

4/23/2026

US: MMJ S3 Rescheduling

Cannabis Sector Equity Research



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First Impressions: Better Than We Expected

The rescheduling of medical cannabis (MMJ) in the US with immediate effect is significant, and, in its published form, better than we had expected, and it also happened faster than we had assumed based on the latest chatter. Why better: 1) the Final Order (technically different from a Final Rule) not only reminds everyone that 280 does not apply any longer, but it also calls on the Treasury Department to forgo past 280e related debts (i.e., “provide retrospective relief”); 2) it will have all state licensed med operators (inc. MSOs) register with the DEA at the federal level; we think this is rather important as although the FO does not federally legalize MMJ, by default it does provide “federal cover” (our term), which may help with banking access, custody (stock trading), and even perhaps lead to a more tolerant stance by the exchanges (uplisting); 3) the FDA will not oversee states’ MMJ programs (a prior concern of ours), despite operators registering with the DEA at the federal level (oversight is left to the states). True, the eventual rescheduling of rec will be left to an administrative hearing process due to start on 6/29 (rec is 72% of US MJ sales; but med exposure varies by operator), and there may be legal challenges to today’s FO (in that case a judge will need to decide if to put an injunction or not). Will 280e apply to rec for the time being? In theory yes as rec would still be Schedule I, but in practice? Companies may need to split their earnings between rec and med (messy...?); or companies may argue that given the FO says 280e no longer applies to state medical licensees, that this would cover all their operations (i.e., all their sales?). Sure, the latter is a matter TBD. We realize stocks are down today (but up 20% over the last 5 days), but we say the floodgates have opened, and like the medium and long term set up.

The facts, first. The DOJ (together with the DEA) issued a Final Order this morning (link [here](#)) and also summarized it [here](#), regarding the rescheduling of cannabis. Verbatim,

- The FO immediately (4/23) places both FDA-approved products containing marijuana and marijuana products regulated by a state medical marijuana license in Schedule III of the Controlled Substances Act, and it announced the initiation of an expedited administrative hearing process to consider the broader rescheduling of marijuana from Schedule I to Schedule III.
- The [new hearing](#), beginning 6/29/26, will provide a timely and legally compliant pathway to evaluate broader changes to marijuana’s status under federal law. DEA is expeditiously moving forward with the administrative hearing process, “bringing consistency and oversight to an area that has lacked both”, according to DEA Administrator Terry Cole.
- Cannabis remains federally illegal, and interstate traffic is not allowed. However, the FO also establishes an expedited registration process under 21 CFR part 1301 for entities holding state medical marijuana licenses, enabling such entities to engage in the manufacture, distribution, and/or dispensing of marijuana for medical purposes under federal law consistent with the requirements of the UN Single Convention.
- The FO does not apply to synthetically derived THC, which is outside the CSA's definition of marijuana.



- The Acting Attorney General notes that, as a consequence of this rule, state licensees will no longer be subject to the deduction disallowance imposed by Section 280E of the IRS Code.

Our interpretation re FDA's role. Rescheduling of MMJ does not mean the FDA will oversee medical cannabis sold and regulated at the state level. Verbatim from the FO: "State medical marijuana regulatory systems have matured significantly since California first authorized medical use in 1996, and today the vast majority of states maintain comprehensive licensing frameworks governing cultivation, processing, distribution, and dispensing of marijuana for medical purposes. These state regimes have developed robust infrastructure for preventing diversion, ensuring product safety, maintaining records, and conducting facility inspections functions that fulfill the objectives of federal registration and recordkeeping requirements. The Attorney General has reviewed the operation of these state systems and finds that, taken as a whole, they demonstrate a sustained capacity to achieve the public-interest objectives that underlie the CSA's registration framework, including protecting public health and safety and preventing the diversion of controlled substances into illicit channels. In light of that record, the Attorney General has determined that incorporating state licensing systems into the federal registration framework represents the most effective and efficient means of achieving the CA's objectives with respect to medical marijuana while promoting the medical benefits of marijuana and causing the least disruption for patients and existing state systems. This approach reflects the Attorney General's considered judgment that cooperative federalism best serves the statutory purposes of the CSA in the context of a well-regulated medical marijuana market."

DEA registration may provide "federal cover", in our view. Per the Final Order, verbatim, "DEA registration automatically suspends upon suspension, revocation, or expiration of the underlying state-issued license, ensuring that federal authorization tracks state authorization. To facilitate a prompt transition, the Administrator (DEA) is directed to process applications submitted within 60 days of publication within six months, and early applicants may lawfully operate under their state-issued licenses during the pendency of review. We do not believe the federal registration for state med licensees would allow them to import and or export medical cannabis, but in our view, the FO wording is not so precise on this point..."

Calls for 280e debt "relief. Per the FO, verbatim, "the Administrator encourages the Secretary of the Treasury to consider providing retrospective relief from Section 280E liability for taxable years in which a state licensee operated under a state medical marijuana license. Nothing in this rule constitutes a determination regarding federal tax liability, and state licensees should consult with tax counsel regarding the applicability of Section 280E to their specific circumstances."

The rec vs. med distinction. We estimate CY26 legal MJ sales in the US at a run rate of \$32Bn, with medical \$9Bn and rec \$23Bn (about a 28%/72% split). Few companies split sales by state (Vireo Growth, Planet 13, and Fluent, being the notable exceptions), and none split sales between rec and med. At present, 25 states have legalized rec, and 40 states med. MSO exposure to med rec varies, but among the largest MSOs, we calculate Trulieve has the highest med exposure (Florida being its main state). As of today, 280e no longer applies to med profits before tax, but still applies to rec gross profits (at least until we know how the 6/29 hearing process plays out). That said, in



our view, actual implementation will be cumbersome...; we assume creative legal accounting could manage cost allocation and minimize rec earnings vs. med earnings. But more important than that, medical licensees could argue 280 does not apply to their entire operations, even though they may sell both rec and med in the state. We realize this is TBD, but the floodgates are open, and we see no reason why MSOs would pay 280 going forward. Most notable, the DEA is calling for 280e past debts to be pardon (our interpretation of "relief"). *Note: Regarding the hearing process, we believe it is necessary by statute so the DOJ can issue a Final Rule for the rescheduling of medical cannabis, as well as for the broader rescheduling of cannabis (i.e., including rec).*

