



6/2/2025

Green Thumb Ind. (GTBIF)

Company Update: Overweight

US\$Mn									
Sales	CY23a	CY24a	CY25e		Prev	CY26e	Prev	CY27e	Prev
1Q	249	276	280	A	288	313	321	365	396
2Q	252	280	281	E	293	326	334	394	425
3Q	275	287	281	E	291	353	371	422	459
4Q	<u>278</u>	<u>294</u>	<u>284</u>	E	<u>295</u>	<u>371</u>	<u>392</u>	<u>446</u>	<u>483</u>
FY	1,055	1,137	1,125	E	1,167	1,362	1,418	1,627	1,763
EBITDA	CY23a	CY24a	CY25e		Prev	CY26e	Prev	CY27e	Prev
1Q	76	91	85	A	89	100	104	119	120
2Q	76	94	85	E	91	105	109	128	127
3Q	83	89	85	E	91	114	120	139	128
4Q	<u>91</u>	<u>98</u>	<u>86</u>	E	<u>92</u>	<u>120</u>	<u>127</u>	<u>147</u>	<u>128</u>
FY	326	371	341	E	363	440	460	533	503

Priced as of 30-May-25							
Share price (US\$)	9.54	Perf.	GTBIF	MSOS	S&P500	Stance:	Overweight
Share count (mn)	243.6	30d	-21%	-24%	6%		no price target
Market Cap (US\$Mn)	2,324	90d	-25%	-22%	-1%		FY=Dec
Ticker	GTBIF	1yr	-53%	-69%	13%		



\$Mn	CY24a	CY25e	CY26e
Projected EV	2,439	2,342	2,211
EV/Sales	2.1x	2.1x	1.6x
EV/EBITDA	6.6x	6.9x	5.0x
	CY24a	CY25e	CY26e
Net debt/Sales	-0.1x	0.0x	0.1x
Net debt/EBITDA	-0.2x	0.0x	0.3x
Free Cash Flow	115	103	138
Net debt	-83	14	147
Consensus	CY25e	CY26e	
Sales	1,145	1,228	
EBITDA	344	373	
Guidance	na	na	

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Benchmarking the Tier 1 MSOs

In this report we compare the five Tier 1 MSOs across sales metrics, profitability, cash flow, debt leverage, and tax debt. Green Thumb and Trulieve continue to stand out on the positive side, while increased debt leverage and negative cash flow are growing concerns with Curaleaf.

We are publishing this report for FactSet compilation purposes. See appendix for our estimates on the company, and for valuation multiples. Our benchmarking analysis is based on 1Q25 results.

Top Line Trends

Curaleaf was the worst performer, with domestic sales down 8% qoq vs Trulieve (-1%). Wholesale accounts for about a third of sales and Cresco and Green Thumb. At the latter, we calculate own brands account for 90% of its retail revenues.

- Of the Tier 1 MSOs, Curaleaf, Trulieve, and Green Thumb led the group with revenues of \$310Mn, \$298Mn, and \$280Mn. But if we strip out International for Curaleaf, that MSO would have been #3 (\$275Mn). Verano was #4 with \$210Mn and Cresco has \$166Mn.
- In terms of seq growth, all reported a seq drop, with Trulieve the most resilient at -1% vs. Verano -4%; Green Thumb -5%; and Cresco and Curaleaf -6% (-8% for domestic sales). In yoy terms, Cresco was down 10%, Curaleaf -9% (-14% domestic), Verano -5%, Trulieve 0%, and Green Thumb +1%.
- In terms of reliance on net wholesale (a sign of brand portfolio strength and capacity), 33% of Cresco's revenues came from net wholesaling; Green Thumb 29%; Curaleaf 20% (domestic); Verano 20%; Trulieve 5%.
- Only Green Thumb and Verano disclose gross wholesale (the other three do not). Based on their disclosure, we calculate that 90% of Green Thumb's total retail sales came from its own brands (75% in CY23 and 63% in CY22), compared with 46% at Verano (41%; 33%). We do not have data to calculate this ratio for the other three MSOs (they do not disclose intersegment eliminations).
- Retail vs. net wholesale growth. At Verano retail sales fell 3% vs. and net wholesale was down 6%; Green Thumb -5% vs. -4%; Cresco -5% vs. -7%; Trulieve -1% vs. 0%; Curaleaf domestic -7% vs. -14%.

Profitability Trends

All MSOs ex Trulieve saw hefty drops in EBITDA margins qoq (-170bp qoq at least, vs. -30bp for Trulieve). Trulieve also continued to report the highest EBITDA margins. We believe this reflects the above average margins of the FL market, and supposedly increased price competition in the state, not having a significant impact on Trulieve.



- More vertically integrated models tend to carry higher margins. Trulieve had the highest gross margins in 1Q25 at 61.5% (-60bp qoq) vs. Green Thumb 51.3% (-240bp); Curaleaf 50.1% (+260bp); Verano 47.5% (-18bp); Cresco 47.4% (-40bp).
- The cash SGA to gross profit ratio was highest at Verano (85%) vs. Cresco 74%; Green Thumb 70%; Curaleaf 69%; Trulieve 65%.
- Adjusted EBITDA margins (methodologies can vary across MSOs) were 36.7% at Trulieve (-30bp qoq; +120bp yoy); Green Thumb 30.5% (-270bp qoq; -230bp yoy); Verano 25.9% (-290bp qoq; -420yoy); Cresco 21.9% (-170bp; -790bp); Curaleaf 21% (-170bp; -180bp).

