close

**NEW YORK ? Sept 12, 2018** /[Canna Newswire](#)/ ?] Altitude Investment Management, LLC updated the market today on its fund Altitude Investment Partners, LP's recent cannabis industry investments. During the period of March through August 2018, Altitude invested in ten companies: six of which were add-on investments to existing portfolio companies and four were investments in companies new to the Altitude portfolio.

The Altitude portfolio now consists of investments in 15 companies. The following is a summary of a selection of notable recent investments:

#### **BDS ANALYTICS**

Altitude made an add-on investment as co-lead in BDS Analytics' Series B Preferred Stock \$3.5 million capital raise. BDS is the leader in cannabis business intelligence. This funding places BDS in a very strong position to execute the national expansion of its GreenEdge™ software and to roll out its Consumer Insights & Industry Intelligence services to a much broader client base. Using the GreenEdge™ sales tracking software, BDS Analytics is able to generate actionable insights pulled from hundreds of dispensary partners' point-of-sale systems and closely study the behaviors and psychographics of cannabis users through its Consumer Insights Group. Its Industry Intelligence Services enables the company to make accurate market-wide financial projections and help the cannabis industry make better informed decisions.

?We are very impressed with the management team,? says Jon Trauben, partner at Altitude. "Based on extensive experience in other industries, BDS Analytics has developed proprietary software and services that provide its clients with really useful data and insights. Its value is reflected in the rapid growth and diversification of the BDS Analytics client base.?"

#### **CANNDESCENT**

Altitude made an add-on investment in CannDESCENT's Series C Convertible Note \$13 million capital raise. CannDESCENT closed 2017 as the #1-selling brand of cannabis flower in California with its market-leading effects?Calm, Cruise, Create, Connect and Charge and is taking that success to the vape and ingestible categories. CannDESCENT is a leading modern cannabis company by combining world class management with best practices from consumer-packaged goods, advanced agriculture, and luxury lifestyle marketing. The company is commencing a multi western-state expansion strategy.

John Brecker, partner at Altitude added, ?We took a small position in CannDESCENT's Series B Preferred Stock raise and have increased our investment significantly based on the milestones the company has achieved in such a short period of time.?"

#### **GRASSROOTS CANNABIS**

(AES Compassionate Care PA and Grassroots Compass Ventures IL)

Altitude made separate investments in both AES Compassionate Care Pennsylvania and Grassroots Compass Ventures Illinois. Each are fully-licensed, vertically-integrated cannabis companies that are active in cultivation, extraction, manufacturing and retailing. Both companies are managed by the same management team.

Altitude partner Michael Goldberg stated, ?Our investments in multistate vertically-integrated operators will allow us to participate

in the growth and value creation as the medicinal markets grow, new patients are added, and new approvals for qualifying conditions increase the patient base. Additionally, large upside exists when a planned rollup takes place and as these states legalize adult use.?

#### **FLOWHUB**

Altitude made an add-on investment in Flowhub's Convertible Note \$3.3 million capital raise. Setting a new standard for the highly regulated industry, Flowhub offers dispensary and cultivation license holders a metric integrated platform built specifically to simplify compliance, with data automatically sent to state regulators via an API. Flowhub's award-winning software serves more than 300 of the largest retailers and cultivators in the United States. Flowhub processes over \$1B in cannabis sales annually and is the top cannabis compliance technology recommended by state agencies.

Rod Stephan, partner at Altitude added, "Flowhub has successfully created software which meets the regulatory and compliance requirements of each state and also creates a sticky customer with recurring monthly revenues. We are excited by the accelerating growth of this company.?"

#### **C4 DISTRO**

(Golden Systems)

Altitude made a lead investment in Golden Systems' Class B Preferred Units \$5 million capital raise. Golden Systems owns C4 Distribution Co. (a.k.a C4 Distro), a California-licensed distribution operating company. C4 is poised to become a leader in the California cannabis distribution market. California needs companies to provide quality distribution services due to the extremely fragmented market of suppliers and retail dispensary buyers. C4 has most recently added four new brands for distribution to its growing list of products.

Rod Stephan stated, "With service to over 160 dispensaries in southern California, C4 is experiencing accelerating month-over-month growth by leveraging its high touch business model to build close relationships with its customers. The distributor plays a material role in the supply chain as well as in creating and growing brands. We believe C4 has the right management team to capitalize on this opportunity.?"

#### **PATHOGEN DX**

Altitude was the co-lead investor in PathogenDx's Convertible Note \$3.4 million capital raise. PathogenDx provides DNA-based disruptive testing technology and solutions to the cannabis, botanical, food, and agriculture markets at an adaptable scale for both large and small testing facilities. The company offers growers, processors, producers, consumers, and ancillary services real-time data and information pertaining to the quality of their product, ensuring a safer commodity and preventing millions of dollars in losses from contaminated or spoiled crops. PathogenDx's testing kits identifies bacterial and fungal contaminants and reduces testing time down to hours from the traditional petri-dish method which takes days.

Jon Trauben commented, "The company is in an enviable position as it fulfills a central regulatory need with cutting edge science, while alleviating existing bottlenecks.?"

#### **ABOUT ALTITUDE INVESTMENT PARTNERS**

Altitude Investment Partners, LP is a US-based, global venture capital fund that invests in a range of early-stage to growth companies supporting the fast-growing legal global cannabis industry. The fund is managed by Altitude Investment Management, LLC, (the "Manager?"), whose members have been actively investing in the cannabis industry and have successfully invested in the alternative investment space for years. The Manager provides institutional quality investment management experience to its investors. The fund continues to accept new investments and plans to close the fund to investors later this year. For more information about Altitude Investment Management please contact [info@altitudein.com](mailto:info@altitudein.com) or visit [www.altitudein.com](http://www.altitudein.com).

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