



12/16/2025

Canopy Growth

Company Update: Neutral

\$ Mn													
Sales	FY24a	FY25a	FY26e	Prev	FY27e	Prev	FY28e	Prev					
1Q	109	66	72	A	72	73	81	81					
2Q	70	63	67	A	67	73	83	83					
3Q	79	75	70	E	70	77	88	85					
4Q	40	65	70	E	69	77	84	83					
FY	297	269	279	E	278	300	336	332					
EBITDA	FY24a	FY25a	FY26e	Prev	FY27e	Prev	FY28e	Prev					
1Q	-23	-5	-8	A	-8	2	9	9					
2Q	-12	-6	-3	A	-3	5	12	12					
3Q	-9	-3	0	E	0	6	14	14					
4Q	-15	-9	3	E	3	8	13	13					
FY	-59	-24	-8	E	-8	21	48	48					
Share price (C\$)	\$2.62	Perf.	CGC	YOLO ETF	S&P500	Stance:	Neutral						
Share count (mn)	372.1	30d	78%	45%	1%	no price target							
Market Cap (US\$Mn)	974	90d	31%	28%	3%	FY = Mar							
Ticker	WEED.TO	1yr	-39%	68%	12%								
\$Mn													
Projected EV							851	-150					
EV/Sales							2.8x	-0.4x					
EV/EBITDA							40.2x	-3.2x					
Net debt/Sales							-0.4x	-0.4x					
Net debt/EBITDA							-5.4x	-3.2x					
Free Cash Flow							22.3	34.4					
Net (debt) cash							102	113					
Consensus													
Sales							281	na					
EBITDA							-12	14					
Guidance:							n/a	n/a					

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Company Update

We see several positives from the MTL Cannabis deal, with CGC expanding its supply chain of top-quality flower (key to address CGC's international demand); becoming #1 in Canada's med market; bolstering CGC's presence in Canada rec, with top line synergies across both companies' domestic distribution footprint; plus \$10Mn in cost synergies and the strengthening of CGC's c-suite. We calculate a deal value of 2x sales and 16x EBITDA (84% stock; 16% cash; plus CGC taking on MTL's net debt of \$54Mn), which is above recent M&A in the space. That said, the transaction will help CGC achieve positive EBITDA sooner; per our math, the deal is EPS accretive despite a 12% increase in the CGC share count; and as we explain here it has solid strategic merit. All in, CGC is a stronger company post the MTL deal. *Note: All \$ figures in this report are in C\$ unless noted otherwise.*

About MTL Cannabis Corp. With a base in Quebec province, MTL is a mid-size Canadian LP known for high quality premium flower products. It generated \$84Mn in sales for the LTM thru 9/30/25, with 51% gross margins and operating cash flow of \$11Mn. Through its affiliates, MTL operates a 57K sq ft indoor facility in Pointe Claire, QB (Montreal Medical Cannabis); a 64K sq ft indoor facility in Pickering, QB (IsoCanMed Inc); a network of clinics under the Canada House Clinics banner; it operates a medical cannabis marketplace (under Abba Medix). Per MTL's own SEDAR filings, total net sales amounted to \$20.6Mn for the Sep qtr (-1% yoy), and EBITDA was \$2.2Mn (10.7% of sales). of total Sep sales, \$18.5Mn came from cannabis products, and \$2.1Mn from the clinics business (referral revenue). SEDAR noted \$3.2Mn of Sep qtr net sales came from shipments to Portugal. CGC management noted that about 30% of MTL's total sales come its combined medical business. For context, CGC's last 12month sales thru 9/30/25 in domestic rec were \$92.5Mn; domestic med was \$82.6Mn; international \$33.4Mn. *Note: Per Hifyre, MTL's total rec sales at retail (taking RSPs) were \$24.3Mn vs. \$45.2Mn for CGC; so CGC's domestic rec share would increase by >50%. Also, per Hifyre, in the latest Sep qtr, 51% of MTL's rec sales came from flower, 30% pre-rolls, and 19% from concentrates.*