Cash Flow Trends

Green Thumb has the best adjusted OCF/EBITDA conversion in the group, and it also has the highest capex ratio, which we see as a sign of its growth potential.

- Reported operating cash flow was highest at Green Thumb (\$74.2Mn), compared with Trulieve \$50.7Mn, Curaleaf \$40.2Mn, Cresco \$6.5Mn, Verano \$1.8Mn.
- However, we should adjust OCF for the increase in income tax debt (which in some cases can be temporary, and or a reflection of a company's policy re 280e) to make the numbers comparable. Tax debt increased qoq by \$56Mn at Trulieve vs. Curaleaf \$49Mn, Green Thumb \$31Mn; Cresco \$17M; and -\$11Mn at Verano.
- So adjusted (and comparable) OCF would have been +\$43Mn at Green Thumb compared with Verano +\$13Mn; Trulieve -\$5Mn; Curaleaf -\$9Mn; Cresco -\$11Mn
- For the two generating positive adj OCF, the adj OCF/EBITDA conversion ratio would have been at 51% at Green Thumb (\$43Mn/\$85Mn) vs. 24% at Verano (\$13Mn/\$54Mn). As mentioned above, adjusted OCF was negative at the other three tier 1 MSOs.
- We see increases in capex and capex/sales ratio as a leading indicator of a company's growth prospects (or their views about them). At Green Thumb capex/sales was 11% in 1Q25 (vs. 7% for CY24), compared with 7% at Verano (11%); Cresco 7% (7%); Trulieve 6% (10%); Curaleaf 5% (7%).

Financial Net debt

Green Thumb is the least geared tier 1 MSO, while Curaleaf has the highest debt load (net debt to EBITDA) relative to this group. That said, Cresco has the highest ratio of net interest expense to sales.

- In terms of cash on the balance sheet, Trulieve had \$329Mn; Green Thumb \$210Mn; Cresco \$162Mn; Curaleaf \$122Mn; Verano \$84Mn.



- But Trulieve has \$618Mn in gross debt, for net debt of \$289Mn; Curaleaf \$776Mn, for net debt of \$654Mn; Cresco \$482Mn, for net debt of \$320Mn; Verano \$421Mn, for net debt of \$336Mn; Green Thumb \$252Mn, for net debt of \$42Mn.
- So, relative to sales (1Q25 annualized), the least geared tier 1 MSO is Green Thumb at 4% (net debt to annualized current sales) vs. Trulieve 24%, Verano 40%, Cresco 48%, and Curaleaf 53%. Relative to adj EBITDA, the ratios are: 0.1x at Green Thumb; Trulieve 0.7x; Verano 1.6x; Cresco 2.2x; Curaleaf 2.5x.
- In terms of the cost of debt, net interest expense to sales was 9% at Cresco vs. Verano 6%, Curaleaf 5%, Trulieve 4%, Green Thumb 1%.

280e Tax Debt

Other than Green Thumb, the other tier 1 MSOs have taken the view that 280E should not apply to them (most other MSOs have followed this standard), and have started provisioning income tax debt as a normal corporation. Their view is that this will be eventually litigated, that it may be settled for cents on the dollar (if at all), and that it does not have a set maturity date (i.e., it could drag on for >5 years). If they are right, could perhaps Green Thumb be putting itself at a strategic disadvantage? On the flip side, the tax debt risk should be considered in any investment analysis of MSOs.

If we take ST income tax liabilities plus long-term tax liabilities (in most cases called “uncertain tax provisions, or positions, or benefits), total tax debt as of 1Q25 was,

- Trulieve \$\$501Mn; Curaleaf \$464Mn; Verano \$319Mn, Cresco \$139Mn; Green Thumb \$32Mn.
- So, if we add tax debt to financial net debt, the total debt to sales would 90% at Curaleaf; Verano 78%; Cresco 69%; Verano 66%; Green Thumb 7%.
- Relative to EBITDA, the ratios would be 4.3x at Curaleaf vs. Cresco 3.2x, Verano 3x, Trulieve 1.8x, and Green Thumb 0.2x.

Table 1: Companies mentioned in this report.

