here is the short-selling cases provided by Bonitas Research, including the reasons for the short call, supporting details, and research methods used.

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\*\*1. Hexindai Inc. (Nasdaq: HX)\*\*

\* \*\*Report Date (Implied):\*\* January 15, 2019 (based on initial report content and rebuttal dates)

\* \*\*Core Short Thesis:\*\* Hexindai executed a premeditated fraud using fabricated financial statements to siphon cash from US investors into the hands of China-based insiders, rendering the stock worthless.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Fake Financials (Revenue, Profit, Cash):\*\*

\* \*\*Details:\*\* Bonitas alleged Hexindai overstated cumulative profits by 1,343% and cumulative revenues by 195% since inception. Comparison of financials reported in SEC filings versus those found in PRC Credit Reports for Hexindai's main operating VIE (Hexin E-Commerce Co. Ltd.) showed significant discrepancies (e.g., SEC filings showed US$60M cumulative net income vs. US$4M in PRC Credit Reports for FY15-CY17). Bonitas estimated a negative cash balance of US$3M vs. reported US$53M as of Sept 30, 2018, after adjusting for alleged fake profits.

\* \*\*Methods:\*\* Comparing SEC filings vs. PRC Credit Reports obtained from licensed PRC credit agencies for the primary VIE. Financial statement analysis (adjusting cash & retained earnings for alleged fake profits).

2. \*\*Fabricated Transaction Volumes:\*\*

\* \*\*Details:\*\* Analysis of the 2017 annual report of Hexindai's primary loan guarantee partner, Changan Property & Casualty Insurance Co., Ltd. ("Changan"), suggested lower actual loan volumes than Hexindai claimed. Changan's reported guarantee insurance revenue was allegedly insufficient to support Hexindai's claimed loan volumes, given Changan's 2% fee and its extensive list of other P2P clients. Bonitas also found data on Hexindai's website suggesting an artificial spike in new user registrations just before the IPO.

\* \*\*Methods:\*\* Analysis of Changan Insurance's annual report (revenue vs. implied fees from Hexindai's claimed volume). Analysis of historical user registration data from Hexindai's website.

3. \*\*Insider Cash Siphoning (Diverted IPO Proceeds):\*\*

\* \*\*Details:\*\* Hexindai claimed IPO proceeds would fund its core P2P marketplace business. Instead, cash was quickly moved out via a special dividend (July 2018, insiders owned 83%) and by launching an unexpected, unsecured direct lending business (Wusu Hexin Internet Small Loan Co., Ltd. - "WUSU") two months post-IPO. This WUSU entity made loans ~50x larger than Hexindai's typical P2P loans (~US$1M each) to a few hundred undisclosed borrowers. The loan receivable balance rapidly grew to US$73M by Sept 30, 2018, becoming the largest asset. The WUSU registered capital was also misrepresented (claimed RMB 500M in rebuttal vs RMB 100M in SAIC).

\* \*\*Methods:\*\* Comparing prospectus 'use of proceeds' statement vs. actual company actions (dividend declaration, launch of new business line). Analyzing SEC filings for loan receivable growth and WUSU details. Checking PRC SAIC database for WUSU's registered capital.

4. \*\*Negative Operational Developments & Misrepresentations:\*\*

\* \*\*Details:\*\* The Hexindai borrower app became inaccessible (bad QR codes, busy hotline) by Jan 2019. Hexindai IR falsely claimed in Jan 2019 that new loans were being processed and Changan was still providing insurance, despite PRC regulators (CBIRC) forcing Changan to cease P2P guarantee insurance operations in Dec 2018 due to insolvency. Hexindai later changed its story in a rebuttal, claiming a new guarantor (Shanxi Zhengxuan, a company with minimal financials and whose parent was linked to a failed P2P platform) was used since Dec 1, 2018.

\* \*\*Methods:\*\* Testing the borrower mobile application. Calling customer service hotlines. Direct communication with Hexindai Investor Relations. Checking PRC regulatory websites (CBIRC) for actions against Changan. Researching the new guarantor (Shanxi Zhengxuan) via SAIC and news archives.

5. \*\*Repeat of "China Hustle" Patterns:\*\*

\* \*\*Details:\*\* Highlighted the involvement of underwriter Network 1 Financial Securities and auditor Marcum Bernstein & Pinchuk LLP (MBP), noting their track records. Implied gatekeeper failure. Pointed out subsequent auditor change to Deloitte, also citing Deloitte's mixed record with Chinese companies.

\* \*\*Methods:\*\* Researching track records of involved underwriters and auditors. Citing parallels to other US-listed Chinese frauds.

\*\*2. Bosideng International Holdings Limited (HKEx: 3998)\*\*

\* \*\*Report Date:\*\* June 24, 2019

\* \*\*Core Short Thesis:\*\* Bosideng fabricated profits, artificially inflated acquisition prices paid to undisclosed insiders, improperly disposed of assets to the Chairman, and siphoned cash via related party transactions, rendering the stock worthless.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Fabricated Profits:\*\*

\* \*\*Details:\*\* Alleged Bosideng fabricated RMB 807 million in net profits since 2015 (174% overstatement). Comparison of HKEx consolidated financials vs. aggregated PRC Credit Reports for 20 primary operating subsidiaries showed revenues largely matched, but reported profits were significantly higher in HKEx filings (e.g., RMB 1.3B cumulative 3-yr profit in HKEx vs. RMB 463M in Credit Reports).

\* \*\*Methods:\*\* Obtaining and aggregating financials from PRC Credit Reports for primary PRC subsidiaries. Comparing aggregated subsidiary data vs. HKEx consolidated filings.

2. \*\*Maze of Subsidiaries & Sham Transactions:\*\*

\* \*\*Details:\*\* Credit Reports revealed large, undisclosed intercompany receivables and payables balances significantly exceeding consolidated reported figures (Payables ~300% higher, Receivables ~100% higher, CY16-18). Examples include subsidiaries like Kangbo Fashion with receivables 569x revenue (implying >500 years DSO), Shanghai Bosideng Info Tech (6-8x revenue), and Shanghai Shuangyu (RMB 105M receivables despite zero sales), suggesting these balances harbored fake profits from sham transactions.

\* \*\*Methods:\*\* Analysis of PRC subsidiary Credit Reports (Receivables, Payables, DSOs). Identifying illogical balances relative to revenue/operations. SAIC database search for full subsidiary structure.

3. \*\*Overpayment for Acquisitions from Undisclosed Insiders (RMB 2B+):\*\*

\* \*\*Details:\*\* Three main acquisitions (Jessie, Buoubuou, Tianjin Ladieswear/Joy Smile) followed a pattern: Chairman Gao's associate, Mr. Chow Mei Wo, acquired brands cheaply and flipped them to Bosideng 1-3 years later at massively inflated prices (up to 40x).

\* \*Jessie:\* Chow bought/built for RMB 16.5M (2008), sold to Bosideng for RMB 664M (2011) - 3,924% return. Chow was an employee since 2001, not founder (as claimed by Bosideng). Jessie filed for "Small Enterprise" status days after acquisition, contradicting Bosideng's reported revenue contribution. Chow retained production facilities and filed for competing trademark.

\* \*Buoubuou:\* Chow bought for RMB 17.5M (2013), sold to Bosideng for RMB 715M (2016) - 3,986% return. Bosideng falsely claimed vendors were independent. Former Bosideng Executive Director Dr. Kong Shengyuan resigned and became director/shareholder of vendor entity (via Kingford Investment, BVI), receiving the share consideration. Chow retained production facilities (BB Investment).

\* \*Tianjin Ladieswear (Joy Smile):\* Chow bought for RMB 530M (Aug 2015), sold to Bosideng for RMB 660M (Apr 2017) - 25% return in 2 years. Deal structured with Chow's entity (Joy Smile) receiving bulk of payment at high multiple (15x NTA, 60x P/E), while another part (You Nuo) sold cheaply (0.6x NTA/P/E) despite better profits.