The call on stocks? Yes, stocks are down today, but 4/23 was a monumental day for patients and for the cannabis industry. Take a long-term view and buy the best positioned operators. See our report from 8/11/25 outlining the many benefits of rescheduling (also see our 4/1/26 report for overall industry context). In brief words:

- Less stigma, in general.
- Provides cover to state regulators.
- Could propel the US Congress to act on other related legislation.
- Could lead to uplisting and custody.
- Tax rule 280E would no longer apply.
- Balance sheet impact.
- Cost of capital should come down.
- We would likely see more M&A.
- More research.

Table 1: Tax liabilities

as of YE25 US\$ Mn	Tax Debt	Tax Liabilities		UTBs (or Tax Debt) as % of			
		Shown in the balance sheet	Per the notes	Sales	EBITDA	Mkt Cap	Fin Debt
Ascend	212		204 unrecognized tax benefits	41%	174%	177%	93%
Cresco	171	uncertain tax position liability	239 unrecognized tax benefits	36%	152%	49%	71%
Curaleaf	532		588 unrecognized tax benefits	46%	214%	22%	89%
Fluent	56	uncertain tax position	0 UTBs not shown	53%	425%	215%	0%
Green Thumb	203	uncertain tax provisions	203 unrecognized tax benefits	17%	58%	12%	na
Jushi	177	LT tax related liabilities	206 unrecognized tax benefits	78%	410%	197%	113%
MariMed	27	ST income tax payables	5.7 unrecognized tax benefits	4%	34%	19%	9%
Planet13	56	uncertain tax benefit	56 unrecognized tax benefits	54%	na	108%	na
TerrAscend	129	liability on uncertain tax positions	177 unrecognized tax benefits	68%	261%	70%	99%
Trulieve	668	uncertain tax position	809 unrecognized tax benefits	68%	189%	48%	720%
Verano	378	uncertain tax liabilities	474 unrecognized tax benefits	58%	207%	109%	150%
Vext Science	2	uncertain tax position	0 UTBs not shown	4%	14%	4%	0%
Vireo Growth	120	ST uncertain tax positions	0 UTBs not shown	45%	161%	18%	0%

Notes: 1) the ratios shown use UTB data; if UTBs are not provided, we use Tax Debt; 2) Fluent and Vext have not reported 4Q25 yet, so we use 3Q25

Source: Z&A

Table 2: Companies mentioned in this report

Company name	Ticker	Ticker	Rating
US MSOs			
Ascend Wellness		AAWH	not rated
AYR Wellness		AYRWF	not rated
Cannabist		CCHWF	not rated
Cresco Labs		CRLBF	Overweight
Curaleaf Holdings		CURLF	not rated
GlassHouse Brands		GLASF	not rated
Green Thumb Industries		GTBIF	Overweight
Fluent		CNTMF	not rated
Jushi Holdings		JUSHF	Overweight
MariMed		MRMD	Overweight
Planet 13 Holdings		PLNHF	Overweight
TerrAscend		TSNDF	not rated
Trulieve Cannabis		TCNNF	not rated
Verano Holdings		VRNOF	Overweight
Vext Science		VEXTF	Overweight
Vireo Growth		VREOF	Overweight
CBD/Hemp			
Charlotte's Web		CWBHF	Overweight
CV Sciences		CVSI	not rated
LFTD Partners Inc.		LIFD	not rated
International			
Cantourage		HIGH	not rated
IM Cannabis		IMCC	not rated
Intercure		INCR	not rated
Little Green Pharma		LGP	not rated

Source: Z&A

Company name	Ticker	Rating
Canada LPs		
Aurora Cannabis	ACB	Neutral
Auxly Cannabis Group	XLY	not rated
Avant Brands	AVNT	not rated
Cannara Biotech	LOVFF	not rated
Canopy Growth	CGC	Neutral
Cronos Group	CRON	not rated
Decibel Cannabis Co	DB	Overweight
Organigram Holdings	OGI	not rated
Rubicon Organics	RUBI	Overweight
Simply Solventless	HASH	not rated
SNDL Inc	SNDL	not rated
Tilray Brands	TLRY	Neutral
Village Farms Intl	VFF	Overweight
Vape Parts		
Greenlane Holdings	GNLN	not rated
Ispire Technology	ISPR	not rated
Smooore International	SMORF	not rated
Finance (MJ) Companies		
Advanced Flower Capital	AFCG	Neutral
Chicago Atlantic BDC	LIEN	Overweight
Chicago Atlantic REAF	REFI	Overweight
Innovative Industrial Properties	IIPR	not rated
New Lake Capital Partners	NLCP	Overweight
Tech		
WM Technology	MAPS	Neutral



