

EASTERN DISTRICT OF KENTUCKY

LEXINGTON

DIVISION

IN RE:

CASE NO. 20-50212

DEBTOR(S)

CHAPTER 11

MONTHLY OPERATING REPORT FOR MONTH ENDING August, 202 0

Comes now Hemp Kentucky LLC, debtor in possession, and hereby submits its Monthly Operating Report for the period commencing 1-Aug-20 and ending 31-Aug-20 as shown by the report and exhibits consisting of 11 pages and containing the following, as indicated:

- X Monthly Reporting Questionnaire (Attachment 1)
- X Comparative Balance Sheets (Forms OPR-1 & OPR-2)
- X Summary of Accounts Receivable (Form OPR-3)
- X Schedule of Post-Petition Liabilities (Form OPR-4)
- X Statement of Income (Loss) (Form OPR-5)
- X Statement of Sources and Uses of Cash (Form OPR-6)

I declare under penalty of perjury that this report and all attachments are true and correct to the best of my knowledge and belief. I also hereby certify that the original Monthly Operating Report was filed with the Bankruptcy Clerk and a copy delivered to the U.S. Trustee.

Date: October 15, 2020

DEBTOR

By: /s/ James Alt

(Signature)

Name & Title: James Alt, Chief Transformation Officer
(Print or Type)

Address: 550 W. Van Buren StreetChicago, IL 60607Telephone Number: 312.583.8700

CASE NAME: Hemp Kentucky LLC
CASE NUMBER: 20-50212
MONTH OF: August 2020

The financial information and supplemental information contained herein are unaudited, preliminary, and subject to change. Adjustments may have been made to prior periods as a result of quarterly closing procedures, process improvements and new information.

While the Debtors made reasonable efforts to follow measures from Generally Accepted Accounting Principles in the United States ("US GAAP"), the Debtors do not purport to represent financial information and / or financial statements in accordance with US GAAP as they are unaudited and subject to further review and potential adjustments which may have a material impact. As consistent with the Debtors' historical practice, certain adjustments including, but not limited to, reserves and inventory adjustments may only be updated on a quarterly basis with retroactive adjustments.

Accordingly, this Monthly Operating Report is presented solely for the purpose of complying with monthly reporting requirements of the United States Bankruptcy Court and should not be used, or relied upon, for investment or any other purposes. Certain information included are reported on a consolidated basis for all 3 Debtors in the jointly administered case.

The Debtors have historically consolidated 4274 Colby, LLC with its financial information due to its 50% equity ownership and while the Debtors made reasonable efforts to manually adjust, certain financial information may include activity related to the 4274 Colby, LLC entity.

As the Debtors are currently proceeding with the claim reconciliation process, adjustments to pre-petition claim amounts are not reflected in the Debtors financial statements.

On May 19, 2020, the Court entered an order approving the sale of certain of the Debtors' Assets through an Asset Purchase Agreement with GenCanna Acquisition Corp. ("GAC") which successfully closed on May 29, 2020. Concurrent with the sale, the Debtors entered into a Transition Services Agreement ("TSA") whereby Debtors will work on transitioning the assets and operations purchased by GAC during the defined transition services period. As part of the accounting of the sale transaction, assets purchased by GAC resulted in the derecognition of the assets previously owned by the Debtors.

For the post-sale Monthly Operating Reports during the transition period, certain assets have not been derecognized as title transfer to GAC is pending or GAC purchased the rights to the proceeds. As such, a corresponding estimated liability was recorded on the Debtors books to record the future transfer of asset titles and / or the distribution of proceeds once collected by the Debtors. For example, if GAC purchased the proceeds of a \$4M note, the Debtors would have recorded a corresponding \$4M liability to GAC.

Pursuant to the TSA, the Debtors have been operating on behalf of GAC to conduct sales and normal business operations. As such, the Debtors TSA related sales and cash collections are due to GAC and recorded in the Debtors books and records accordingly. The Debtors also incurred TSA expenses which are reimbursed in full and funded by GAC throughout the TSA period with the exception for legal fees whereby the reconciliation for certain legal fees remain ongoing and once completed, will be reimbursed by GAC.