Company name	Ticker	Ticker	Rating
US MSOs			
4Front Ventures		FFNTF	not rated
Ascend Wellness		AAWH	not rated
AYR Wellness		AYRWF	not rated
Cannabist		CCHWF	not rated
Cansortium		CNTMF	not rated
Cresco Labs		CRLBF	Overweight
Curaleaf Holdings		CURLF	will cover
GlassHouse Brands		GLASF	not rated
Green Thumb Industries		GTBIF	Overweight
Grown Rogue		GRUSF	not rated
Jushi Holdings		JUSHF	Overweight
MariMed		MRMD	Overweight
Planet 13 Holdings		PLNHF	Overweight
Schwazze		SHWZ	not rated
TerrAscend		TSNDF	not rated
TILT Holdings		TLLTF	Neutral
Trulieve Cannabis		TCNNF	will cover
Verano Holdings		VRNOF	Overweight
Vext Science, Inc.		VEXTF	Overweight
Vireo Growth		VREOF	will cover
Finance (MJ) Companies			
AFC Gamma		AFCG	Overweight
Chicago Atlantic BDC		LIEN	Overweight
Chicago Atlantic REAF		REFI	Overweight
Innovative Industrial Properties		IIPR	not rated
New Lake Capital Partners		NLCP	Overweight
SHF Holdings		SHFS	not rated

Source: Z&A

Company name	Ticker	Rating
Canada LPs		
Aurora Cannabis	ACB	Neutral
Auxly Cannabis Group	CBWTF	not rated
Avant Brands	AVTBF	not rated
Avicanna	AVCN	not rated
Ayurcann Holdings	AYURF	not rated
Cannara Biotech	LOVFF	not rated
Canopy Growth Corporation	CGC	Neutral
Cronos Group	CRON	not rated
Decibel Cannabis Co	DBCCF	Overweight
Organigram Holdings	OGI	not rated
Rubicon Organics	ROMJF	will cover
SNDL	SNDL	not rated
Tilray Brands	TLRY	Neutral
Village Farms Intl	VFF	Overweight
Other		
Canify AG	TBD	private
Cantourage AG	HIGH:FF	not rated
Flora Growth	FLGC	not rated
Grow Generation	GRWG	not rated
IM Cannabis	IMCC	not rated
Intercure	INCR	Overweight
Ispire Technology	ISPR	will cover
Leafly	LFLY	not rated
LFTD Partners Inc.	LIFD	Overweight
Smooore International	SMORF	will cover
Urban-gro	UGRO	not rated
WM Technology	MAPS	Neutral



Appendix I: Company Financials

Zuanic & Associates

Exhibit 1: Financial highlights

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24	Dec CY24	Mar 1Q25	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
P&L metrics														
Sales	1,017.4	1,054.6	275.8	280.1	286.9	294.3	1,137.1	279.5	281.1	280.7	284.1	1,125.5	1,362.3	1,626.7
qoq ch %	na	na	-1%	2%	2%	3%	na	-5%	1%	0%	1%	na	na	na
yoy ch %	14%	4%	11%	11%	4%	6%	8%	1%	0%	-2%	-3%	-1%	21%	19%
Gross profit	504.0	526.5	144.9	150.5	147.6	158.1	601.1	143.3	140.6	140.4	142.0	566.3	681.1	813.3
Total SGA	-382.9	-341.9	-74.3	-96.5	-105.0	-101.0	-376.7	-100.8	-88.4	-89.1	-90.0	-368.3	-377.7	-424.2
Operating income	121.1	184.6	70.7	54.0	42.6	57.1	224.4	42.5	52.1	51.3	52.0	197.9	303.4	389.1
Net interest expense	-17.1	-12.4	-5.4	-3.7	-2.6	-3.5	-15.2	-2.7	-2.3	-2.2	-2.2	-9.6	-8.2	-7.0
Profit before tax	108.4	156.0	63.5	52.8	39.7	44.1	200.1	39.7	49.8	49.0	49.8	188.4	295.2	382.2
Adj EBITDA	311.5	325.8	90.5	93.8	89.2	97.8	371.3	85.2	85.0	84.6	85.8	340.7	439.8	532.7
Net profit	12.0	36.3	31.1	20.7	8.6	12.7	73.1	8.3	12.6	11.9	12.2	45.0	112.2	162.2
EPS	0.05	0.15	0.13	0.09	0.04	0.05	0.31	0.04	0.05	0.05	0.05	0.19	0.48	0.69
FD share count (mn)	238.1	239.8	240.6	240.1	238.3	248.7	241.9	236.8	236.8	236.8	236.8	236.8	236.8	236.8
Gross margins	49.5%	49.9%	52.5%	53.7%	51.4%	53.7%	52.9%	51.3%	50.0%	50.0%	50.0%	50.3%	50.0%	50.0%
SGA/sales	-37.6%	-32.4%	-26.9%	-34.4%	-36.6%	-34.3%	-33.1%	-36.1%	-31.5%	-31.7%	-31.7%	-32.7%	-27.7%	-26.1%
Operating margin	11.9%	17.5%	25.6%	19.3%	14.9%	19.4%	19.7%	15.2%	18.5%	18.3%	18.3%	17.6%	22.3%	23.9%
Net int exp/sales	-1.7%	-1.2%	-2.0%	-1.3%	-0.9%	-1.2%	-1.3%	-1.0%	-0.8%	-0.8%	-0.8%	-0.8%	-0.6%	-0.4%
EBITDA margin	30.6%	30.9%	32.8%	33.5%	31.1%	33.2%	32.7%	30.5%	30.2%	30.1%	30.2%	30.3%	32.3%	32.7%
FactSet consensus														
Sales									282.2	287.6	293.2	1,144.6	1,228.0	na
EBITDA									83.9	85.5	87.9	344.0	372.7	na
as % of sales									29.7%	29.7%	30.0%	30.1%	30.3%	na
BS & CF highlights														
Operating cash flow	158.6	225.0	84.0	20.2	47.7	43.3	195.2	74.2	53.4	39.4	23.5	192.5	219.7	280.7
(-) Capex	-179.5	-220.0	-14.7	-20.3	-18.0	-27.2	-80.2	-29.8	-20.0	-20.0	-20.0	-89.8	-81.7	-97.6
Free cash flow	-20.9	4.9	69.3	-0.1	29.6	16.1	115.0	44.4	33.4	19.4	3.5	102.6	137.9	183.1
Financial net (deb)	-98.0	-146.9	-86.0	-113.6	-81.9	-83.3	-83.3	-41.9	-8.5	11.0	14.5	14.5	146.5	321.1
Net debt to Sales	-0.1x	-0.1x	-0.1x	-0.1x	-0.1x	-0.1x	-0.1x	0.0x	0.0x	0.0x	0.0x	0.0x	0.1x	0.2x
Net debt to EBITC	-0.3x	-0.5x	-0.2x	-0.3x	-0.2x	-0.2x	-0.2x	-0.1x	0.0x	0.0x	0.0x	0.0x	0.3x	0.6x
Broad net debt (tax, etc)		-214.2	-153.8	-165.3	-133.3	-115.1	-115.1	-105.4	-64.6	-42.4	-18.4	-18.4	112.9	286.9
Income tax paid	118.2	99.5	0.1	10.8	na	na	na	na	na	na	na	na	na	na

