



6/18/2024

Village Farms International (VFF)

Company update: Overweight

Sales	CY22a	CY23a	CY24e	Prev	CY25e	Prev	CY26e	Prev
1Q	70.2	64.7	78.1	74.3	81.9	80.9	86.3	
2Q	82.9	77.2	89.6	77.4	96.1	84.0	100.9	
3Q	71.1	69.5	85.5	80.8	91.5	87.5	96.6	
4Q	<u>69.5</u>	<u>74.2</u>	<u>88.6</u>	<u>80.4</u>	<u>94.4</u>	<u>86.7</u>	<u>99.7</u>	
FY	293.6	285.6	341.7	312.9	363.8	339.1	383.5	
EBITDA	CY22a	CY23a	CY24e	Prev	CY25e	Prev	CY26e	Prev
1Q	-6.1	0.5	3.6	3.0	8.4	4.5	8.8	
2Q	-10.3	4.5	4.9	3.1	8.1	4.8	9.2	
3Q	-2.2	3.2	6.7	3.9	9.4	6.0	11.5	
4Q	<u>-2.7</u>	<u>-0.7</u>	<u>7.8</u>	<u>4.4</u>	<u>9.6</u>	<u>6.5</u>	<u>12.7</u>	
FY	-21.3	7.6	22.9	14.4	35.5	21.8	42.2	

Share price (US\$)	0.97	Perf.	VFF	YOLO ETF	S&P500	Stance:	Overweight
Share count (mn)	110.2	30d	-23%	-18%	3%		no price target
Market Cap (\$Mn)	107	90d	8%	-7%	6%		FY=Dec
Ticker	VFF	1yr	43%	28%	24%		

- We are taking our numbers up on the back of strong double-digit growth in the Canadian rec business, and likely increased bulk sales for reexport.
- Improving gross margins and flat SGA, combined with operating leverage from the sales ramp, all bode well for the earnings outlook.
- The stock trades at 0.3x EV/Sales and 5x EBITDA at the consolidated level, which is attractive. If we strip out the non-cannabis assets (see SOP analysis inside), we calculate the cannabis unit is valued at only \$7Mn.
- The stock is down 23% in the last month (in line with the group). We consider VFF a blue chip in the Canadian group, with a sustainable business model. We see a buying opportunity here.

Pablo Zuanic

ZUANIC & ASSOCIATES

pablo.zuanic@zuanicgroup.com

420Odysseus; www.zuanicassociates.com



Strong 2Q24 Trends in the Cannabis Unit

According to Hifyre, VFF sales at retail increased by 23% yoy in 1Q24 (vs. 10% market growth, as per Hifyre), and have continued to accelerate so far in 2Q24, with April +34% yoy (market +7%) and May +53% (+10%). If we extrapolate 11 weeks of data thru 6/17 for the quarter (13w), retail sales would be up >40% yoy in 2Q24. We note VFF's cannabis unit reported 37% yoy growth in branded sales for 1Q24 (ahead of the +23% Hifyre number for 1Q24), but even accounting for that, we would assume 2Q24 reported branded sales should be 25-30% yoy (we have taken our numbers up, from +10% before). *Note: StatCan data is out through March only, and it is not consistent with the Hifyre trends, pointing only to 2% yoy growth for 1Q24; we assume at some point either StatCan or Hifyre will issue a correction.*

What is driving the growth?

