



4/10/2025

Aurora Cannabis (ACB)

Company Update

C\$ Mn							
Sales	FY24a	FY25e	Prev	FY26e	Prev	FY27	Prev
1Q	75.1	83.4	A	83.4	103.6	113.1	123.6
2Q	63.1	81.1	A	81.1	93.8	102.4	109.5
3Q	63.1	88.2	A	88.2	96.8	106.3	112.1
4Q	67.7	88.7	E	93.9	100.1	108.2	117.7
FY	269.0	341.4	E	346.7	394.3	430.0	462.9
EBITDA	FY24a	FY25e	Prev	FY26e	Prev	FY27	Prev
1Q	2.6	4.9	A	4.9	21.5	27.1	22.1
2Q	3.3	10.1	A	10.1	19.5	21.0	26.9
3Q	3.3	23.1	A	23.1	20.3	23.0	28.3
4Q	2.3	15.3	E	18.1	20.8	22.9	29.1
FY	11.5	53.4	E	56.2	82.1	94.0	106.4

Share price (C\$)	6.10	Perf.	ACB	YOLO	S&P500	Stance:	Neutral
Share count (mn)	54.5	30d	-11%	-20%	-5%		no price target
Market Cap (C\$Mn)	333	90d	-4%	-34%	-8%		FY=Mar
Ticker	ACB	1yr	-39%	-62%	5%		



C\$Mn	FY25e	FY26e	FY27e
Projected EV	366	284	186
EV/Sales	1.1x	0.7x	0.4x
EV/EBITDA	6.8x	3.5x	1.9x

	FY25e	FY26e	FY27e
Net debt/Sales	na	na	na
Net debt/EBITDA	na	na	na
Free Cash Flow	16	81	97
Net (debt) cash	51	134	225

Consensus	FY25e	FY26e	FY27e
Sales	343	387	416
EBITDA	55	70	78

Guidance FY25e:	n/a		
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Updating Estimates

We are tweaking our near-term international sales estimates. The new German government will only review the new CanG rules in the autumn, so we expect continued growth in German MMJ imports at least for another 2-3 qtrs. On the other hand, restrictions on telehealth in Poland and increased competition in Australia may be near term headwinds. So, while we remain positive on the long-term outlook for international MMJ sales, we now expect low single-digit qoq growth in ACB's international sales in the Mar'25 qtr vs. low-teens before. Also, ACB's domestic rec sales (a smaller contributor to profits) could be down double-digits qoq per the latest Hifyre data.

International and our Forward Estimates

- **ACB international context:** Per company disclosure, in the Mar qtr, Germany was the key driver of growth of sales to Europe (from <\$11M in the Sep qtr, \$20Mn in Dec, and >\$26Mn in Mar). Poland was down, and the other markets in Europe were mostly flat. Per our estimates, the key contributors to ACB sales in Europe are Germany, Poland, and UK. Australia was down 4% seq in Mar to \$14.6Mn.
- **Europe outlook.** Germany (84mn population) should continue to grow in the year ahead (the new government will not review the CanG rules until in the fall, and we do not expect any major changes to the medical program); we estimate current penetration below 0.5% of the population (see our [report from 2/26](#) discussing record 4Q24 imports). We expect steady growth in the UK (68mn) and believe Czech (11mn) could start to develop; France (70mn) could potentially begin commercial MMJ sales in 2026. Poland (38mn) will be the main headwind, where new restrictive telehealth rules have initially cut the # of Rx prescriptions by more than half.
- **Australia outlook.** At the recent UIC conference in Brisbane, a speaker from Pennington Institute estimated a current annual run rate for the Australian MMJ market at A\$1Bn or ~C\$910Mn. If we adjust ACB's wholesale sales there by a factor of 0.5x and annualize them ($4 \times \text{C}\$14.6\text{Mn} / 0.5$), this would mean ACB has 13% market share. Per our estimates, this makes it a top 3 player. The addition of new strains, brands, and formats has helped ACB reduce dependence on the lower end of the market (IndiMed "concession" brand). That said, growing competition (imports from Africa, Colombia, North Macedonia; more domestic production) and an apparent slowdown in growth have resulted in deflation, which in part explains ACB's 4% drop in the Dec qtr. Still, we estimate only about 1% of the population is in the MMJ program, and we expect changes in driving rules in Victoria (i.e., sober drivers with MMJ in their system may not necessarily lose their license; this does not apply to those driving impaired), only effective 3/1/25, may be followed by other states and drive overall market growth.
- **Comments and reports from direct peers.** In earnings call on 4/8, Tilray noted growth of 79% (at retail) thru Feb'25 in its MMJ flower sales in Germany since the new CanG rules were implemented on 4/1/24, and +31% for extracts. But on the other hand, it said Feb