The strategic rationale. CGC management noted several reasons for doing this deal: 1) MTL will add quality flower capacity and expertise to CGC (the MTL cultivation expertise was highlighted by CGC management), with the increase in high-quality flower supply expected to enhance CGC's ability to meet the growing demand in the European medical cannabis market and also support continued category growth in Canada (roughly, MTL will add 20 tons of capacity to CGC's current 30 tons, taking CGC's facilities in Kincardine ON and Kelowna BC). 2) The MTL brand portfolio will increase CGC's presence in what it calls the "upper mainstream segment (which sits between the premium and lower mainstream segments, and where CGC's 7 Acres brand operates); per Hifyre the MTL mix in rec comes 63% from the Mtl Cannabis brand, 20% R'Belle, and 15% Lowkey; 3) CGC management sees potential to expand the distribution of MTL's products outside QB province, and leverage MTL's QB heft to increase CGC sales in the province. 4) The combined entity will become the #1 player in Canada's medical business (slightly above Aurora's domestic med unit, which generated sales of \$106Mn for the LTM thru 9/30), with complementary patient networks, taking Spectrum Therapeutics, Abba Medix, and Canada House of Clinics. 5) the MTL deal will strengthen CGC's c-suite (MTL's CEO, Michael Perron, will become CGC's new COO) and management bench. 6) cost synergies are projected at \$10Mn (reaching that level of 18 months). While CGC is not

providing EBITDA guidance, it says the deal (combined with its own price/mix and cost savings gains) will help it reach positive EBITDA sooner than previously projected.

The transaction. CGC will pay \$125Mn for the MTL market cap (the total EV is \$179Mn); multiple wise, the deal implies 2.1x sales and >16x OCF. MTL shareholders will receive 0.32 of a CGC share and \$0.144 in cash in exchange for each MTL share held. With 137 million MTL Shares outstanding on a fully-diluted basis as of December 12, 2025, the total consideration paid for all outstanding MTL Shares was calculated at ~\$125Mn (i.e., about \$20Mn in cash and \$105Mn in stock, or about 44mn CGC shares), taking the CGC share price at C\$2.39 (C\$2.62 as of 3.30pm ET on 12/16). The EV figure implies MTL net debt of \$54Mn, which is about 5x EBITDA for MTL, or 64% of sales. So, the total CGC share count will increase by 12% (44mn on 368.5mn) and the new net debt will be \$4Mn (CGC net cash as of Sep \$70Mn; MTL net debt of \$54Mn; deal cash component of ~\$20Mn). EPS accretion wise, marginal pre-tax profit per share goes up by >C\$0.03 (MTL EBIT, synergies, minus interest cost on the \$20Mn cash piece). The transaction is expected to close by end of Feb'26 (we are not updating our model at this time yet for the MTL deal). *Note: The \$125Mn figure does not include up to 2,956,391 CGC shares being issued to certain former shareholders of Montreal Cannabis Medical, Inc. ("MC"); nor PSUs being issued to Richard and Michel Clement (from MTL) worth \$2Mn, plus options to Michael Perron (MTL's CEO, who will now be CGC CEO).*

Valuation (all \$ figures are in C\$). CGC shares are up 78% in the last 30 days buoyed by improved US sentiment (potential for rescheduling to S3) vs. +45% for the YOLO ETF and +90% for the MSOS ETF (+1% for the S&P500). Taking the share price of C\$2.62, post deal we calculate an EV of \$1.09Bn (CGC shares of 416mn post deal; proforma net debt of \$4Mn), which implies 3x on proforma sales of \$363Mn. If we adjust for the US assets (C-USA sales and EBITDA, and equity stake in TerrAscend), we calculate CGC trades at 1.3x (1.5x ex the MTL deal, as shown in the appendix), somewhere in between TLRY and ACB. While we maintain our Neutral, we value the progress the company is making under the stewardship of CEO Mongeau and believe CGC is a stronger company with the MTL deal.