- **Formats:** Format wise, flower and pre-rolls are driving the growth. Extrapolating the 11w data, as per Hifyre, we calculate flower is up ~45% yoy in 2Q4 and pre-rolls +70%. For 2Q24, these formats account for 79% and 20% of total sales, respectively (for context, back in 2Q23, pre-rolls were 17% of company sales).
- **PSF vs. Rose:** We realize Hifyre may be less reliable when measuring Quebec, but the data points to ~20% yoy growth at Pure Sunfarms for 2Q24 (extrapolating 11 weeks) and over 120% at Rose (flower ~150%, pre-rolls +35%).
- **AB/BC/ON:** The sales data for Apr+May point to +29% yoy growth for PSF in ON after +14% in 1Q24. In AB, PSF is up 71% in Apr+May after +65% in 1Q24. In BC, PSF is up 6% in Apr+May yoy, after -7% in 1Q24. As per Hifyre, PSF sales in ON for Jan-May 2024 were \$77.5Mn, \$25.6Mn in AB, and \$22.3Mn in BC. PSF is tied with TLRY for the #1 slot in ON (Jan-May sales). PSF is tied for #3 in AB with CRON (TLRY is #1 and Decibel #2). PSF is #4 in BC behind TLRY, Decibel, and Motif.
- **Flower brands** (within the PSF eco-system; i.e., excludes Rose in Quebec): the value line The Original Fraser Valley line is now 40% of PSF flower sales (20% in 2Q23), and we estimate sales for this brand are up >60% yoy in 2Q24. On the other hand, Pure Sunfarms flower sales are down 34% (they are now 37% of flower sales vs. 47% in 2Q23). The average price for TOF is at C\$3.04/gram (down 6% yoy) at while the price for Pure Sunfarms is at C\$4.92/gram (+4% yoy). Re other PSF flower brands, Super Toast is 18% of PSF flower sales (price C\$4.14/gram) and Soar is 5% (C\$6.79).
- **Pre-rolls:** As mentioned above, pre-rolls sales are up ~70% yoy in 2Q24 (extrapolating 11 weeks) for VFF, with Rose +35% and PSF up nearly 80%. The bulk of the PSF growth in pre-rolls is driven by regular joints (96% of sales), with infused joints only 2% of sales (5 SKUs launched in the past year). Re joint specifically, Pure Sunfarms is 64% of sales, TOFV 19%, and Super Toast 12%

VFF trends vs. peers in Canada rec,

As per Hifyre, the top 5 players in May (1-mo) were Tilray 10%, Village Farms 8.6%, OGI 6.5%, Decibel 5.7%, and Cronos 5.1%. There were five more players between 2-5%, in order: Auxly, Motif, Cannara Biotech, Canopy Growth, and Weed Me. During the Mar-May period (when the market grew 8.6% yoy, as per Hifyre), Tilray sales fell 17% yoy; Village Farms grew 41%; OGI +24%; Decibel -12%; Cronos +34%.

Re the top 5, if we look at 3-month total rec market share trends, in the May qtr (Mar-May),

- Tilray had 10.3% share vs. 11.1% in 1Q24, 12.1% in 4Q23, and 13.6% in 1Q23
- Village Farms had 8.6% share in the May qtr vs. 8.1% in 1Q24, 6.8% in 4Q23, and 7.2% in 1Q23.
- OGI had 6.9% in the May qtr vs. 7.3% in 1Q24, 6.8% in 4Q23 and 6.5% in 1Q23.
- Decibel had 5.7% in the May qtr vs. 6% in 1Q24, 6.7% in 4Q23, and 6.6% in 1Q23.
- Cronos had 5.3% in the May qtr vs. 5.4% in 1Q24, 5% in 4Q23, and 4.5% in 1Q23.