qtr sales in Poland were down following restrictions on telehealth – it did not quantify the drop but said MMJ Rx prescriptions fell from 68,000 in October to 28,000 in December. TLRY's international sales actually fell 6% qoq in the Feb qtr to US\$13.9Mn. CGC, like ACB, has not reported Mar qtr results (both are in a Mar FY). CGC international MMJ sales were \$12Mn for the Dec'24 (up 20% qoq); the company said sales in Europe more than doubled yoy in the Dec qtr (with Poland >2x), but a double-digit drop in Australia offset European growth (it also implied Poland would be a headwind for the Mar '25 qtr).

- **Our estimates.** All the above said, we are lowering our international sales estimates for the Mar'25 qtr (on Poland and Australia), from low-teens growth qoq to low single-digits. We realize post March there are several moving pieces (so, it is more about projecting scenarios), and we expect to be in a better position to forecast the 2-3 year outlook based on our proprietary work overseas, greater regulatory clarity in key markets, and outlook comments from management at the larger LPs. In terms of domestic rec, Hifyre points to a 20% seq drop in ACB sales (we realize this is less of a priority for the company), although we note in the Dec qtr ACB reported -5% while Hifyre pointed to +11% qoq growth, so the boards and retail may need to adjust inventories and the reported drop in Mar'25 may be less than what Hifyre implies. Re plant propagation (tariffs may impact US shipments), we assume stable yoy trends. See appendix for our full updated estimates.

Valuation

ACB shares jumped almost 50% after the company reported Dec qtr results on 2/5/25, and while the stock has traded down since then with the group, it has (together with other LPs) to what we see as a decoupling trend in the Canadian LP group. For example, over the last 90 days, ACB shares are down 4% compared with -66% for CGC, -61% TLRY, -42% OGI, and -33% VFF (several of the smaller LPs have outperformed: Avant +69%; Auxly +58%, Cannara +53%, Rubicon +11%). All this said, the stock is attractively valued at 1x CY25 sales and 6x EBITDA (see appendix for math), even though we realize peers like TLRY are now below 1x sales. For now, we will remain Neutral, as we better assess the 2-3 international outlook (ACB is well positioned to benefit from "reg unlocks" in overseas markets). Management, conservatively, estimates the TAM opportunity outside NA at C\$5Bn. *Note: see our new [corporate website](#) for our recent notes on ACB.*

Table 1: Stocks Mentioned in this Report

Company name	Ticker	Ticker	Rating
US MSOs			
4Front Ventures		FFNTF	not rated
Ascend Wellness		AAWH	will cover
AYR Wellness		AYRWF	not rated
Cannabist		CCHWF	not rated
Cansortium		CNTMF	will cover
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	will cover
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	will cover
New Lake Capital Partners		NLCP	Overweight
SHF Holdings		SHFS	not rated
Canada LPs			
Aurora Cannabis		ACB	Neutral
Auxly Cannabis Group		CBWTF	not rated
Avant Brands		AVTBF	will cover
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			
Agrify		AGFY	not rated
Canify AG		TBD	private
Cantourage AG		HIGH:FF	not rated
Flora Growth		FLGC	not rated
Grow Generation		GRWG	not rated
Intercure		INCR	not rated
Ispire Technology		ISPR	will cover
Leafly		LFLY	not rated
LFTD Partners Inc.		LIFD	Overweight
Smoores International		SMORF	will cover
Urban-gro		UGRO	not rated
WM Technology		MAPS	Neutral