\* \*\*Methods:\*\* Analyzing Bosideng acquisition announcements (price, structure, vendor claims). Obtaining PRC SAIC filings (Equity Transfer Agreements, Articles of Association, shareholder resolutions, Small Enterprise declarations, director history) to uncover original purchase prices, dates, buyers (Chow), and true founding history. Using HKEx Disclosure of Interest filings to link Dr. Kong to Buoubuou deal. Analyzing Credit Reports for pre/post-acquisition financials of targets. Investigating retained assets and competing activities via SAIC/trademark databases.

4. \*\*Improper Asset Disposal to Chairman:\*\*

\* \*\*Details:\*\* Bosideng sold property (Shandong Property) to Chairman Gao's private company (Shandong Kangbo) for RMB 56M in Feb 2017. Bosideng's balance sheet suggested payment was received by FY18 (receivable disappeared). However, the selling subsidiary's (Shandong Bingfei) Credit Report showed no corresponding cash increase. Instead, an "other receivable" matching the subsidiary's equity appeared, suggesting Gao effectively received the property for only the initial 10% payment (RMB 5.4M) via an unpaid, non-interest-bearing loan from the subsidiary.

\* \*\*Methods:\*\* Analyzing Bosideng's asset disposal announcement and subsequent balance sheet treatment of the receivable. Obtaining PRC Credit Report for the selling subsidiary (Shandong Bingfei) and analyzing its cash, receivables, and equity accounts post-disposal.

\*\*3. Rural Funds Group (ASX: RFF)\*\*

\* \*\*Report Date:\*\* August 6, 2019

\* \*\*Core Short Thesis:\*\* RFF fabricated rental income and engaged in nefarious related-party transactions with management's private company (Rural Funds Management - RFM) to siphon cash and inflate assets, making its distributions unsustainable and equity worthless.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Fabricated Rental Income (A$28M+ since FY17):\*\*

\* \*\*Details:\*\* Significant discrepancies found between the rental income RFF claimed to receive from its two largest independent lessees (Select Harvests - SHV, and Olam Orchards) and the rental expenses those lessees reported paying (to RFF and others) in their own audited financial statements filed with ASX/ASIC.

\* \*SHV:\* RFF claimed SHV rent \*increased\* 119% in FY17 after a rent review. SHV's filings showed its total operating lease expense \*decreased\* in FY17. By subtracting known rent paid by SHV to another lessor (Arrow Funds, confirmed via Arrow's filings), Bonitas calculated SHV paid RFF much less (<A$1M/year) than RFF claimed (~A$8.7M/year). RFF Audit Chair Michael Carroll was also a director at SHV and RFM. PwC audited all related entities but missed the discrepancy.

\* \*Olam:\* RFF claimed Olam rent grew significantly. Olam's ASIC filings showed total rent paid remained stable (~A$26M/year). Subtracting known rent Olam paid for other leases (from a 2014 sale-leaseback) implied Olam paid RFF only A$9-10M/year, far less than RFF claimed (A$13-15M/year annualized).

\* \*\*Methods:\*\* Comparing RFF's reported rental income (Annual Reports, Presentations) with lessees' reported rental expenses (SHV's ASX filings, Olam's & Arrow Funds' ASIC filings). Algebraic calculation to isolate rent paid to RFF. Identifying director overlaps. Noting auditor overlap across entities.

2. \*\*Unsustainable Dividends Funded by Capital Raises:\*\*

\* \*\*Details:\*\* RFF raised A$475M via equity/debt since IPO. Reported profits relied heavily on allegedly fabricated rent and non-cash fair value gains on agricultural assets (Almonds up 331% FY12-1H19, Macadamias boosted by lowering discount rates). Excluding these items, cash dividends exceeded actual cash profits. Net debt ballooned. Loan covenants were tightened (NTA requirement doubled).

\* \*\*Methods:\*\* Analysis of RFF capital raising history. Deconstruction of RFF's reported profits (identifying non-cash FV gains, adjusting for fake rent). Analysis of RFF valuation assumptions (discount/cap rates). Comparing adjusted cash profits vs. dividends paid. Tracking net debt. Analyzing loan covenant changes.

3. \*\*Conflicts of Interest & Siphoning via Related Party (RFM):\*\*

\* \*\*Details:\*\* RFF is externally managed by RFM. RFF Management (e.g., David Bryant) owns 100% of RFM but <5% of RFF, creating incentive misalignment. RFF made significant loans (A$30M+ by YE18, up from <A$1M) to RFM and related funds ("RFM Related Funds") despite RFM's negative operating cash flow. RFM received A$41M+ in fees/expenses from RFF since IPO. Total siphoning estimated at A$86M+.

\* \*J&F Cattle Deal (A$30M Siphoned):\* RFF guaranteed A$75M loan for RFM's newly acquired cattle sourcer (J&F Australia) supposedly for working capital. Within a week, RFM directed J&F to borrow A$30M against RFF's guarantee and pay it to RFM as a special dividend/share buyback, enriching RFM for free using RFF's balance sheet.

\* \*2007 Macgrove Loan (A$14.5M Missing):\* RFF reported A$14.5M loan receivable from related macadamia lessee (2007 Macgrove Project) in 1H19. This loan did \*not\* appear as a liability on the lessee's balance sheet (obtained from its financial statements).

\* \*\*Methods:\*\* Analyzing RFF/RFM ownership and management structure (Annual Reports, Bloomberg). Tracking RFF related party loans and fees (Annual Reports). Analyzing RFF's J&F transaction announcement (use of guarantee). Analyzing J&F Australia's ASIC filings (timing of loan and dividend/buyback). Obtaining and analyzing 2007 Macgrove Project's financial statements.

4. \*\*Overstated Net Assets & Potential Covenant Breach:\*\*

\* \*\*Details:\*\* Adjusting RFF's reported net assets for fake profits/assets and adding liabilities (J&F guarantee, Macgrove loan) suggested true NTA was A$268M (YE18), 50% below reported A$537M and potentially breaching the tightened A$400M covenant.

\* \*\*Methods:\*\* Financial statement adjustments based on allegations. Comparison of adjusted NTA vs. loan covenants.

\*\*4. JinkoSolar Holding Co., Ltd. (NYSE: JKS)\*\*

\* \*\*Report Date:\*\* March 4, 2020

\* \*\*Core Short Thesis:\*\* JKS primarily existed to develop PRC assets using public funds, which were then sold cheaply to Chairman Li Xiande, who looted the company. JKS fabricated financials, understated liabilities, and used undisclosed related parties to siphon value, resulting in no free cash flow despite reported profits.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Chairman Looted JinkoPower Asset:\*\*

\* \*\*Details:\*\* JKS developed its profitable downstream solar farm subsidiary, JinkoPower (est. 2011, up to 33% margins vs JKS's 1-2%). In Oct 2016, JKS sold JinkoPower to Chairman Li for US$455M. One month later, JinkoPower received an independent valuation of US$720M and raised capital from PRC insiders at a US$788M valuation (Li bought at >40% discount). Post-disposal, Chairman Li used US$650M+ of JKS's financial support (RMB 523M unpaid solar modules, US$593M loan guarantees as of YE18) to grow JinkoPower privately, aiming for a US$3.6B IPO valuation in 2020 (692% higher than Li paid). The sale agreement also permanently barred JKS from the profitable downstream business.

\* \*\*Methods:\*\* Analyzing JinkoPower's Chinese IPO prospectus (valuations, capital raises, financials, suppliers). Analyzing JKS SEC filings (20-Fs for disposal details, gain calculation, related party transactions, loan guarantees, non-compete clause). Comparing valuations and timing.

2. \*\*Chairman's Brother Secretly Controlled Key Supplier (Xinruixin):\*\*

\* \*\*Details:\*\* Zhejiang Xinruixin Energy Co., Ltd. ("Xinruixin"), a PV glass manufacturer, derived >99% of its revenue from JKS (2014-1Q16) and supplied 20% of JKS's needs but was not disclosed as a related party. Evidence suggests Chairman Li's brother and JKS co-founder, Li Xianhua, secretly controlled Xinruixin. Xinruixin established a subsidiary, Xinruixin Wire, in Dec 2016. Li Xianhua's private company (Zhejiang Qiusuo) guaranteed Xinruixin Wire's loans in 2017 before Li Xianhua held any shares. In Oct/Nov 2017, Xinruixin Wire (holding 47% of Xinruixin's assets) was sold to Xinruixin's shareholders and then 38% was quickly flipped to Li Xianhua, making him the largest shareholder, Chairman, and Legal Rep. Li Xianhua's holding entity (Shangrao Qiusuo) listed a JKS employee email address.