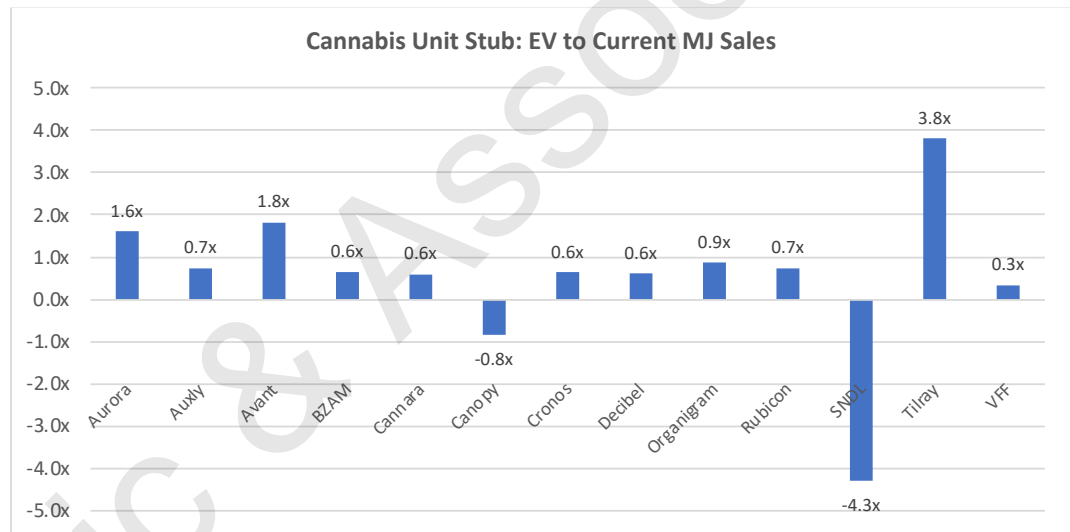
Table 1: Top LP Trends

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2024 Mar	2024 Apr	2024 May
Market Share %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Tilray	17.6%	16.1%	15.1%	14.4%	13.6%	13.4%	13.2%	12.1%	11.1%	10.6%	10.4%	10.0%
Village Farms	6.5%	6.1%	6.4%	8.2%	7.2%	6.3%	6.3%	6.8%	8.1%	8.7%	8.5%	8.6%
Organigram	7.2%	7.3%	7.5%	7.7%	7.8%	7.8%	7.8%	7.5%	7.2%	7.3%	7.0%	6.5%
Decibel	3.7%	3.9%	4.0%	4.2%	4.3%	4.4%	4.5%	4.8%	5.3%	5.9%	5.5%	5.7%
Cronos	4.0%	4.0%	4.0%	3.9%	3.9%	3.9%	3.9%	3.8%	3.7%	5.4%	5.4%	5.1%
Auxly	6.7%	6.1%	5.7%	5.4%	5.3%	5.0%	4.6%	4.5%	4.6%	4.8%	4.5%	4.6%
Motif Labs	0.8%	0.9%	1.1%	1.4%	1.6%	1.8%	2.1%	2.4%	2.6%	4.4%	4.6%	4.5%
Cannara Biotech	0.1%	0.2%	0.2%	0.3%	0.4%	0.4%	0.5%	0.8%	1.1%	3.0%	2.9%	3.0%
Canopy Growth	7.7%	7.6%	7.4%	7.0%	6.7%	6.3%	6.2%	5.9%	5.6%	2.5%	2.6%	2.7%
Weed Me	2.5%	2.6%	2.8%	3.2%	3.1%	3.0%	2.7%	2.5%	2.5%	2.4%	2.3%	2.3%
SNDL	3.7%	3.7%	3.9%	3.3%	3.3%	3.0%	2.4%	2.1%	2.0%	1.8%	1.8%	1.8%
Aurora	2.6%	2.2%	2.1%	1.9%	1.8%	1.7%	1.7%	1.8%	2.1%	1.8%	1.7%	1.7%
Ayurcann	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	1.8%	1.9%	1.7%
Rubicon	1.3%	1.8%	2.1%	1.8%	1.7%	1.8%	1.8%	1.8%	1.7%	1.6%	1.7%	1.9%
Others	35.5%	37.2%	37.3%	37.0%	39.1%	40.8%	41.9%	42.8%	41.9%	38.0%	39.1%	40.0%
3mo yoy growth %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Tilray	-30%	-27%	-30%	-19%	-11%	-6%	2%	-6%	-11%	-11%	-13%	-17%
Village Farms	49%	10%	9%	132%	27%	17%	14%	-8%	23%	23%	32%	41%
Organigram	124%	69%	33%	10%	3%	-10%	1%	15%	23%	23%	26%	24%
Decibel	77%	96%	101%	121%	104%	97%	88%	28%	1%	1%	-6%	-12%
Cronos	68%	74%	21%	2%	27%	26%	35%	49%	32%	32%	36%	34%
Auxly	122%	32%	-8%	-25%	-10%	2%	14%	4%	-3%	-3%	-4%	-2%
Motif Labs	33663%	2323%	1055%	863%	419%	237%	160%	94%	42%	42%	31%	23%
Cannara Biotech	na	na	6125%	2700%	1856%	606%	486%	106%	81%	81%	75%	64%
Canopy Growth	-31%	-33%	-31%	-35%	-31%	-30%	-27%	-35%	-39%	-39%	-40%	-36%
Weed Me	161%	137%	74%	61%	44%	32%	14%	-11%	-11%	-11%	-12%	-15%
SNDL	34%	36%	41%	19%	4%	-8%	-28%	-28%	-35%	-35%	-36%	-37%
Aurora	-50%	-51%	-49%	-11%	21%	64%	47%	-4%	-22%	-22%	-28%	-31%
Ayurcann	na	na	11680%	582%	384%	361%	454%	295%	123%	123%	94%	71%
Rubicon	86%	166%	93%	42%	48%	9%	0%	12%	9%	9%	10%	12%
Others	154%	120%	78%	48%	64%	67%	71%	39%	90%	90%	108%	110%