Source: Z&A ratings



Appendix I: Company Financials

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 1: Financial Highlights

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
Sales (\$ Mn)	225.1	270.3	83.4	81.1	88.2	88.7	341.4	103.6	93.8	96.8	100.1	394.3	437.2
qoq ch %	na	na	23%	-3%	9%	1%	na	17%	-9%	3%	3%	na	na
yoy ch %	-1%	20%	11%	29%	37%	31%	26%	24%	16%	10%	13%	15%	11%
consensus						89.9	343.0	103.0	93.3	97.7	99.7	387.4	416.0
P&L													
Gross profit before FV adj	29	78	30	39	47	49	166	55	54	56	58	224	252
as % of sales	13%	29%	36%	48%	54%	55%	49%	53%	58%	58%	58%	57%	58%
EBIT	-218	-46	1	-2	37	7	42	12	12	12	13	50	66
as % of sales	-97%	-17%	1%	-3%	42%	7%	12%	12%	13%	13%	13%	13%	15%
adj EBITDA	-10	14	5	10	23	15	53	21	20	20	21	82	98
as % of sales	-4%	5%	6%	12%	26%	17%	16%	21%	21%	21%	21%	21%	23%
consensus EBITDA						16.0	54.6	17.7	16.0	17.9	18.4	69.5	78.2
as % of sales						17.8%	15.9%	17.2%	17.2%	18.4%	18.5%	17.9%	18.8%
EPS													
Pre tax income	-840	-60	8	1	32	5	46	12	11	12	12	46	63
Tax rate assumption	1%	-10%	41%	2097%	1%	3%	36%	3%	3%	3%	3%	3%	3%
Net income after min int	-831	-66	5	-12	32	5	29	11	11	11	12	45	61
Share count (FD) Mn	277.0	261.4	54.6	54.6	56.3	55.8	55.3	54.9	55.5	54.9	54.9	55.0	54.9
EPS	3.75	-1.25	0.08	-0.21	0.57	0.09	0.53	0.20	0.19	0.21	0.21	0.82	1.12
consensus						0.14	0.59	0.15	0.07	0.23	0.20	0.31	0.00
BS and CF highlights													
Operating cash flow	-142	-41	8	-25	29	20	32	15	38	19	19	92	110
(-) Capex	-18	-13	-5	-5	-5	-2	-17	-2	-3	-3	-3	-11	-13
Free cash flow	-161	-54	3	-29	24	18	16	13	35	16	16	81	97
Ending net cash (debt)	83	89	63	63	27	51	51	82	82	118	134	134	225
Net cash (debt)/Sales	0.4x	0.3x	0.2x	0.2x	0.1x	0.1x	0.1x	0.2x	0.2x	0.3x	0.3x	0.3x	0.5x
Net cash (debt)/EBITDA	-8.3x	6.5x	3.2x	1.6x	0.3x	0.8x	1.0x	1.0x	1.1x	1.5x	1.6x	1.6x	2.3x
Equity	559	516	562	562	543	573	573	589	589	600	611	611	666

Source: Z&A estimates, company reports

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 2: Sales by Division

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
Net sales	225.1	270.3	83.4	81.1	88.2	88.7	341.4	103.6	93.8	96.8	100.1	394.3	437.2
Canada Rec	55.5	48.6	11.5	10.4	9.9	8.2	40.0	8.7	9.8	10.1	9.4	38.0	42.9
Canada bulk	1.0	1.5	1.6	0.8	1.2	1.0	4.6	1.0	1.0	1.0	1.0	4.0	4.0
Canada Med	97.0	101.4	27.1	26.3	27.3	27.4	108.1	27.5	27.5	27.6	27.7	110.3	111.7
International Med	47.3	68.9	20.1	35.0	40.9	41.7	137.7	43.4	46.6	48.9	51.3	190.1	225.9
Other/Propagation	20.7	44.8	23.1	8.6	8.9	10.4	51.0	23.1	8.9	9.2	10.7	51.9	52.8
Seq ch	na	20%	23%	-3%	9%	1%	26%	17%	-9%	3%	3%	15%	11%
Canada Rec	na	-12%	-3%	-10%	-5%	-18%	-18%	7%	12%	3%	-7%	-5%	13%
Canada Med	na	5%	9%	-3%	4%	0%	7%	0%	0%	0%	0%	2%	1%
International Med	na	45%	28%	75%	17%	2%	100%	4%	7%	5%	5%	38%	19%

Source: Z&A estimates, company reports

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 3: Gross Profits by Division