Source: Z&A estimates, company reports



Exhibit 2: Cannabis sales projections

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24	Dec CY24	Mar 1Q25	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
Total	1,017.4	1,054.6	275.8	280.1	286.9	294.3	1,137.1	279.5	281.1	280.7	284.1	1,125.5	1,362.3	1,626.7
qoq ch %	na	na	-1%	2%	2%	3%	na	-5%	1%	0%	1%	na	na	na
yoy ch %	14%	4%	11%	11%	4%	6%	8%	1%	0%	-2%	-3%	-1%	21%	19%
Retail	763.2	791.5	203.8	204.7	206.1	210.2	824.7	198.7	200.3	199.7	201.5	800.2	984.0	1,181.0
qoq ch %	na	na	-3%	0%	1%	2%	na	-5%	1%	0%	1%	na	na	na
yoy ch %	24%	4%	8%	9%	0%	1%	4%	-3%	-2%	-3%	-4%	-3%	23%	20%
Wholesale (net)	254.2	263.1	72.0	75.5	80.7	84.2	312.4	80.9	80.8	81.0	82.5	325.3	378.2	445.6
qoq ch %	na	na	4%	5%	7%	4%	na	-4%	0%	0%	2%	na	na	na
yoy ch %	-9%	3%	21%	17%	15%	22%	19%	12%	7%	0%	-2%	4%	16%	18%
Total sales (\$Mn)	2,440.8	1,054.4	275.8	280.2	286.7	294.4	1,137.1	279.6	281.1	280.7	284.1	1,125.5	1,362.3	1,626.7
CA	0.6	11.1	2.6	2.7	2.5	2.1	10.0	2.5	2.5	2.4	2.3	9.7	10.0	10.3
CO	45.0	2.3	0.5	0.5	0.5	0.5	2.1	0.5	0.5	0.5	0.4	2.0	1.9	1.9
CT	0.0	58.9	11.4	10.6	10.3	10.3	42.6	11.1	11.7	12.8	13.5	49.1	55.2	49.5
FL	0.1	46.1	13.7	13.0	12.2	12.0	50.8	13.1	13.1	12.8	12.5	51.5	50.3	51.1
IL	0.0	278.8	65.9	70.2	68.9	70.4	275.5	58.5	58.8	56.0	56.7	230.0	218.3	221.0
MA	0.0	36.5	8.6	8.9	9.2	9.0	35.8	8.4	9.2	9.6	9.4	36.6	37.5	38.2
MD	0.0	69.4	21.6	22.0	22.3	22.1	88.0	20.8	22.5	23.8	24.3	91.4	101.8	109.7
MN	0.0	37.3	19.0	19.0	19.3	19.6	76.8	20.5	21.5	22.7	23.6	88.3	254.7	377.9
NJ	0.0	120.6	34.3	37.8	36.8	32.7	141.6	34.2	35.7	37.2	38.7	145.7	156.8	171.9
NV	0.0	115.5	24.9	24.0	23.1	21.1	93.0	20.2	19.3	19.3	18.0	76.9	74.0	75.4
NY	0.0	9.9	2.0	2.6	3.5	5.4	13.5	8.7	8.3	8.4	9.2	34.6	43.4	45.1
OH	0.0	34.3	5.9	5.9	10.5	15.1	37.3	13.3	13.0	12.9	13.3	52.5	60.6	75.6
PA	0.0	177.2	53.0	49.8	50.6	56.0	209.4	50.0	47.5	44.6	44.6	186.7	222.4	286.4
RI	0.0	19.4	4.9	5.0	5.0	5.0	19.9	4.8	4.6	4.3	4.4	18.1	18.5	19.8
VA	2,395.2	36.9	7.5	8.2	12.0	13.0	40.8	13.0	13.0	13.3	13.2	52.5	56.8	92.8