The Debtors continue to incur executive and other payroll obligations, including in connection with performing obligations under the TSA. All of the Debtors' payroll obligations, with the exception of payroll for the Debtors' Chief Wind-Down Officer and a portion of the costs related to security at the Mayfield property, are reimbursable under the TSA. For the avoidance of doubt, the Debtors represent that to the best of their knowledge, information and belief as of the date of this filing, GAC has not committed to employ the Debtors' Chief Wind-Down Officer, or any person who currently serves as a member of the board of directors or similar governing body of any Debtor. Nor, to the best of the Debtors' knowledge, information and belief, are any of the foregoing individuals in discussions with GAC as of the date of this filing about the possibility of taking on such a role with GAC.

CASE NAME: Hemp Kentucky LLC
CASE NUMBER: 20-50212
MONTH OF: August 2020

1. **Payroll** State the amount of all executive wages paid and payroll taxes withheld and paid.

Name and Title of Executive	Wages Paid		Taxes	
	Gross	Net	Due	Paid

Note: Payroll information reported in OGGUSA, Inc. Monthly Operating Report

2. **Insurance** Is workers' compensation and other insurance in effect?
Are payments current?
If any policy has lapsed, been replaced or renewed, state so in the schedule below. Attach a copy of the new policy's binder or cover page.

Yes
Yes
Yes - See footnotes below

Type	Name of Carrier Carrier	Coverage Amount	Expiration Date	Date Coverage Paid Thru
Casualty				
Workers' Comp. - KY Only ⁽¹⁾	Kentucky Employers Mutual	\$1,000,000	6/5/2020	Paid in Full
Workers' Comp. - KY Only	Bridgefield Casualty Ins. Company	\$1,000,000	6/5/2021	9/1/2020
Workers' Comp. - CA Only	Great American Insurance Agency	\$1,000,000	6/5/2021	Paid in Full
General liab.	Admiral Insurance Co	\$2,000,000 Agg	9/1/2020	9/1/2020
Automobile	Cincinnati Insurance Co.	\$1,000,000	9/1/2020	Included in Property
Primary Excess Liability	Admiral Insurance Co.	\$4,000,000	9/1/2020	9/1/2020
Second Layer Excess Liability	LifeScience Risk	\$5,000,000	9/1/2020	9/1/2020
Directors and Officers and Company Liability	Evanston Insurance Company	\$3,000,000	9/1/2020	Paid in Full
Excess Private Management Liability	StarStone Specialty Insurance Company	\$3,000,000	9/1/2020	Paid in Full
Excess Management Liability	Endurance American Insurance Company	\$3,000,000	9/1/2020	Paid in Full
Directors and Officers Difference in Conditions Liability	Endurance American Insurance Company	\$2,000,000	9/1/2020	Paid in Full
Workers' Comp -Other States	Cincinnati Insurance Co.	\$1,000,000	9/1/2020	Paid in Full
Cyber Liability	Crum & Forster	\$1,000,000	9/1/2020	9/1/2020
Employment Practices	StarStone Specialty Ins.	\$1,000,000	9/1/2020	9/1/2020
Property				
Builders Risk ⁽²⁾	Travelers Property Casualty	\$61,844,669	5/30/2020	Paid in Full
Commercial Property (Greenhouses) ⁽³⁾	CM Vantage Specialty	\$4,254,592	5/5/2020	Paid in Full
Irrigation System	Travelers Property Casualty	\$2,300,000	9/1/2020	Paid in Full
Property	Cincinnati Insurance	\$12,095,254	9/1/2020	9/1/2020
Electronic Data Processing	Cincinnati Insurance	\$535,702	9/1/2020	Included in Property
Equipment	Cincinnati Insurance	\$7,901,964	9/1/2020	Included in Property
Crime	Hiscox	\$500,000	9/1/2020	9/1/2020
Stock Through Put	Underwriters at Lloyds	\$10,000,000	9/1/2020	9/1/2020
Equipment Breakdown	Hartford Steam Boiler	\$30,812,376	9/1/2020	Paid In Full