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
REPORTED													
Gross profit bef fv adj	40.4	74.4	37.0	39.2	47.4	49.1	172.7	55.4	54.1	56.0	58.0	223.6	252.2
Canada Rec	-17.5	-5.4	1.0	0.5	-0.6	0.5	1.4	0.7	1.0	1.0	0.9	3.6	5.4
Medical (Canada + exports)	58.2	76.4	30.3	39.7	46.1	47.0	163.1	48.9	51.9	53.6	55.3	209.6	236.3
Bulk/Bevo	-0.3	3.4	5.8	-1.0	1.9	1.7	8.2	5.9	1.3	1.5	1.7	10.3	10.5
As % of sales	18%	28%	44%	48%	54%	55%	51%	53%	58%	58%	58%	57%	58%
Canada Rec	-32%	-11%	8%	5%	-6%	6%	4%	8%	10%	10%	10%	10%	13%
Medical (Canada + exports)	40%	45%	64%	65%	68%	68%	66%	69%	70%	70%	70%	70%	70%
Bulk/Bevo	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
As % of total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Canada Rec	-43%	-7%	3%	1%	-1%	1%	1%	1%	2%	2%	2%	2%	2%
Medical (Canada + exports)	144%	103%	82%	101%	97%	96%	94%	88%	96%	96%	95%	94%	94%
Bulk/Bevo	-1%	5%	16%	-3%	4%	3%	5%	11%	2%	3%	3%	5%	4%
ADJ CASH GP													
Gross profit ex dep and ex impa	32.6	36.0	134.9	42.6	53.6	52.8	59.1	206.0	57.3	59.2	61.2	67.4	74.9
Canada Rec	3.3	2.8	0.0	1.4	0.3	1.2	1.4	4.3	1.6	1.7	1.6	1.7	2.3
Medical (Canada + exports)	25.1	32.8	0.0	41.7	50.5	48.8	50.7	191.6	53.4	55.1	56.9	58.7	65.5
Bulk/Bevo	4.2	0.4	134.9	-0.5	2.9	2.8	7.0	10.1	2.2	2.4	2.7	7.0	7.1
As % of sales	14.5%	13.3%	161.7%	52.5%	60.8%	59.6%	17.3%	198.8%	61.1%	61.2%	61.1%	17.1%	17.1%
Canada Rec	26.2%	23.8%	26.0%	13.5%	26.0%	15.1%	16.6%	17.9%	16.7%	16.5%	17.1%	16.6%	21.1%
Medical (Canada + exports)	59.6%	69.5%	63.9%	68.0%	74.1%	70.6%	71.5%	71.1%	72.1%	72.0%	72.0%	71.9%	71.7%
Bulk/Bevo	na	na	na	na	na	na	na	na	na	na	na	na	na
As % of total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Canada Rec	10%	8%	0%	3%	0%	2%	2%	2%	3%	3%	3%	2%	3%
Medical (Canada + exports)	77%	91%	0%	98%	94%	92%	86%	93%	93%	93%	93%	87%	87%
Bulk/Bevo	13%	1%	100%	-1%	5%	5%	12%	5%	4%	4%	4%	10%	9%

Source: Z&A estimates, company reports

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 4: Summary Cash Flow

SUMMARY CASH FLOW	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
C\$ 000s												
Net earnings	-59,045	4,844	1,675	31,228	5,096	42,843	11,163	10,602	11,278	11,787	44,829	61,268
(+) D&A	33,071	5,740	5,424	5,430	6,936	23,530	6,960	5,865	5,893	5,922	24,641	24,008
Cash earnings	-25,974	10,584	7,099	36,658	12,032	66,373	18,123	16,467	17,171	17,709	69,470	85,276
(-) Working capital changes	-15,627	10,682	-29,588	15,805	8,147	5,046	-2,529	21,601	2,069	1,702	22,843	25,650
(-) Other operating flows	-26,907	-12,891	-2,402	-23,624	-51	-38,968	-113	-107	-114	-119	-453	-619
Net cash used in operating activities	-68,508	8,375	-24,891	28,839	20,127	32,450	15,481	37,961	19,126	19,292	91,860	110,308
(-) net capex	-16,956	-5,153	-4,543	-4,858	-2,000	-16,554	-2,000	-2,813	-2,904	-3,004	-10,721	-13,117
Free cash flow	-85,464	3,222	-29,434	23,981	18,127	15,896	13,481	35,147	16,222	16,288	81,139	97,191
(-) acquisitions/divestitures	-2,539	0	0	0	0	0	0	0	0	0	0	0
(-) other (inc bond conversion)	106,257	3,704	117	354	0	4,175	0	0	0	0	0	0
(+) other proceeds	0	0	-6,504	-940	0	-7,444	0	0	0	0	0	0
(+) share issuance	37,926	0	126	0	0	126	0	0	0	0	0	0
(-) stock options/warrants	0	0	0	0	0	0	0	0	0	0	0	0
Change in net	56,180	6,926	-35,695	23,395	18,127	12,753	13,481	35,147	16,222	16,288	81,139	97,191
Ending Net debt	56,180	63,106	27,411	50,806	68,933	68,933	82,415	117,562	133,784	150,072	150,072	247,263
Cash/inv/sec	113,439	115,487	84,921	108,711	103,705	103,705	117,187	152,334	168,556	184,844	184,844	282,035
Gross debts/loans/bonds	57,259	52,381	57,510	57,905	34,772	34,772	34,772	34,772	34,772	34,772	34,772	34,772