See our recent reports,

- [CGC Update](#)
- [Canadian Rec Trends](#)
- [German MMJ Imports](#)

Appendix I: Company Financials

Exhibit 1: CGC Consolidated Financial Highlights (not factoring the MTL deal yet)

C\$ Mn	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar'25 4Q25	Mar'25 FY25	Jun 1Q26	Sep 2Q26	Dec 3Q26e	Mar'25 4Q26e	Mar'25 FY26e	Mar'25 FY27e	Mar'25 FY28e
Sales	297.1	66.2	63.0	74.8	65.0	269.0	72.1	66.7	70.3	70.2	279.3	300.3	335.8
qoq ch %	na	64%	-5%	19%	-13%	na	11%	-8%	5%	0%	na	na	na
yoy ch %	-26%	-39%	-9%	-5%	61%	-9%	9%	6%	-6%	8%	4%	8%	12%
<i>guidance</i>									70.8	71.4	281.1	298.7	322.1
<i>consensus</i>													
Profit margins													
Gross profit before FV adj	80.9	23.0	21.8	24.1	10.5	79.5	18.0	21.9	24.5	25.1	89.5	106.2	123.8
as % of sales	27.2%	34.8%	34.7%	32.2%	16.2%	29.6%	25.0%	32.8%	34.9%	35.8%	32.1%	35.4%	36.9%
Op exp	309.6	52.1	67.8	47.9	28.8	196.7	40.7	38.8	34.7	32.7	146.9	123.0	114.1
as % of sales	104%	79%	108%	64%	44%	73%	56%	58%	49%	47%	53%	41%	34%
EBIT	-228.7	-29.1	-45.9	-23.8	-18.3	-117.1	-22.6	-16.9	-10.2	-7.6	-57.3	-16.9	9.7
as % of sales	-77%	-44%	-73%	-32%	-28%	-44%	-31%	-25%	-15%	-11%	-21%	-6%	3%
adj EBITDA	-58.9	-5.3	-5.5	-3.5	-9.2	-23.5	-7.9	-3.0	0.3	3.0	-7.6	21.2	47.7
as % of sales	-20%	-8%	-9%	-5%	-14%	-9%	-11%	-5%	0%	4%	-3%	7%	14%
<i>consensus adj EBITDA</i>									-1.5	0.3	-12.4	13.8	36.6
<i>as % of sales</i>									-2.2%	0.4%	-4.4%	4.6%	11.3%
EPS													
Pre tax income	-471	-121	-213	-219	-37	-591	-41	-1	-15	-13	-71	-37	-10
Tax rate assumption	2.6%	5.1%	0.1%	0.1%	0.9%	1.2%	0.7%	15.0%	-2.0%	-2.0%	-0.1%	-2.0%	-2.0%
Net income	-657	-127	-214	-220	-38	-598	-42	-2	-15	-12	-71	-36	-10
Share count (FD) Mn	74.8	79.2	86.8	110.3	153.8	107.6	188.3	274.0	368.5	368.5	299.8	368.5	368.5
EPS	-8.79	-1.60	-2.46	-1.99	-0.25	-5.56	-0.22	-0.01	-0.04	-0.03	-0.30	-0.10	-0.03
<i>consensus EPS</i>									-0.06	-0.05	-0.31	-0.18	-0.08
BS & CF highlights													
Operating cash flow	-282	-52	-54	-27	-33	-166	-10	-28	5	10	-24	18	44
(-) Capex	-3	-4	-3	-1	-3	-11	-1	-3	-1	-1	-7	-6	-7
Free cash flow	-285	-56	-56	-28	-36	-177	-12	-31	4	8	-30	12	37
Ending net cash (debt)	-394	-366	-323	-263	-173	-173	-152	70	93	102	102	113	150
LTM EBITDA	-59	-41	-35	-29	-24	-24	-26	-24	-20	-8	-8	21	48
Net Debt/Sales	1.3x	1.4x	1.3x	0.9x	0.7x	0.6x	0.5x	-0.3x	-0.3x	-0.4x	-0.4x	-0.4x	-0.4x
Net debt/EBITDA	na	na	na	na	na	na	na	na	na	na	na	-5.4x	-3.2x
Equity	500	533	510	591	487	487	489	736	741	728	728	692	683