\* \*\*Methods:\*\* Analyzing Xinruixin's Chinese IPO Prospectus and NEEQ filings (customer concentration, related party disclosures, subsidiary activities, asset disposals). Using PRC corporate records (Qichacha) to trace ownership structures, directorships, loan guarantees, and contact information linking Li Xianhua, his private companies (Zhejiang Qiusuo, Shangrao Qiusuo), Xinruixin, and Xinruixin Wire.

3. \*\*Overstated Australian Sales (US$209M):\*\*

\* \*\*Details:\*\* JKS reported massive growth in Australian sales via SEC filings (US$37M '16 -> US$302M '18). Filings for JKS's sole Australian subsidiary (JKS Australia) with ASIC matched SEC figures for '15/'16 but showed US$209M \*less\* revenue in '17/'18 combined. Analysis of major disclosed customers (Decmil, Green Light, UGL) using their own public filings suggested their purchase volumes were insufficient to support JKS's SEC-reported figures. JKS's rebuttal failed to identify the supposed other subsidiary booking the sales.

\* \*\*Methods:\*\* Comparing JKS SEC filings vs. JKS Australia's ASIC filings. Searching ASIC database for other JKS entities. Analyzing public filings and disclosures of major Australian customers to estimate potential purchase volumes.

4. \*\*Understated South Africa Liabilities (US$42M):\*\*

\* \*\*Details:\*\* JKS faced a US$42M customs duty liability in South Africa (from SARS, Dec 2017). JKS claimed it disposed of the subsidiary (JKS South Africa) to an "independent third party" for US$1 in Dec 2018 and de-consolidated it. However, SA CIPC filings showed no change in the subsidiary's director (Wei Lu) since 2013. The subsidiary's registered address was changed to a remote storefront (former minimart/chicken shop selling cheap clothes). This address matched another logistics company registered by the same director, Wei Lu. Bonitas concluded the liability was likely parked with an undisclosed insider and should remain on JKS's balance sheet. JKS's rebuttal failed to name the "independent" buyer.

\* \*\*Methods:\*\* Analyzing JKS SEC filings (disclosure of liability, disposal). Searching South African corporate registry (CIPC) for JKS South Africa details (directors, address history). Fieldwork visit to the subsidiary's new registered address. Investigating the director and linked entities/addresses via CIPC.

5. \*\*Fabricated 4Q19 Results (Post-Report):\*\*

\* \*\*Details:\*\* JKS issued 4Q19 guidance in Nov 2019 (lower ASPs/costs, higher margins). The day after Bonitas's first report (Mar 5, 2020), JKS raised 4Q19 guidance (Mar 6, 2020) citing higher ASPs/costs and \*lower\* margins – a complete flip-flop. Bonitas views this as a non-credible attempt to discredit their report.

\* \*\*Methods:\*\* Comparing JKS earnings call guidance (Nov 2019) vs. subsequent guidance revision (Mar 2020). Analyzing the contradictory shifts in ASP, cost, and margin trends.

6. \*\*Secret Sale of Zhejiang Leasing to Chairman Li:\*\*

\* \*\*Details:\*\* JKS sold its internal finance leasing unit (Zhejiang Leasing, later renamed JinRi Leasing) in Nov 2016 at a loss, supposedly to an independent party, receiving only 8% payment by YE18. Bonitas found Chairman Li's signature prominently displayed on JinRi Leasing's website. JinRi Leasing's office was next door to JinkoPower (Li's private company) within the JKS manufacturing compound. JinRi's ultimate owner (Jia Yin Holdings) also owned other leasing companies co-owned by Chairman Li and JKS co-founder Chen Kangping. A key partner shown on JinRi's website (Invesummit) was linked to JKS/JinkoPower via shared supervisors and employee emails used by related entities.

\* \*\*Methods:\*\* Analyzing JKS SEC filings (disposal terms, payment received). Website analysis (JinRi Leasing homepage for signature). PRC corporate records search (Qichacha) for name changes, ownership structures, office addresses, director/supervisor links, and contact emails connecting Zhejiang/JinRi Leasing, Jia Yin, Chairman Li, Chen Kangping, JinkoPower, Invesummit, and related individuals/entities (Wang Jianhua, Yan Junxiang). Satellite imagery (Baidu Maps).

7. \*\*Undisclosed Related Party Acquisition (Yanshan Power):\*\*

\* \*\*Details:\*\* JKS acquired Yanshan solar project from Jiangxi Zhanyu New Energy ("Uniex") in Aug 2016, only to sell it two months later to Chairman Li (as part of JinkoPower disposal). Bonitas found links between Uniex shareholders/directors (Wang Xiangyun, Chen Dengfeng) and JKS/JinkoPower via shared company supervisors (Yan Junxiang) and the use of JKS/JinkoPower employee email addresses (@jinkosolar.com, @jinkopower.com) for dozens of private companies registered at the same address near JKS, beneficially owned by Uniex/JKS insiders including Chairman Li's brother. This suggests the acquisition counterparty was secretly related.

\* \*\*Methods:\*\* Analyzing JinkoPower IPO prospectus and Qichacha records for Yanshan acquisition details. Using Qichacha to research Uniex ownership and director links (Wang Xiangyun, Chen Dengfeng). Reverse searching JKS/JinkoPower email domains in Qichacha to identify linked private companies, their owners, supervisors (Yan Junxiang), and registered addresses.

\*\*5. Hyliion Holdings Corp. (NYSE: HYLN)\*\*

\* \*\*Report Date:\*\* October 16, 2020

\* \*\*Core Short Thesis:\*\* Hyliion's hybrid truck technology is unproven and overhyped, with unsubstantiated fuel savings claims. Its core tech was acquired cheaply, partnerships are failing, and founder/CEO Thomas Healy used fake credentials and misleading statements.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Key Technology Acquired for <$1M:\*\*

\* \*\*Details:\*\* Hyliion's proprietary Battery Management System (BMS) technology was acquired from Gentherm Inc. in 2018 for only US$698,000. Gentherm had invested US$1.8M in R&D over two years and sold the division at a >60% loss, suggesting the technology wasn't revolutionary.

\* \*\*Methods:\*\* Analyzing Hyliion investor presentations. Interviewing the former Gentherm/Hyliion BMS Manager responsible for the technology. Analyzing Gentherm's SEC filings (10-Qs) for sale details and loss recognition.

2. \*\*Key Partner/Investor (Dana Inc.) Not Using Hyliion's Tech:\*\*

\* \*\*Details:\*\* Dana Inc., a major investor, pre-SPAC board member, and key drivetrain supplier for Hyliion, has been aggressively acquiring competitors (Nordresa, SME, Rational Motion, TM4) and developing its \*own\* in-house electric powertrain solutions for trucks, rather than using Hyliion's technology in its announced programs.

\* \*\*Methods:\*\* Analyzing Dana's investor materials, press releases on acquisitions and EV programs. Interviewing a Dana technical manager.

3. \*\*History of Failed Pilot Programs & Unproven Fuel Savings:\*\*

\* \*\*Details:\*\* Hyliion's earlier Hybrid-X retrofit system failed to gain traction. PAM Transport tested it for two years and abandoned it, citing "only a small %" fuel savings, far below the claimed 30%. Despite claims of 50+ fleet partnerships, Bonitas found evidence of only 7 Hybrid-X units delivered to just 3 customers (Wegmans, Penske, Eagle Transport). Ryder System tested but doesn't list Hyliion as a current tech partner. Idealease received only a free demo unit, not a purchase.

