



1/29/2024

MariMed Inc. (MRMD)

Company update

Sales	FY21a	FY22a	FY23e	Prev	FY24e	Prev	FY25e	Prev
1Q	24.6	31.3	34.4		39.4	41.0	51.7	53.1
2Q	32.6	33.0	36.5		42.5	44.7	53.9	54.5
3Q	33.2	33.9	38.8		47.2	47.6	55.3	55.9
4Q	<u>31.0</u>	<u>35.8</u>	<u>38.3</u>	<u>39.0</u>	<u>49.9</u>	<u>51.9</u>	<u>56.8</u>	<u>57.2</u>
FY	121.5	134.0	148.0	148.7	179.0	185.2	217.6	220.7
EBITDA	FY21a	FY22a	FY23e	Prev	FY24e	Prev	FY25e	Prev
1Q	8.0	10.4	7.1		8.5	7.4	12.4	12.7
2Q	13.9	8.9	6.3		9.5	8.5	12.9	13.0
3Q	12.6	8.6	6.1		10.7	9.6	13.2	13.4
4Q	<u>1.8</u>	<u>6.1</u>	<u>7.0</u>	<u>7.8</u>	<u>11.6</u>	<u>10.4</u>	<u>13.6</u>	<u>13.7</u>
FY	42.8	32.4	26.4	27.2	40.3	35.9	52.1	52.8

Share price (\$)	0.34	Perf.	MRMD	MSOS	S&P500	Stance:	Overweight
Share count (mn)	375.5	30d	14%	38%	3%		no price target
Market Cap (\$Mn)	127	90d	3%	60%	18%		FY=Dec
Ticker	MRMD	1yr	-11%	36%	21%		

- The company only started wholesaling in IL in Jan, so we expect the 4Q23 print to come in towards the lower end of guidance. That said, MRDM is well placed to post above average growth in CY24 owing to its expansion in IL/MD and share gains in MA.
- MRMD has one of the healthiest B/S among MSOs. We attach our updated estimates.
- At 1.4x EV/Sales vs. 2.2x for the MSO average, the valuation is attractive.
- See our recent [initiation report](#) for an in-depth analysis of the stock.

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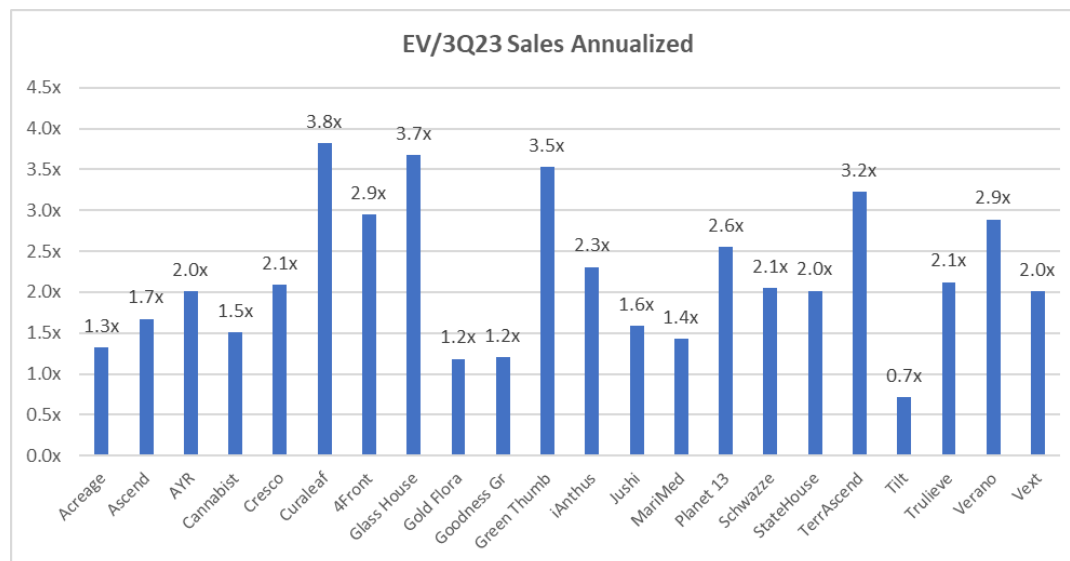
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Summary

We provide a detailed update here of Overweight-rated MariMed (4Q23 out on 3/7/24).

- We expect 4Q23 sales to come in towards the lower end of guidance (\$38-40Mn), given the company did not start wholesaling in IL until Jan'24. The increase in the cost base in IL (ahead of wholesale) will also be drag on profit margins. During the 3Q call management had noted the guidance sensitivity to the timing of the start of MRMD's IL wholesaling. Re other states, we project seq growth in MA and steady trends in MD.
- Expansion in IL (kitchen in late Dec and cultivation by mid-year) should be a key driver of growth in CY24. We expect MA to also grow this year as the Beverly store continues to ramp and the Quincy store gets a rec permit. Also, by end of this year, MRMD should be completing its cultivation expansion in MD. While the company has some optionality to OH going rec, we continue to highlight that MRMD is well placed to deliver top line growth well above peers in a context of no states starting rec sales this year.
- Our estimates now reflect the cost/cash flow savings from a debt refinancing announced in late Nov (principal and interest savings of \$8.2Mn over four years, ex penalties). MRMD took a \$59Mn 10-year mortgage loan from Bank Needham ("construction to permanent commercial real estate mortgage") at a rate of 8.43% (first 5y). Close to \$47Mn of the proceeds will go to pay higher-cost debt (~\$33Mn with a group led by Chicago Atlantic, \$12Mn with Bank of New England, and >\$2Mn with Ermont related to the Quincy MA dispensary) and the balance to fund the expansion of the MD cultivation facility. With the refinancing, the company's assets in IL/OH/DE are unencumbered (facilitating expansion there). The MD/MA assets were used as collateral for the new debt.

Table 1: EV to current to Sales as per FactSet



Source: FactSet; company reports



- We stay OW. The stock has lagged in the recent sector rally (30D: +14% vs. +38% MSOS ETF; 90D +3% vs. 60%), which we attribute primarily to rescheduling news flow seeming to have a larger impact on the more levered companies (MRMD has a much healthier B/S than the group average). To some extent, the underperformance may be due to the Nov guidance cut and to investor focus on the next batch of states that might go rec. That said, the stock trades at 1.4x CY23 sales vs. 2.2x for the MSO average. The valuation fails to capture MRMD's solid balance sheet position and its growth momentum, in our view.

Illinois Update

The company's four dispensaries accounted for all 3Q23 revenue it generated in IL - with no own production at that point, sales were comprised solely by 3rd party brands. As per our estimates, these stores yield revenue, on average, ~30% above the state average. The opening of a fifth store and the start of processing and cultivation this year should boost revenues and margins (as it sells more own brands at its stores. At some point, we also expect the company to add more stores in IL via M&A or by partnering with social equity retail licensees.

- In Dec, the company opened its processing facility and began production of edibles and vape, initially sold only at company stores. At this stage, edibles production includes fruit chews, cookies, and brownies (gummies will follow later in the year).
- The company's Thrive store in Anna IL highlights (per the online menu) as "new" offerings Bubby's Baked, Betty's Eddies, and InHouse. The store stocks 156 edibles SKUs, of which Betty's has 6 and Bubby's 3. In terms of vape, the Anna store stocked 184 SKUs, of which 12 were under the company's "In House" brand.
- MRMD will also start supplying 3rd party stores in late January, including some of the large MSO stores in northern IL (most of the MRMD stores are in southern IL). A quick check of Rise and Sunnyside menus does not show MRMD listings yet.
- Management expects approval of the cultivation license by mid-year and should start selling flower by 3Q24.
- In terms of retail, the recently opened (#5) Casey store (near the IN border; no competing stores within a 30-minute drive) should be moving to a physical location in Feb (it had opened from a container-type facility on a temporary basis). While on MSA for now, we understand the license transfer is going through the approval process.
- Given most of the company's stores are in southern IL, we do not see much revenue dilution from the slew of social equity stores recently opened, as most of these are in northern IL. See maps in the appendix.



The IL opportunity for MariMed. See page 5 of our [MRMD Initiation](#) report (11/2) for a discussion of the company's upside in IL. We include a brief excerpt here,

- *“We estimate the company could potentially more than double revenues in the state, as the market grows, as it adds more stores (it owns 4 stores, and the cap is 10), and brings production on-line. It just opened a 5th store (under MSA for now, with a social equity licensee), and processing (kitchen) and cultivation should come on-line later this year, contributing to revenues by 1Q24. Newly licensed social equity stores (50 so far of a total 185) will grow the state’s retail footprint by almost 3x, which should fuel overall market growth, and particularly benefit those with wholesale capacity. We calculate IL accounted for close to half of company sales in 2Q23 (all retail), and for more than 70% of the company’s total retail revenues”.*

A top-down view of the IL market: This is now close to a \$2Bn market; 4Q23 market total sales of \$511Mn were up 4% yoy and +3% seq.