Source: Z&A estimates, company reports

Exhibit 2: CGC Consolidated Divisional Split

C\$ Mn	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar'25 4Q25	Mar'25 FY25	Jun 1Q26	Sep 2Q26	Dec 3Q26e	Mar'25 4Q26e	Mar'25 FY26e	Mar'25 FY27e	Mar'25 FY28e
Sales	301.3	66.2	63.0	74.8	65.0	269.0	72.1	66.7	70.3	70.2	279.3	300.3	335.8
Global cannabis	199.2	47.8	47.1	52.8	47.9	195.6	57.0	50.9	52.2	54.9	214.9	232.7	264.8
Canada	157.9	37.7	37.1	40.7	40.4	155.9	48.2	45.8	47.1	49.7	190.7	207.5	232.3
rec	96.5	18.9	18.4	21.2	20.4	78.8	27.0	23.9	25.1	27.3	103.4	114.3	129.2
med	61.3	18.8	18.7	19.6	20.0	77.0	21.2	21.8	22.0	22.4	87.4	93.2	103.1
International	41.3	10.1	10.1	12.0	7.6	39.7	8.8	5.1	5.1	5.2	24.2	25.2	32.5
Storz & Bickel	102.1	18.5	15.9	22.0	17.1	73.4	15.2	15.8	18.0	15.3	64.4	67.6	71.0
Segment Gross Profit	71.7	23.0	21.8	24.1	10.5	79.5	18.0	21.9	24.5	25.1	64.6	106.2	123.8
Global cannabis	41.6	15.3	16.7	15.1	4.7	51.7	13.6	15.9	16.9	19.0	40.4	80.2	96.0
Storz & Bickel	30.1	7.8	5.1	9.0	5.9	27.8	4.4	6.0	7.6	6.1	24.2	26.0	27.8
As % of sales	23.8%	34.8%	34.7%	32.2%	16.2%	29.6%	25.0%	32.8%	34.9%	35.8%	23.1%	35.4%	36.9%
Global cannabis	20.9%	32.0%	35.4%	28.6%	9.7%	26.5%	23.9%	31.2%	32.4%	34.6%	18.8%	34.5%	36.2%
Storz & Bickel	29.5%	42.1%	32.5%	40.8%	34.4%	37.8%	29.3%	38.1%	42.0%	40.0%	37.6%	38.4%	39.2%