(1): Kentucky Employers Mutual policy expired on 6/5/2020 and was replaced with Bridgefield Casualty Ins. New policy effective 6/5/2020 through 6/5/2021.
(2): Policy expired on May 30, 2020 which covered the Mayfield property, only. See Docket #856 for further details
(3): Policy expired on May 5, 2020 which covered the Southerlands and The Farm properties, only. Kentucky Bank obtained force placed insurance coverage of approximately \$1.9M on the Southerlands property. See Dockets #856 and #1236 for further details.
Note: Insurance information reported on a consolidated basis for all 3 Debtors in the jointly administered case

CASE NAME: Hemp Kentucky LLC

CASE NUMBER: 20-50212

MONTH OF: August 2020

1. Bank Accounts

Account Type	Operating	Payroll	46&2	ICS Security Deposits	ICS Excess Funds	Investment Sweep	Checking	Payroll	Utility Deposits	Operating	General	46&2	Investment	Investment	46&2	Savings
Bank Name	Republic Bank	Republic Bank	Republic Bank	Republic Bank	Republic Bank	Republic Bank	Bank of the Bluegrass	Kentucky Bank	Kentucky Bank	Kentucky Bank	Community Financial Services Bank	Kentucky Bank	Bank of the Bluegrass	Kentucky Bank	Cash Drawer	Community Financial Services Bank
Account #	7268	7306	7314	306	7268	7268	6972	0145	7891	5766	4526	7956	2377	8507	N/A	8663
Beginning Cash 8/1/2020 (Book)	\$ 244,561.77	\$ (30,369.89)	\$ -	\$ 51,007.92	\$ 500,364.70	\$2,149,803.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265.00	\$ -
Plus: Deposits	485,051.40	-	-	2.16	21.23	23.98	-	-	-	-	-	-	-	-	-	-
Less: Disbursements	(1,185,436.21)	(2,426,998.54)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	670,053.27	2,457,368.43	-	-	-	71,776.76	-	-	-	-	-	-	-	-	(265.00)	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash 8/31/2020 (Book)	\$ 214,230.23	\$ (0.00)	\$ -	\$ 51,010.08	\$ 500,385.93	\$2,221,603.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Bank Accounts reported on a consolidated basis for all 3 Debtors in the jointly administered case

2. Postpetition Payments List any postpetition payments to professionals and payments on prepetition debts in the schedule below (attach separate sheet if necessary).

Payments To	Amount	Date	Check #
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Professionals (attorneys, accountants, etc.):

Note: Professional payments reported in OGGUSA, Inc. Monthly Operating Report

Prepetition creditors:

Note: Pre-petition creditor payments reported in OGGUSA, Inc. Monthly Operating Report