- Sales: The IL market continues to grow, keeping a +3% qoq pace both in 3Q23 and 4Q23. Rec sales now account for 84% of total cannabis sales. At over \$2Bn, IL (rec/med) is one of the top five cannabis markets in the US. While the rec market has been impacted by the start of rec sales in MO, with sales to out of state shoppers down 15% yoy in 4Q23, sales to in-state residents increased 16% due to increased affordability (prices have come down) and about a 50% jump in the number of stores. All this said, total per capita \$ spend of \$163 (rec and med) is half of that seen in Michigan, in part due to less stores (13 per 1mn people vs. 97 in MI) and higher excise taxes.
- Prices: As per the official state source, retailer prices for flower averaged \$9.84/gram in Dec. Although Dec prices were down 15% yoy (and -27% on a 2-year stacked basis), they have stabilized in recent months and are up since Aug. Importantly, IL retail prices remain above most states. Wholesale prices in 4Q23 averaged \$2,400 (among the highest in the country), or \$5.36 per gram, as per Headset. While retailer spreads of \$4.48 are well above average, they are below those of PA. According to Jushi management, IL prices are now 10% below MO, and MO has “less selection”.
- Stores: The store count has been increasing at a faster pace than total sales, leading to rev/store dilution. The IL regulator (IDFPR) has issued a total of 178 licenses for adult use dispensaries, including 40 since 7/1/23. Of the total 178 licenses issued, 68 are part of the social equity license program (of a total 185 to be issued). For analytical purposes, we assume all store licenses issued through 9/30/23 have already opened. That means IL now has 160 stores in operation now. At the current run sales run rate, this means \$12.8Mn sales per store pa. While this is well above most states, it is down from \$18Mn in 4Q22.



Massachusetts Update

MRMD is one of the leading wholesalers in the state (among the top 5, as per Headset, with the likes of Happy Valley, Simply Herb, Cresco) and operates three stores under the Panacea Wellness banner (Middleborough rec/med; Beverly rec; Quincy med). With some of these stores recently opened, and market share gains in wholesale, management says it is growing in MA (as per the official data, the market was down 3% seq in 4Q23). We also expect attrition (of growers and stores) to alleviate competitive pressures, but for now the regulator keeps issuing licenses (see appendix for stores surrounding the MRMD stores).

- As we wrote in a recent report ([4Q23 Industry Update](#)), in our view, it is probably better to be a grower/producer than a retailer in MA. But, sure, a vertical operation is even better if the company's three stores can perform well. In other words, in MA the right mix matters, and not all companies have achieved this (MRMD has; Trulieve exited the state).
- That said, store revenue dilution is an issue as more retail licenses are issued. We calculate the company's Middleborough store now yields revenue less than a third of its peak sales. But the company should still have revenue upside as the Beverly location ramps, and once Quincy is allowed to sell rec. See appendix for maps showing competing stores nearby.
- The wholesale business continues to grow, especially in edibles. According to Headset, Betty's Eddies was the #3 brand in edibles in MA, only behind Wana and Kiva (and house brands). Importantly, While Betty's grew by 7% seq, Wana was down 10% and Kiva was flat (house brands fell 10%). On the other hand, sales of Nature' Heritage Flower and of In House vape were down QoQ.
- Profitability may be an issue looking forward in MA. But, we think MRMD's increasing verticality may serve as a buffer, and market data implies wholesale prices have begun to stabilize. Also, for the most part, the company's brand portfolio competes in the premium segment.

The MA opportunity for MariMed. See page 7 of our [MRMD Initiation](#) report for a discussion of the company's upside in MA. We include a brief excerpt here,

- *"We calculate the company's business in the state is 60% wholesale and 40% retail, taking the 2Q23 print, with the company's brands ranking among the top 10 in the state (#1 in concentrates; #2 in pre-rolls; #4 in edibles). The state has one the lowest store caps per operator in the US together with New Jersey (max of 3 rec stores per operator), but with over 400 licensed stores in the state, growers and processors can scale up by wholesaling. But unlike some of its peers, MRMD has room to grow retail revenues in the state (two its three stores only opened this year; and one is still med awaiting a rec permit). By the same token, we expect some attrition among wholesalers (prices pressures, lower margins), and this may help MRMD to gain share".*



Tow down view of Massachusetts market trends: 4Q23 total of \$453.5Mn, up 2% yoy, and down 3% seq.

- Sales: 4Q sales reached \$453.5Mn (official state data), with rec at \$400.3Mn (+5% yoy) and med at \$53.2Mn (down 16% yoy and -30% on a 2yr stacked basis). As with most >5-year rec states, med sales have shrunk (12% of total sales). We think of MA as a mature market, with minimal growth momentum now.
- Prices: Retail prices were \$5.66/gram in Dec'23, as per the official state source (PA \$8.79; IL \$9.84). They were down 26% yoy and -56% on a 2-year stacked basis. Wholesale prices, as per Headset, were stable seq but down >30% yoy. Of interest, while retail prices are 36% below PA, wholesale is only 15% below. In short, if an operator is not vertically integrated, in relative terms, in MA it is better to be a grower than a retailer, and the opposite is true for PA, again, all relatively speaking.
- Store count and economics. Despite the lack of market growth, the MA regulator keeps adding retail licenses. A total of 503 licenses had been issued as of 11/27/23: with 326 shown as "commence ops"; 13 "final licenses"; 138 "provisional licenses"; 28 "provisional consideration". For analytical purposes, we exclude provisional consideration licenses, which means the other 475 stores (68 stores pe 1mn people) are yielding only \$2.1Mn rev/store per annum. Retailer spreads are \$3/gram only vs. \$5.26 in PA.

Maryland Update

MD market sales were up 2% seq in 4Q23, and we calculate MRMD grew ahead of that pace as it rolled out its line of edible across stores in the state, and improved retail execution as its store in Annapolis. That said, the scanner data is mixed for the wholesale brand portfolio.

- We understand, MariMed is in the market to buy more stores (the cap is 4 and it has 1 now). New social equity licensees will have a 5-year moratorium before they can sell their licenses, so there is only a small finite number of stores for sale especially in the context of MSO presence (we calculate about 10, or about 10% of total stores, are for sale right now). Most MSOs are already at the state cap: Ascend, Curaleaf, Goodness Growth, Green Thumb, TerrAscend, and Verano, each have 4 stores; Cannabist Co, iAntus, and Trulieve each have 3. So competition on the demand side may be limited.
- While the company has increased listings at 3rd party stores (i.e., increased shipments), the Headset scanner data shows mixed trends (we realize the rec market has just started). In 4Q23, in edibles, the company's brands Betty's Eddies and Buddy's Baked declined sequentially, while In House was up double-digits (competitor Wana saw sales double seq). Nature's Heritage fell in flower, while In House grew in vape, all seq as per Headset.



The MD opportunity for MariMed. See page 7 of our [MRMD Initiation](#) report for a discussion of the company's upside in MA. We include a brief excerpt here,

- *“In April’22, MRMD closed on the acquisition of Kind Therapeutics, which had a production facility in Hagerstown, and a 6K sq ft dispensary in the Annapolis area (Anne Arundel County). The medical store was opened in Oct last year, and it was ready for the start of rec sales on 7/1/23. MRMD is in the process of expanding its cultivation canopy, and just completed a state-of-the-art GMP kitchen, and has been rolling out its brand portfolio in the state.”*

Tow down view of the Maryland market (\$1.1Bn): 4Q sales up 2% seq (up 2.3x yoy).

- Sales: Rec sales began on 7/1/23. Total sales of \$276Mn in 4Q23 (63% rec, 37% med) were up 2.3x yoy, and up 2% vs. 3Q23. The seq slowdown so soon after the start of rec sales is not what we had expected. That said, per capita spend of \$180 is above most states in the eastern US, and we think this is partly explained by out of state visitors (PA, VA).
- Prices: Retail prices for flower (as per Headset) of \$8.93/gram are up from \$6.17 in 2Q23 (when the state was still med). While retail prices were mostly stable seq in 4Q23 (\$9.37 in 3Q23), retailer spreads have tightened (due to supply issues and the overall market slowdown). As per Headset, flower retail spreads of \$3.96/gram in 4Q23 were down from \$4.46 in 3Q23. Wholesale prices in MD are among the highest in the east coast (and above those seen in IL).
- Stores: The regulator has issued 101 store licenses. Average annualized revenue per store of \$11Mn is among the best in the US. We calculate gross margins at 44%, so this means close to \$5Mn in gross profit per store.