\* \*\*Methods:\*\* Finding news articles/interviews quoting former pilot customers (PAM). Analyzing Hyliion presentations listing partners/customers. Searching for verifiable delivery/order confirmations (found few). Checking partner websites for ongoing relationships (Ryder). Analyzing terms of partnerships (Idealease).

4. \*\*Unsubstantiated 30% Fuel Saving Claim:\*\*

\* \*\*Details:\*\* CEO Thomas Healy has consistently claimed 30% fuel savings since his initial 2015/16 trailer-based concept, despite major changes in technology (trailer to tractor, different BMS, Dana drivetrain) for the Hybrid-X and Hypertruck ERX. Experts interviewed (former BMS Manager, Dana manager) expressed strong skepticism about this figure ("not even possible on a pure Physics level," "Not sure that's really going to be attainable"). No independent validation provided by Hyliion or partners.

\* \*\*Methods:\*\* Tracking Hyliion's marketing claims across different product iterations (videos, presentations, articles). Expert interviews regarding technical feasibility. Searching for independent third-party validation (found none).

5. \*\*Fake NASA Credential:\*\*

\* \*\*Details:\*\* Hyliion claimed to have won the "Nasa Create the Future Award." Bonitas found the contest ("Create the Future Design Contest") is run by Tech Briefs Media Group, a magazine publisher, not NASA itself.

\* \*\*Methods:\*\* Checking the official website and rules/organizers of the cited award/contest.

6. \*\*Lack of IP for Hypertruck ERX:\*\*

\* \*\*Details:\*\* Hyliion's 12 patents all relate to its earlier hybrid kinetic energy recovery systems (trailer/tractor). It holds zero patents related to natural gas powertrains, which is the core of the Hypertruck ERX (electric truck with natural gas generator). Competitors like Volvo have numerous patents in this area.

\* \*\*Methods:\*\* Searching USPTO patent database for Hyliion and competitor (Volvo) patents using relevant keywords.

7. \*\*Misleading Warranty Claim:\*\*

\* \*\*Details:\*\* CEO Healy claimed Hyliion's retrofit system does not void the original truck manufacturer's (OEM) warranty. However, the former BMS Manager stated that Hyliion told Gentherm this, but when Gentherm checked with PACCAR (maker of Peterbilt/Kenworth), PACCAR denied allowing such modifications or honoring warranties post-retrofit, calling it unauthorized.

\* \*\*Methods:\*\* Finding CEO interview quote. Expert interview (BMS Manager) relaying discussions with Hyliion and PACCAR regarding warranty status.

\*\*6. AgEagle Aerial Systems Inc. (Nasdaq: UAVS)\*\*

\* \*\*Report Date:\*\* Feb 18, 2021

\* \*\*Core Short Thesis:\*\* UAVS was a pump & dump scheme orchestrated by insiders (Alpha Capital, founder Bret Chilcott) based on fake rumors of a partnership with Amazon for drone delivery, allowing them to sell shares at inflated prices while the company lacked any real technology or business prospects in that area.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Fake Amazon Partnership Rumor:\*\*

\* \*\*Details:\*\* Rumor started in April 2020 via a promotional video leaked online by founder/ex-Chairman Bret Chilcott's daughter, showing AgEagle & Amazon logos together. The video was quickly removed, fueling speculation on social media (Twitter, Reddit). AgEagle made vague announcements about a "major e-commerce customer" and moved HQ near a potential Amazon site, further fanning flames. However, in 4Q20, an Amazon spokesperson explicitly denied any partnership or dealings with AgEagle to the Wichita Business Journal.

\* \*\*Methods:\*\* Tracking the origin and propagation of the rumor (social media posts, YouTube channels, Reddit forums). Locating the news article containing Amazon's official denial. Analyzing AgEagle's press releases, presentations, and earnings calls for misleading or suggestive language.

2. \*\*Insider Dumping During Stock Pump:\*\*

\* \*\*Details:\*\* UAVS stock pumped from $0.39 to $16+ on the fake news. During this period, insider ownership dropped from 44% (March 2020) to 0.5% (Jan 2021). Alpha Capital Anstalt, which received 92% of the ~49M new shares issued since March 2018, sold ~45M shares (responsible for ~78% of traded volume), realizing estimated profits >$34M. Founder Bret Chilcott sold 5M shares in Dec 2020. CEO and CFO sold shares in Sept 2020 on the first day they were allowed. Alpha Capital had previously been charged by the SEC in 2018 for involvement in similar pump & dump schemes.

\* \*\*Methods:\*\* Tracking stock price and volume changes relative to news/rumors. Analyzing SEC filings (Form 4s, 13Gs, Prospectuses) to track share issuance, insider ownership percentages, and sales transactions by Alpha Capital, Chilcott, and management. Calculating estimated shares sold and profits realized by insiders. Finding SEC litigation releases detailing Alpha Capital's history.

3. \*\*Lack of Drone Delivery Technology, IP, and Capability:\*\*

\* \*\*Details:\*\* AgEagle only entered the drone \*delivery\* market in "late 2019" with virtually zero prior R&D ($39k total since Jan 2018) or capital expenditures ($70k in 9mo 2020) in this area. It held zero patents related to drone delivery technology or systems before its Feb 2021 acquisition of MicaSense (which had 2 image sensor patents). AgEagle's historical business was agricultural mapping using simple gliders assembled with third-party software (Botlink, FarmLens - acquired with no patents). The promo video showed a low-tech facility. Amazon, the rumored partner, has invested billions, holds 125+ drone patents, received FAA approval in Aug 2020, and partners with major aerospace manufacturers (Aernnova, FACC) – AgEagle lacked comparable capabilities or credentials.

\* \*\*Methods:\*\* Searching worldwide patent databases (USPTO, Espacenet). Analyzing AgEagle's SEC filings (financial statements for R&D/Capex, business descriptions, acquisition details). Analyzing content of the leaked promo video. Researching Amazon's drone program (patents, FAA approval, manufacturing partners) for comparison. Analyzing AgEagle's prior business model and technology partners (Botlink, FarmLens).

\*\*7. Arcimoto, Inc. (Nasdaq: FUV)\*\*

\* \*\*Report Date:\*\* March 23, 2021

\* \*\*Core Short Thesis:\*\* Arcimoto fabricated demand using fake "pre-orders," disregarded critical safety issues leading to undisclosed recalls, and relied on undisclosed related parties as its largest "customers," all part of a stock promotion scheme.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Fake "Pre-Orders" & Failed Partnerships:\*\*

\* \*\*Details:\*\* Arcimoto touted numerous partnerships and large pre-order numbers, but actual deliveries were minimal (<5% of claimed pre-orders for specific partners reviewed).

\* \*Arcimoto Key West (Largest Customer):\* Claimed 21 pre-orders, only 13 delivered. Secretly owned by FOD Capital (undisclosed related party, FUV's 3rd largest shareholder).

\* \*Hula Holdings (San Diego):\* Claimed 100 pre-orders, zero delivered. Hula's owner was an undisclosed FUV shareholder at the time. Hula later showcased competitor Ayro vehicles.

\* \*GoCar Tours (SF/SD):\* Claimed 40 pre-orders, only 2 delivered (to SF). San Diego location uses Ayro vehicles.

\* \*Sol Mar Vida (Costa Rica):\* Claimed 100 pre-orders (first international deployment), zero delivered. Partner website defunct, order cancelled.

\* \*EV Distributors (New Zealand):\* Minimum 160 vehicles over 4 years agreement. Only 3 delivered initially (Oct 2019). No evidence of further deliveries; partner difficult to contact, minimal presence.

\* \*Municipal Trials (Eugene, Orlando):\* Announced trials for first responder use, but no subsequent updates or orders reported.

\* \*\*Methods:\*\* Comparing Arcimoto press releases/announcements (pre-order claims) with actual delivery numbers obtained via direct calls to partners/customers (Arcimoto KW, GoCar) or lack of subsequent evidence. Checking partner status (websites, activity, vehicle usage - e.g., Hula YouTube channel). Researching ownership of partners via corporate registry filings (Florida for R-Key-Moto/Wahlkey, linking to FOD Capital; Hula founder self-disclosure on forum). Tracking partnership progress via news/company updates.