Source: Z&A estimates, company reports

Exhibit 3: CGC Consolidated Cash Flow Projections

C\$Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25	Mar FY25	Jun 1Q26	Sep 2Q26	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e	Mar FY28e
SUMMARY CASH FLOW														
Net earnings	-3,309,546	-483,682	-127,138	-128,293	-127,206	-221,501	-604,138	-41,527	-43,166	-15,037	-12,386	-112,117	-36,288	-9,523
(+) D&A	84,517	53,868	11,030	10,307	10,303	11,467	43,107	9,670	9,695	9,857	9,874	39,096	35,049	34,655
Cash earnings	-3,225,029	-429,814	-116,108	-117,986	-116,903	-210,034	-561,031	-31,857	-33,471	-5,181	-2,513	-73,021	-1,239	25,132
(-) Working capital changes	0	0	0	0	0	0	0	0	0	10,251	12,263	22,514	19,019	18,430
(-) Other operating flows	2,667,483	147,864	64,328	64,134	89,937	176,882	395,281	21,520	5,155	0	0	26,675	0	0
Operating cash flow	-557,546	-281,950	-51,780	-53,852	-26,966	-33,152	-165,750	-10,337	-28,316	5,070	9,750	-23,832	17,781	43,562
(-) net capex	-9,217	-3,449	-3,920	-2,589	-1,215	-3,089	-10,813	-1,306	-2,532	-1,405	-1,405	-6,648	-6,006	-6,716
Free cash flow	-566,763	-285,399	-55,700	-56,441	-28,181	-36,241	-176,563	-11,643	-30,848	3,665	8,346	-30,480	11,775	36,846
(-) acquisitions	-21,384	-8,252	21,121	6,968	-395	-58	-467	-183	161	0	0	-22	0	0
(-) divestitures	28,541	153,097	4,926	-6,962	0	0	-2,036	5	4	0	0	9	0	0
(+) other	163,332	190,002	3,543	6,642	-29,535	-2,478	6,275	-5,512	-29,281	0	0	-34,793	0	0
(+) share issuance	1,049	81,063	53,854	84,622	117,513	129,402	385,391	38,261	281,516	19,804	0	339,581	0	0
(-) stock options/warrants	281	0	0	8,566	0	0	8,566	0	0	0	0	0	0	0
Change in net	-394,944	130,511	27,744	43,395	59,402	90,625	221,166	20,928	221,552	23,469	8,346	274,295	11,775	36,846
Ending net (debt)	-524,279	-393,768	-366,024	-322,629	-263,227	-172,602	-172,602	-151,674	69,878	93,347	101,693	101,693	113,468	150,314
Cash/inv/sec	782,602	203,461	194,922	231,221	178,344	131,467	131,467	143,629	298,058	324,680	333,026	333,026	344,801	381,647
Gross debts/loans/bonds	1,306,881	597,229	560,946	553,850	441,571	304,069	304,069	295,303	228,180	231,333	231,333	231,333	231,333	231,333

Source: Z&A estimates, Hifyre, StatCan, company reports

Exhibit 4: CGC Domestic Retail Sales Trends per Hifyre (calendarized)

	CY22	1Q23	2Q23	3Q23	4Q23	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25	3Q25
Sales C\$000s	238,125	41,679	40,604	49,434	36,013	167,729	29,089	30,525	31,400	31,552	122,567	37,777	51,804	50,984
Beverages	18,672	3,332	2,666	1,359	875	8,232	1,602	1,559	1,397	1,147	5,705	981	1,421	1,055
Concentrates	902	98	527	498	637	1,760	539	454	414	372	1,779	385	542	576
Cultivation	180	2	2	0	0	4	3	3	4	3	13	1	1	0
Edibles	3,416	497	310	6,138	4,318	11,264	2,953	2,643	2,202	1,038	8,836	1,437	1,355	1,245
Flower	111,004	19,373	21,117	25,848	18,023	84,360	15,537	16,626	16,758	17,442	66,363	15,244	16,177	15,917
Oils	16,321	5,388	4,905	4,476	3,885	18,654	0	0	0	0	0	0	5,238	4,519
Pre-Rolled	80,383	12,340	10,347	10,334	7,625	40,646	7,668	7,910	9,101	9,924	34,602	18,512	25,495	25,615
Topicals	0	0	0	0	0	0	205	517	518	374	1,614	368	220	36
Vapes	7,248	648	730	781	649	2,808	582	815	1,006	1,252	3,655	847	1,354	2,021
QoQ ch %	na	-82%	-3%	22%	-27%	na	-83%	5%	3%	0%	na	-69%	37%	-2%
Beverages	na	-17%	-20%	-49%	-36%	na	83%	-3%	-10%	-18%	na	-14%	45%	-26%
Concentrates	na	-39%	439%	-6%	28%	na	-15%	-16%	-9%	-10%	na	4%	41%	6%
Cultivation	na	-21%	-11%	-84%	-48%	na	1740%	16%	33%	-17%	na	-73%	45%	-64%
Edibles	na	-21%	-38%	1877%	-30%	na	-32%	-11%	-17%	-53%	na	38%	-6%	-8%
Oils	na	-3%	-9%	-9%	-13%	na	-100%	na	na	na	na	na	na	-14%
Pre-Rolled	na	-23%	-16%	0%	-26%	na	1%	3%	15%	9%	na	87%	38%	0%
Topicals	na	na	na	na	na	na	152%	0%	-28%	na	-1%	-40%	-83%	
Vapes	na	-2%	13%	7%	-17%	na	-10%	40%	23%	25%	na	-32%	60%	49%
YoY ch %	-36%	-38%	-15%	-27%	-30%	-30%	-25%	-36%	-12%	-27%	30%	70%	62%	
Beverages	-23%	-48%	-74%	-78%	-56%	-52%	-42%	3%	31%	-31%	-39%	-9%	-24%	
Concentrates	-63%	74%	184%	299%	95%	451%	-14%	-17%	-42%	1%	-29%	19%	39%	
Cultivation	-98%	-97%	-99%	-94%	-98%	37%	77%	1360%	2227%	220%	-66%	-57%	-88%	
Edibles	-50%	-70%	727%	588%	230%	494%	751%	-64%	-76%	-22%	-51%	-49%	-43%	
Flower	-43%	-28%	3%	-20%	-24%	-20%	-21%	-35%	-3%	-21%	-2%	-3%	-5%	
Oils	61%	34%	19%	-30%	14%	-100%	-100%	-100%	-100%	-100%	na	na	na	
Topicals	na	79%	-57%	-93%										
Vapes	-77%	-71%	-36%	-2%	-61%	-10%	12%	29%	93%	30%	46%	66%	101%	
Sales mix	100%													
Beverages	8%	8%	7%	3%	2%	5%	6%	5%	4%	4%	5%	3%	3%	2%
Concentrates	0%	0%	1%	1%	2%	1%	2%	1%	1%	1%	1%	1%	1%	1%
Cultivation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Edibles	1%	1%	1%	12%	12%	7%	10%	9%	7%	3%	7%	4%	3%	2%
Flower	47%	46%	52%	52%	50%	50%	53%	54%	53%	55%	54%	40%	31%	31%
Oils	7%	13%	12%	9%	11%	11%	0%	0%	0%	0%	0%	0%	10%	9%
Pre-Rolled	34%	30%	25%	21%	21%	24%	26%	26%	29%	31%	28%	49%	49%	50%
Topicals	0%	0%	0%	0%	0%	0%	1%	2%	2%	1%	1%	1%	0%	0%
Vapes	3%	2%	2%	2%	2%	2%	2%	3%	3%	4%	3%	2%	3%	4%