Other States

Ohio: The company was awarded a medical dispensary license in the state in 2022, and it will look to win more licenses in future rounds or via M&A (it does not have cultivation or processing). The state could be a significant driver of growth if it goes rec. That said, this medical dispensary is in the Toledo area, near the MI border, a rec market with plenty of dispensaries and “west-type” prices (i.e., lower than most easter states).

Missouri: The company is in the process of building a processing facility, but it also has to wait for the regulator to approve the facility. MRMD already owns the license, but the transfer transaction has not been approved yet.

Delaware: This is under MSA, and the state is going through the process of setting rules for rec sales. Initially, rec in DE may be like in NY (blocking incumbents, at least at first). For the time being,

the med market may see a boost if >65 year olds are allowed to self-prescribe (buy without a Dr visit), as per a new a proposal in the legislature.

Bigger Picture: Upside Even with Status Quo

The bigger picture. MariMed ranks 15 among 20 MSOs in sales, but we project it should be top 10 by 2025. At time when others are scaling back (cutting costs and capex), either due to financial pressure and or lack of growth opportunities, MariMed is ramping up capex (see [report](#)), and it can afford to do so. The company has room to grow its current footprint, as ex MA, it is well below the state caps in IL, MD, and OH (and even in MA it only recently reached the max of 3 stores, with one still med), and it is expanding. It is in the process of entering MO, and it has optionality in DE via an MSA deal (yes, a smaller state). We typically do not focus too much on total addressable market (as company depth and economics can vary), but the company's six target markets should grow sales over \$3Bn by 2025 (+17% CAGR), and MRMD should grow above that rate. The company may also enter other states via M&A and or via licensing application.

Valuation and investment stance. We calculate spot EV of \$213Mn (market cap of \$129Mn, and broadly defined net debt of \$65Mn; see appendix, as our EV number is different from FactSet's), or 1.4x current sales and 1.2x on CY24 FactSet consensus sales estimates vs. 2.2x and 1.9x, respectively, for the MSO average of 22 stocks. On CY24 EBITDA, it is at 5.6x compared with the group average of 8.7x. We believe the stock will rerate and narrow the discount if the company can scale up and gain depth in its current footprint (and do so in an accretive and financially stable manner), especially in markets with strong growth potential. We remain Overweight.

Table 2: EV to current to Sales as per FactSet

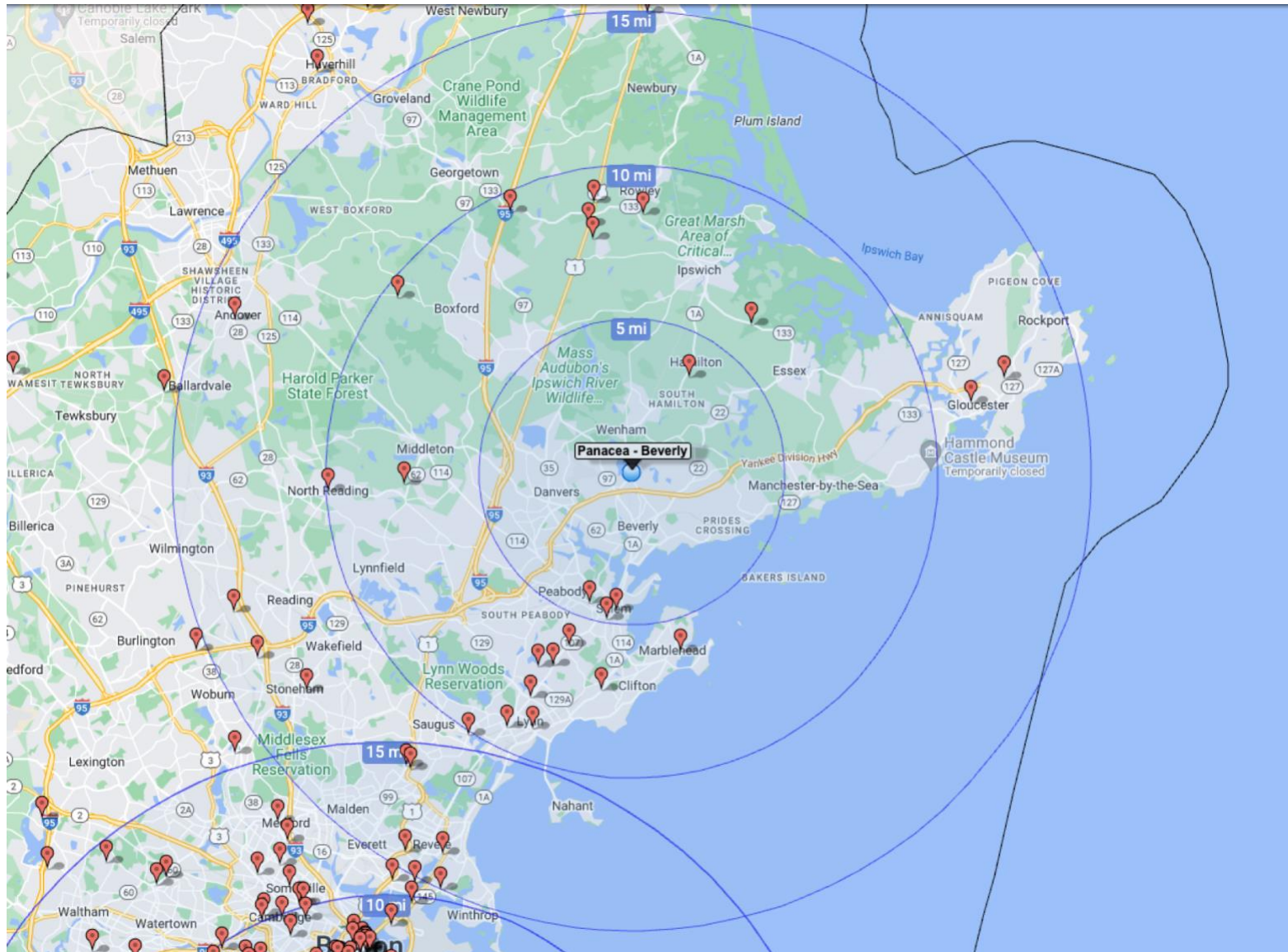
US\$Mn 26-Jan-24	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Broadly Defined Net Debt			
	2023	2024	2025	2023	2024	2025	Sales		EBITDA		Sales		EBITDA	
							CY24	Current	CY24	Current	CY24	Current	CY24	Current
US MSOs	2.2x	1.9x	1.9x	10.6x	8.7x	7.9x								
Acreage Holdings	1.3x	1.2x	na	9.4x	6.0x	na	-0.8x	-0.9x	-4.2x	-3.7x	-1.0x	-1.2x	-5.3x	-4.6x
Ascend Wellness	1.7x	1.5x	1.5x	8.5x	7.2x	6.3x	-0.4x	-0.4x	-2.0x	-2.1x	-1.0x	-1.0x	-4.7x	-4.8x
Ayr Wellness	2.0x	1.8x	1.7x	8.3x	7.3x	6.5x	-0.8x	-0.9x	-3.2x	-3.7x	-1.3x	-1.4x	-5.1x	-5.7x
Cannabist Co	1.5x	1.4x	1.3x	9.9x	7.6x	6.1x	-0.5x	-0.5x	-2.7x	-3.3x	-1.0x	-1.1x	-5.5x	-6.9x
Cresco Labs	2.1x	2.1x	2.0x	9.8x	8.7x	8.2x	-0.6x	-0.5x	-2.3x	-2.1x	-0.9x	-0.9x	-3.8x	-3.6x
Curaleaf	3.8x	3.6x	3.3x	17.1x	14.5x	11.5x	-0.5x	-0.5x	-1.9x	-2.2x	-1.0x	-1.0x	-3.9x	-4.6x
4Front Ventures	2.9x	2.6x	na	26.4x	12.7x	na	-0.7x	-1.0x	-3.5x	-6.9x	-2.1x	-3.0x	-10.3x	-20.1x
Glass House	3.7x	2.8x	na	23.1x	9.9x	na	-0.1x	na	-0.4x	na	-0.4x	-0.4x	-1.5x	-2.0x
Gold Flora	1.2x	1.0x	na	na	na	na	na	-0.1x	na	na	na	-0.5x	na	na
Goodness Growth	1.2x	1.0x	na	4.9x	4.5x	na	-0.5x	-0.5x	-2.1x	-1.8x	-0.6x	-0.6x	-2.6x	-2.1x
Green Thumb	3.5x	3.3x	3.1x	11.8x	11.2x	10.0x	-0.1x	-0.1x	-0.5x	-0.5x	-0.3x	-0.3x	-1.2x	-1.2x
iAnthus	2.3x	na	na	na	na	na	na	-0.8x	na	-7.5x	na	-1.1x	na	-9.3x
Jushi	1.6x	1.5x	1.5x	10.5x	7.8x	7.2x	-0.7x	-0.7x	-3.4x	-4.7x	-1.0x	-1.1x	-5.3x	-7.3x
MariMed	1.4x	1.2x	1.0x	8.0x	5.6x	4.3x	-0.2x	-0.2x	-1.0x	-1.6x	-0.4x	-0.4x	-1.7x	-2.7x
Planet 13	2.6x	1.6x	1.6x	-14.2x	13.5x	10.4x	0.1x	0.2x	1.0x	21.7x	-0.1x	-0.1x	-0.5x	-11.0x
Schwazze	2.1x	1.8x	na	6.1x	4.4x	na	-0.9x	-0.9x	-2.1x	-3.1x	-1.1x	-1.2x	-2.7x	-3.9x
StateHouse	2.0x	na	na	na	na	na	na	-1.1x	na	-57.5x	na	-1.8x	na	-92.6x
TerrAscend	3.2x	2.7x	2.5x	14.1x	10.9x	8.9x	-0.5x	-0.5x	-2.0x	-1.9x	-0.8x	-0.8x	-3.2x	-3.1x
TILT	0.7x	0.7x	0.6x	20.5x	12.2x	8.2x	-0.3x	-0.3x	-5.1x	-5.7x	-0.6x	-0.6x	-11.0x	-12.3x
Trulieve	2.1x	2.1x	2.0x	7.7x	7.6x	7.4x	-0.5x	-0.5x	-1.7x	-1.7x	-0.7x	-0.7x	-2.5x	-2.6x
Verano	2.9x	2.7x	2.6x	8.8x	8.5x	7.9x	-0.3x	-0.3x	-0.9x	-0.8x	-0.6x	-0.7x	-2.0x	-1.8x
Vext	2.0x	1.3x	na	10.4x	5.2x	na	-0.6x	-1.1x	-2.4x	-8.1x	-0.6x	-1.1x	-2.5x	-8.3x