Note: the split above is as per our estimates

Source: Z&A estimates, company reports



Exhibit 3: Market size projections

US\$ Mn	CY19	CY20	CY21	CY22	CY23	CY24	1Q25	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e	CY28e	CY29e	CY30e	rec began
Total (med/rec)	11,665	18,035	23,993	25,200	28,053	29,871	7,650	7,867	7,916	7,901	31,333	33,787	36,103	38,118	40,766	43,625	
AZ	841	801	1,359	1,426	1,419	1,271	322	313	285	300	1,220	1,222	1,244	1,267	1,290	1,314	Jan'21
CA	2,400	4,027	4,952	4,626	4,436	3,982	1,005	1,008	956	909	3,877	3,995	4,114	4,233	4,351	4,470	Oct'16
CO	1,748	2,191	2,229	1,769	1,529	1,375	339	330	340	299	1,309	1,284	1,298	1,311	1,324	1,338	Jan'14
CT	84	117	150	150	277	294	79	84	88	93	344	368	381	394	408	423	Jan'23
FLA	506	1,308	1,603	1,708	1,862	1,789	435	437	427	417	1,717	1,675	1,704	1,734	2,653	4,001	Jul'29
GA		0	1	16	49	109	34	34	34	34	136	156	216	355	475	530	med
IL	251	1,035	1,776	1,907	1,960	2,008	482	494	487	502	1,964	1,985	2,009	2,034	2,060	2,086	Jan'20
MA	677	962	1,644	1,755	1,806	1,838	432	472	491	480	1,875	1,923	1,957	1,992	2,028	2,064	Nov'18
MD	252	453	551	509	787	1,141	281	304	322	328	1,235	1,376	1,483	1,577	1,639	1,664	Jul'23
ME	9	16	93	171	229	265	63	69	84	74	290	304	318	334	350	367	Oct'20
MI	289	985	1,793	2,294	3,029	3,317	808	855	869	853	3,385	3,458	3,465	3,472	3,479	3,486	Dec'19
MN	20	20	25	36	66	125	34	35	37	38	143	418	619	762	877	991	Jan'26
MO	20	21	210	390	1,338	1,461	370	387	393	399	1,549	1,687	1,840	2,008	2,193	2,396	Feb'23
MT				304	319	304	78	82	67	83	310	316	324	332	341	351	Jan'22
NH	10	13	17	20	24	27	8	8	8	8	30	34	37	40	44	47	med
NJ	95	196	217	556	800	1,046	268	280	292	304	1,143	1,252	1,373	1,506	1,652	1,813	Apr'22
NM	119	119	119	358	556	603	150	148	151	149	597	598	609	609	609	609	Apr'22
NV	702	780	1,042	882	825	828	184	184	188	180	736	740	754	769	783	798	Jul'17
NY	173	200	250	265	431	1,167	485	534	582	631	2,232	2,991	3,111	3,239	3,377	3,524	Dec'22
OH	56	223	379	467	482	675	227	227	225	231	909	1,081	1,375	1,436	1,499	1,566	Aug'24
OK	428	831	941	780	728	714	179	185	175	175	714	724	735	746	757	769	med
OR	840	1,111	1,184	994	955	968	236	245	252	244	978	987	997	1,007	1,017	1,028	Oct'15
PA	671	823	1,353	1,457	1,530	1,726	428	411	397	397	1,632	1,977	2,546	2,773	2,802	2,930	Jul'26
RI	40	47	44	53	108	117	30	30	31	31	123	132	142	151	161	170	Dec'22
VA	0	10	27	100	167	237	67	68	70	71	276	307	501	995	1,245	1,403	Jul'27
VT	5	6	8	9	11	12	3	3	3	3	14	15	17	19	20	22	May'22
WA	1,200	1,280	1,422	1,294	1,259	1,265	306	315	327	320	1,268	1,270	1,273	1,275	1,278	1,281	Jul'14
WV	0	0	0	22	66	85	23	24	25	26	99	116	129	129	129	129	med
Other states	229	459	603	883	1,005	1,120	295	300	312	322	1,229	1,392	1,532	1,621	1,925	2,057	