2. \*\*Undisclosed Safety Recalls & Disregard for Safety:\*\*

\* \*\*Details:\*\* Arcimoto failed to notify customers or investors about a major NHTSA safety recall filed Nov 18, 2020 (affecting potentially 100% of vehicles delivered, due to risk of sudden power loss), while announcing the Orlando trial the very next day. Calls to Arcimoto KW and GoCar in March 2021 confirmed they hadn't been notified. FUV has a history of 19 recalls since Dec 2018 for critical systems (power, steering, brakes), vastly exceeding competitors (electric motorcycles, Ayro). Elon Musk deemed the 3-wheeler unsafe after crashing one.

\* \*\*Methods:\*\* Searching the NHTSA recall database for Arcimoto and competitors. Comparing recall population size with FUV's production/delivery figures. Calling customers to verify recall notification status. Finding external commentary on safety (Elon Musk).

3. \*\*Largest Customer (Arcimoto KW) is Undisclosed Related Party (FOD Capital):\*\*

\* \*\*Details:\*\* Arcimoto Key West, operated by R-Key-Moto LLC, was touted as a key rental franchisee success. R-Key-Moto is managed by executives of FOD Capital (Michael Raymond, Matthew Strunk) and shares the same address. FOD Capital was FUV's 3rd largest shareholder (invested $5M Dec 2018). FOD Capital sold 67% of its FUV shares by Feb 2021 after the stock pumped, realizing >250% estimated return. Another pilot partner, Wahlburgers Key West, is operated by Wahlkey LLC, also managed by FOD execs/address. Arcimoto failed to disclose these related party revenues/relationships.

\* \*\*Methods:\*\* Analyzing Arcimoto announcements/calls about Arcimoto KW/Wahlburgers KW. Searching Florida corporate registry for R-Key-Moto and Wahlkey LLC (managers, address). Linking managers/address to FOD Capital website/leadership. Analyzing SEC filings (13Gs, 8-Ks) for FOD Capital's investment, ownership stake, and subsequent share sales in FUV. Estimating FOD's investment return.

4. \*\*Limited Intellectual Property:\*\*

\* \*\*Details:\*\* Arcimoto held only 10 US patents, with 5 relating to the "three wheeled vehicle with automotive class feel" design, suggesting limited technological differentiation or protection.

\* \*\*Methods:\*\* Searching USPTO patent database for Arcimoto patents.

\*\*8. ESS Tech, Inc. (NYSE: GWH)\*\*

\* \*\*Report Date:\*\* Oct 22, 2021

\* \*\*Core Short Thesis:\*\* ESS Tech misrepresented its historical product deployments and customer validation ("blue-chip customer base"), its technology is unproven and not commercially viable, and the company was near bankruptcy before being saved by a SPAC merger.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Failed Product Installations & Dissatisfied Customers:\*\*

\* \*\*Details:\*\* ESS's May 2021 presentation highlighted 6 deployments (2015-20). Bonitas found 5 were abandoned or unsuccessful:

\* \*Stone Edge Farm (Winery, 2015):\* ESS battery installed 2016, but removed by Nov 2017. Farm's current microgrid uses Tesla, Sony, Simpliphi, Aquion batteries, \*not\* ESS.

\* \*University of California San Diego (UCSD, 2017):\* ESS project operational 2Q17, but ESS is \*not\* on UCSD's current list of energy storage partners (Maxwell, BYD, Cummins are).

\* \*US Army Corps of Engineers (USACE, 2016):\* The only contract found (2017) was for US$0 value, indicating a likely failed trial with no follow-on paid contract.

\* \*Camp Pendleton (Military Base, 2018):\* Project was via subcontractor CleanSpark. ESS received only US$53k revenue in FY18; no subsequent purchases by CleanSpark.

\* \*San Diego Gas & Electric (SDG&E, claimed "Blue-Chip Customer"):\* SDG&E announced in Jan 2021 they chose competitor Sumitomo Electric's vanadium flow battery, \*not\* ESS's iron flow battery.

\* \*BASF (Investor/Partner since 2017):\* Project announced 2018 (for 1Q19 commission) never generated revenue for ESS. BASF skipped subsequent funding rounds.

\* \*Pacto Energia (Brazil, 2018):\* Project announced 2018 (for 3Q19 commission) never generated revenue.

\* \*InoBat (Investor/Partner 2019):\* Partner rebranded to InoBat Auto, now focuses only on Lithium-ion batteries.

\* \*Naturgy (Potential Customer per Piper Sandler):\* Chose competitor E22's vanadium battery.

\* \*\*Methods:\*\* Comparing ESS investor presentation claims (May'21, Dec'18) with publicly available information from customers/partners (websites like Stone Edge Farm, UCSD energy projects list), news releases (SDG&E, Naturgy), government contract databases (SAM.gov for USACE), partner SEC filings (CleanSpark 10-K), and partner business changes (InoBat rebranding).

2. \*\*Technology Unproven / Basic / Near Bankruptcy:\*\*

\* \*\*Details:\*\* ESS's iron flow redox battery technology dates back to the 1970s. Founders described using "Home Depot" parts. The company defaulted on its Silicon Valley Bank loan in March 2020 and had a "going concern" warning before the SPAC merger saved it. Despite prior DOE grants (2012, 2015), ESS was notably \*excluded\* from US$18M in DOE grants awarded to four flow battery competitors in Sept 2021.

\* \*\*Methods:\*\* Analyzing ESS pre-SPAC financials (SEC filings - loan default, going concern). Finding founder quotes/videos describing the technology. Tracking DOE grant awards history.

3. \*\*Zero Revenue Generation:\*\*

\* \*\*Details:\*\* ESS reported zero revenue from January 2019 through June 2021, contradicting claims of a "validated blue-chip customer base" with deployed products.

\* \*\*Methods:\*\* Analyzing ESS revenue figures reported in SEC filings (SPAC merger prospectus).

\*\*9. AFC Gamma, Inc. (Nasdaq: AFCG)\*\*

\* \*\*Report Date:\*\* Oct 3, 2023

\* \*\*Core Short Thesis:\*\* AFCG, a cannabis REIT externally managed by CEO/Chairman Leonard Tannenbaum's private company (AFCM), materially overstates income and understates losses by using non-cash PIK interest and delaying loss recognition, primarily to justify exorbitant fees paid to AFCM.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Revenue Overstatement via Non-Cash PIK Interest:\*\*

\* \*\*Details:\*\* AFCG increasingly substituted non-cash Payment-In-Kind (PIK) interest for cash interest from borrowers, artificially inflating net income. PIK interest grew from 10% of net income in 2020 to 37% in 1H'23 (85% of cash from operations). This boosts reported income and assets, justifying higher fees to AFCM, even though cash isn't collected. PIK interest included in taxable income also inflated shareholder dividends beyond actual cash generation.

\* \*\*Methods:\*\* Analyzing AFCG SEC filings (10-Ks, 10-Qs) for breakdown of interest income (cash vs. PIK). Calculating PIK as a percentage of net income and cash from operations over time. Analyzing AFCG's stated cash vs PIK interest rate policy vs actuals.

2. \*\*Delayed Investment Loss Recognition:\*\*

\* \*\*Details:\*\* AFCG was slow to recognize losses on troubled loans, particularly its large exposure (~20% of portfolio, ~$79M) to Justice Cannabis Co. (Private Company G). Justice was placed on non-accrual status in June 2023 after AFCG allowed it to pay 75% of interest in PIK from Dec 2022. Justice's historical financials (revealed in AFCG prospectus) showed significant losses and negative book value even before AFCG's later investments. Despite this major default, AFCG recorded minimal credit loss provisions/unrealized losses in 1H'23 (less than $3M total on ~$370M portfolio). Other major borrowers (Nature's Medicine, Verano, Acreage, Curaleaf, TerrAscend) also showed financial stress or declining stock prices.