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MONTH ENDED: August 2020

	29-Feb-20	31-Mar-20	30-Apr-20	31-May-20	30-Jun-20	31-Jul-20	31-Aug-20
Cash	4,282,629	5,638,050	3,811,807	6,029,359	6,170,112	2,917,624	2,989,222
Trade Receivables, Net	3,489,389	708,133	682,117	-	(0)	0	(0)
Inventory	102,164,341	102,347,717	103,255,055	-	(0)	-	0
Deposits and Prepaid Assets	17,440,501	17,917,892	17,634,133	262,029	262,029	262,020	193,769
Other Current Assets	933,916	193,355	168,782	27,819	1,128	0	30,000
Post-Petition - Due from NewCo, net	-	-	-	1,658,550	607,521	1,328,732	550,415
Other Current Assets - Related Party	4,165,742	4,169,316	4,171,732	-	-	-	(0)
Notes Receivable - Current	6,630,000	4,130,000	4,130,000	-	-	-	-
Notes Receivable - Current - Related Party	230,000	230,000	230,000	-	-	-	-
Convertible Notes Receivable	-	-	-	-	-	-	-
Current Assets	139,336,518	135,334,464	134,083,626	7,977,757	7,040,790	4,508,376	3,763,405
363 Asset - Inventory	-	-	-	104,275,450	105,312,580	106,800,575	(0)
363 Asset - Deposits and Prepays	-	-	-	17,159,489	16,995,678	17,030,969	16,339,188
363 Asset - Other Current Assets	-	-	-	109,545	60,007	60,484	37,517
363 Asset - Other Current Assets - Related Party	-	-	-	4,174,316	4,176,883	4,179,467	4,181,967
363 Asset - Note Receivable	-	-	-	750,000	750,000	750,000	750,000
363 Asset - Note Receivable - Current - Related Party	-	-	-	4,130,000	4,130,000	4,130,000	4,130,000
363 Asset - Note Receivable Non-Current - Related Party	-	-	-	230,000	230,000	230,000	230,000
363 Assets	-	-	-	130,828,801	131,655,147	133,181,496	25,668,672
Land	1,108,800	1,108,800	1,108,800	1,108,800	1,108,800	1,108,800	1,108,800
Buildings	3,640,279	3,640,279	3,640,279	3,640,279	3,640,279	3,640,279	3,640,279
Leasehold Improvements	3,815,165	3,815,165	3,815,165	357,819	357,819	357,819	357,819
Production Equipment	19,701,618	19,705,818	19,705,818	0	0	0	0
Capital Lease Assets	10,573,111	10,573,111	10,573,111	10,573,111	4,685,735	193,013	193,013
Non-Production Fixed Assets	1,681,331	1,681,332	1,681,332	471,832	471,832	471,832	29,373
Construction in Progress	36,318,981	36,324,188	36,329,395	1,308,849	685,660	685,660	685,660
Gross Fixed Assets	76,839,285	76,848,693	76,853,900	17,460,691	10,950,126	6,457,404	6,014,945
Accumulated Depreciation	(3,519,665)	(3,850,914)	(4,182,163)	(272,343)	(291,582)	(310,820)	(186,515)
Net Fixed Assets	73,319,620	72,997,779	72,671,737	17,188,348	10,658,544	6,146,583	5,828,430
Intangible Assets, Net	238,112	232,813	227,514	-	-	-	-
Deferred Tax Assets	1,399,263	1,399,263	1,399,263	1,399,263	1,399,263	1,399,263	1,399,263
Investments	1,466,667	1,466,667	1,466,667	-	-	-	-
Notes Receivable - Non-Current - Related Party	750,000	750,000	750,000	-	-	-	-
Investments - Related Party	-	-	-	-	-	-	-
Other Assets	3,854,042	3,848,743	3,843,444	1,399,263	1,399,263	1,399,263	1,399,263
TOTAL ASSETS	216,510,180	212,180,986	210,598,807	157,394,168	150,753,744	145,235,718	36,659,770
Trade Payables	61,717,855	61,563,321	61,455,001	61,070,591	61,117,925	61,142,560	61,119,077
Trade Payables - Related Party	33,639,082	33,636,884	33,636,778	33,636,778	33,636,820	33,636,778	33,636,778
Accrued Expenses	6,208,820	6,142,337	6,121,062	6,230,187	6,218,150	5,990,872	6,156,684