Source: Z&A estimates, company reports

Exhibit 4: Cash Flow Projections

US\$ 000s	Dec	Dec	Mar	Jun	Sep	Dec	Dec	Mar	Jun	Sep	Dec	Dec	Dec	Dec
SUMMARY CASH FLOW	CY22	CY23	1Q24	2Q24	3Q24	4Q24	CY24	1Q25	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Net earnings (bef min int)	13,655	37,419	31,348	20,918	8,781	12,804	73,851	8,401	12,591	11,919	12,228	47,072	118,094	170,708
(+) D&A	96,664	100,790	27,775	27,985	28,492	28,958	113,210	29,411	32,878	33,318	33,758	129,365	136,395	143,536
Cash earnings	110,319	138,209	59,123	48,903	37,273	41,762	187,061	37,812	45,469	45,237	45,986	176,437	254,489	314,243
(-) Working capital changes	-70,266	-34,345	17,868	-48,940	-16,003	-35,563	-82,638	12,806	8,574	-5,177	-21,826	-5,623	-28,909	-24,968
(-) Other operating flows	118,511	121,104	7,032	20,188	26,401	37,139	90,760	23,601	-663	-627	-644	21,667	-5,905	-8,535
Operating cash flow	158,564	224,968	84,023	20,151	47,671	43,338	195,183	74,219	53,380	39,433	23,516	192,482	219,675	280,740
(-) net capex	-179,500	-220,035	-14,711	-20,252	-18,029	-27,196	-80,188	-29,839	-20,000	-20,000	-20,000	-89,839	-81,737	-97,601
Free cash flow	-20,936	4,933	69,312	-101	29,642	16,142	114,995	44,380	33,380	19,433	3,516	102,643	137,938	183,140
(-) acquisitions	-13,154	-8,800	-293	-5,315	-2,195	-31,828	-39,631	-735	0	0	0	-735	0	0
(-) divestitures	869	429	0	0	345	105	450	0	0	0	0	0	0	0
(+) other	-59,073	-49,087	-11,438	-19,377	-5,591	12,908	-23,498	-3,583	0	0	0	-3,583	0	0
(+) share issuance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	3,822	3,622	3,308	-2,808	9,462	1,340	11,302	1,350	0	0	0	1,350	0	0
Change in net debt	-88,472	-48,903	60,889	-27,601	31,663	-1,333	63,618	41,412	33,380	19,433	3,516	97,741	132,033	174,604
Ending net (debt)	-97,986	-146,889	-86,000	-113,601	-81,938	-83,271	-83,271	-41,859	-8,479	10,954	14,470	14,470	146,503	321,108
Cash/inv/sec	177,682	161,634	223,937	196,142	173,641	171,687	171,687	210,582	234,990	254,423	257,939	257,939	389,972	564,577
Gross debts/loans/bonds	275,668	308,523	309,937	309,743	255,579	254,958	254,958	252,441	243,469	243,469	243,469	243,469	243,469	243,469

Source: Z&A estimates, company reports

Exhibit 5: Forward EV Estimates (different from spot EV) and Share Price Scenarios (these are not price targets)

US\$ Mn	Dec CY23	Dec CY24	Mar 1Q25	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
Forward EV calculation (used for for	2,555.6	2,438.8	2,429.1	2,388.3	2,366.1	2,342.1	2,342.1	2,210.8	2,036.8
Market cap (\$Mn)	2,341.4	2,323.7	2,323.7	2,323.7	2,323.7	2,323.7	2,323.7	2,323.7	2,323.7
Share price (US\$)	9.54	9.54	9.54	9.54	9.54	9.54	9.54	9.54	9.54
Share count used for val purp	245.4	243.6	243.6	243.6	243.6	243.6	243.6	243.6	243.6
common shares	236.2	235.9	235.9	235.9	235.9	235.9	235.9	235.9	235.9
RSUs and derivatives in the	9.3	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
Broadly defined net debt (\$Mn)	-214.2	-115.1	-105.4	-64.6	-42.4	-18.4	-18.4	112.9	286.9
financial net cash (debt)	-146.9	-83.3	-41.9	-8.5	11.0	14.5	14.5	146.5	321.1
net leases	-23.4	-29.5	-30.7	-30.7	-30.7	-30.7	-30.7	-30.7	-30.7
short-term income taxes	-10.7	-2.3	-32.9	-25.4	-22.7	-2.3	-2.3	-2.9	-3.5
contingent	-33.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
derivative inflow									
<i>Note: we take the proforma forward share count for all periods</i>									
Z&A Valuation Multiples	CY23	CY24					CY25	CY26	CY26
EV/Sales	2.4x	2.1					2.1	1.6	1.3
EV/EBITDA	7.8x	6.6x					6.9x	5.0x	3.8x
Price scenarios		<i>by Dec'23</i>				<i>by Dec'24</i>	<i>by Dec'25</i>	<i>by Dec'26</i>	<i>by Dec'25</i>
EV/Sales	1.0x	4.20				4.55	6.06	7.86	-18%
EV/Sales	1.5x	6.53				6.86	8.85	11.20	17%
EV/Sales	2.0x	8.86				9.17	11.65	14.53	52%
EV/Sales	3.0x	13.53				13.79	17.24	21.21	122%
EV/Sales	5.0x	22.87				23.03	28.43	34.57	262%
EV/Sales	7.0x	32.21				32.27	39.61	47.93	402%
EV/EBITDA	7.0x	10.20				9.71	13.10	16.49	73%
EV/EBITDA	10.0x	14.77				13.91	18.52	23.05	142%
EV/EBITDA	15.0x	22.39				20.90	27.55	33.98	256%
EV/EBITDA	20.0x	30.02				27.90	36.58	44.92	371%
EV/EBITDA	30.0x	45.26				41.88	54.64	66.79	600%
EV/EBITDA	50.0x	75.75				69.85	90.75	110.52	1059%