Appendix I: MSO Rec/Med Exposure



23 April 2026

US Cannabis: On S3 Rescheduling per the 4/23 FO

Exhibit 1: Rec/Med Split by Operator

CY25	Market Mix		Ascend	Cresco	Curaleaf	Green Thumb	Jushi	MariMed	Planet13	TerrAscend	Trulieve	Verano	Vext Science	Vireo Growth
	rec	med												
\$Mn														
AZ	85%	15%			91.5						213.7	63.1	20.7	
CA	95%	5%				9.7	4.0		13.1	21.7	5.8			35.2
CO	91%	9%				2.0								200.0
CT	77%	23%			30.4	40.2					14.5	66.0		
DE	61%	39%						11.4						
FL		100%		84.3	82.5	57.6			35.6		775.6	221.8		44.0
GA		100%									6.3			
IL	89%	11%	94.8	247.6	51.4	288.4	28.2	54.8	5.3				132.1	
MA	92%	8%	39.6	52.3	36.2	35.3	10.8	50.2					10.8	
MD	80%	20%	35.2		64.5	87.0		40.0		67.5	70.4	60.5		42.0
ME	52%	48%			60.9									
MI	100%	0%	47.7	19.1						41.3		6.4		
MN	57%	43%				81.0								90.0
MO	89%	11%												107.1
ND		100%			9.5									
NE														
NH														
NJ	95%	5%	161.3		154.7	143.3				83.2		109.8		
NM	78%	22%												8.8
NV	98%	2%			54.3	75.7	4.2		49.1			25.2		113.8
NY	90%	10%			219.3	37.6								37.5
OH	83%	17%	46.3	56.3	57.8	71.6	41.6	2.1			48.2	59.7	34.3	
OK														
OR														
PA		100%	75.6	189.0	171.0	201.5	111.0			72.0	128.4	51.4		
RI	88%	12%				17.7								
UT		100%			22.1									53.2
VA		100%				34.9	63.1					32.8		
WV		100%									20.6	11.9		
TOTAL	28%	72%	500.4	648.5	1,106.1	1,183.4	262.9	158.6	103.0	285.6	1,283.5	851.4	55.0	731.7
Other					174.5			1.2		10.6				80.0
ALL REV			500.4	648.5	1280.6	1183.4	262.9	159.8	103.0	296.2	1283.5	851.4	55.0	811.7
Sales split														
Rec			387.8	334.0	710.0	766.3	77.5	135.7	65.3	194.9	295.0	465.5	46.1	547.4
Med			112.6	314.4	396.1	417.1	185.4	22.9	37.8	90.8	988.5	385.9	8.9	184.3
Salex mix														
Rec			77%	52%	64%	65%	29%	86%	63%	68%	23%	55%	84%	75%
Med			23%	48%	36%	35%	71%	14%	37%	32%	77%	45%	16%	25%

Notes: 1) The above MSO revenue state split is based on our own estimates; the rec/med split by state is based on the respective total state markets rec/med split; 2) For Vireo Growth we annualize our 4Q26 estimates

Source: Z&A estimates



Appendix II: Valuation Comps

Exhibit 2: US MSOs - Valuation Multiples (consolidated multiples)

US\$Mn	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			NET DEBT RATIOS				BROADER DEFINITION OF NET DEBT			
	Current	CY26e	CY27e	Current	CY26e	CY27e	Net Debt/Sales		Net Debt/EBITDA		BDND/Sales		BDND/EBITDA	
23-Apr-26							Current	CY25	Current	CY25	Current	CY25	Current	CY25
Tier 1 MSOs	2.4x	2.2x	2.0x	6.9x	7.3x	8.0x								
Cresco Labs	1.6x	1.7x	1.6x	6.4x	7.1x	6.8x	-0.5x	-0.5x	-2.1x	-2.3x	-0.9x	-0.9x	-3.5x	-3.9x
Curaleaf	3.0x	2.9x	2.7x	14.1x	13.8x	11.9x	-0.5x	-0.5x	-2.4x	-2.3x	-1.0x	-0.9x	-4.6x	-4.5x
Glass House	6.9x	4.5x	4.1x	nm	nm	18.0x	-0.3x	-0.2x	3.6x	-1.1x	-0.5x	-0.3x	6.1x	-1.8x
Green Thumb	1.4x	1.5x	1.4x	4.5x	5.4x	5.0x	0.0x	0.0x	0.1x	0.1x	-0.2x	-0.2x	-0.5x	-0.6x
TerrAscend	2.2x	2.2x	2.0x	8.6x	8.6x	8.0x	-0.7x	-0.7x	-2.6x	-2.7x	-1.2x	-1.2x	-4.8x	-4.8x
Trulieve	1.9x	1.9x	1.8x	5.3x	5.5x	5.4x	-0.1x	-0.1x	-0.3x	-0.3x	-0.7x	-0.7x	-1.9x	-2.0x
Verano	1.4x	1.4x	1.3x	5.2x	5.1x	4.7x	-0.4x	-0.4x	-1.4x	-1.4x	-0.9x	-0.9x	-3.2x	-3.2x
Vireo Growth	1.1x	1.4x	1.0x	4.2x	5.6x	3.8x	0.0x	na	-0.2x	na	-0.3x	na	-1.2x	na
Tier 2 MSOs	1.5x	1.2x	1.1x	7.4x	24.9x	7.7x								
Ascend Wellness	1.5x	1.4x	1.3x	5.9x	6.5x	6.0x	-0.6x	-0.6x	-2.3x	-2.6x	-1.3x	-1.2x	-5.0x	-5.6x
Cannabist Co	0.6x	na	na	33.6x	na	na	-0.4x	na	-23.1x	na	-0.6x	na	-32.4x	na
Cansortium	1.5x	na	na	9.9x	na	na	-0.6x	na	-4.1x	na	-1.2x	na	-8.2x	na
Grown Rogue	3.2x	na	na	4.7x	na	na	0.0x	na	0.0x	na	-0.2x	na	-0.3x	na
Jushi	1.7x	1.7x	1.4x	8.4x	8.8x	6.6x	-0.7x	-0.7x	-3.3x	-3.4x	-1.3x	-1.3x	-6.6x	-6.9x
MariMed	0.8x	0.8x	0.8x	7.7x	8.1x	7.3x	-0.4x	-0.5x	-4.2x	-4.3x	-0.6x	-0.6x	-5.7x	-6.0x
Planet 13	0.9x	1.0x	0.9x	-20.9x	98.4x	10.8x	0.1x	0.1x	na	6.2x	-0.4x	-0.5x	na	-44.7x
Vext Science	1.6x	1.2x	1.1x	9.5x	2.9x	na	-0.6x	-0.4x	-3.3x	-1.0x	-0.6x	-0.5x	-3.6x	-1.1x

1) Current is based on the latest reported qtr annualized (Sales and EBITDA); 2) We take FactSet consensus estimates for CY25e and CY26e multiples, if available;