Source: Hifyre; Z&A calculations

Valuation. We calculate a market cap of US\$107Mn taking the share price of US\$0.97 (C\$1.32) and 110.2mn shares (7mn options are out of the money). For EV, we include \$18Mn in net debt, \$1Mn in leases net of right of use assets, and \$16Mn in redeemable non-controlling interest. Taking the spot EV of US\$107Mn, VFF trades at 0.3x our CY24 consolidated sales estimates (0.3x current sales), and 4.7x EBITDA. If strip out produce at \$30Mn (5x normalized EBITDA of \$6Mn), US CBD at 1x sales (\$20Mn), and the Texas greenhouses at \$50Mn, that would mean the cannabis business is valued at US\$7Mn (or 0.04x our CY24 sales estimate for cannabis and 0.2x EBITDA). That said, we realize questions about the value or upside optionality) of the non-cannabis assets make this exercise perhaps less relevant. Still, if we step back and look at the bigger picture, either way, investors can buy the #2 Canadian cannabis producer (one with a sustainable and disciplined financial model, with the lowest production costs, and international optionality) at a rather attractive valuation.

Exhibit 1: Implied Value of Cannabis Strip for Canadian LPs



Source: FactSet; Z&A Estimates

Table 2: Companies mentioned in this report.

Company name	Ticker	Ticker	Rating
US MSOs			
4Front Ventures		FFNTF	Not rated
Acreage Holdings		ACRDF	Not rated
Ascend Wellness		AAWH	Not rated
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
Gold Flora		GRAM	Overweight
Goodness Growth		GDNSF	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
StateHouse Holdings Inc		STHZF	Neutral
TerrAscend		TSNDF	Not rated
TILT Holdings		TLLTF	Overweight
Trulieve Cannabis		TCNNF	will cover
Verano Holdings		VRNOF	Overweight
Vext Science, Inc.		VEXTF	will cover
Tech			
Leafly		LFLY	Not rated
Springbig		SBIG	Not rated
WM Technology		MAPS	Neutral

Source: Z&A

Company name	Ticker	Rating
Canada LPs		
Aurora Cannabis	ACB	will cover
Auxly Cannabis Group	CBWTF	not rated
Avant Brands	AVTBF	not rated
Avicanna	AVCN	will cover
BZAM	BZAMF	not rated
Cannara Biotech	LOVFF	not rated
Canopy Growth Corporation	CGC	will cover
Cronos Group	CRON	not rated
Decibel Cannabis Co	DBCCF	Overweight
Organigram Holdings	OGI	will cover
Rubicon Organics	ROMJF	not rated
SNDL	SNDL	not rated
Tilray Brands	TLRY	will cover
Village Farms Intl	VFF	Overweight
Finance Companies		
AFC Gamma	AFCG	will cover
Chicago Atlantic REFC	REFI	Overweight
Innovative Industrial Properties	IIPR	will cover
New Lake Capital Partners	NLCP	Overweight
RIV Capital	CNPOF	not rated
SHF Holdings	SHFS	not rated
Silver Spike Inv Corp	SSIC	will cover
Other		
Intercure	INCR	Overweight
Irwin Naturals	IWINF	Not rated
Ispire Technology	SMORF	will cover
Smooore International	SMORF	will cover