Accrued Expenses - Related Party	-	-	-	-	-	-	-
Deferred Revenue	1,669,568	1,302,534	635,207	384,915	775,364	644,467	642,968
Accrued Interest Payable	2,252,877	2,252,877	1,819,058	1,850,378	4,132,088	4,023,961	4,023,961
Capital Lease Liabilities - Current	2,644,955	2,636,866	2,634,168	2,631,450	1,179,082	14,085	11,308
Convertible Debentures - Current	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Notes Payable - Current	79,775,967	79,804,084	78,833,132	17,862,176	17,891,215	17,920,250	17,949,281
Notes Payable - Current - Related Party	-	-	-	-	-	-	-
Pre-Petition Current Liabilities	188,184,124	187,613,903	185,409,405	123,941,474	125,225,644	123,647,973	123,815,057
Post-Petition - Trade Payables	979,151	3,780,959	3,637,646	5,178,508	5,510,449	3,489,413	2,831,373
Post-Petition - Accrued Expenses	1,945,094	1,068,178	873,646	939,995	536,887	643,081	835,142
Post-Petition - Deferred Revenue	277,289	360,971	617,433	715,051	166,948	240,238	131,681
Post-Petition - Notes Payable - Current	166,825	345,587	519,029	698,700	698,700	698,700	698,700
Post-Petition - Accrued Interest Payable	728,728	1,502,010	2,272,699	2,959,367	256,026	99,389	105,453
Post-Petition - DIP Funding - Notes Payable - Current	4,631,250	7,515,833	10,582,917	(0)	(0)	(0)	(0)
Post-Petition - Due to NewCo	-	-	-	-	-	-	-
Post-Petition - Current Liabilities	8,728,337	14,573,539	18,503,369	10,491,622	7,169,010	5,170,820	4,602,349
363 Liability - Inventory	-	-	-	104,275,450	105,312,580	106,800,575	(0)
363 Liability - Deposits and Prepays	-	-	-	17,159,489	16,995,678	17,030,969	16,339,187
363 Liability - Other Current Assets	-	-	-	109,545	60,007	60,484	37,517
363 Liability - Other Current Assets - Related Party	-	-	-	4,174,316	4,176,883	4,179,467	4,181,967
363 Liability - Note Receivable	-	-	-	750,000	750,000	750,000	750,000
363 Liability - Note Receivable - Current - Related Party	-	-	-	4,130,000	4,130,000	4,130,000	4,130,000
363 Liability - Note Receivable Non-Current - Related Party	-	-	-	230,000	230,000	230,000	230,000
Total 363 Liability to NewCo	-	-	-	130,828,801	131,655,147	133,181,495	25,668,671
Total Current Liabilities	196,912,460	202,187,441	203,912,775	265,261,897	264,049,801	262,000,288	154,086,077
Capital Lease Liabilities - Non-Current	7,234,189	7,239,093	7,239,093	7,239,093	3,135,076	152,225	152,224
Notes Payable - Non-Current	2,500,169	2,502,250	2,504,510	2,506,770	2,509,031	2,521,080	2,573,900
Long-Term Liabilities	9,734,358	9,741,344	9,743,604	9,745,864	5,644,107	2,673,305	2,726,125
TOTAL LIABILITIES	206,646,818	211,928,785	213,656,378	275,007,761	269,693,908	264,673,593	156,812,202
Common Stock	25,257	25,257	25,257	25,257	25,257	25,257	25,257
Additional Paid in Capital	38,986,784	38,986,784	38,986,784	38,986,784	38,986,784	38,986,784	38,986,784
Retained Earnings/(Deficit)	(29,223,679)	(38,834,840)	(42,144,613)	(156,700,633)	(158,027,206)	(158,524,917)	(159,239,473)
NonControlling Interest	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Total Shareholder's Equity	9,863,362	252,201	(3,057,572)	(117,613,592)	(118,940,164)	(119,437,876)	(120,152,432)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	216,510,180	212,180,986	210,598,807	157,394,168	150,753,744	145,235,718	36,659,770