Source: FactSet; company reports



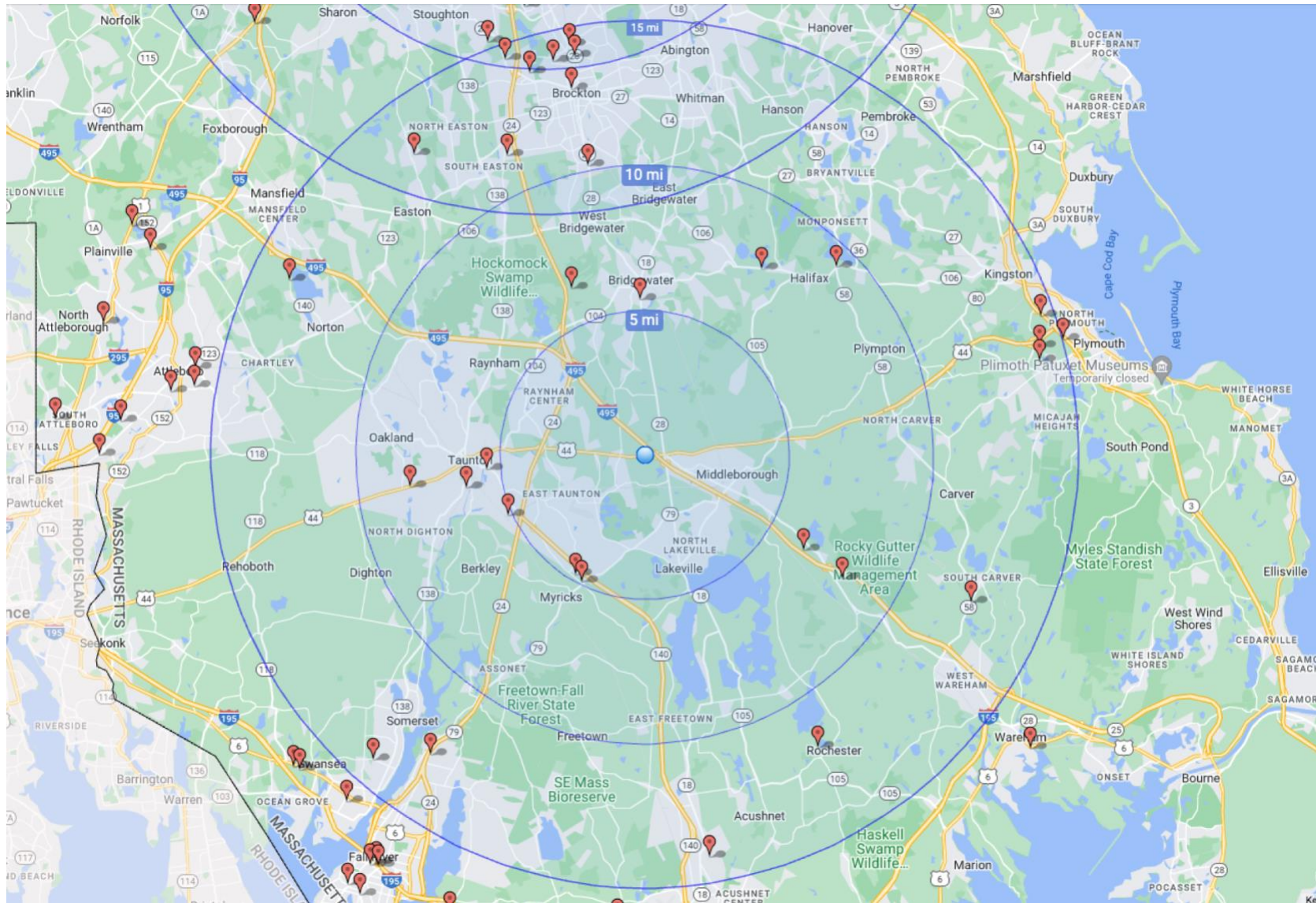
Appendix I: Maps

Exhibit 1: Beverly MA store (well located next to Yankee Division Highway, but there are several other stores within a 10-15 minute-drive)



Source: Maptive; Z&A maps

Exhibit 2: Middleborough store (right off I-495; less nearby competing stores compared with Beverly)