Appendix I: Company Financials

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 2: Financial Highlights

US\$Mn	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Proforma consolidated sales	293.6	285.6	78.1	89.6	85.5	88.6	341.7	81.9	96.1	91.5	94.4	363.8	383.5	404.6
qoq ch %	na	na	5%	15%	-5%	4%	na	-8%	17%	-5%	3%	na	na	na
yoy ch %	10%	-3%	21%	16%	23%	19%	20%	5%	7%	7%	7%	6%	5%	5%
guidance		na					na					na	na	na
consensus				82.2	78.4	79.0	314.1	na	na	na	na	333.1	na	na
Profit margins														
Gross profit after FV adj	27.5	49.4	15.5	17.3	18.4	19.7	70.9	20.0	20.7	21.3	21.7	83.6	92.4	99.5
as % of sales	9.4%	17.3%	19.9%	19.3%	21.5%	22.3%	20.7%	24.4%	21.5%	23.3%	23.0%	23.0%	24.1%	24.6%
Op exp	72.3	65.5	16.4	16.9	16.3	16.5	66.1	16.1	17.2	16.5	16.7	66.6	69.0	71.6
as % of sales	24.6%	22.9%	21.0%	18.9%	19.1%	18.6%	19.3%	19.7%	17.9%	18.1%	17.7%	18.3%	18.0%	17.7%
EBIT	-44.8	-16.1	-0.9	0.3	2.1	3.2	4.8	3.9	3.5	4.8	5.0	17.1	23.5	27.8
as % of sales	-15.2%	-5.6%	-1.1%	0.4%	2.5%	3.7%	1.4%	4.7%	3.6%	5.2%	5.3%	4.7%	6.1%	6.9%
Adj EBITDA	-21.3	7.6	3.6	4.9	6.7	7.8	22.9	8.4	8.1	9.4	9.6	35.5	42.2	46.9
as % of sales	-7.3%	2.7%	4.6%	5.4%	7.8%	8.8%	6.7%	10.3%	8.4%	10.3%	10.2%	9.8%	11.0%	11.6%
consensus				2.0	3.7	4.1	12.8	na	na	na	na	20.2	na	na
as % of sales				2.4%	4.7%	5.2%	4.1%	na	na	na	na	6.1%	na	na
EPS														
Pre tax income	-96.7	-27.4	-2.4	-0.5	1.3	2.5	1.0	3.2	2.8	4.1	4.4	14.4	21.6	27.1
Tax rate assumption	-4.8%	-16.3%	-13.6%	20.0%	20.0%	20.0%	101.4%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net income	-101.4	-31.8	-2.7	-0.4	1.0	2.0	0.0	2.5	2.2	3.3	3.5	11.6	17.3	21.7
Share count (FD) Mn	89.1	108.7	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2
EPS	-1.13	-0.29	-0.03	0.00	0.01	0.02	0.00	0.03	0.02	0.04	0.04	0.13	0.21	0.27
consensus				-0.03	-0.02	-0.01	-0.07	na	na	na	na	-0.02	0.00	0.00
BS & CF highlights														
Operating cash flow	-19.9	5.3	-0.1	-4.6	8.9	4.4	8.6	12.9	-3.0	12.8	7.7	30.4	42.8	59.6
(-) Capex	-14.3	-6.5	-1.9	-2.0	-1.9	-2.0	-7.7	-1.8	-2.1	-2.0	-2.1	-8.0	-8.4	-8.9
Free cash flow	-34.2	-1.2	-1.9	-6.6	7.0	2.4	0.9	11.1	-5.1	10.8	5.6	22.3	34.4	50.7
Ending net cash (debt)	-39.3	-16.8	-18.4	-25.0	-18.0	-15.5	-15.5	-4.5	-9.6	1.2	6.8	6.8	41.2	91.8
Equity	303.1	302.6	296.2	295.8	296.9	299.1	299.1	301.9	304.6	308.6	313.0	313.0	335.7	365.9

Source: Z&A estimates, company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 3: Divisional Split