Source: Z&A estimates, Hifyre

Exhibit 5: Canadian Rec Market Retail Sales and Projections

Mn	2019	2020	2021	2022	2023	2024	1Q25	2Q25	3Q25e	4Q25e	2025e	2026e	2027e	2028e
Our projections														
Rec (US\$)	926	1,955	3,092	3,470	3,826	3,923	899	1,031	1,062	1,054	4,047	4,284	4,498	4,678
Rec (C\$)	1,188	2,620	3,875	4,518	5,163	5,375	1,290	1,426	1,469	1,458	5,644	5,926	6,223	6,472
yoy ch %	679%	121%	48%	17%	14%	4%	4%	7%	5.0%	4%	5%	5%	5%	4%
qoq ch %	na	na	na	na	na	na	-8%	11%	3%	-1%	na	na	na	na
Rec (C\$)	Nov	Nov	Nov	Nov	Nov	Nov	Feb	May	Aug	Nov	Nov	Nov	Nov	Nov
yoy ch %	1,097	2,470	3,819	4,448	5,140	5,334	1,336	1,390	1,455	1,462	5,643	5,902	6,197	6,450
qoq ch %	na	-2%	4%	5%	0%	na	na	na						
Sales by province														
Ontario	254	722	1,423	1,803	2,125	2,160	519	568						
Alberta	286	575	717	797	894	936	236	257						
British Columbia	255	370	551	670	797	809	179	202						
Quebec	97	496	601	586	623	679	148	195						
Rest	296	457	583	662	723	791	208	204						
YoY ch %	121%	48%	17%	14%	4%	4%	4%	7%						
Ontario	184%	97%	27%	18%	2%	8%	7%							
Alberta	101%	25%	11%	12%	5%	6%	15%							
British Columbia	45%	49%	21%	19%	2%	-10%	6%							
Quebec	412%	21%	-2%	6%	9%	-9%	10%							
Rest	54%	28%	14%	9%	9%	15%	0%							