3) The "tiering" above is based on \$ market cap

Source: FactSet and company reports

Exhibit 3: US MSOs - EV Calculations

US\$Mn	Z&A	US\$	mn	mn	= Total	Financial	Net	Income	Conting	ITM deriv	= Total	Min Inv
23-Apr-26	Spot EV	price	shares	deriv	Mkt Cap	net debt	leases	tax liab.	Cons.	inflow	BDND	Pref Stock or Min Int
Tier 1 MSOs												
Cresco Labs	1,040	\$0.99	445	26	467	-337	-57	-171	-8	0	-573	0
Curaleaf	3,883	\$3.13	775	36	2,537	-657	-48	-550	-6	0	-1,262	84
Glass House	1,080	\$8.76	86	17	905	-49	0	-33	0	0	-82	93
Green Thumb	1,800	\$7.31	232	10	1,762	29	-34	-203	0	0	-208	-170
TerrAscend	570	\$0.66	372	8	250	-176	-4	-141	0	0	-320	0
Trulieve	2,210	\$7.07	192	6	1,401	-112	-27	-668	-1	0	-809	0
Verano	1,156	\$1.20	363	3	439	-317	-9	-390	0	0	-717	0
Vireo Growth	904	\$0.48	1,474	75	736	25	-96	-71	-24	0	-168	0
Tier 2 MSOs												
Ascend Wellness	708	\$0.47	203	13	102	-282	-126	-198	0	0	-606	0
Cannabist Co	409	\$0.03	499	6	15	-281	-26	-87	0	0	-394	0
Cansortium	156	\$0.03	790	1	28	-64	-8	-56	0	0	-128	0
Grown Rogue	100	\$0.37	250	1	94	1	-5	-1	0	0	-6	0
Jushi	466	\$0.50	200	0	100	-182	-7	-178	0	0	-366	0
MariMed	137	\$0.07	398	10	29	-74	-1	-27	0	0	-101	7
Planet 13	92	\$0.14	328	22	50	6	-13	-33	-1	0	-42	0
Vext Science	80	\$0.20	248	0	50	-28	0	-2	0	0	-30	0

Notes: 1) The "tiering" above is based on \$ market cap; 2) GTI EV adjusted for RYM equity stake and convert debt

Source: FactSet and company reports

Exhibit 4: Canada LPs - Valuation Multiples (consolidated multiples)

Multiples 23-Apr-26	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Stock Performance		
	Current	CY25	CY26	Current	CY25	CY26	to Sales		to EBITDA		30-day	90-day	1-year
Aurora Cannabis	0.7x	0.7x	0.8x	3.6x	4.8x	4.4x	na	na	na	na	12%	-14%	-13%
Auxly Cannabis Group	2.3x	na	na	13.2x	na	na	-0.5x	na	-2.9x	na	6%	-3%	76%
Avant Brands	0.6x	na	na	-5.4x	na	na	-0.2x	na	1.4x	na	-10%	-31%	-34%
Cannara Biotech	1.3x	na	na	4.3x	na	na	-0.4x	na	-1.2x	na	-34%	-38%	-10%
Canopy Growth	1.8x	2.1x	1.7x	86.2x	-37.8x	na	na	na	na	na	26%	4%	10%
Cronos Group	-0.5x	-0.6x	na	-50.0x	-9.2x	na	na	na	na	na	15%	5%	58%
Decibel Cannabis	0.9x	0.9x	0.8x	4.0x	4.6x	3.7x	-0.2x	-0.2x	-1.1x	-1.2x	8%	35%	127%
Organigram Holdings	1.1x	1.1x	0.8x	21.0x	12.6x	8.2x	na	na	na	na	8%	-8%	47%
Rubicon Organics	0.8x	0.9x	0.7x	10.8x	10.2x	6.9x	-0.1x	na	-1.7x	na	16%	21%	30%
Simply Solventless	0.4x	na	na	1.2x	na	na	na	na	na	na	3%	-70%	-93%
SNDL	0.4x	0.4x	0.4x	9.7x	na	na	na	na	na	na	13%	-3%	12%
Tilray Brands	1.0x	1.0x	0.8x	23.2x	14.1x	9.5x	na	na	na	na	16%	-17%	61%
Village Farms International	1.5x	1.8x	1.6x	4.8x	7.9x	7.8x	na	na	na	na	16%	-14%	385%

1) We take FactSet consensus estimates for CY25e and CY26e (or our estimates if there is no consensus); 2) By "current", we mean the latest reported qtr annualized; 3) several LPs have net cash

2) The CGC multiples should be adjusted for the market value of the equity stake in TerrAscend (on the EV) and for the revenues of C-USA (denominator). We estimate the adj curr multiple at

1.0x

Source: FactSet and company reports

Exhibit 5: Canada LPs - EV Calculations

C\$Mn 23-Apr-26	Z&A Spot EV	C\$ price	mn shares	mn deriv	Total Mkt Cap	Financial net debt	Net leases	Income tax liab.	Conting Cons.	ITM deriv inflow	Total BDND	Pref Stock Min Int	Equity Stakes
Aurora Cannabis	269	5.00	56.7	1.4	291	93	-39	0	0	0	53	31	
Auxly Cannabis Group	269	0.14	1,285.7	133.4	194	-59	-14	0	-2	0	-75		
Avant Brands	23	0.63	10.6	0.2	7	-6	-10	0	0	0	-16		
Cannara Biotech	151	1.19	90.0	0.0	107	-43	0	-1	0	0	-44		
Canopy Growth	607	1.62	448.3	3.7	734	128	0	0	0	0	128		
Cronos Group	-127	3.77	279.2	0.0	1,051	1,180	-2	0	0	0	1,178		
Decibel Cannabis	107	0.13	576.9	36.4	82	-28	0	0	0	3	-25		
Organigram Holdings	275	2.01	135.1	5.4	283	63	0	0	0	0	63	55	
Rubicon Organics	51	0.58	67.2	6.2	43	-8	0	0	0	0	-9		
Simply Solventless	16	0.03	115.5	0.0	3	-8	0	-5	0	0	-12	0	
SNDL	366	2.09	257.4	13.2	565	232	-34	0	0	0	199		
Tilray Brands	1,182	9.86	116.5	2.8	1,176	21	-70	0	0	0	-49	-43	
Village Farms International	541	4.05	115.1	36.0	612	53	-13	0	0	35	75	10	6