US\$Mn	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Sales	293.6	285.6	78.1	89.6	85.5	88.6	341.7	81.9	96.1	91.5	94.4	363.8	383.5	404.6
Produce	160.3	151.2	36.1	45.6	37.1	38.6	157.4	36.5	46.1	37.5	39.0	159.0	160.6	162.2
Cannabis	109.9	114.0	37.4	39.4	43.7	45.4	166.0	40.8	45.3	49.3	50.7	186.2	203.9	223.0
Energy	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
US CBD	23.3	20.3	4.5	4.6	4.6	4.6	18.3	4.6	4.7	4.7	4.7	18.7	19.0	19.4
Gross Margin	9.4%	17.3%	19.9%	19.3%	21.5%	22.3%	20.7%	24.4%	21.5%	23.3%	23.0%	23.0%	24.1%	24.6%
Produce	-10.8%	0.1%	9.2%	4.0%	3.0%	4.0%	4.9%	9.3%	4.1%	3.1%	4.1%	5.0%	5.4%	5.4%
Cannabis	26.7%	31.5%	25.4%	32.0%	33.0%	35.0%	31.6%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Energy	na	na	na	na	na	na	na	na	na	na	na	na	na	na
US CBD	67.2%	65.6%	59.4%	65.0%	65.0%	65.0%	63.6%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%	65.0%
EBITDA	-21.3	7.6	3.6	4.9	6.7	7.8	22.9	8.4	8.1	9.4	9.6	35.5	42.2	46.9
Produce	-24.4	0.5	2.0	0.8	0.6	1.0	4.4	2.9	0.9	0.7	1.0	5.5	6.2	6.3
Cannabis	13.1	14.8	4.1	7.5	9.3	10.8	31.6	9.2	10.8	12.2	12.7	44.8	49.4	54.5
Energy	-0.3	-0.2	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
US CBD	0.2	0.9	-0.6	0.0	0.0	0.0	-0.6	0.0	0.0	0.1	0.1	0.2	0.4	0.7
Corporate	-10.0	-8.4	-1.9	-3.4	-3.2	-3.9	-12.4	-3.6	-3.6	-3.4	-4.1	-14.8	-13.8	-14.4
EBITDA margin	-7.3%	2.7%	4.6%	5.4%	7.8%	8.8%	6.7%	10.3%	8.4%	10.3%	10.2%	9.8%	11.0%	11.6%
Produce	-15.2%	0.3%	5.6%	1.8%	1.7%	2.5%	2.8%	8.0%	1.9%	1.8%	2.6%	3.5%	3.8%	3.9%
Cannabis	11.9%	12.9%	10.9%	19.0%	21.3%	23.7%	19.1%	22.5%	23.7%	24.7%	25.0%	24.0%	24.2%	24.4%
Energy	na	na	na	na	na	na	na	na	na	na	na	na	na	na
US CBD	1.0%	4.2%	-13.6%	-0.4%	-0.1%	0.2%	-3.4%	0.6%	0.9%	1.2%	1.5%	1.0%	2.3%	3.6%
Corp as % of total sales	-3.4%	-2.9%	-2.4%	-3.8%	-3.8%	-4.4%	-3.6%	-4.5%	-3.7%	-3.8%	-4.4%	-4.1%	-3.6%	-3.6%

Source: Z&A estimates, company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 4: Cannabis Projections

US\$Mn	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Sales	107.2	112.0	32.6	39.4	43.7	45.4	161.2	40.8	45.3	49.3	50.7	186.2	203.9	223.0
Canada cannabis	103.4	107.4	31.1	37.8	42.1	43.7	154.7	39.0	43.4	47.3	48.6	178.3	194.3	211.4
<i>branded</i>	85.5	91.9	26.1	31.5	34.8	35.9	128.4	31.5	35.2	38.4	39.5	144.5	158.9	174.1
<i>bulk</i>	17.8	15.5	5.0	6.3	7.2	7.8	26.3	7.5	8.3	8.9	9.1	33.8	35.5	37.2
International	3.9	4.6	1.5	1.6	1.7	1.7	6.5	1.8	1.9	2.0	2.1	7.9	9.5	11.6
Cannabis P&L														
Sales	107.2	112.0	32.6	39.4	43.7	45.4	161.2	40.8	45.3	49.3	50.7	186.2	203.9	223.0
qoq ch %	na	na	4%	21%	11%	4%	na	-10%	11%	9%	3%	na	na	na
yoy ch %	11%	4%	30%	40%	55%	44%	44%	25%	15%	13%	12%	16%	10%	9%
Gross profit	29.4	35.9	9.5	12.6	14.4	15.9	52.4	14.3	15.9	17.3	17.8	65.2	71.4	78.0
as % of sales	27.4%	32.1%	29.2%	32.0%	33.0%	35.0%	32.5%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
EBIT	-2.2	4.5	2.1	5.1	6.9	8.4	22.5	6.8	8.4	9.8	10.3	35.2	39.7	44.6
as % of sales	-2.1%	4.0%	6.3%	13.0%	15.8%	18.5%	14.0%	16.6%	18.5%	19.8%	20.2%	18.9%	19.5%	20.0%
EBITDA	13.1	14.8	4.1	7.5	9.3	10.8	31.6	9.2	10.8	12.2	12.7	44.8	49.4	54.5
as % of sales	12.2%	13.2%	12.5%	19.0%	21.3%	23.7%	19.6%	22.5%	23.7%	24.7%	25.0%	24.0%	24.2%	24.4%
Branded rec assumptions														
Canada rec market (C\$Mn)	4,518	5,163	1,203	1,328	1,432	1,458	5,421	1,263	1,394	1,504	1,531	5,692	5,976	6,275
Canada rec market (US\$Mn)	3,470	3,826	892	985	1,062	1,082	4,021	937	1,034	1,116	1,136	4,222	4,433	4,655
wholesale adj for 0.4x factor (*)	1,388	1,531	357	394	425	433	1,609	375	414	446	454	1,689	1,773	1,862
PSF branded sales US\$Mn	85.5	91.9	26.1	31.5	34.8	35.9	128.4	31.5	35.2	38.4	39.5	144.5	158.9	174.1
in C\$Mn	112.2	124.0	35.2	42.5	47.0	48.4	173.1	42.4	47.4	51.7	53.3	194.8	214.1	234.7
share %	6.2%	6.0%	7.3%	8.0%	8.2%	8.3%	8.0%	8.4%	8.5%	8.6%	8.7%	8.6%	9.0%	9.4%