\* \*\*Methods:\*\* Analyzing AFCG SEC filings (10-Qs, Prospectus) for loan portfolio details, borrower concentrations, non-accrual status disclosures, credit loss provisions (CECL), and PIK modifications. Analyzing historical financial statements of major borrowers (where available in AFCG filings). Tracking stock prices and news related to publicly traded borrowers.

3. \*\*Exorbitant Fees Paid to External Manager (AFCM):\*\*

\* \*\*Details:\*\* AFCG is 100% managed by AFCM, owned by CEO Tannenbaum. AFCG paid AFCM US$40.4M in fees and reimbursements over ~3 years. Annual fees/expenses reached ~5% of loans outstanding (~$19.7M in 2022), considered excessive for managing a concentrated ~$400M loan portfolio. Fees are calculated based on AFCG Equity and Net Income, creating incentive to inflate these metrics (via PIK, delayed losses). Contract includes base fee, incentive fee, expense reimbursement, agency commissions, co-investment rights, and large termination fee.

\* \*\*Methods:\*\* Analyzing AFCG SEC filings for details of the management agreement with AFCM, fee calculations, and amounts paid/reimbursed over time. Calculating fees as a percentage of assets under management (loans outstanding).

4. \*\*Repeat of Prior Scheme (Fifth Street):\*\*

\* \*\*Details:\*\* CEO Tannenbaum previously ran Fifth Street Management, which managed publicly traded BDCs (Fifth Street Finance, Fifth Street Senior Floating Rate). The SEC found in 2018 that Fifth Street, under Tannenbaum, materially overstated assets and income (similar allegations: overvaluing assets, misrepresenting performance). That scheme led to lawsuits, SEC sanctions, and eventual dissolution/sale of assets at a loss to shareholders.

\* \*\*Methods:\*\* Researching SEC enforcement actions, litigation databases, and news archives related to Leonard Tannenbaum and Fifth Street. Comparing the structure and alleged issues at Fifth Street vs. AFCG.

5. \*\*Lack of Board Independence:\*\*

\* \*\*Details:\*\* Several AFCG directors designated as "independent" (including Audit/Valuation committee chairs/members like Alexander Frank, Thomas Harrison, Jodi Hanson Bond) were previously executives or directors at Tannenbaum's failed Fifth Street entities. AFCM's Investment Committee also includes Fifth Street cronies (Bernard Berman) and Tannenbaum's wife (Robyn Tannenbaum, former Fifth Street IR).

\* \*\*Methods:\*\* Analyzing AFCG proxy statements (DEF 14A) for director biographies and committee assignments. Researching directors' past affiliations via SEC filings, news archives, Bloomberg, LinkedIn to connect them to Fifth Street. Identifying AFCM Investment Committee members and their links.

6. \*\*Other Red Flags:\*\*

\* \*\*Details:\*\* Dividends paid exceeded cash from operations since inception (reliance on OID accounting/reducing investing cash flow). Questionable year-end cash balances potentially window-dressed via large, brief (<1 week) related-party loans from Tannenbaum in Dec 2021 and Dec 2022. Auditor CohnReznick fined by SEC in 2022 for unrelated audit deficiencies. AFCG repurchased its own 2027 Senior Notes at a significant discount (77.5% of par) in 1H'23, signaling distress or mispricing.

\* \*\*Methods:\*\* Analyzing AFCG cash flow statements (CFO vs. Dividends). Analyzing SEC filings for related-party loan details (timing, amounts). Researching auditor history (SEC actions against CohnReznick). Analyzing AFCG disclosures on debt repurchases.

\*\*10. Harrow Health, Inc. (Nasdaq: HROW)\*\*

\* \*\*Report Date:\*\* Feb 22, 2023

\* \*\*Core Short Thesis:\*\* HROW is an unprofitable stock promotion hiding significant operational and regulatory risks, including undisclosed government investigations and FDA actions, while insiders benefit from related-party dealings and questionable acquisitions/spin-offs. Its transition strategy appears flawed.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Undisclosed DOJ Investigation (Dexycu):\*\*

\* \*\*Details:\*\* Harrow failed to disclose that its partner, Eyepoint Pharmaceuticals (EYPT), received a DOJ subpoena in August 2022 regarding sales, marketing, and promotional practices for Dexycu. Harrow was responsible for these activities during the relevant period and had indemnified Eyepoint, yet made no disclosure in its own SEC filings, unlike Eyepoint.

\* \*\*Methods:\*\* Comparing Eyepoint's SEC filings (10-Q disclosing subpoena) with Harrow's SEC filings (lack of disclosure). Reviewing the Harrow-Eyepoint partnership agreements (responsibility assignment, indemnification clauses).

2. \*\*Undisclosed FDA Actions & Quality Control Issues:\*\*

\* \*\*Details:\*\* Harrow failed to disclose multiple FDA actions concerning its compounding pharmacies (ImprimisRx NJ & Imprimis NJOF): a June 2022 FDA Warning Letter for false/misleading marketing claims (Pred-Moxi-Brom); an August 2022 FDA Form 483 inspection report citing unsanitary conditions and drug quality issues at its 503A facility; and an August 2022 FDA Regulatory Meeting regarding its 503B facility. These followed a history of FDA issues (2017 inspection, 2019 Warning Letter, 2020/21 repeat observations). A nationwide product recall occurred in Nov 2022 following these actions. Harrow's previous California compounding pharmacy faced a similar pattern leading to license revocation and closure.

\* \*\*Methods:\*\* Searching the FDA website for Warning Letters, Form 483 inspection reports, recall notices, and regulatory meeting logs associated with Harrow's facilities. Comparing findings with Harrow's SEC disclosures (lack thereof). Researching history of Harrow's previous California facility via FDA actions database.

3. \*\*Acquired Novartis Drugs Lack Growth Potential:\*\*

\* \*\*Details:\*\* Harrow acquired US rights to 9 legacy ophthalmic drugs from Novartis in two deals (Dec 2021, Jan 2023) for over US$215M, touting them as growth opportunities. However, prescription data analysis showed these drugs (e.g., Iopidine, Moxeza, Maxitrol, Ilevro, Nevanac, Vigamox) were experiencing significant declines in Rx unit fulfillment, lagging behind category trends, suggesting they were unpopular legacy assets with little growth.

\* \*\*Methods:\*\* Analyzing prescription data (Symphony Health via Bloomberg Terminal) for the specific acquired Novartis drugs versus their respective drug categories. Evaluating Rx unit trends over time.

4. \*\*Iheezo Faces Strong Competition in Mature Market:\*\*

\* \*\*Details:\*\* Harrow licensed and gained FDA approval (Sept 2022) for Iheezo, an ocular anesthetic (chloroprocaine hydrochloride). Despite being the first \*branded\* ocular anesthetic in 14 years, its active compound was first approved in 1955. It faces established competition from widely used agents (proparacaine, tetracaine, lidocaine) in a mature, low-growth market category (confirmed by Rx data). Significant marketing spend would be needed to gain traction.

\* \*\*Methods:\*\* Researching Iheezo's FDA approval history and active compound. Identifying established competitors in the ocular anesthetic market. Analyzing prescription data (Symphony Health via Bloomberg Terminal) for incumbent drugs and the overall category growth trend.

5. \*\*Failed Spin-offs & Insider Enrichment:\*\*

\* \*\*Details:\*\* Harrow historically spun off R&D subsidiaries ("Fab Five": Radley, Mayfield, Stowe, Surface, Melt), often involving Harrow insiders receiving stock options, board seats, or consulting fees in the spin-offs. Most failed: Radley, Mayfield, Stowe ceased operations (2020); Surface Ophthalics investment written down to zero by Harrow (FYE21); Melt Pharmaceuticals filed then withdrew its IPO S-1 (Sept 2022 - Jan 2023), owes debt only to Harrow, and is run by Harrow execs (CEO Baum is Melt Chair, CMO Dillaha is Melt CEO). Harrow's reported R&D expenses were inflated by including these investments, while actual internal R&D was minimal (<$500k/year). History of association with questionable figures (Opaleye manager accused of insider trading, founder Kammer linked to fraudster Barry Honig).