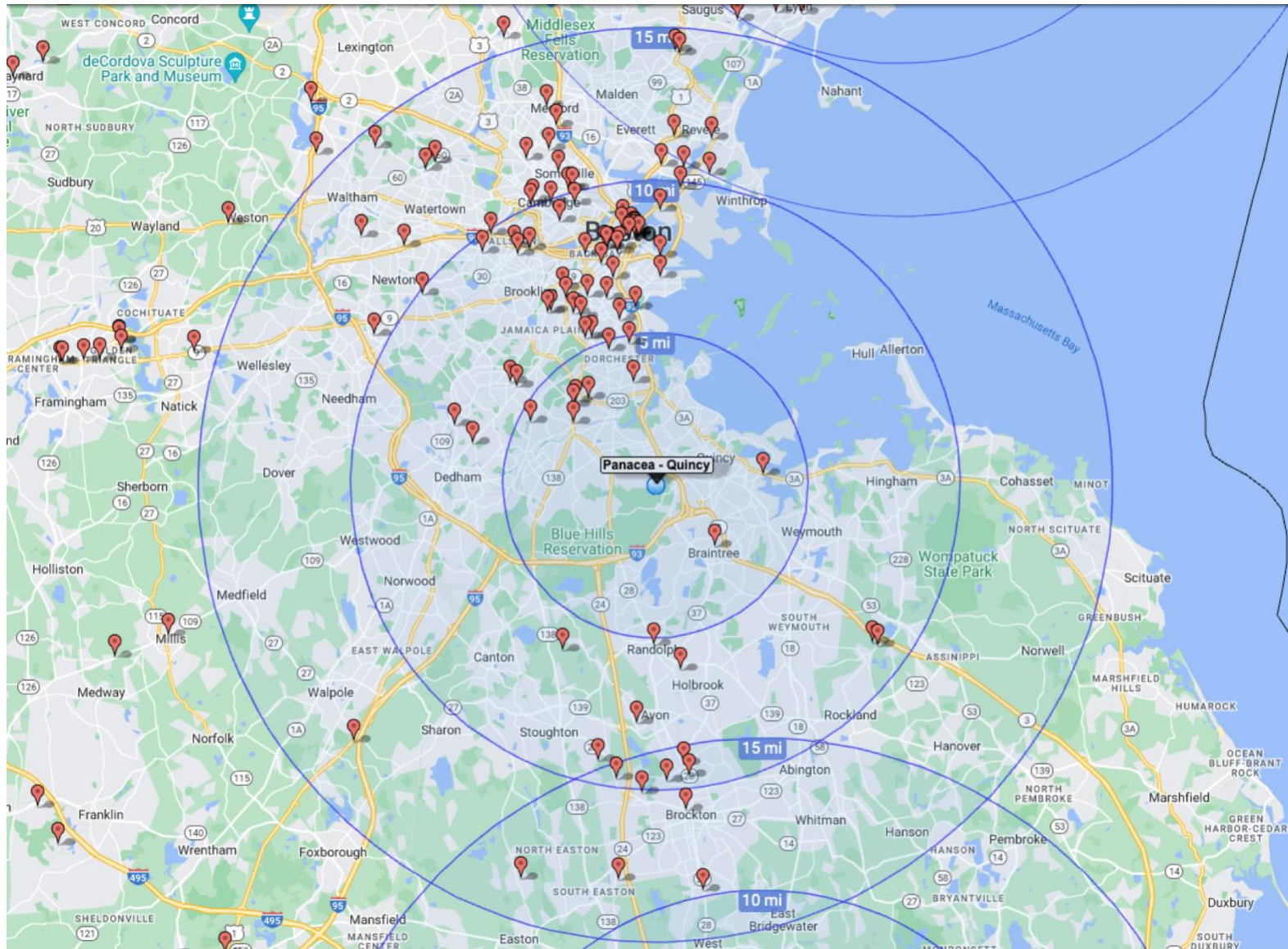


Source: Maptive; Z&A maps

29 January 2024

MariMed: Company update

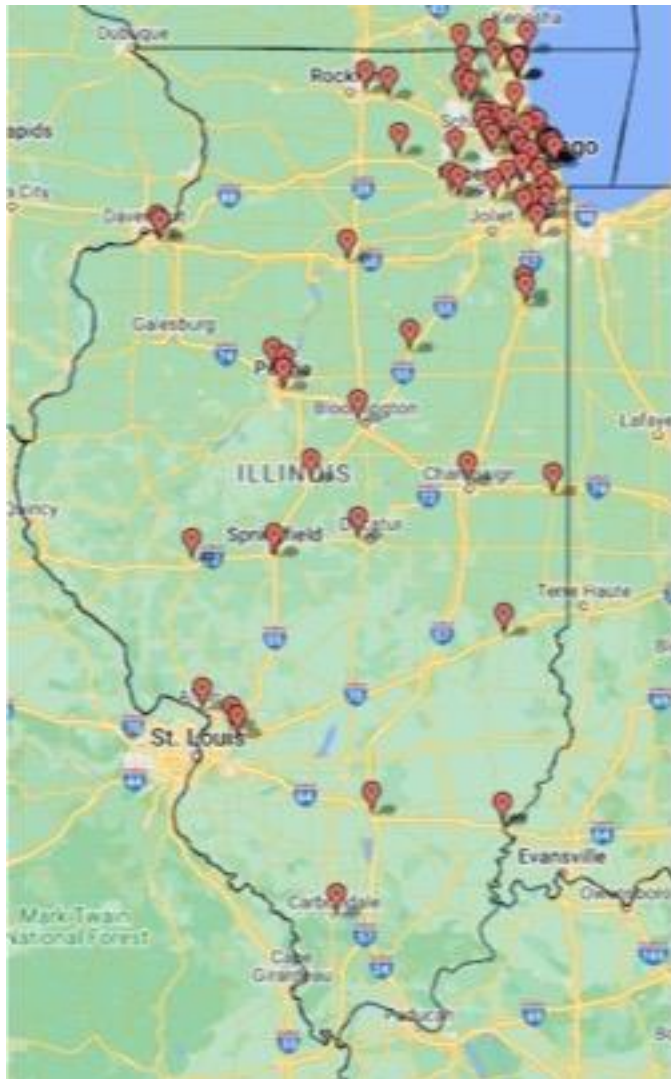
Exhibit 3: Quincy MA store (still a medical store; plenty of competition from other rec stores nearby)



Source: Maptive; Z&A maps

www.zuanicassociates.com

Exhibit 4: IL social equity stores and MariMed stores



Source: Maptive; Z&A maps



Appendix II: Company Financials

29 January 2024

MariMed: Company update

Exhibit 5: Financial highlights

US\$ Mn	Dec CY22	Mar 1Q23	Jun 2Q23	Sep 3Q23	Dec 4Q23e	Dec CY23e	Mar 1Q24e	Jun 2Q24e	Sep 3Q24e	Dec 4Q24e	Dec CY24e	Dec CY25e	Dec CY26e
P&L metrics													
Sales (product rev + other)	134.0	34.4	36.5	38.8	38.3	148.0	39.4	42.5	47.2	49.9	179.0	217.6	236.1
qoq ch %	na	-4%	6%	6%	-1%	na	3%	8%	11%	6%	na	na	na
yoy ch %	10%	10%	11%	14%	7%	10%	14%	16%	22%	31%	21%	22%	8%
Gross profit	64.0	15.4	16.4	16.8	16.9	65.5	18.1	20.0	22.4	24.0	84.5	104.5	114.5
Total SGA	-43.6	-10.3	-12.8	-13.5	-12.2	-48.9	-12.0	-13.0	-14.3	-15.0	-54.2	-63.1	-66.2
Operating income	20.4	5.1	3.5	3.3	4.7	16.6	6.1	7.0	8.2	9.0	30.3	41.3	48.3
Net interest expense	-0.7	-2.4	-2.5	-2.5	-2.3	-9.7	-1.9	-1.9	-1.9	-2.0	-7.7	-7.5	-6.8
Profit before tax	19.5	1.8	1.0	0.2	2.4	5.4	4.2	5.1	6.2	7.0	22.6	33.8	41.5
Adj EBITDA	32.4	7.1	6.3	6.1	7.0	26.4	8.5	9.5	10.7	11.6	40.3	52.1	59.9
Net profit	13.5	-0.6	-1.0	-4.3	-1.2	-7.0	0.4	0.9	1.5	1.9	4.7	11.7	17.1
EPS	0.04	0.00	0.00	-0.01	0.00	-0.02	0.00	0.00	0.00	0.01	0.01	0.03	0.05
AFD share count (mn)	380.3	342.8	361.3	373.1	376.1	363.3	376.1	376.1	376.1	376.1	376.1	376.1	376.1
Gross margins	47.7%	44.8%	44.8%	43.4%	44.2%	44.3%	46.0%	47.0%	47.5%	48.0%	47.2%	48.0%	48.5%
SGA/sales	-32.5%	-29.8%	-35.1%	-34.9%	-32.0%	-33.0%	-30.5%	-30.5%	-30.2%	-30.0%	-30.3%	-29.0%	-28.0%
Operating margin	15.2%	14.9%	9.7%	8.5%	12.2%	11.2%	15.5%	16.5%	17.3%	18.0%	16.9%	19.0%	20.5%
Net int exp/sales	-0.5%	-7.0%	-6.9%	-6.3%	-6.0%	-6.6%	-4.8%	-4.5%	-4.1%	-4.0%	-4.3%	-3.5%	-2.9%
EBITDA margin	24.2%	20.6%	17.3%	15.6%	18.3%	17.9%	21.6%	22.3%	22.7%	23.2%	22.5%	23.9%	25.4%
Guidance													
Sales					\$38-40Mn	\$148-150Mn	na	na	na	na	na	na	na
Gross margin					~47%	45%	na	na	na	na	na	na	na
EBITDA					\$7.5-12.5Mn	\$27-32Mn	na	na	na	na	na	na	na
Capex					\$7-10Mn	\$22-25Mn	na	na	na	na	na	na	na
FactSet consensus													
Sales					39.4	149.0	40.6	43.2	45.5	47.7	177.0	203.5	na
EBITDA					7.2	26.7	7.9	9.0	10.1	11.1	38.2	49.6	na
as % of sales					18.4%	17.9%	19.5%	20.9%	22.3%	23.3%	21.6%	24.4%	na
BS & CF highlights													
OCF/Sales	5.5%	-13.1%	3.5%	20.4%	3.3%	4.0%	6.6%	6.6%	6.7%	8.1%	7.0%	9.6%	11.7%
Capex/Sales	-9.1%	-8.9%	-15.7%	-15.4%	-21.0%	-15.4%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%
Net debt to Sales	-0.1x	-0.2x	-0.3x	-0.2x	-0.3x	-0.3x	-0.3x	-0.3x	-0.3x	-0.2x	-0.3x	-0.2x	-0.2x
Net debt to EBITDA	-0.6x	-1.1x	-1.5x	-1.6x	-1.6x	0.3x	-1.3x	-1.2x	-1.1x	-1.1x	0.1x	0.1x	0.1x
Income tax paid	14.6	5.3	1.0	na	na	na	na	na	na	na	na	na	na