Note: Balance Sheets reported on a consolidated basis for all 3 Debtors in the jointly administered case

CASE NUMBER: 20-50212

MONTH ENDED: August 2020

	TOTAL	Current	30	60	90	> 90
MONTH: August 2020						
Allowance for doubtful accounts						
Net Accounts Receivable						
MONTH: July 2020						
Allowance for doubtful accounts						
Net Accounts Receivable						
MONTH: June 2020						
Allowance for doubtful accounts						
Net Accounts Receivable						
MONTH: May 2020						
Allowance for doubtful accounts						
Net Accounts Receivable						
MONTH: April 2020	6,679,437	13,226	208,566	85,954	1,030,488	5,341,203
Allowance for doubtful accounts	-5,997,320					
Net Accounts Receivable	682,117					
MONTH: March 2020	6,705,453	32,747	352,160	937,540	556,353	4,826,654
Allowance for doubtful accounts	-5,997,320					
Net Accounts Receivable	708,133					
MONTH: February 2020	6,903,333	127,714	1,376,505	2,057,570	288,535	3,053,008
Allowance for doubtful accounts	-3,413,944					
Net Accounts Receivable	3,489,389					

Note: Accounts Receivable reported on a consolidated basis for all 3 Debtors in the jointly administered case

Note 2: The Company's policy is to reassess its allowance for doubtful accounts on a (calendar) quarterly basis.