Source: FactSet and company reports



Exhibit 6: Stock Performance

23-Apr-26	Stock Performance		
	Last 30d	Last 90d	Last 12mo
US Operators			
Ascend	-1%	-26%	53%
Ayr	-4%	-36%	-91%
Cannabist	16%	-37%	-22%
Cresco	9%	-16%	57%
Curaleaf	45%	29%	267%
C21 Investments	1%	-13%	109%
Fluent	-1%	-30%	-32%
GlassHouse	20%	-3%	68%
Grown Rogue	25%	-2%	3%
Green Thumb	16%	-6%	40%
iAnthus	6%	4%	-34%
Jushi	11%	-14%	71%
MariMed	-9%	-20%	-25%
Nevis Brands	-29%	-39%	-17%
Planet13	-2%	-22%	-35%
Rythm	72%	51%	65%
Trulieve	14%	-12%	89%
TerrAscend	7%	-14%	153%
Verano	7%	-12%	107%
Vext Science	27%	3%	129%
Vireo Growth	20%	-5%	36%
International			
IM Cannabis	-36%	4%	41%
InterCure	2%	-23%	25%
PharmaCielo	-44%	-39%	27%

Source: FactSet

	Stock Performance		
	Last 30d	Last 90d	Last 12mo
Canadian LPs			
Aurora	12%	-14%	-13%
Auxly	6%	-3%	76%
Avant	-10%	-31%	-34%
Ayurcann	0%	-86%	-89%
Cannara Biotech	-34%	-38%	-10%
Canopy Growth	26%	4%	10%
Cronos	15%	5%	58%
Decibel	8%	35%	127%
High Tide	7%	-7%	4%
NextLeaf Solutions	-6%	12%	0%
OGI	8%	-8%	47%
Rubicon	16%	21%	30%
Simply Solventless	3%	-70%	-93%
SNDL	13%	-3%	12%
Tilray	16%	-17%	61%
VFF	16%	-14%	385%
Tech			
Leafly	na	na	-54%
Springbig	40%	15%	-77%
Weedmaps	-44%	-58%	-66%
Vape parts			
Greenlane	-19%	-69%	-100%
Ispire	-5%	-50%	-41%
Smooore	0%	32%	12%
Tilt Holdings	na	na	-99%

	Stock Performance		
	Last 30d	Last 90d	Last 12mo
MJ Fincos			
AFCG	14%	17%	-43%
IIPR	3%	6%	4%
NLCP	-6%	-5%	0%
SHFS	10%	-25%	-78%
LIEN	-4%	-12%	-8%
REFI	-4%	-6%	-15%
Pix & Shovel			
GRWG	-1%	-22%	19%
HYFM	-15%	-43%	-59%
SMG	3%	1%	25%
UGRO	358%	84%	-19%
CBD			
CVSI	-3%	-23%	25%
CWEB	-17%	76%	615%
LFID	4%	9%	-38%
Stock Market Indexes and ETFs			
S&P 500	9%	3%	38%
S&P 477	2%	1%	4%
Nasdaq	1%	-11%	24%
MSOS ETF	22%	-3%	89%
YOLO ETF	16%	-4%	79%
Simple Group Averages			
Large Canada LPs	18%	-8%	93%
Tier 1 MSOs	18%	-3%	112%



Appendix III: Financial Comps

Exhibit 7: Sales

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
Sales														
Ascend	144	332	406	519	142	142	142	136	562	128	127	125	121	501
Cresco	476	822	843	771	184	184	180	176	724	166	164	165	162	656
Curaleaf	627	1,196	1,275	1,347	339	342	331	331	1,343	310	315	320	323	1,268
Green Thumb	557	894	1,017	1,055	276	280	287	294	1,137	280	293	291	311	1,175
Jushi	81	209	284	269	65	65	62	66	258	64	65	66	68	263
Marimed	51	121	134	149	38	40	41	39	158	38	40	41	42	160
Planet13	70	119	105	99	23	31	32	30	116	28	27	23	25	103
TerrAscend	148	194	248	317	81	78	74	74	307	64	65	65	66	261
Trulieve	522	938	1,240	1,129	298	303	284	301	1,186	298	302	288	293	1,181
Verano	229	738	879	938	221	222	217	218	879	210	202	203	207	822
Vext	25	37	35	35	8	8	9	10	36	12	13	13	18	56
Vireo Growth	49	54	75	88	24	25	25	25	99	25	48	92	105	269

Source: FactSet and company reports

Exhibit 8: EBITDA

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
EBITDA														
Ascend	30.8	79.4	93.2	106.5	32.5	28.3	25.1	30.2	116.2	27.0	28.6	31.1	30.2	116.9
Cresco	60.8	194.0	172.7	169.1	53.2	53.9	51.3	41.5	199.8	36.2	40.9	39.8	40.4	157.3
Curaleaf	144.1	261.8	203.3	253.2	77.2	73.0	75.3	76.2	303.3	65.2	65.5	71.7	69.0	274.7
Green Thumb	179.6	307.8	311.5	325.8	90.5	93.8	89.2	97.8	371.3	85.2	82.7	80.2	100.2	348.4
Jushi	0.3	14.3	7.1	40.8	13.3	14.5	10.3	8.0	46.2	9.8	13.7	12.8	13.9	50.3
Marimed	16.3	42.8	32.4	24.7	4.4	4.4	4.7	5.9	19.3	2.4	4.9	5.1	4.4	16.9
Planet13	8.2	16.9	3.5	2.4	0.0	3.2	1.3	0.0	3.5	-2.5	-2.4	-4.1	-1.1	-10.1
TerrAscend	40.1	69.6	38.8	68.8	16.2	15.6	13.7	15.1	60.7	18.1	16.0	17.0	16.7	67.8
Trulieve	260.1	384.8	398.2	322.3	105.8	107.0	96.1	111.4	420.2	109.2	110.6	102.7	104.8	427.3
Verano	176.9	324.1	323.6	304.9	66.5	70.6	64.5	62.9	264.5	54.4	66.2	53.1	55.5	229.2
Vext	6.8	13.4	15.1	5.5	2.0	1.1	2.9	3.2	9.2	3.4	4.1	2.1	5.2	14.7
Vireo Growth	-5.2	-9.1	4.1	19.6	6.1	8.1	6.4	6.6	25.1	6.6	13.3	25.4	29.5	74.7