(*) in practice, this may be more in the low/mid 30s.

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

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 5: Canadian Cannabis Rec Market Assumptions

Mn	2019	2020	2021	2022	1Q23	2Q23	3Q23	4Q23	2023	2024e	2025e	2026e	2027e	2028e
Our projections														
Rec (US\$)	926	1,955	3,092	3,470	874	950	1,027	975	3,826	4,021	4,222	4,433	4,655	4,888
Rec (C\$)	1,188	2,620	3,875	4,518	1,182	1,277	1,377	1,327	5,163	5,421	5,692	5,976	6,275	6,589
yoy ch %	679%	121%	48%	17%	15%	14%	17%	11%	14%	5%	5%	5%	5%	5%
qoq ch %	na	na	na	na	-1%	8%	8%	-4%	na	na	na	na	na	na
	Nov	Nov	Nov	Nov	Feb	May	Aug	Nov	Nov	Nov	Nov	Nov	Nov	Nov
Rec (C\$)	1,097	2,470	3,819	4,448	1,193	1,257	1,362	1,328	5,140	5,371	5,668	5,951	6,325	6,649
yoy ch %		125%	55%	16%	16%	14%	17%	15%	16%	5%	6%	5%	6%	5%
qoq ch %	na	na	na	na	3%	5%	8%	-3%	na	na	na	na	na	na
Sales by province	1,188	2,620	3,875	4,518	1,182	1,277	1,377	1,327	5,163	5,421	5,692	5,976	6,275	6,589
Ontario	254	722	1,423	1,803	485	524	572	543	2,125					
Alberta	286	575	717	797	207	222	234	232	894					
British Columbia	255	370	551	670	181	200	216	200	797					
Quebec	97	496	601	586	146	155	164	159	623					
Rest	296	457	583	662	164	176	191	192	723					
YoY ch %		121%	48%	17%	15%	14%	17%	11%	14%					
Ontario		184%	97%	27%	18%	16%	23%	15%	18%					
Alberta		101%	25%	11%	13%	12%	14%	10%	12%					
British Columbia		45%	49%	21%	18%	23%	21%	13%	19%					
Quebec		412%	21%	-2%	10%	3%	9%	4%	6%					
Rest		54%	28%	14%	9%	9%	10%	9%	9%					
QoQ ch %		na	na	na	-1%	8%	8%	-4%	na					

Source: Z&A estimates, company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 6: Income Statement