Note 3: Any Accounts Receivable related to Debtors' services pursuant to the TSA agreement are due to GAC and not reported as accounts receivable on the Debtors financial statements

	DATE INCURRED ⁽¹⁾	TOTAL DUE	Current	30 DAYS	60 DAYS	90 DAYS	OVER 90 DAYS
TRADE ACCOUNTS PAYABLE & OTHER:							
828 Logistics LLC	2/5/2020 - 8/31/2020	528,694			269,349	259,345	
AAA Fence LLC	2/5/2020 - 8/31/2020	579			579		
Aflac Group Insurance	2/5/2020 - 8/31/2020	1,976				1,976	
Air Technologies	2/5/2020 - 8/31/2020	1,556					1,556
Airgas USA LLC	2/5/2020 - 8/31/2020	4,400			4,400		
Ally	2/5/2020 - 8/31/2020	667				667	
Analytical Resource Laboratories	2/5/2020 - 8/31/2020	-			454	(300)	(155)
AT&T	2/5/2020 - 8/31/2020	1,321			1,321		
Benefit Marketing Solutions LLC	2/5/2020 - 8/31/2020	173			173		
Benesch Friendlander Coplan & Aronoff LLP	2/5/2020 - 8/31/2020	894,679			356,580	251,295	286,804
Bridgefield Casualty Insurance Company	2/5/2020 - 8/31/2020	9,959			4,979	4,979	
Central Processors Inc	2/5/2020 - 8/31/2020	51,213				51,213	
Cintas	2/5/2020 - 8/31/2020	525					525
Columbia Gas of Kentucky	2/5/2020 - 8/31/2020	678			678		
DelCotto Law Group PLLC	2/5/2020 - 8/31/2020	69,431			34,215	32,483	2,733
Dentons Bingham Greenebaum LLP	2/5/2020 - 8/31/2020	140,346			52,390	66,851	21,105
Duplicator Sales and Service	2/5/2020 - 8/31/2020	1,411			1,254	157	
Dustyn Crawford	2/5/2020 - 8/31/2020	1,490			1,490		
Enterprise Rent-A-Car	2/5/2020 - 8/31/2020	1,634			1,634		
Epiq Corporate Restructuring LLC	2/5/2020 - 8/31/2020	55,467			55,467		
Farmaceutical Partners, LLC	2/5/2020 - 8/31/2020	1,701			1,701		
Florida Department of Revenue	2/5/2020 - 8/31/2020	255			255		
Foley & Lardner LLP	2/5/2020 - 8/31/2020	301,654				156,356	145,297
Freed Maxick CPAs PC	2/5/2020 - 8/31/2020	108,378			50,000	58,378	
Garrard County Water Association	2/5/2020 - 8/31/2020	318				318	
Gary Shell	2/5/2020 - 8/31/2020	23,014					23,014
GlassRatner Advisory an Capital Group LLC	2/5/2020 - 8/31/2020	32,757			13,683	15,563	3,511
Gold Coast	2/5/2020 - 8/31/2020	-			745		(745)
Green Scientific Labs LLC	2/5/2020 - 8/31/2020	1,850			1,850		
Guardian Computer LLC	2/5/2020 - 8/31/2020	11,518			11,030	488	
Highbriidge Spring Water Co Inc	2/5/2020 - 8/31/2020	14				14	
Huron Consulting Services LLC	2/5/2020 - 8/31/2020	340,278			340,278		
HyperAMS LLC	2/5/2020 - 8/31/2020	2,614				2,614	
J Smith Lanier Lexington	2/5/2020 - 8/31/2020	693				693	
Johnathan Day	2/5/2020 - 8/31/2020	6,880			6,880		
Kaycha Holdings LLC	2/5/2020 - 8/31/2020	499			499		
Kentucky American Water	2/5/2020 - 8/31/2020	718			718		
Kentucky Utilities Company	2/5/2020 - 8/31/2020	3,468			3,509	(41)	
KnightHorst Shredding LLC	2/5/2020 - 8/31/2020	37				37	
Lanes Mobile John Inc	2/5/2020 - 8/31/2020	76			76		
Loopers Lawn Care LLC	2/5/2020 - 8/31/2020	127			127		
Mayfield EWS	2/5/2020 - 8/31/2020	43				43	
McGregor and Associates Inc	2/5/2020 - 8/31/2020	36			36		
Natural Vitamins Laboratory	2/5/2020 - 8/31/2020	2,750			2,750		
Oracle Netsuite	2/5/2020 - 8/31/2020	10,613				10,613	
Pac-Van Inc.	2/5/2020 - 8/31/2020	716			716		
Paducah Power System	2/5/2020 - 8/31/2020	24			24		
Paducah Water	2/5/2020 - 8/31/2020	264			264		
Particle Technology Group LLC	2/5/2020 - 8/31/2020	2,655			2,655		
Penske Truck Leasing Co LP	2/5/2020 - 8/31/2020	61			61		
Prolift Industrial Equipment	2/5/2020 - 8/31/2020	4,903			4,903		
Republic Bank & Trust Company	2/5/2020 - 8/31/2020	1,663			1,663		
Rumpke of Kentucky Inc	2/5/2020 - 8/31/2020	495			400	95	
Safety Kleen Systems Inc	2/5/2020 - 8/31/2020	2,051			2,051		
Salesforce com Inc	2/5/2020 - 8/31/2020	1,410					1,410
Specialty Oil Extractors	2/5/2020 - 8/31/2020	14,004					14,004
Spectrum	2/5/2020 - 8/31/2020	2,401			430	1,972	
Sumter Hotel Venture LLC	2/5/2020 - 8/31/2020	246			246		
Terminix	2/5/2020 - 8/31/2020	1,021			493	528	
The Lebermuth Company Inc	2/5/2020 - 8/31/2020	-			318		(318)
Thompson Construction	2/5/2020 - 8/31/2020	600					600
Tierney Storage LLC	2/5/2020 - 8/31/2020	13,031				13,031	
Tire Discounters	2/5/2020 - 8/31/2020	71			71		
United Fulfillment Solutions	2/5/2020 - 8/31/2020	1,792			1,792		
Vaco LLC	2/5/2020 - 8/31/2020	19,028			14,231	4,797	
Veracity Networks LLC	2/5/2020 - 8/31/2020	483			483		
Vertical Wellness Inc	2/5/2020 - 8/31/2020	128,393			128,393		
W S Electronics South	2/5/2020 - 8/31/2020	392			392		
West Kentucky Rural Electric	2/5/2020 - 8/31/2020	93				93	
Wayne Supply Company	2/5/2020 - 8/31/2020	607				607	
Winchester - Bypass Rental Center of Winchester	2/5/2020 - 8/31/2021	1,575			1,575		
Winchester Municipal Utilities	2/5/2020 - 8/31/2022	397				397	
Zelios	2/5/2020 - 8/31/2023	2,313			2,313		
ZoomEssence Inc	2/5/2020 - 8/31/2024	14,196			14,196		
Sub-Total		2,831,373	-	-	1,396,769	935,264	499,341
TOTALS		4,602,349	1,770,976	-	1,396,769	935,264	499,341

Note 4: The Debtors have not received information from Foley regarding their August fees. As such, an accrued expense of \$156,000, based on Foley's July invoice, was recorded under post-petition unsecured debt.