Source: Z&A estimates, StatCan

Appendix II: Valuation Comps

Exhibit 6: LPs Valuation Multiples (before reflecting CGC's MTL deal)

Multiples 16-Dec-25	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Stock Performance		
	Current	2025	2026	Current	2025	2026	to Sales	CY25	Current	CY25	30-day	90-day	1-year
Aurora Cannabis	1.2x	1.1x	1.1x	6.9x	7.1x	6.8x	na	na	na	na	30%	12%	30%
Auxly Cannabis Group	1.9x	na	na	6.3x	na	na	-0.4x	na	-1.3x	na	0%	8%	353%
Avant Brands	0.8x	na	na	5.6x	na	na	-0.2x	na	-1.2x	na	61%	22%	97%
Cannara Biotech	1.4x	na	na	5.0x	na	na	-0.4x	na	-1.4x	na	-24%	-30%	71%
Canopy Growth	3.3x	3.2x	3.0x	-72.5x	-72.2x	na	na	na	na	na	78%	31%	-39%
Cronos Group	0.2x	0.2x	na	1.2x	2.0x	na	na	na	na	na	31%	24%	66%
Decibel Cannabis	0.8x	0.9x	0.8x	3.5x	4.3x	3.5x	-0.2x	-0.3x	-1.0x	-1.3x	-8%	-7%	78%
Organigram Holdings	1.2x	1.3x	1.1x	27.7x	16.0x	9.7x	na	na	na	na	30%	11%	32%
Rubicon Organics	0.6x	0.7x	0.5x	5.8x	7.8x	3.5x	0.0x	na	-0.4x	na	-1%	-12%	38%
Simply Solventless	0.5x	na	na	1.7x	na	na	na	na	na	na	-47%	-62%	-80%
SNDL	0.6x	0.6x	0.6x	50.1x	na	na	na	na	na	na	26%	-15%	19%
Tilray Brands	2.0x	1.9x	1.8x	44.8x	26.4x	21.7x	na	na	na	na	31%	16%	19%
Village Farms International	1.9x	2.2x	2.0x	6.4x	10.8x	9.2x	na	na	na	na	11%	58%	421%

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

1.5x

Source: FactSet and company reports

Exhibit 7: LPs EV Calculations

C\$Mn 16-Dec-25	FactSet Spot EV	Z&A Spot EV	C\$ price	mn shares	mn deriv	Total Mkt Cap	Financial net debt	Net leases	ST income tax liab.	Conting Cons.	ITM deriv inflow	Total BDND	Pref Stock Min Int	Equity Stakes
Aurora Cannabis	349	424	7.71	56.7	1.5	449	100	-41	0			60	35	
Auxly Cannabis Group	312	291	0.15	1,285.7	133.4	216	-59	-14	-2			-75		
Avant Brands	272	27	1.01	10.6	0.2	11	-6	-10				-16		
Cannara Biotech	85	152	1.20	90.0	0.0	108	-43	0	-1			-44		
Canopy Growth	na	885	2.62	368.5	3.7	974	90					90		
Cronos Group	544	38	4.41	277.4	0.0	1,224	1,188	-2				1,186		
Decibel Cannabis	88	102	0.12	576.9	36.4	75	-30	0			3	-27		
High Tide	na	326	4.07	80.7	0.7	331	8	-2				6		
Organigram Holdings	290	335	2.70	134.3	4.8	376	86		0			86	45	
Rubicon Organics	41	41	0.52	67.2	6.2	38	-3	0				-3		
SNDL	513	592	2.92	257.4	13.2	790	232	-34				199		
Tilray Brands	2,193	2,290	19.57	112.3	2.8	2,252	3	-69	0			-65	-28	
Village Farms International	656	713	5.74	115.5	19.1	773	53	-10			20	63	10	6