\* \*\*Methods:\*\* Analyzing Harrow's SEC filings (disclosures on spin-offs, investment valuations, write-downs, R&D expense composition, related party transactions). Analyzing Melt Pharma's SEC filings (S-1, RW). Researching backgrounds and affiliations of Harrow insiders, spin-off management, and major investors via news archives, LinkedIn, legal databases (connecting Kammer/Honig). Calculating estimated internal R&D spend.

\*\*11. Cibus Inc. (Nasdaq: CBUS)\*\*

\* \*\*Report Date:\*\* June 4, 2024

\* \*\*Core Short Thesis:\*\* Cibus's gene-editing technology (RTDS/Trait Machine) is unproven and commercially unsuccessful, evidenced by a history of failed products and partnerships. The company misled investors about its technology, overpaid insiders in its reverse merger, and faces significant competition, making its stock likely worthless as it runs out of cash.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*History of Failed Products & Partnerships / No Commercial Interest:\*\*

\* \*\*Details:\*\* Despite 20+ years, Cibus has failed to generate meaningful revenue. Its flagship SU Canola product (launched 2014) faced farmer complaints (lower yields, crop damage leading to insurance claims) and regulatory scrutiny. Cibus controversially claimed SU Canola resulted from accidental mutation, not its precise gene-editing tech, undermining its core value proposition. The SU Canola assets were sold for only US$2M in 2020. Efforts in other crops (rice, corn, potato, wheat, flax) also failed to commercialize after years of development; partnerships (e.g., with Flax Council of Canada, MAI/ADAMA) were terminated due to unmet technical thresholds or lack of success. Projects in yeast/bacteria (Nucelis) also appear abandoned. Major seed companies (Bayer, Corteva) have internal tech or partner elsewhere. Calyxt (merged entity) also had failed soybean launch due to yield issues. Only successful gene-edited crop globally (Japanese tomato) took 15 years and faced consumer rejection. Studies suggest conventional breeding is often faster/more reliable.

\* \*\*Methods:\*\* Analyzing Cibus SEC filings (S-1s, 10-Ks, 424b3s for product pipeline, revenue history, partnership disclosures, asset sales). Researching history of partnerships via press releases, news archives, partner statements (Flax Council, MAI/ADAMA). Finding farmer lawsuits/complaints. Analyzing statements and reports from NGOs/watchdogs (Greenpeace, GMWatch, GeneWatch UK) regarding SU Canola controversy and detection tests. Analyzing competitor activities and partnerships (Bayer/Pairwise). Reviewing academic/industry studies on gene-editing efficacy vs. conventional breeding.

2. \*\*Fierce Competition Exists for Key Traits (e.g., Canola Pod Shatter):\*\*

\* \*\*Details:\*\* Cibus targets a 2025 launch for its canola pod shatter trait, but numerous competitors (Arcadia, Bayer, BrettYoung, Brevant, Canterra, Pioneer, Winfield etc.) already offer canola varieties with high pod shatter resistance ratings in 2024.

\* \*\*Methods:\*\* Researching the existing market for canola traits via industry resources (e.g., Canola Council of Canada encyclopedia/trait ratings). Identifying competitors and their current product offerings. Comparing Cibus's timeline vs. market reality.

3. \*\*Massive Overpayment & Write-Down Post-Merger:\*\*

\* \*\*Details:\*\* In the 2023 reverse merger with Calyxt, Cibus's goodwill and intangible R&D assets were valued at US$750M+. Within its first year public (by YE23), Cibus impaired these assets by US$250M (33%), citing lower fair value based on updated cash flow projections (royalties, margins, competition, etc.). This rapid, large write-down questions the initial valuation and technology's viability. Cibus also made conflicting claims about its patent portfolio size (300+ -> 400+ -> 1000+ -> 500+ vs. <150 found in database search).

\* \*\*Methods:\*\* Analyzing Cibus SEC filings (merger documents, 10-Qs, 10-K) for initial asset valuation, subsequent impairment charges, and explanations (fair value methodology, assumptions). Tracking company claims about patent portfolio size over time. Performing patent database searches (Espacenet).

4. \*\*Abusive Royalty Obligations Favoring Insiders:\*\*

\* \*\*Details:\*\* Early-stage Cibus investors (including management/directors) retained rights to significant future royalties (e.g., Series A warrants = 10% of revenue). The estimated liability for these obligations jumped massively post-merger (from $49M Dec'22 to $146M Jun'23, $174M 1Q24), based on optimistic management forecasts using high effective interest rates (up to 27%). This creates a conflict where insiders benefit significantly from any future revenue before public shareholders.

\* \*\*Methods:\*\* Analyzing Cibus SEC filings (merger docs, 10-Ks) for details of royalty agreements, warrant exchange terms, and calculation/valuation of the royalty liability (including assumptions like effective interest rates).

5. \*\*Chairman's History of Alleged Investor Misleading:\*\*

\* \*\*Details:\*\* Chairman/CEO Rory Riggs has been a defendant in multiple prior lawsuits involving other public companies (Biomatrix, Fibrogen, Intra-Cellular Therapies) alleging insider trading, unjust enrichment, misleading investors about product efficacy/approvals, and breaches of fiduciary duty (including excessive compensation). Riggs also pledged a significant portion of his CBUS stock for personal debt (exception granted to insider trading policy) and adopted a plan to sell 300k shares shortly after the merger.

\* \*\*Methods:\*\* Researching legal databases (CaseText, PACER) and news archives for lawsuits involving Rory Riggs and his previous board roles/companies. Analyzing Cibus proxy statements (DEF 14A) and SEC Form 4s for Riggs's share pledging, trading plans, and compensation.

6. \*\*Lack of Board Independence:\*\*

\* \*\*Details:\*\* Two directors designated "independent" and serving on key committees (Audit, Nom/Gov, Comp) - Mark Finn (Lead Independent Director) and Jean-Pierre Lehmann - are also major investors, holding 5.8% and 7.8% of CBUS stock respectively. Finn is a founding member/partner with CEO Riggs at Scientia Ventures (an early Cibus investor). Lehmann is also a beneficiary of the royalty warrant agreement.

\* \*\*Methods:\*\* Analyzing Cibus proxy statements for director independence designations, committee assignments, and beneficial ownership. Researching director affiliations (Scientia Ventures). Cross-referencing royalty agreement beneficiaries.

7. \*\*Imminent Cash Crunch:\*\*

\* \*\*Details:\*\* Cibus is pre-revenue/minimal revenue (~$200k/month 1Q24) with high cash burn (~$5M/month 1Q24). Cash balance was ~$24M at March 31, 2024, implying cash runway only until ~Sept 2024 without significant revenue ramp or capital raise.

\* \*\*Methods:\*\* Analyzing Cibus financial statements (10-Q) for revenue, cash balance, and operating cash flow (cash burn rate). Calculating estimated cash runway.

\*\*12. Serve Robotics Inc. (Nasdaq: SERV)\*\*

\* \*\*Report Date:\*\* Dec 5, 2024

\* \*\*Core Short Thesis:\*\* Serve Robotics is a stock promotion scheme where insiders used the acquisition of Vebu (a related, failing entity) to enrich themselves, while Serve's core business struggles with unattainable guidance, strong competition, and failing partnerships.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Vebu Acquisition Enriched Related Parties:\*\*

\* \*\*Details:\*\* Serve acquired Vebu Inc. (fka Wavemaker Labs), a robotics incubator founded by Serve director James "Buck" Jordan, in Nov 2024. Vebu has a history of failed robot ventures (Piestro, Miso, Bobacino, etc.) funded by crowdfunding ($150M+ raised) where funds were allegedly siphoned via related-party service fees before ventures failed. Vebu's main product, the Autocado, is unrelated to Serve's delivery robots and has only one struggling customer - Vebu investor Chipotle Mexican Grill (CMG). The Chipotle relationship appears driven by an undisclosed friendship and shared office space between Buck Jordan and the head of Chipotle's venture fund (Christian Gammill). Vebu's revenue from Chipotle declined significantly. Buck Jordan sold 20% of his SERV shares shortly after the Vebu deal announcement.