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
EBITDA margins														
Ascend	21.4%	23.9%	23.0%	20.5%	22.8%	20.0%	17.7%	22.2%	20.7%	21.1%	22.4%	24.9%	25.1%	23.4%
Cresco	12.8%	23.6%	20.5%	21.9%	28.8%	29.2%	28.5%	23.6%	27.6%	21.9%	25.0%	24.1%	25.0%	24.0%
Curaleaf	23.0%	21.9%	15.9%	18.8%	22.8%	21.3%	22.8%	23.0%	22.6%	21.0%	20.8%	22.4%	21.3%	21.7%
Green Thumb	32.3%	34.5%	30.6%	30.9%	32.8%	33.5%	31.1%	33.2%	32.7%	30.5%	28.2%	27.5%	32.2%	29.6%
Jushi	0.3%	6.8%	2.5%	15.1%	20.4%	22.4%	16.8%	12.2%	17.9%	15.4%	21.1%	19.5%	20.4%	19.1%
Marimed	32.1%	35.3%	24.2%	16.6%	11.7%	10.8%	11.5%	15.1%	12.2%	6.3%	12.4%	12.6%	10.6%	10.5%
Planet13	11.6%	14.1%	3.3%	2.4%	0.0%	10.3%	4.0%	0.0%	3.0%	-8.9%	-9.1%	-17.6%	-4.4%	-9.8%
TerrAscend	27.1%	35.9%	15.7%	21.7%	20.1%	20.2%	18.5%	20.3%	19.8%	28.2%	24.6%	26.1%	25.2%	26.0%
Trulieve	49.9%	41.0%	32.1%	28.5%	35.5%	35.2%	33.8%	37.0%	35.4%	36.7%	36.6%	35.6%	35.8%	36.2%
Verano	77.4%	43.9%	36.8%	32.5%	30.1%	31.7%	29.7%	28.8%	30.1%	25.9%	32.7%	26.2%	26.9%	27.9%
Vext	27.0%	36.0%	42.7%	15.9%	23.3%	12.9%	32.0%	31.8%	25.4%	29.1%	30.4%	16.7%	28.5%	26.4%
Vireo Growth	-10.6%	-16.6%	5.5%	22.2%	25.2%	32.3%	25.4%	26.4%	25.3%	26.8%	27.6%	27.7%	28.2%	27.8%

Source: FactSet and company reports

Exhibit 9: OCF

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
OCF/Sales														
Ascend	-4%	-13%	-9%	15%	3%	23%	1%	26%	13%	5%	14%	-2%	14%	8%
Cresco	-2%	2%	2%	8%	20%	9%	27%	17%	9%	18%	5%	4%	17%	11%
Curaleaf	2%	-5%	4%	6%	13%	9%	13%	14%	12%	13%	2%	15%	13%	11%
Green Thumb	17%	15%	16%	21%	30%	7%	17%	15%	17%	27%	19%	25%	29%	25%
Jushi	-15%	-7%	-8%	-1%	10%	9%	4%	11%	8%	12%	-3%	9%	9%	7%
Marimed	7%	30%	5%	5%	8%	8%	2%	-1%	4%	3%	1%	7%	8%	5%
Planet13	-1%	0%	-6%	-12%	-6%	17%	9%	-5%	4%	-19%	-5%	-18%	-14%	-14%
TerrAscend	-19%	-12%	-9%	9%	16%	17%	2%	13%	14%	9%	8%	4%	12%	8%
Trulieve	19%	1%	2%	18%	47%	24%	11%	10%	23%	17%	29%	27%	20%	23%
Verano	31%	25%	11%	12%	14%	4%	14%	20%	13%	1%	5%	13%	7%	6%
Vext	12%	30%	16%	13%	1%	-7%	-3%	39%	9%	27%	31%	10%	38%	27%
Vireo Growth	-22%	-56%	-24%	-1%	-5%	0%	-10%	-26%	-10%	-14%	-10%	-7%	18%	1%

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
OCF/EBITDA														
Ascend	-19%	-53%	-41%	71%	12%	114%	8%	116%	63%	22%	62%	-6%	54%	33%
Cresco	-13%	7%	11%	35%	69%	32%	96%	71%	33%	84%	22%	15%	68%	46%
Curaleaf	9%	-22%	23%	30%	57%	40%	56%	62%	54%	62%	10%	68%	61%	50%
Green Thumb	53%	43%	51%	69%	93%	21%	53%	44%	53%	87%	68%	92%	90%	85%
Jushi	-4701%	-100%	-303%	-8%	49%	38%	23%	89%	47%	77%	-14%	48%	43%	35%
Marimed	21%	84%	23%	32%	73%	73%	17%	-7%	35%	54%	6%	52%	77%	46%
Planet13	-11%	-2%	-193%	-502%	nm	162%	222%	nm	149%	na	na	na	na	na
TerrAscend	-70%	-35%	-56%	40%	82%	84%	13%	65%	71%	30%	33%	16%	48%	32%
Trulieve	38%	3%	6%	63%	132%	67%	32%	28%	65%	46%	78%	75%	56%	64%
Verano	40%	56%	29%	36%	47%	11%	46%	69%	42%	3%	16%	50%	25%	23%
Vext	45%	84%	38%	80%	6%	-55%	-8%	124%	36%	92%	102%	60%	132%	104%
Vireo Growth	na	na	-439%	-5%	-20%	0%	-41%	-98%	-41%	-50%	-36%	-27%	63%	5%