Source: FactSet and company reports

Exhibit 8: Stock Performance

16-Dec-25	Stock Performance		
Ticker	Last 30d	Last 90d	Last 12mo
US Operators			
Ascend	75%	44%	135%
Ayr	143%	30%	-92%
Cannabist	117%	-16%	66%
Cresco	71%	63%	65%
Curaleaf	111%	71%	174%
C21 Investments	78%	47%	133%
Fluent	26%	32%	-6%
GlassHouse	55%	36%	59%
Grown Rogue	38%	2%	-33%
Green Thumb	70%	27%	21%
iAnthus	25%	-17%	46%
Jushi	110%	30%	201%
MariMed	47%	-11%	-5%
Nevis Brands	-1%	21%	-21%
Planet13	75%	12%	-26%
Rythm	41%	-33%	-29%
Trulieve	91%	47%	115%
TerrAscend	176%	36%	87%
Verano	84%	50%	40%
Vext Science	26%	8%	85%
Vireo Growth	41%	35%	141%
International			
IM Cannabis	33%	1%	12%
InterCure	5%	-10%	-4%
PharmaCielo	28%	8%	83%

Source: FactSet and company reports

Canadian LPs	Stock Performance		
Ticker	Last 30d	Last 90d	Last 12mo
Aurora			
Aurora	30%	12%	30%
Auxly	0%	8%	353%
Avant	61%	22%	97%
Ayurcann	0%	-38%	-1%
Cannara Biotech	-24%	-30%	71%
Canopy Growth	78%	31%	-39%
Cronos	31%	24%	66%
Decibel	-8%	-7%	78%
High Tide	9%	-20%	-7%
NextLeaf Solutions	5%	-20%	-17%
OGI	30%	11%	32%
Rubicon	-1%	-12%	38%
Simply Solventless	-47%	-62%	-80%
SNDL	26%	-15%	19%
Tilray	31%	16%	19%
VFF	11%	58%	421%
Tech			
Leafly	na	0%	-94%
Springbig	-41%	-50%	-77%
Weedmaps	32%	-7%	-5%
Vape parts			
Greenlane	-2%	-13%	-100%
Ispire	45%	-13%	-54%
Smoore	-34%	-15%	-13%
Tilt Holdings	-99%	-99%	-98%

Stock Performance			
Ticker	Last 30d	Last 90d	Last 12mo
MJ Fincos			
AFCG	2%	-30%	-67%
IIPR	20%	2%	-44%
NLCP	0%	-9%	-33%
SHFS	20%	-51%	-76%
LIEN	8%	0%	-14%
REFI	2%	-3%	-20%
Pix & Shovel			
GRWG	31%	33%	25%
HYFM	24%	-28%	-69%
SMG	4%	-3%	-22%
UGRO	37%	-43%	-71%
CBD			
CVSI	2%	-10%	-4%
CWEB	51%	36%	30%
LFID	4%	0%	-39%
Stock Market Indexes and ETFs			
S&P 500	1%	3%	12%
S&P 477	2%	0%	-1%
Nasdaq	6%	0%	16%
MSOS ETF	90%	45%	69%
YOLO ETF	45%	28%	68%
Simple Group Averages			
Large Canada LPs	39%	23%	91%
Tier 1 MSOs	85%	52%	83%

Appendix III: Bio and Disclaimers

Analyst Bio

Pablo Zuanic is a well-known and highly rated equity analyst following the cannabis and psychedelics sector. Over the past five years he launched coverage of over 40 companies in the US, Canada, and overseas (MSOs, LPs, CBD, ancillary, psychedelics), kept close track of sectoral trends, and followed the reform process in the US, Canada, Germany, Australia, and elsewhere. His firm Zuanic & Associates publishes equity research on the cannabis and psychedelics sectors, both from a macro/sectoral level in a thematic manner, as well as on listed stocks. The research service is aimed at institutional investors and corporations. The firm is also available for short-term consulting and research advisory projects. Now, more than a year since its inception, the firm has collaborated with over 25 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. At various points in his career, Pablo Zuanic was II ranked and called as expert witness in industry investigations. He 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. *Pablo Zuanic 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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