Source: Z&A estimates, company reports

Exhibit 6: Cash Flow

US\$ 000s	Dec	Mar	Jun	Sep	Dec	Dec	Mar	Jun	Sep	Dec	Dec	Dec	Dec
SUMMARY CASH FLOW	CY22	1Q23	2Q23	3Q23	4Q23e	CY23e	1Q24e	2Q24e	3Q24e	4Q24e	CY24e	CY25e	CY26e
Net earnings	13,614	-664	-935	-4,269	-1,169	-7,037	399	901	1,495	1,939	4,734	11,658	17,106
(+) D&A	4,714	1,543	2,041	2,435	2,324	8,343	2,414	2,473	2,536	2,607	10,030	10,724	11,643
Cash earnings	18,328	879	1,106	-1,834	1,154	1,305	2,812	3,374	4,032	4,546	14,764	22,382	28,749
(-) Working capital changes	-21,931	-7,676	-1,454	8,393	94	-643	-192	-563	-825	-482	-2,062	-1,213	-814
(-) Other operating flows	10,914	2,298	1,623	1,341	24	5,286	-8	-18	-31	-40	-97	-238	-349
Operating cash flow	7,311	-4,499	1,275	7,900	1,272	5,948	2,612	2,793	3,176	4,024	12,605	20,930	27,586
(-) net capex	-12,140	-3,052	-5,734	-5,963	-8,036	-22,785	-3,935	-4,254	-4,721	-4,995	-17,905	-21,762	-23,611
Free cash flow	-4,829	-7,551	-4,459	1,937	-6,763	-16,836	-1,323	-1,461	-1,545	-971	-5,300	-832	3,975
(-) acquisitions	-14,248	-3,896	58	-212	0	-4,050	0	0	0	0	0	0	0
(-) divestitures	0	0	0	0	0	0	0	0	0	0	0	0	0
(+) other	-11,924	-35,815	-18,287	-24,728	0	-78,830	0	0	0	0	0	0	0
(-) distributions	-259	-34	-47	-47	0	0	0	0	0	0	0	0	0
(+) share issuance	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	10	0	35	74	0	109	0	0	0	0	0	0	0
Change in net	-30,991	-47,262	-22,653	-22,929	-6,763	-24,472	-1,323	-1,461	-1,545	-971	-5,300	-832	3,975
	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending net (debt)	-19,980	-31,891	-38,105	-37,689	-44,452	-44,452	-45,775	-47,236	-48,781	-49,752	-49,752	-50,584	-46,609
Cash/inv/sec	9,737	21,595	14,635	13,259	6,882	6,882	5,587	4,209	4,000	4,000	4,000	4,000	5,328
Gross debts/loans/bonds	29,717	53,486	52,740	50,948	51,334	51,334	51,362	51,445	52,781	53,752	53,752	54,584	51,936

Source: Z&A estimates, company reports

29 January 2024

MariMed: Company update

Exhibit 7: Cannabis sales projections

US\$ Mn	Dec CY22	Mar 1Q23	Jun 2Q23	Sep 3Q23	Dec 4Q23e	Dec CY23e	Mar 1Q24e	Jun 2Q24e	Sep 3Q24e	Dec 4Q24e	Dec CY24e	Dec CY25e	Dec CY26e
Total revenues	134.0	34.4	36.5	38.8	38.3	148.0	39.4	42.5	47.2	49.9	179.0	217.6	236.1
Product revenue	125.7	33.6	35.4	37.8	37.2	143.9	38.3	41.5	46.2	48.9	174.8	213.3	231.7
Other	8.3	0.8	1.2	1.0	1.0	4.1	1.0	1.1	1.1	1.1	4.2	4.3	4.4
Product revenue	125.7	33.6	35.4	37.8	37.2	143.9	38.3	41.5	46.2	48.9	174.8	213.3	231.7
wholesale	32.9	10.4	11.0	13.6	13.6	48.6	14.4	16.5	20.0	22.2	73.1	101.5	112.6
retail	92.8	23.2	24.3	24.1	23.6	95.3	23.9	25.0	26.1	26.7	101.8	111.8	119.1
By states (our est)	125.7	33.6	35.4	37.8	37.2	143.9	38.3	41.5	46.2	48.9	174.8	213.3	231.7
IL	71.9	17.5	17.9	16.4	16.3	68.2	16.6	17.7	19.0	19.6	73.0	83.9	87.2
MA	41.3	10.7	11.5	11.3	11.0	44.6	11.4	13.0	13.8	14.5	52.7	57.3	58.3
MD	12.5	5.3	6.0	9.7	9.7	30.7	10.0	10.2	10.7	11.0	41.8	52.5	63.9
MO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	2.5	3.5	6.3	16.1	17.3
OH	0.0	0.0	0.0	0.2	0.2	0.5	0.3	0.3	0.3	0.3	1.1	3.5	5.0
Other													
Sales mix %													
IL	57%	52%	51%	44%	44%	47%	43%	43%	41%	40%	42%	39%	38%
MA	33%	32%	32%	30%	30%	31%	30%	31%	30%	30%	30%	27%	25%
MD	10%	16%	17%	26%	26%	21%	26%	24%	23%	22%	24%	25%	28%
MO	0%	0%	0%	0%	0%	0%	0%	1%	5%	7%	4%	8%	7%
OH	0%	0%	0%	1%	1%	0%	1%	1%	1%	1%	1%	2%	2%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Market size estimates (\$Mn) rec/med													
DE	36	9	9	9	9	36	9	9	12	15	45	85	98
IL	1,907	467	484	498	511	1,960	499	511	521	533	2,064	2,159	2,259
MA	1,755	425	449	471	460	1,806	448	471	475	484	1,878	1,911	1,945
MD	509	118	123	270	276	787	277	278	280	286	1,121	1,237	1,437
MO	390	266	363	360	349	1,338	354	367	379	386	1,486	1,612	1,728
OH	467	120	119	118	125	482	128	132	135	139	534	1,167	1,653

Source: Z&A estimates, company reports

Exhibit 8: Market growth assumptions

US\$ Mn	CY19	CY20	CY21	CY22	1Q23	2Q23	3Q23	4Q23e	CY23e	1Q24e	2Q24e	3Q24e	4Q24e	CY24e	CY25e	CY26e	CY27e	rec began
Total	11,910	18,365	24,916	25,736	6,676	7,130	7,392	7,345	28,543	7,409	7,714	7,806	7,857	30,785	34,403	36,955	39,395	
rec		11,507	15,960	16,559	4,216	4,499	4,757	4,721	18,193	4,734	4,986	5,060	5,088	19,867	22,085	24,239	26,222	
med		6,858	8,956	9,177	2,460	2,631	2,635	2,624	10,350	2,675	2,728	2,746	2,769	10,918	12,318	12,716	13,173	
Total (med/rec)	11,910	18,365	24,916	25,736	6,676	7,130	7,392	7,345	28,543	7,409	7,714	7,806	7,857	30,785	34,403	36,955	39,395	
AZ	841	801	1,359	1,413	353	349	324	328	1,354	347	343	323	328	1,342	1,342	1,345	1,350	Jan'21
CA	2,803	4,705	5,779	5,383	1,280	1,335	1,253	1,240	5,108	1,225	1,294	1,264	1,245	5,028	5,146	5,265	5,383	Oct'16
CO	1,748	2,191	2,229	1,769	394	389	398	357	1,537	356	365	373	368	1,462	1,507	1,555	1,603	Jan'14
CT	84	117	150	150	57	68	74	78	277	79	83	86	89	336	397	470	544	Jan'23
FLA	506	842	1,456	1,740	437	471	484	484	1,877	485	492	490	488	1,956	1,959	1,994	2,029	med
GA		0	1	16	9	12	13	15	49	21	27	29	32	109	136	156	157	med
IL	251	1,035	1,776	1,907	467	484	498	511	1,960	499	511	521	533	2,064	2,159	2,259	2,365	Jan'20
MA	677	962	1,644	1,755	425	449	471	460	1,806	448	471	475	484	1,878	1,911	1,945	1,979	Nov'18
MD	252	453	551	509	118	123	270	276	787	277	278	280	286	1,121	1,237	1,437	1,691	Jul'23
ME	9	16	93	171	48	55	66	59	229	58	66	79	70	272	324	387	462	Oct'20
MI	289	985	1,793	2,294	642	754	830	803	3,029	814	880	918	898	3,509	3,870	4,099	4,189	Dec'19
MN	20	20	25	36	12	17	18	19	66	19	20	21	21	80	266	448	619	Jan'25
MO	20	21	210	390	266	363	360	349	1,338	354	367	379	386	1,486	1,612	1,728	1,853	Feb'23
NH	10	13	17	20	6	6	6	6	24	7	7	7	7	27	30	34	37	med
NJ	95	196	217	555	179	193	206	217	796	218	226	233	242	919	1,000	1,093	1,195	Apr'22
NM	119	119	119	358	130	140	143	144	556	145	147	150	152	594	617	647	679	Apr'22
NV	702	780	1,042	882	213	213	210	208	844	212	220	216	214	861	895	920	946	Jul'17
NY	173	200	250	265	77	92	121	141	431	148	162	182	230	722	1,242	1,631	1,783	Dec'22
OH	56	223	379	467	120	119	118	125	482	128	132	135	139	534	1,167	1,653	2,330	Jan'25
OK	428	831	941	780	182	189	178	178	728	179	185	175	175	714	714	724	735	med
OR	840	1,111	1,184	994	231	242	244	237	955	236	247	249	242	974	993	1,013	1,034	Oct'15
PA	290	745	1,395	1,469	373	383	398	398	1,552	371	372	372	373	1,488	1,499	1,510	1,521	med
RI	40	47	44	52	37	45	50	51	182	51	51	50	50	202	212	221	231	Dec'22
VA	0	10	27	100	37	40	43	47	167	52	62	71	71	256	296	511	728	Jan'26
VT	5	6	8	9	3	3	3	3	11	3	3	3	3	12	14	15	17	May'22
WA	1,200	1,280	1,422	1,294	304	313	325	318	1,259	305	314	327	319	1,265	1,272	1,278	1,284	Jul'14
WV	0	0	0	26	15	17	17	18	66	19	20	22	23	84	101	118	135	med
Other states	452	655	804	932	261	267	270	276	1,073	353	369	375	391	1,488	2,486	2,501	2,515	