\* \*\*Methods:\*\* Investigating history of Vebu/Wavemaker Labs via SEC filings (crowdfunding docs), news archives, social media (Reddit for investor complaints). Interviews with former Vebu employee regarding operations, Chipotle relationship, Jordan/Gammill ties. Analysis of Chipotle SEC filings (purchase data from Vebu). Social media analysis (Facebook for Jordan/Gammill friendship). Checking corporate records and SEC filings for shared addresses (Vebu/Gammill entities). Tracking insider sales via SEC Form 4s (Buck Jordan).

2. \*\*Serve Tracking Far Below Deployment/Revenue Guidance:\*\*

\* \*\*Details:\*\* Serve guided for 2,000 robots deployed by YE'25 generating $60-80M annual revenue. As of 3Q'24, only 59 daily active robots (<3% of guidance). Industry experts doubt feasibility. Revenue guidance requires unrealistic utilization rates (27-110 deliveries/day/robot) or fees (>$10/delivery at current rates). Serve's revenue declined 50%+ sequentially in 2Q/3Q'24. Videos online show Serve robots malfunctioning (running red lights, getting stuck, tipping over).

\* \*\*Methods:\*\* Comparing company guidance (investor presentations, earnings calls) with reported operational metrics (SEC filings - active robots, revenue). Expert interviews with industry participants. Calculating required metrics (utilization, fees) to meet guidance. Finding and analyzing online videos of robot performance.

3. \*\*Largest Investor (Uber Eats) Using Competitors:\*\*

\* \*\*Details:\*\* Serve's key customer and investor, Uber Eats, has signed deals to use competing sidewalk delivery robots in the US and internationally, including Avride (Austin, Dallas, NJ), Coco Robotics (LA), and Cartken (Miami, Virginia, Tokyo). Other major platforms like DoorDash and GrubHub also use competitors (Starship, Kiwibot) or are developing in-house solutions. This signals a lack of confidence in Serve. Competing robots are significantly cheaper (up to 90% less) than Serve's estimated $63k+ unit cost.

\* \*\*Methods:\*\* Searching news archives and press releases for robot delivery partnerships involving Uber Eats, DoorDash, GrubHub, and competitors (Avride, Coco, Cartken, Starship, Kiwibot). Comparing Serve's disclosed unit cost (from 10-K) vs. estimated costs of competitors (from news articles, company statements, industry reports).

4. \*\*Failed Partnership with Magna International:\*\*

\* \*\*Details:\*\* A strategic software licensing deal with Magna (Serve's exclusive manufacturer and a related party) was a major revenue source historically. Serve incentivized Magna heavily (>$15M in near-zero exercise price warrants, paid $5.3M+ in manufacturing costs to Magna). However, the deal generated <$1M total revenue for Serve, declining >95% by 3Q'24 as Magna apparently ceased using Serve's tech. No other software service customers announced.

\* \*\*Methods:\*\* Analyzing Serve's SEC filings (S-1, 10-Qs, 10-K) for details on the Magna partnership, warrant issuance, manufacturing agreements, and revenue recognized from Magna over time.

5. \*\*Lack of Proprietary Technology / IP:\*\*

\* \*\*Details:\*\* Serve has limited patent protection, with only 5 granted US patents, mostly related to the robot's appearance (design patents). Key technology patent applications (e.g., for navigation using LIDAR/neural networks) received final rejections. Competitors hold relevant patents.

\* \*\*Methods:\*\* Searching patent databases (USPTO, Espacenet) for patents assigned to Serve Robotics and related entities. Analyzing the scope and status (granted vs. rejected) of patents/applications.

\*\*13. Byrna Technologies Inc. (Nasdaq: BYRN)\*\*

\* \*\*Report Date:\*\* Oct 29, 2024

\* \*\*Core Short Thesis:\*\* Byrna overstated the strength and quality of its dealer network, faces stagnant direct-to-consumer (DTC) growth despite claims, is losing ground to cheaper competitors, and insiders sold stock suspiciously after a buyback and positive preannouncement.

\* \*\*Key Reasons & Supporting Details:\*\*

1. \*\*Overstated/Poor Quality Dealer Network:\*\*

\* \*\*Details:\*\* Byrna claimed 20 "Premier Dealers" (strict standards, 80%+ revenue from Byrna, firing range required) but its own dealer locator listed only 12. Total "Authorized Dealers" listed were ~500, significantly fewer than the 1,300+ claimed in the 10-K. Fieldwork (calling 17 dealers, >20% of locations) found many listed dealers were dubious secondary businesses with no real retail presence (car wash, tea shop, uniform embroidery, barbershop, window cleaner, motorcycle repair, pawn shop, shipping store, machine shop). Some had ad-hoc ranges (back alleys, garages). Several dealers confirmed they didn't stock launchers or hadn't reordered in months due to low demand. A salesperson at Coastal Country (top 5 dealer by store count) stated Byrna products were discontinued across all their stores due to low sales movement, with last orders in 2022. Other large dealers (C-A-L Ranch, Bi-Mart) showed limited inventory or offered significant discounts (13-30%).

\* \*\*Methods:\*\* Comparing Byrna management statements (earnings calls) vs. its own website dealer locator data vs. 10-K claims. Fieldwork: calling a significant sample of listed dealers (Premier & Authorized) to verify status, inventory, sales activity, business type, and range availability. Website checks for listed dealers (inventory, Byrna mentions). Checking state corporate records for business details/addresses.

2. \*\*Stagnant DTC Growth Trends:\*\*

\* \*\*Details:\*\* Despite Byrna reporting strong overall growth attributed partly to DTC, independent data suggests stagnation. Amazon sales data (analyzed Apr & Sept 2024) showed only modest growth (~5-10%) and minimal volume for consumables (ammo, canisters), indicating low repeat usage. Google Trends data for the keyword "Byrna" showed flat search interest over the past 12 months, contradicting the narrative of surging DTC demand driving >200% growth in that channel (as claimed in 3Q24).

\* \*\*Methods:\*\* Using third-party tools (implied methodology) to estimate Amazon sales volume/growth for Byrna products. Analyzing Google Trends data for relevant keyword search volume over time. Comparing these trends vs. Byrna's reported DTC growth figures.

3. \*\*Increased Competition at Lower Prices:\*\*

\* \*\*Details:\*\* Byrna positions its launchers as premium but faces numerous competitors offering highly-rated similar products (non-lethal launchers using CO2 and projectiles like pepper/kinetic balls) at significantly lower prices (e.g., Umarex $89-$199, Salt Supply S2 <$300, Mace <$300, Home Security Superstore kit $157 vs. Byrna SD $380+). YouTube reviews often rated competitors (Umarex, Salt Supply S2) as having comparable or superior performance (power) at lower cost. Byrna's patents appear insufficient to prevent competing designs.

\* \*\*Methods:\*\* Researching competing non-lethal launcher products available on major retail platforms (Amazon) and competitor websites (Umarex, Salt Supply, Mace, etc.). Comparing features, prices, and customer ratings/reviews. Watching YouTube comparison review videos. Searching patent databases (USPTO, Espacenet) for Byrna's patents and assessing their scope/strength relative to competitor products.

4. \*\*Suspicious Insider Sales & Management Changes:\*\*

\* \*\*Details:\*\* In Sept 2024, Byrna insiders sold stock immediately after the company used 33% of its new $10M buyback program (August) and preannounced positive revenue figures, which had pumped the stock >50%. This timing raises questions about management's confidence. Additionally, the long-time CFO retired in July 2024 and was replaced by an executive (Laurilee Kearnes) whose previous company (Harte Hanks) significantly underperformed. The Board Chair/Audit Chair (Herbert Hughes) was CFO of Wormhole Labs, which filed for Chapter 11 bankruptcy in Dec 2023 while he was CFO.

\* \*\*Methods:\*\* Tracking Byrna share buyback activity (SEC filings). Tracking insider sales transactions (SEC Form 4s) relative to buybacks and company announcements/stock price moves. Researching the background and track record of the new CFO and the Board Chair via news archives, SEC filings of their previous companies, and bankruptcy court records.

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