Source: FactSet and company reports

Exhibit 10: Net Debt

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
NET FINANCIAL DEBT														
Ascend	-154	-103	-256	-236	-238	-226	-241	-220	-220	-233	-254	-282	-219	-219
Cresco	-141	-259	-366	-401	-395	-395	-365	-332	-332	-320	-324	-346	-337	-337
Curaleaf	-218	-318	-678	-711	-689	-686	-678	-670	-670	-654	-672	-648	-657	-657
Green Thumb	-15	-10	-98	-147	-86	-114	-82	-83	-83	-42	-73	-12	29	29
Jushi	40	-31	-163	-183	-179	-170	-165	-167	-167	-171	-177	-181	-182	-182
Marimed	-34	11	-20	-52	-53	-63	-66	-68	-68	-67	-68	-67	-64	-64
Planet13	78	61	38	16	22	18	19	16	16	8	5	7	6	6
TerrAscend	-129	-100	-179	-184	-177	-169	-172	-173	-173	-171	-173	-176	-179	-179
Trulieve	47	-421	-580	-420	-300	-264	-300	-318	-318	-289	-222	-165	-112	-112
Verano	-24	-191	-328	-271	-251	-266	-355	-326	-326	-336	-335	-318	-317	-317
Vext	-9	-7	-31	-27	-31	-32	-33	-31	-31	-29	-27	-28	-22	-22
Vireo Growth	25	-12	-43	-53	-58	-61	-51	19	19	14	-12	-39	-52	-52

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
NET FINANCIAL DEBT / EBITDA														
Ascend	-1.2x	-0.3x	-0.7x	-0.6x	-1.8x	-2.0x	-2.4x	-1.8x	-0.5x	-2.2x	-2.2x	-2.3x	-1.8x	-1.9x
Cresco	-0.6x	-0.3x	-0.5x	-0.6x	-1.9x	-1.8x	-1.8x	-2.0x	-0.4x	-2.2x	-2.0x	-2.2x	-2.1x	-2.1x
Curaleaf	-0.4x	-0.3x	-0.8x	-0.7x	-2.2x	-2.3x	-2.3x	-2.2x	-0.6x	-2.5x	-2.6x	-2.3x	-2.4x	-2.4x
Green Thumb	0.0x	0.0x	-0.1x	-0.1x	-0.2x	-0.3x	-0.2x	-0.2x	-0.1x	-0.1x	-0.2x	0.0x	0.1x	0.1x
Jushi	38.2x	-0.5x	-5.8x	-1.1x	-3.3x	-2.9x	-4.0x	-5.2x	-0.9x	-4.3x	-3.2x	-3.5x	-3.3x	-3.6x
Marimed	-0.5x	0.1x	-0.2x	-0.5x	-3.0x	-3.6x	-3.5x	-2.9x	-0.9x	-7.0x	-3.5x	-3.2x	-3.6x	-3.8x
Planet13	2.4x	0.9x	2.7x	1.7x	nm	1.4x	3.7x	nm	1.1x	na	na	na	na	na
TerrAscend	-0.8x	-0.4x	-1.2x	-0.7x	-2.7x	-2.7x	-3.1x	-2.9x	-0.7x	-2.4x	-2.7x	-2.6x	-2.7x	-2.6x
Trulieve	0.0x	-0.3x	-0.4x	-0.3x	-0.7x	-0.6x	-0.8x	-0.7x	-0.2x	-0.7x	-0.5x	-0.4x	-0.3x	-0.3x
Verano	0.0x	-0.1x	-0.3x	-0.2x	-0.9x	-0.9x	-1.4x	-1.3x	-0.3x	-1.5x	-1.3x	-1.5x	-1.4x	-1.4x
Vext	-0.3x	-0.1x	-0.5x	-1.2x	-4.0x	-7.4x	-2.9x	-2.4x	-0.8x	-2.2x	-1.7x	-3.3x	-1.1x	-1.5x
Vireo Growth	na	na	-2.6x	-0.7x	-2.4x	-1.9x	-2.0x	0.7x	0.2x	0.5x	-0.2x	-0.4x	-0.4x	-0.7x

Source: FactSet and company reports

Exhibit 11: Capex/Sales

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
CAPEX/Sales														
Ascend	18.4%	26.6%	20.1%	4.7%	5.0%	3.8%	3.5%	3.7%	4.0%	5.0%	4.9%	5.2%	5.7%	5.2%
Cresco	18.3%	11.4%	9.9%	7.2%	2.1%	3.5%	3.4%	1.8%	2.7%	3.5%	8.0%	4.4%	5.6%	5.4%
Curaleaf	20.2%	14.4%	10.6%	4.9%	3.8%	7.2%	8.4%	8.3%	6.9%	5.2%	4.8%	5.2%	4.8%	5.0%
Green Thumb	10.7%	21.0%	17.6%	20.9%	5.3%	7.2%	6.3%	9.2%	7.1%	10.7%	6.5%	6.0%	4.7%	6.9%
Jushi	28.2%	36.0%	20.0%	4.0%	1.6%	1.1%	1.2%	3.3%	1.8%	6.3%	6.3%	7.4%	4.5%	6.1%
Marimed	9.2%	14.7%	9.1%	13.5%	8.9%	12.3%	6.3%	2.7%	7.6%	0.7%	0.8%	1.4%	0.1%	0.7%
Planet13	6.4%	21.7%	15.9%	8.5%	12.9%	13.1%	7.7%	8.5%	10.3%	9.6%	8.5%	3.6%	3.0%	6.4%
TerrAscend	29.6%	20.5%	16.0%	2.4%	3.5%	1.9%	0.5%	6.4%	3.1%	3.8%	3.4%	3.5%	2.6%	3.3%
Trulieve	19.2%	31.6%	14.7%	3.6%	5.2%	8.7%	13.0%	14.1%	10.2%	5.7%	3.8%	4.3%	1.2%	3.7%
Verano	26.3%	19.1%	13.6%	3.9%	4.4%	8.3%	26.1%	6.5%	11.3%	6.6%	5.2%	3.7%	4.6%	5.0%
Vext	16.1%	50.4%	25.0%	7.9%	0.8%	7.2%	0.2%	7.6%	4.1%	7.0%	5.8%	8.9%	5.0%	6.5%
Vireo Growth	17.2%	33.1%	7.5%	5.6%	3.7%	12.7%	19.4%	10.9%	11.8%	4.7%	7.6%	14.9%	9.4%	10.5%