Source: Z&A estimates, company reports

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 5: Projected EV Multiples and Share Price “Scenarios”

C\$Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e	Upside
Current valuation														
EV (C\$Mn)		335	361	398	384	366	366	352	317	300	284	284	186	
Market cap (\$Mn)		333	333	343	342	342	342	342	342	342	342	342	342	
Share price (CAD\$)		6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	
Share price (US\$)		4.26	4.26	4.26	4.26	4.26	4.26	4.26	4.26	4.26	4.26	4.26	4.26	
FD share count (Mn)		54.5	54.6	56.2	56.1	56.1	56.1	56.1	56.1	56.1	56.1	56.1	56.1	
common shares (proforma)		54.5	54.6	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	
derivatives in the money		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
RSUs/other		0.0	0.0	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	
Broadly defined net cash (debt)		39	13	-16	-2	16	16	30	65	81	97	97	194	
net financial debt (proforma)		56	63	27	51	69	69	82	118	134	150	150	247	
leases		-17	-50	-43	-43	-43	-43	-43	-43	-43	-43	-43	-43	
other debt														
warrant/derivatives inflow														
Minority interest		42	41	40	39	39	39	39	39	39	39	39	38	
Multiples (Z&A)														
EV/Sales		1.2x	1.1x	1.2x	1.1x	1.0x	1.1x	0.8x	0.8x	0.8x	0.7x	0.7x	0.4x	
EV/EBITDA		24.4x	18.5x	9.8x	4.2x	6.0x	6.8x	4.1x	4.1x	3.7x	3.4x	3.5x	1.9x	
C\$ Mn														
Projected share price under various MJ multiple scenarios														
Total EV												387.4	429.4	
Bevo EV												45	45	
Cannabis EV												342	384	
	1.0x											514	577	
	1.5x											685	769	
	2.0x											1,027	1,153	
	3.0x											1,712	1,922	
	5.0x											3,424	3,844	
	10.0x													
Implied PT (on 1yF estimates)											by Mar'25	by Mar'26		
	1.0x										\$7.94	\$10.44	71%	
	1.5x										\$11.00	\$13.86	127%	
	2.0x										\$14.05	\$17.29	183%	
	3.0x										\$20.15	\$24.14	296%	
	5.0x										\$32.36	\$37.84	520%	
	10.0x										\$62.88	\$72.10	1082%	

Source:

Z&A estimates, company reports



Appendix II: Valuation Comps

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 6: LPs Valuation Multiples

Multiples 9-Apr-25	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Stock Performance		
	Current	2025	2026	Current	2025	2026	to Sales		to EBITDA		30-day	90-day	1-year
							Current	CY25	Current	CY25			
Aurora Cannabis	1.1x	1.0x	0.9x	4x	6x	5x	na	na	na	na	-11%	-4%	-39%
Auxly Cannabis Group	1.5x	na	na	10x	na	na	-0.3x	na	-2.2x	na	-9%	69%	-63%
Avant Brands	0.6x	na	na	3x	na	na	-0.1x	na	-0.6x	na	-11%	58%	30%
Cannara Biotech	1.6x	na	na	7x	na	na	-0.4x	na	-1.8x	na	-5%	53%	39%
Canopy Growth	1.4x	1.5x	1.4x	-31x	116x	32x	-0.7x	-0.7x	14.7x	-55.2x	-23%	-66%	-91%
Cronos Group	-3.4x	-2.8x	-2.7x	-2x	47x	-158x	na	na	na	na	-14%	-15%	-36%
Decibel Cannabis	0.7x	0.5x	0.5x	3x	3x	2x	-0.3x	-0.3x	-1.6x	-1.3x	-19%	-24%	-59%
Organigram Holdings	0.8x	0.6x	0.5x	-39x	10x	5x	na	s	na	na	-10%	-42%	-56%
Rubicon Organics	0.6x	na	na	5x	na	na	na	na	na	na	18%	11%	25%
SNDL	0.3x	0.4x	0.3x	-1x	20x	na	na	na	na	na	-11%	-26%	-39%
Tilray Brands	0.8x	0.7x	0.7x	17x	7x	6x	0.0x	0.0x	-0.8x	-0.3x	-24%	-61%	-80%
Village Farms International	0.3x	0.3x	0.2x	-6x	5x	4x	-0.1x	-0.1x	1.4x	-1.0x	-22%	-33%	-58%

1) We take FactSet consensus estimates for CY25e and CY26e, if available; 2) By "current", we mean the latest reported qtr annualized; 3) several LPs have net cash

Source: FactSet and company reports

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 7: LPs EV Calculations

C\$Mn 9-Apr-25	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 BOND	Pref Stock Min Int
Aurora Cannabis	384	6.10	54.9	1.2	342	51	-43	0	-10	0	-2	39
Auxly Cannabis Group	160	0.08	1,285.7	133.4	108	-36	-14	0	-2	0	-52	
Avant Brands	27	1.04	10.6	0.2	11	-6	-10	0	0	0	-16	
Cannara Biotech	156	1.25	90.0	0.0	112	-43	0	-1	0	0	-44	
Canopy Growth	429	1.29	173.4	1.4	225	-204	0	0	0	0	-204	
Cronos Group	-575	2.46	266.9	0.0	658	1,234	-2	0	0	0	1,233	
Decibel Cannabis	68	0.06	576.7	16.3	35	-34	0	0	0	0	-33	
Organigram Holdings	85	1.37	134.0	19.3	210	124	0	0	0	0	124	
Rubicon Organics	34	0.53	56.8	6.7	34	0	0	0	0	0	0	
SNDL	343	1.99	263.0	12.4	548	242	-37	0	0	0	205	
Tilray Brands	886	0.76	1,006.2	26.1	784	-41	-74	0	-21	0	-136	-34
Village Farms International	131	0.77	112.3	0.3	87	-29	-2	0	0	0	-30	14