CASE NUMBER: 20-50212

MONTH ENDED: August 2020

	29-Feb-20	31-Mar-20	30-Apr-20	31-May-20	30-Jun-20	31-Jul-20	31-Aug-20
Revenue							
Product Sales	632,550	1,035,534	1,916,513	912,114	-	0	(0)
Other Revenue	4,415	7,496	8,926	1,978	-	0	-
Discounts	(407)	(3,267)	-	-	-	-	-
Returns	(657,539)	-	-	-	-	-	-
Net Revenue	(20,982)	1,039,763	1,925,440	914,091	-	1	(0)
COGS							
Standard Costs	332,473	334,605	520,803	280,296	-	(1)	(0)
CMO Processing Costs	29,503	48,356	131,988	12,138	(0)	(0)	(0)
Other Costs	103,588	629,501	-	-	-	-	-
Total COGS	465,563	1,012,463	652,791	292,435	(0)	(1)	(0)
Gross Profit	(486,545)	27,300	1,272,649	621,657	0	2	(0)
SG&A							
Bad Debt Expense	-	5,823,628	28,177	27,020	(0)	(2)	0
Business Insurance	157,641	158,079	158,079	157,966	35,987	(35,714)	(35,714)
Corporate Housing	18,753	14,118	9,840	8,622	(0)	(1)	(0)
Depreciation and Amortization	338,441	338,511	338,511	334,151	21,201	(19,239)	(11,864)
Marketing and External Affairs	97,153	54,336	42,588	85,622	0	0	-
Miscellaneous Expense Reports	7,676	9,293	8,885	2,777	0	(0)	0
Non-Recurring Employee Pay	170,985	34,397	40,785	45,750	(6,231)	-	0
Non-W2 Wages	126,349	91,187	62,425	59,754	16,250	(5,000)	(25,000)
Other Operating Expenses	72,117	80,336	123,278	45,778	142,091	(9,893)	(17,086)
Restructuring and Professional Services	1,765,819	1,826,908	2,076,991	2,880,062	825,170	(484,339)	(743,436)
Rent and Utilities	53,329	41,030	42,532	39,360	2,928	(2,806)	(9,426)
Salaries and Benefits	504,184	440,093	410,434	342,730	54,469	(38,141)	(16,579)
Software Expenses	50,407	40,236	39,635	43,112	0	(0)	0
Travel	44,013	44,615	22,052	3,735	(0)	(0)	0
Total SG&A	3,406,866	8,996,768	3,404,210	4,076,438	1,091,866	(595,135)	(859,105)
Operating Income/(Loss)	(3,893,410)	(8,969,468)	(2,131,561)	(3,454,782)	(1,091,866)	595,136	859,105
Non-Operating							
Interest Expense, net	942,519	1,051,705	1,167,428	1,141,450	115,800	(36,910)	(19,134)
Non-Operating expenses/(income)	(87,873)	(400,223)	(16,619)	109,925,628	92,981	80,700	163,683
Total Non-Operating Expenses/(Income)	854,647	651,482	1,150,809	111,067,078	208,780	43,791	144,549
Income/(Loss) Before Income Taxes	(4,748,057)	(9,620,950)	(3,282,370)	(114,521,860)	(1,300,647)	551,346	714,557
Income Taxes	-	-	-	-	-	(910)	-
Net Income/(Loss)	(4,748,057)	(9,620,950)	(3,282,370)	(114,521,860)	(1,300,647)	552,256	714,557

Note: While the Debtor made reasonable efforts to manually adjust and remove activity for the prepetition stub period (Feburary 1, 2020 through February 5, 2020), certain prepetition activity may have been included. For example, Salaries and Benefits expenses are full month of February.

Note 2: Statement of Income (Loss) reported on a consolidated basis for all 3 Debtors in the jointly administered case.

Month Ended: August 2020

CASE NAME: Hemp Kentucky LLC
CASE NUMBER: 20-50212

Note: Statement of Sources and Uses of Cash reported in OGGUSA, Inc. Monthly Operating Report

CASH DISBURSEMENTS DETAIL

DATE	PAYEE	AMOUNT
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Note: Cash Disbursements Detail reported in OGGUSA, Inc. Monthly Operating Report

CASH RECEIPTS DETAIL

DATE	RECEIVED FROM	AMOUNT
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Note: Cash Receipts Detail reported in OGGUSA, Inc. Monthly Operating Report