Source: FactSet and company reports

Exhibit 12: Net Interest Expense/Sales

	CY20	CY21	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25	4Q25	CY25
NET INTEREST COST / SALES														
Ascend	-17.2%	-8.7%	-6.9%	-6.0%	-6.0%	-2.7%	-5.2%	-5.4%	-4.8%	-8.7%	-3.3%	-5.9%	-6.1%	-6.0%
Cresco	-6.6%	-6.2%	-6.9%	-7.9%	-7.6%	-7.5%	-8.4%	-7.4%	-7.7%	-8.9%	-7.7%	-8.8%	-8.9%	-8.6%
Curaleaf	-6.6%	-4.3%	-4.3%	-4.3%	-4.5%	-4.2%	-4.5%	-4.2%	-4.4%	-4.5%	-4.6%	-4.4%	-4.1%	-4.4%
Green Thumb	-3.3%	-2.3%	-1.7%	-1.2%	-2.0%	-1.3%	-0.9%	-1.2%	-1.3%	-1.0%	-1.1%	-0.7%	-0.3%	-0.7%
Jushi	-19.0%	-14.6%	-16.0%	-13.7%	-14.6%	-14.0%	-15.2%	-14.3%	-14.5%	-15.7%	-15.7%	-15.6%	-15.2%	-15.5%
Marimed	-19.0%	-1.8%	-0.5%	-6.0%	-4.2%	-4.2%	-4.1%	-4.7%	-4.3%	-4.6%	-4.4%	-4.4%	-4.9%	-4.6%
Planet13	-2.5%	0.0%	0.2%	0.2%	0.1%	0.3%	0.1%	-1.6%	-0.3%	-0.6%	-1.4%	-0.4%	0.7%	-0.5%
TerrAscend	-7.1%	-14.3%	-14.5%	-11.7%	-10.7%	-11.5%	-11.3%	-11.4%	-11.2%	-13.0%	-13.5%	-13.8%	-14.2%	-13.6%
Trulieve	-3.9%	-3.7%	-6.4%	-6.7%	-3.8%	-3.8%	-4.7%	-3.8%	-4.0%	-4.4%	-4.2%	-4.6%	-3.3%	-4.1%
Verano	-2.4%	-4.9%	-11.9%	-6.4%	-6.8%	-6.4%	-5.9%	-5.8%	-6.2%	-6.5%	-7.0%	-6.5%	-6.1%	-6.5%
Vext	1.5%	-0.7%	-5.4%	-10.5%	-9.5%	-9.5%	-9.2%	-8.8%	-9.3%	-6.6%	-6.6%	-5.5%	-4.4%	-5.6%
Vireo Growth	-10.4%	-19.4%	-30.3%	-35.5%	-36.2%	-29.9%	-29.3%	-30.3%	-31.4%	-31.0%	-15.9%	-7.5%	-4.3%	-9.9%

Source: FactSet and company reports



Appendix IV: Bio and Disclaimers

Zuanic & Associates



Analyst Bio

Pablo Zuanic is a well-known and highly rated equity analyst following the broader cannabinoids (THC cannabis, hemp derivatives, CBD) and consumer sectors. Over the past seven years he has launched coverage of over 40 companies in the US, Canada, and overseas, plant-touching as well as service providers (tech; finance), and has also consulted with several private companies. He follows closely the reform process in the US, Canada, Germany, Australia, and elsewhere, and relies on a fundamental and data-driven approach to keep track of sectoral trends. His firm Zuanic & Associates publishes equity research, both from a macro/sectoral level in a thematic manner, as well as on listed stocks. The research service is aimed at institutional investors, corporations, and regulators. The firm is also available for short-term consulting and research advisory projects. Approaching the third year since its inception, the firm has collaborated with close to 30 companies (in North America and overseas; plant touching and service providers; public and private), both on an on-going basis as well for specific projects. Pablo is often a guest speaker at industry conferences (London, Berlin, Brisbane, Chicago, New York, and others). At various points in his career, he has been II ranked and called as expert witness in industry investigations. Pablo has a deep global background having covered stocks over the past 20 years in the US, Europe, Latin America, and Asia, across consumer sub sectors. Prior employers include JP Morgan, Barings, and Cantor Fitzgerald. An MBA graduate of Harvard Business School, he started his career as a management consultant, which brings a strategic mindset to his approach to equity research. *He can be contacted via the company's portal <https://zuanicassociates.com/> ; via email at pablo.zuanic@zuanicgroup.com; or via X @420Odysseus.*



Disclosures and Disclaimers

About the firm: Zuanic & Associates is a domestic limited liability company (LLC) registered in the state of New Jersey. The company's registered address is 971 US Highway 202 N, Ste A, Branchburg, New Jersey 08876, USA. Pablo Zuanic is the registered agent. The firm publishes equity research on selected stocks in the cannabis and psychedelics sector, as well as thematic macro industry notes. The firm also provides consulting and advisory services. Potential conflicts of interest are duly reflected in the respective specific company reports.

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Disclosure: Zuanic & Associates offers advisory and research services, and it also organizes investor events and conferences. The firm is often engaged by various operators in the cannabis industry (both plant touching companies and those providing services, private and public, in North America and overseas) on an ongoing or ad hoc basis. Several of the companies discussed in this report are paying customers of the services provided by the firm.

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