Source: Z&A estimates, Headset, state official data

29 January 2024

MariMed: Company update

Exhibit 9: Potential share price upside

US\$ Mn	Dec CY23e	Dec CY24e	Dec CY25e	Dec CY26e	upside
Scenarios		by Dec'23	by Dec'24	by Dec'25	by Dec'25
EV/Sales of	1.0x	0.21	0.30	0.35	4%
EV/Sales of	1.5x	0.44	0.58	0.66	95%
EV/Sales of	1.8x	0.58	0.75	0.85	150%
EV/Sales of	3.0x	1.14	1.44	1.59	370%
EV/Sales of	5.0x	2.08	2.58	2.82	736%
EV/Sales of	7.2x	3.11	3.83	4.19	1138%
					20% peer premium
EV/EBITDA of	5.0x	0.26	0.41	0.52	53%
EV/EBITDA of	7.3x	0.51	0.72	0.88	161%
EV/EBITDA of	8.0x	0.58	0.82	0.99	192%
EV/EBITDA of	10.0x	0.79	1.09	1.30	285%
EV/EBITDA of	15.0x	1.32	1.77	2.09	518%
					20% PP plus sector rerating

Source: Z&A estimates, company reports

Exhibit 10: Forward EV calculations and forward multiples as per our methodology

US\$ Mn	Jun 2Q23	Sep 3Q23	Dec 4Q23e	Dec CY23e	Dec CY24e	Dec CY25e	Dec CY26e
EV calculation for val purposes	209.3	212.7	219.3	219.3	229.7	233.5	231.5
Market cap (\$Mn)	126.9	128.9	129.0	129.0	129.0	129.0	129.0
Share price (US\$)	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Share count used for val purposes	375.5	381.4	381.7	381.7	381.7	381.7	381.7
common shares	371.6	375.9	376.1	376.1	376.1	376.1	376.1
RSUs and derivatives in the money	3.9	5.5	5.5	5.5	5.5	5.5	5.5
Broadly defined net debt (\$Mn)	-60.4	-64.8	-71.3	-71.3	-81.7	-85.5	-83.5
financial net cash (debt)	-38.1	-37.7	-44.5	-44.5	-49.8	-50.6	-46.6
gross leases	-12.7	-13.1	-13.0	-13.0	-13.9	-14.4	-14.7
st taxes	-9.6	-14.0	-13.8	-13.8	-18.0	-20.5	-22.2
contingent warrant inflow							
Other							
preferred stock	21.9	19.0	19.0	19.0	19.0	19.0	19.0
minority interest adj							
Valuation Multiples	1yF			CY23	CY24	CY25	CY25
EV/Sales	1.4x			1.5x	1.3	1.1	1.0
EV/EBITDA	7.0x			8.3x	5.7x	4.5x	3.9x

Source: Z&A estimates, company reports



Appendix III: MSO Valuation Comps

Exhibit 11: Valuation Comps – MSOs

US\$Mn 26-Jan-24	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Broadly Defined Net Debt			
							Sales		EBITDA		Sales		EBITDA	
	2023	2024	2025	2023	2024	2025	CY24	Current	CY24	Current	CY24	Current	CY24	Current
US MSOs	2.2x	1.9x	1.9x	10.6x	8.7x	7.9x								
Acreage Holdings	1.3x	1.2x	na	9.4x	6.0x	na	-0.8x	-0.9x	-4.2x	-3.7x	-1.0x	-1.2x	-5.3x	-4.6x
Ascend Wellness	1.7x	1.5x	1.5x	8.5x	7.2x	6.3x	-0.4x	-0.4x	-2.0x	-2.1x	-1.0x	-1.0x	-4.7x	-4.8x
Ayr Wellness	2.0x	1.8x	1.7x	8.3x	7.3x	6.5x	-0.8x	-0.9x	-3.2x	-3.7x	-1.3x	-1.4x	-5.1x	-5.7x
Cannabist Co	1.5x	1.4x	1.3x	9.9x	7.6x	6.1x	-0.5x	-0.5x	-2.7x	-3.3x	-1.0x	-1.1x	-5.5x	-6.9x
Cresco Labs	2.1x	2.1x	2.0x	9.8x	8.7x	8.2x	-0.6x	-0.5x	-2.3x	-2.1x	-0.9x	-0.9x	-3.8x	-3.6x
Curaleaf	3.8x	3.6x	3.3x	17.1x	14.5x	11.5x	-0.5x	-0.5x	-1.9x	-2.2x	-1.0x	-1.0x	-3.9x	-4.6x
4Front Ventures	2.9x	2.6x	na	26.4x	12.7x	na	-0.7x	-1.0x	-3.5x	-6.9x	-2.1x	-3.0x	-10.3x	-20.1x
Glass House	3.7x	2.8x	na	23.1x	9.9x	na	-0.1x	na	-0.4x	na	-0.4x	-0.4x	-1.5x	-2.0x
Gold Flora	1.2x	1.0x	na	na	na	na	na	-0.1x	na	na	na	-0.5x	na	na
Goodness Growth	1.2x	1.0x	na	4.9x	4.5x	na	-0.5x	-0.5x	-2.1x	-1.8x	-0.6x	-0.6x	-2.6x	-2.1x
Green Thumb	3.5x	3.3x	3.1x	11.8x	11.2x	10.0x	-0.1x	-0.1x	-0.5x	-0.5x	-0.3x	-0.3x	-1.2x	-1.2x
iAnthus	2.3x	na	na	na	na	na	na	-0.8x	na	-7.5x	na	-1.1x	na	-9.3x
Jushi	1.6x	1.5x	1.5x	10.5x	7.8x	7.2x	-0.7x	-0.7x	-3.4x	-4.7x	-1.0x	-1.1x	-5.3x	-7.3x
MariMed	1.4x	1.2x	1.0x	8.0x	5.6x	4.3x	-0.2x	-0.2x	-1.0x	-1.6x	-0.4x	-0.4x	-1.7x	-2.7x
Planet 13	2.6x	1.6x	1.6x	-14.2x	13.5x	10.4x	0.1x	0.2x	1.0x	21.7x	-0.1x	-0.1x	-0.5x	-11.0x
Schwazze	2.1x	1.8x	na	6.1x	4.4x	na	-0.9x	-0.9x	-2.1x	-3.1x	-1.1x	-1.2x	-2.7x	-3.9x
StateHouse	2.0x	na	na	na	na	na	na	-1.1x	na	-57.5x	na	-1.8x	na	-92.6x
TerrAscend	3.2x	2.7x	2.5x	14.1x	10.9x	8.9x	-0.5x	-0.5x	-2.0x	-1.9x	-0.8x	-0.8x	-3.2x	-3.1x
TILT	0.7x	0.7x	0.6x	20.5x	12.2x	8.2x	-0.3x	-0.3x	-5.1x	-5.7x	-0.6x	-0.6x	-11.0x	-12.3x
Trulieve	2.1x	2.1x	2.0x	7.7x	7.6x	7.4x	-0.5x	-0.5x	-1.7x	-1.7x	-0.7x	-0.7x	-2.5x	-2.6x
Verano	2.9x	2.7x	2.6x	8.8x	8.5x	7.9x	-0.3x	-0.3x	-0.9x	-0.8x	-0.6x	-0.7x	-2.0x	-1.8x
Vext	2.0x	1.3x	na	10.4x	5.2x	na	-0.6x	-1.1x	-2.4x	-8.1x	-0.6x	-1.1x	-2.5x	-8.3x