Source: FactSet and company reports

Exhibit 8: US MSO Valuation Multiples

US\$Mn 9-Apr-25	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	1.2x	1.0x	0.8x	6.2x	5.2x	3.9x								
Ascend Wellness	0.9x	1.1x	1.0x	3.9x	4.9x	4.4x	-0.4x	-0.4x	-1.6x	-2.0x	-0.8x	-0.9x	-3.4x	-4.3x
Ayr Wellness	1.2x	1.2x	1.2x	7.1x	5.7x	5.5x	-0.9x	-0.9x	-5.2x	-4.1x	-1.1x	-1.2x	-6.8x	-5.5x
Cannabist Co	1.0x	1.1x	1.0x	14.1x	10.8x	7.3x	-0.7x	-0.7x	-9.5x	-7.3x	-1.0x	-1.0x	-13.5x	-10.3x
Consortium	1.1x	na	na	3.8x	na	na	-0.6x	na	-2.0x	na	-0.9x	na	-3.2x	na
Cresco Labs	1.2x	1.2x	1.2x	5.2x	5.3x	4.7x	-0.5x	-0.5x	-2.0x	-2.0x	-0.9x	-0.9x	-3.6x	-3.7x
Curaleaf	1.4x	1.4x	1.3x	6.2x	6.1x	5.5x	-0.5x	-0.5x	-2.2x	-2.2x	-0.9x	-0.9x	-3.9x	-3.8x
4Front Ventures	1.9x	na	na	7.1x	na	na	-1.0x	na	-3.9x	na	-1.8x	na	-6.7x	na
Glass House	2.5x	2.3x	1.9x	14.7x	12.8x	8.3x	-0.1x	-0.1x	-0.6x	-0.5x	-0.3x	-0.3x	-1.8x	-1.6x
Goodness Growth	1.7x	1.6x	na	6.8x	6.7x	na	-0.5x	-0.5x	-2.1x	-2.1x	-0.9x	-0.9x	-3.7x	-3.6x
Green Thumb	1.2x	1.2x	1.1x	3.5x	3.8x	3.6x	-0.1x	-0.1x	-0.2x	-0.2x	-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	1.2x	na	na	8.8x	na	na	-0.9x	na	-6.6x	na	-1.0x	na	-6.9x	na
Jushi	1.4x	1.4x	1.3x	11.6x	7.3x	6.2x	-0.6x	-0.6x	-5.2x	-3.3x	-1.2x	-1.2x	-9.8x	-6.2x
MariMed	0.9x	0.8x	0.8x	6.0x	5.5x	4.1x	-0.4x	-0.4x	-2.8x	-2.6x	-0.6x	-0.5x	-3.8x	-3.5x
Planet 13	0.6x	0.6x	0.6x	10.8x	19.1x	6.5x	0.1x	0.1x	2.3x	4.0x	-0.1x	-0.1x	-1.9x	-3.4x
Schwazze	1.1x	1.0x	na	4.7x	na	na	-0.9x	na	-3.8x	na	-1.1x	na	-4.6x	na
TerrAscend	1.4x	1.4x	1.4x	7.0x	6.7x	6.1x	-0.6x	-0.6x	-2.9x	-2.7x	-1.0x	-1.0x	-5.1x	-4.9x
TILT	1.1x	na	na	50.8x	na	na	-0.6x	na	-28.6x	na	-1.1x	na	-49.9x	na
Trulieve	1.2x	1.2x	1.2x	3.2x	3.6x	3.5x	-0.3x	-0.3x	-0.7x	-0.8x	-0.7x	-0.7x	-1.8x	-2.0x
Verano	1.0x	1.0x	0.9x	3.4x	3.3x	3.2x	-0.4x	-0.4x	-1.3x	-1.3x	-0.8x	-0.8x	-2.6x	-2.6x
Vext	1.5x	1.2x	0.9x	4.6x	4.2x	2.3x	-0.8x	-0.6x	-2.4x	-2.2x	-0.8x	-0.6x	-2.4x	-2.2x

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, company reports, and Z&A estimates

10 April 2025

Aurora Cannabis: Updating Estimates

Exhibit 9: US MSOs EV Calculations

US\$Mn 9-Apr-25	FactSet Spot EV	Z&A Spot EV	US\$ 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
US MSOs													
Ascend Wellness	559	586	0.33	214.5	13.3	74	-241	-134	-137			-512	
Ayr Wellness	601	539	0.14	116.2	3.4	16	-394	-5	-123	0	0	-522	
Cannabist Co	463	399	0.04	472.7	8.2	19	-269	-26	-86			-380	
Cansortium	140	114	0.06	304.9	5.6	17	-59	-9	-29			-97	
Cresco Labs	691	862	0.58	441.2	8.9	261	-332	-56	-202	-10		-600	
Curaleaf	1,447	1,875	0.75	750.1	11.0	570	-670	-46	-416	-41		-1,173	132
4Front Ventures	228	147	0.01	915.2	3.8	8	-81	-11	-42	-5	0	-139	
Glass House	329	529	4.25	82.1	6.9	378	-21	0	-23	-20		-65	86
Goodness Growth	110	166	0.33	230.3	4.1	77	-51	-10	-29			-89	
Green Thumb	1,436	1,357	5.10	235.9	7.7	1,242	-83	-29	-2	0	0	-115	
Grown Rogue	75	48	0.34	143.5		49	5	-2	-2			1	
iAnthus	46	210	0.01	6,745.7	0.3	46	-157	-7				-164	
Jushi	308	371	0.29	196.7	1.3	57	-167	-2	-146			-314	
MarlMed	132	142	0.08	382.2	7.7	32	-68	-1	-22			-90	19
Planet 13	97	79	0.20	325.2	0.3	65	17	-10	-16	-5		-14	
Schwazze	174	188	0.02	80.2		2	-151	-2	-33	0		-186	
StateHouse	144	200	0.02	256.4	138.6	6	-114	-10	-54	-22	7	-192	2
TerrAscend	311	425	0.32	356.7	3.1	115	-172	-5	-128	-4		-310	
TILT	108	110	0.00	390.6	4.4	2	-62	-44	-2			-108	
Trulieve	1,074	1,429	3.27	191.0	3.2	636	-318	-23	-445	-6		-793	
Verano	622	856	0.52	358.7	6.3	191	-326	-9	-329	-1		-666	
Vext	55	60	0.12	247.6	0.0	28	-31	0				-31	