Source: Z&A estimates, company reports



Appendix II: MSO Valuation Comps

Zuanic & Associates

Exhibit 6: Valuation Comps – MSOs

US\$m	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			NET DEBT RATIOS				BROADER DEFINITION OF NET DEBT			
							Net Debt/Sales		Net Debt/EBITDA		BDND/Sales		BDND/EBITDA	
	Current	CY25e	CY26e	Current	CY25e	CY26e	Current	CY25	Current	CY25	Current	CY25	Current	CY25
US MSOs	1.4x	1.1x	0.9x	6.6x	6.1x	4.3x								
Ascend Wellness	1.1x	1.1x	1.0x	5.4x	5.1x	4.6x	-0.5x	-0.5x	-2.2x	-2.1x	-1.0x	-1.0x	-4.7x	-4.5x
Ayr Wellness	2.2x	1.2x	1.2x	8.1x	5.9x	5.4x	-1.6x	-0.9x	-6.0x	-4.3x	-2.2x	-1.2x	-7.9x	-5.7x
Cannabist Co	1.2x	1.2x	1.2x	12.2x	11.2x	8.3x	-0.8x	-0.8x	-8.1x	-7.4x	-1.1x	-1.1x	-11.5x	-10.5x
Cansortium	1.1x	na	na	3.7x	na	na	-0.6x	na	-2.0x	na	-0.9x	na	-3.2x	na
Cresco Labs	1.3x	1.3x	1.2x	6.0x	5.4x	4.9x	-0.5x	-0.5x	-2.2x	-2.0x	-0.9x	-0.9x	-4.1x	-3.7x
Curaleaf	1.6x	1.5x	1.4x	7.4x	6.9x	6.0x	-0.5x	-0.5x	-2.6x	-2.4x	-0.9x	-0.9x	-4.5x	-4.2x
4Front Ventures	1.9x	na	na	12.3x	na	na	-1.1x	na	-7.1x	na	-1.9x	na	-12.3x	na
Glass House	3.1x	3.0x	2.4x	18.8x	15.6x	10.0x	-0.1x	-0.1x	-0.6x	-0.5x	-0.3x	-0.3x	-1.8x	-1.5x
Vireo Growth (pf)	1.2x	1.1x	0.8x	4.1x	4.2x	2.7x	0.0x	na	-0.1x	na	-0.2x	na	-0.7x	na
Green Thumb	1.2x	1.2x	1.1x	4.1x	4.0x	3.7x	0.0x	0.0x	-0.1x	-0.1x	-0.1x	-0.1x	-0.3x	-0.3x
Grown Rogue	1.6x	na	na	2.3x	na	na	0.2x	na	0.3x	na	0.0x	na	0.1x	na
iAnthus	1.1x	na	na	6.6x	na	na	-0.9x	na	-5.1x	na	-0.9x	na	-5.4x	na
Jushi	1.5x	1.5x	1.3x	7.4x	8.8x	7.0x	-0.7x	-0.6x	-3.3x	-3.9x	-1.3x	-1.2x	-6.3x	-7.4x
MariMed	0.9x	0.8x	0.8x	13.7x	7.0x	4.6x	-0.4x	-0.4x	-6.5x	-3.3x	-0.6x	-0.6x	-9.0x	-4.6x
Planet 13	0.8x	0.8x	0.7x	na	27.4x	7.2x	0.1x	0.1x	na	2.6x	-0.2x	-0.2x	na	-6.4x
TerrAscend	1.5x	1.5x	1.4x	7.2x	6.9x	6.0x	-0.6x	-0.6x	-2.8x	-2.7x	-1.1x	-1.1x	-5.1x	-4.9x
TILT	1.4x	na	na	-32.1x	na	na	-0.8x	na	18.7x	na	-1.4x	na	31.6x	na
Trulieve	1.4x	1.3x	1.3x	3.7x	3.9x	4.0x	-0.2x	-0.2x	-0.7x	-0.7x	-0.7x	-0.7x	-1.9x	-2.0x
Verano	1.1x	1.0x	1.0x	4.1x	3.7x	3.5x	-0.4x	-0.4x	-1.5x	-1.4x	-0.8x	-0.8x	-3.1x	-2.8x
Vext	1.1x	1.0x	0.7x	3.9x	3.3x	1.4x	-0.6x	-0.5x	-2.2x	-1.8x	-0.6x	-0.5x	-2.2x	-1.8x

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.