1) By "current", we mean the latest reported qtr annualized; 2) Multiples calculated using FactSet consensus (when available) for 2023, 2024, and 2025

3) As there are no CY23 sales consensus estimates for Gold Flora, iAnthus, and StateHouse, we take "current" sales for each of them

Source: FactSet and company reports

Exhibit 12: Spot EV calculation - MSOs

US\$Mn	FactSet	Z&A	US\$	mn	mn	Total	Financial	Net	ST income	Conting	ITM deriv	Total	Pref Stock
26-Jan-24	Spot EV	Spot EV	price	shares	deriv	Mkt Cap	net debt	leases	tax liab.	Cons.	inflow	BDND	Min Int
US MSOs													
Acreage Holdings	223	302	0.23	138.1	6.7	33	-214	-21	-34			-269	
Ascend Wellness	745	869	1.36	206.7	13.3	299	-244	-266	-60			-570	
Ayr Wellness	783	931	3.41	76.6	5.0	278	-417	-158	-78	0		-653	
Cannabist Co	709	771	0.49	428.9		208	-272	-246	-45	0		-563	
Cresco Labs	1,114	1,600	2.01	436.5	8.2	894	-415	-174	-111	-6		-706	
Curaleaf	4,009	5,133	4.85	741.9	8.4	3,635	-672	-281	-345	-81		-1,378	119
4Front Ventures	291	344	0.10	648.6		66	-95	-141	-41	0		-278	
Glass House	365	590	5.49	75.3	3.2	431	-26	-11	-21	-29		-87	72
Gold Flora	5	151	0.32	288.3	0.3	93	-16	-32	-5	-5		-58	
Goodness Growth	162	107	0.43	108.7		47	-50	-11				-60	
Green Thumb	3,101	3,699	13.25	236.6	13.7	3,316	-162	-262	-16	-33	90	-382	
iAnthus	211	396	0.03	6,510.5		215	-146	-36				-181	
Jushi	434	423	0.71	196.6	1.1	139	-184	3	-4	-99		-284	
MariMed	141	213	0.34	376.1	5.5	129	-38	-13	-14			-65	19
Planet 13	155	258	0.82	301.7	1.2	248	20	-27	-3			-10	
Schwazze	155	364	0.83	171.3		142	-176	-28	-18	0		-222	
StateHouse	153	206	0.05	255.6	141.0	20	-114	-13	-39	-24	7	-184	2
TerrAscend	733	1,032	1.99	351.2	15.3	729	-186	-51	-59	-6		-303	
TILT	113	122	0.03	381.5	5.0	12	-51	-58	-1			-110	
Trulieve	1,590	2,361	8.27	186.0	3.3	1,565	-537	-173	-81	-4		-796	
Verano	2,321	2,703	5.84	343.4	9.8	2,062	-292	-95	-251	-2		-640	
Vext	51	74	0.26	149.8	0.4	39	-35	-1				-36	

Source: FactSet and company reports

29 January 2024

MariMed: Company update

Exhibit 13: Forward estimates - MSOs

US\$Mn Company name	FACTSET CONSENSUS					ZUANIC & ASSOCIATES ESTIMATES					Z&A vs. CONSENSUS			
	Revenues		Adj EBITDA		margin	Revenues		Adj EBITDA		margin	Revenues		Adj EBITDA	
	2024	2025	2024	2025	2024	2024	2025	2024	2025	2024	2024	2025	2024	2025
US MSOs														
Acreage Holdings	259	na	51	na	19.6%			not covered yet						
Ascend Wellness	576	589	121	139	21.1%			not covered yet						
Ayr Wellness	505	537	128	144	25.4%			not covered yet						
Cannabist Co	548	607	102	125	18.6%			not covered yet						
Cresco Labs	753	814	184	195	24.5%			not covered yet						
Curaleaf	1,412	1,579	353	445	25.0%			not covered yet						
4Front Ventures	131	na	27	na	20.6%			not covered yet						
Glass House	214	na	60	na	27.9%			not covered yet						
Gold Flora	145	na	4	na	na	155	199	9	34	5.9%	7%	na	144%	na
Goodness Growth	102	na	24	na	23.2%			not covered yet						
Green Thumb	1,108	1,211	329	370	29.7%	1,063	1,225	330	378	31.0%	-4%	1%	0%	2%
iAnthus	na	na	na	na	na			not covered yet						
Jushi	275	284	54	59	19.6%			not covered yet						
MariMed	177	203	38	50	21.6%	179	218	40	52	22.5%	1%	7%	6%	5%
Planet 13	164	163	19	25	11.6%	144	153	16	24	10.9%	-13%	-6%	-18%	-2%
Schwazze	203	235	83	84	41.0%			not covered yet						
StateHouse	na	na	na	na	na	105	114	10	14	9.2%	na	na	na	na
TerrAscend	379	421	94	117	24.9%			not covered yet						
TILT	182	204	10	15	5.5%	182	207	11	16	5.8%	0%	2%	5%	9%
Trulieve	1,114	1,154	313	320	28.1%			not covered yet						
Verano	988	1,049	318	344	32.2%	960	1,032	314	340	32.8%	-3%	-2%	-1%	-1%
Vext	59	61	14	20	24.4%			not covered yet						

Source: FactSet and company reports

Exhibit 14: Stock Performance

26-Jan-24	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
FFNTF	7%	-52%	-56%
ACRDF	13%	-29%	-77%
AAWH	37%	48%	5%
AYRWF	79%	127%	171%
CXXIF	53%	32%	44%
CBSTF	20%	-3%	-28%
CRLBF	44%	57%	9%
CURLF	29%	59%	26%
GLASF	19%	34%	157%
GRAMF	122%	223%	19%
GDNSF	65%	126%	153%
GTBIF	25%	56%	68%
ITHUF	28%	55%	54%
JUSHF	57%	30%	-1%
LOWLF	7%	-31%	-74%
MRMD	14%	3%	-11%
PLNH	20%	30%	-13%
RWBYF	na	na	na
SHWZ	46%	24%	-46%
STHZF	114%	68%	-39%
TSNDF	32%	23%	49%
GNRS	na	na	na
TLLTF	45%	-12%	-52%
TCNNF	63%	115%	24%
VRNOF	50%	66%	98%
VEXTF	26%	17%	52%

Source: FactSet

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
Canada			
ALEAF	na	na	-72%
ACB	-16%	-3%	-60%
CBWTF	11%	20%	-35%
AVTBF	-5%	-7%	-39%
BZAMF	-24%	-11%	-70%
CGC	-7%	-8%	-83%
CRON	1%	16%	-18%
DBCCF	-1%	-4%	-17%
ETRGF	-15%	-34%	-55%
HITI	16%	35%	20%
NVACF	32%	54%	37%
OGI	27%	60%	-59%
ROMJF	8%	26%	-57%
SNDL	-8%	4%	-39%
TLRY	-10%	11%	-37%
VFF	9%	20%	-48%
YOLO ETF	23%	38%	-6%
CBD, CPG, Pharma, International			
CWBHF	-13%	-23%	-70%
CLVR	19%	17%	-82%
CVSI	3%	-4%	-9%
TPB	-1%	21%	13%
IMCC	-41%	-63%	-85%
INCR	-4%	28%	-65%
ISPR	-11%	30%	#N/A

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
Service Providers			
AFCG	-6%	11%	-24%
AGFY	-42%	-55%	-94%
REFI	-4%	13%	5%
IIPR	-7%	31%	10%
NLCP	2%	24%	-8%
PW	2%	-10%	-87%
RIV	2%	17%	-7%
SHFS	-13%	54%	-15%
SSIC	-9%	-17%	-20%
LFLY	-4%	-29%	-60%
SBIG	-24%	1%	-84%
MAPS	12%	-23%	-31%
GNLN	-10%	-24%	-89%
GRWG	-4%	22%	-47%
HYFM	10%	0%	-45%
SMG	-10%	28%	-8%
UGRO	28%	21%	-53%
CBD, CPG, Pharma, International			
LGPPF	#N/A	#N/A	#N/A
PCLOF	34%	3%	-32%
SMORF	-12%	-6%	-54%
JAZZ	1%	-5%	-20%
Index			
S&P 500	3%	18%	21%
MSOS ETF	38%	60%	36%



Appendix IV: 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 four years he launched coverage of over 35 companies (MSOs, LPs, CBD, ancillary, psychedelics), kept close track of sectoral trends, and followed the reform process in the US 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 specific reports 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 (www.zuanicassociates.com). At various points in his career, Pablo 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 can be contacted at pablo.zuanic@zuanicgroup.com.



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 and advisory services. Potential conflicts of interest are duly reflected in the respective specific company reports.

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