Source: FactSet, company reports, and Z&A estimates

Exhibit 10: Stock Performance

9-Apr-25			
Stock Performance			
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
Ascend	11%	-24%	-76%
Ayr	-35%	-70%	-95%
Cannabist	-23%	-43%	-89%
Consortium	-3%	-36%	-76%
Cresco	-24%	-40%	-75%
Curaleaf	-26%	-49%	-86%
4Front	-38%	-32%	-92%
GlassHouse	-18%	-28%	-50%
Gold Flora	-7%	61%	-87%
Vireo Growth	-6%	-39%	-20%
Grown Rogue	-36%	-45%	-43%
Green Thumb	-28%	-32%	-64%
iAnthus	-14%	11%	-64%
Jushi	-2%	-3%	-59%
MarlMed	-24%	-29%	-68%
Planet13	-40%	-45%	-68%
Schwazze	233%	0%	-98%
StateHouse	na	na	-65%
Trulieve	-23%	-35%	-73%
TerrAscend	-31%	-46%	-84%
Verano	-28%	-58%	-91%
Vext	9%	-10%	-45%
International			
InterCure	-22%	-15%	-15%
PharmaCielo	10%	3%	109%

Stock Performance			
	Last	Last	Last
Ticker	30d	90d	12mo
Canadian LPs			
Aurora	-11%	-4%	-39%
Avant	-9%	69%	-63%
Auxly	-11%	58%	30%
Ayurcann	-18%	6%	-47%
Cannara	-5%	53%	39%
Canopy	-23%	-66%	-91%
Cronos	-14%	-15%	-36%
Decibel	-19%	-24%	-59%
Entourage	18%	-24%	-49%
High Tide	-20%	-38%	-21%
OGI	-10%	-42%	-56%
Rubicon	18%	11%	25%
SNOL	-11%	-26%	-39%
Tilray	-24%	-61%	-80%
VFF	-22%	-33%	-58%
Tech			
LFLY	-28%	-89%	-95%
SBIG	-34%	-22%	-65%
MAPS	-20%	-20%	-17%
Vape parts			
GNLN	-48%	-82%	-95%
ISPR	-5%	-10%	-31%
SMORF	2%	2%	44%
TLTTF	-47%	-19%	-86%

Stock Performance			
	Last	Last	Last
Ticker	30d	90d	12mo
MJ Fincos			
AFCG	-39%	-40%	-58%
IIIPR	-29%	-21%	-50%
NLCP	-10%	-16%	-18%
SHFS	-64%	-72%	-86%
LIEN	-8%	-10%	11%
REFI	-16%	-11%	-13%
Pix & Shovel			
AGFY	5%	-31%	235%
GRWG	-21%	-46%	-66%
HYFM	-50%	-74%	-83%
SMG	-15%	-22%	-30%
UGRO	-46%	-54%	-75%
CBD			
CVSI	-10%	-15%	-15%
CWEB	-23%	-41%	-69%
LFID	-6%	-40%	-84%
Index			
S&P 500	-5%	-8%	5%
S&P 477	-4%	3%	10%
Nasdaq	-4%	-8%	16%
MSOS ETF	-26%	-41%	-79%
YOLO ETF	-20%	-34%	-62%
Simple Group Averages			
Large Canada LP:	-19%	-41%	-67%
Tier 1 MSOs	-26%	-43%	-78%

Source: FactSet and company reports



Appendix III: Bio and Disclaimers



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.*



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 Five Greentree Centre, 525 Route 73, N Suite 104, Marlton, New Jersey 08053, 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, research, and advisory services. Potential conflicts of interest are duly reflected in the respective specific company reports.

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