Source: FactSet and company reports

Exhibit 7: Spot EV calculation - MSOs

US\$m	FactSet	Z&A	US\$	mn	mn	Total	Financial	Net	Income	Conting	ITM deriv	Total	Pref Stock
30-May-25	Spot EV	Spot EV	price	shares	deriv	Mkt Cap	net debt	leases	tax liab.	Cons.	inflow	BDND	Min Int
US MSOs													
Ascend Wellness	560	587	0.33	214.5	13.3	75	-241	-134	-137			-512	
Ayr Wellness	598	535	0.11	116.2	3.4	13	-394	-5	-123	0	0	-522	
Cannabist Co	470	406	0.05	472.7	8.2	26	-269	-26	-86			-380	
Cansortium	140	111	0.05	304.9	5.6	15	-59	-9	-29			-97	
Cresco Labs	698	873	0.60	443.9	13.7	275	-320	-56	-212	-10		-598	
Curaleaf	1,500	1,937	0.83	750.1	11.0	632	-670	-46	-416	-41		-1,173	132
4Front Ventures	223	139	0.00	915.2	3.8	0	-81	-11	-42	-5	0	-139	
Glass House	440	671	5.84	82.1	6.9	519	-21	0	-23	-20		-65	86
Vireo Growth (pf)	116	392	0.35	924.9	12.7	327	-8		-60		2	-66	
Green Thumb	1,465	1,382	5.24	235.9	7.7	1,276	-42	-31	-33	0	0	-105	
Grown Rogue	75	49	0.35	143.5		50	5	-2	-2			1	
iAnthus	37	201	0.01	6,745.7	0.3	37	-157	-7				-164	
Jushi	310	388	0.30	196.7	0.0	59	-171	-3	-155			-329	
MariMed	132	141	0.08	389.2	11.1	34	-67	-1	-25			-93	15
Planet 13	103	94	0.22	325.4	0.3	72	9	-10	-21			-22	
Schwazze	174	188	0.02	80.2		2	-151	-2	-33	0		-186	
TerrAscend	323	440	0.36	356.7	3.1	130	-172	-5	-128	-4		-310	
TILT	127	125	0.00	391.3	0.7	2	-73	-47	-3			-123	
Trulieve	1,195	1,615	4.00	191.1	7.6	795	-289	-25	-501	-6		-820	
Verano	664	897	0.64	359.7	6.3	233	-336	-8	-319	-1		-664	
Vext	51	53	0.10	247.6	0.2	24	-29	0				-29	

Source: FactSet and company reports

Exhibit 8: Stock Performance

30-May-25			
	Stock Performance		
Ticker	Last 30d	Last 90d	Last 12mo
US MSOs			
Ascend	-27%	-15%	-69%
Ayr	-61%	-68%	-95%
Cannabist	-32%	-6%	-78%
Cansortium	-20%	-20%	-72%
Cresco	-38%	-32%	-67%
Curaleaf	-23%	-37%	-82%
4Front	-90%	-99%	-100%
GlassHouse	-17%	6%	-25%
Gold Flora	na	50%	-81%
Grown Rogue	-29%	-41%	-53%
Green Thumb	-21%	-25%	-53%
iAnthus	17%	-23%	-72%
Jushi	-28%	-4%	-51%
MariMed	-21%	-26%	-61%
Planet13	-29%	-31%	-62%
Schwazze	na	na	-96%
StateHouse	na	na	-25%
Trulieve	-19%	-6%	-59%
TerrAscend	-18%	-28%	-77%
Verano	-29%	-25%	-85%
Vext	3%	-12%	-45%
Vireo Growth	-15%	-17%	-46%
International			
InterCure	0%	-17%	-59%
PharmaCielo	-45%	6%	129%

Stock Performance			
Ticker	Last 30d	Last 90d	Last 12mo
Canadian LPs			
Aurora	14%	4%	-14%
Avant	-11%	-26%	-62%
Auxly	2%	2%	124%
Ayurcann	3%	-13%	-47%
Cannara	-15%	-10%	63%
Canopy	-4%	-5%	-85%
Cronos	5%	-3%	-21%
Decibel	-3%	-2%	-10%
Entourage	na	na	na
High Tide	-7%	-11%	-9%
OGI	16%	17%	-21%
Rubicon	-20%	1%	-12%
SNDL	-15%	-21%	-42%
Tilray	-12%	-42%	-76%
VFF	62%	66%	2%
Tech			
LFLY	-23%	-25%	-90%
SBIG	45%	0%	-50%
MAPS	-19%	-21%	8%
Vape parts			
GNLN	-45%	-99%	-100%
ISPR	-9%	-47%	-65%
SMORF	0%	2%	14%
TLLTF	-35%	-52%	-87%

Stock Performance			
Ticker	Last 30d	Last 90d	Last 12mo
MJ Fincos			
AFCG	-10%	-42%	-57%
IIPR	2%	-23%	-48%
NLCP	0%	-9%	-24%
SHFS	-24%	-59%	-81%
LIEN	-3%	-17%	-11%
REFI	1%	-10%	-6%
Pix & Shovel			
AGFY	90%	47%	532%
GRWG	-8%	-5%	-57%
HYFM	43%	-25%	-52%
SMG	18%	2%	-11%
UGRO	-25%	-59%	-77%
CBD			
CVSI	-7%	-17%	-59%
CWEB	5%	-5%	-44%
LFID	38%	-48%	-58%
Index			
S&P 500	6%	-1%	13%
S&P 477	2%	0%	13%
Nasdaq	10%	1%	41%
MSOS ETF	-24%	-22%	-69%
YOLO ETF	-4%	-8%	-48%
Simple Group Averages			
Large Canada LF	11%	3%	-43%
Tier 1 MSOs	-26%	-25%	-69%

Source: FactSet



Appendix III: 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 six 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 worked 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 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 ranked in the Institutional Investor magazine surveys and was 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. *He can be contacted via the company's portal www.zuanicassociates.com; via email at pablo.zuanic@zuanicgroup.com; or via X @420Odysseus.*



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