US\$000s														
INCOME STATEMENT	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Sales	293,572	285,603	78,077	89,552	85,450	88,640	341,719	81,883	96,053	91,497	94,403	363,837	383,505	404,579
(-) Cost of goods sold	-266,075	-236,177	-62,564	-72,288	-67,061	-68,914	-270,826	-61,889	-75,402	-70,173	-72,727	-280,191	-291,059	-305,117
Gross profit	27,497	49,426	15,513	17,264	18,389	19,727	70,893	19,995	20,651	21,324	21,677	83,646	92,446	99,461
(-) Share based payments	-3,987	0	0	-940	-940	-940	-2,820	-940	-940	-940	-940	-3,760	-3,760	-3,760
(-) SG&A	-68,278	-65,501	-16,387	-16,000	-15,349	-15,549	-63,285	-15,183	-16,255	-15,583	-15,773	-62,795	-65,223	-67,860
(-) Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from continuing operatio	-44,768	-16,075	-874	324	2,100	3,238	4,788	3,872	3,456	4,801	4,963	17,092	23,462	27,842
(-) Net interest expense	-3,037	-3,491	-711	-791	-788	-752	-3,042	-699	-682	-667	-605	-2,652	-1,845	-702
(-) FX gain	-2,255	602	-878	0	0	0	-878	0	0	0	0	0	0	0
(-) Other income	-115	5,616	104	0	0	0	104	0	0	0	0	0	0	0
(-) Equity method inv	-2,668	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Write-off of note receivable	-592	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Impairments	-43,299	-14,020	0	0	0	0	0	0	0	0	0	0	0	0
(-) Gain on disposal of assets/sett	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss before income taxes	-96,734	-27,368	-2,359	-467	1,312	2,486	972	3,173	2,774	4,134	4,359	14,439	21,617	27,139
(-) Provision for income taxes	-4,681	-4,451	-320	93	-262	-497	-986	-635	-555	-827	-872	-2,888	-4,323	-5,428
(-) Deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income after taxes	-101,415	-31,819	-2,679	-373	1,050	1,989	-14	2,538	2,219	3,307	3,487	11,551	17,294	21,712
(-) minority interest	269	21	-173	-24	68	128	-1	310	497	687	877	2,372	5,407	8,533
Net income (loss) and comprehe	-101,146	-31,798	-2,852	-397	1,117	2,117	-15	2,848	2,717	3,994	4,364	13,923	22,701	30,245
Basic EPS	-1.13	-0.29	-0.03	0.00	0.01	0.02	0.00	0.03	0.02	0.04	0.04	0.13	0.21	0.27
Diluted EPS	-1.13	-0.29	-0.03	0.00	0.01	0.02	0.00	0.03	0.02	0.04	0.04	0.13	0.21	0.27
Basic # of shares (Mn)	89.1	108.7	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2
Diluted # of shares (Mn)	89.1	108.7	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2	110.2

Source: Z&A estimates, company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 7: Cash Flow

US\$ 000s														
SUMMARY CASH FLOW	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Net earnings	-101,146	-31,798	-2,852	-397	1,117	2,117	-15	2,848	2,717	3,994	4,364	13,923	22,701	30,245
(+) D&A	13,054	15,926	4,558	4,535	4,557	4,578	18,228	4,578	4,598	4,621	4,643	18,439	18,710	19,094
Cash earnings	-88,092	-15,872	1,706	4,138	5,675	6,695	18,214	7,426	7,314	8,615	9,007	32,362	41,411	49,339
(-) Working capital changes	-2,246	-2,088	-3,290	-8,724	3,118	-2,425	-11,321	5,137	-10,772	3,463	-2,209	-4,382	-4,012	1,683
(-) Other operating flows	70,449	23,275	1,534	-24	68	128	1,706	310	497	687	877	2,372	5,407	8,533
Net operating cash flow	-19,889	5,315	-50	-4,610	8,861	4,398	8,599	12,872	-2,960	12,765	7,675	30,353	42,806	59,555
(-) net capex	-14,292	-6,518	-1,876	-1,970	-1,880	-1,950	-7,676	-1,801	-2,113	-2,013	-2,077	-8,004	-8,437	-8,901
Free cash flow	-34,181	-1,203	-1,926	-6,580	6,981	2,448	923	11,071	-5,073	10,752	5,599	22,348	34,369	50,654
(-) acquisitions	-5,873	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) divestitures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(+) other	4,778	-1,099	295	0	0	0	295	0	0	0	0	0	0	0
(+) share issuance/repurchases	6,692	24,772	0	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	192	83	0	0	0	0	0	0	0	0	0	0	0	0
Change in net	-28,392	22,553	-1,631	-6,580	6,981	2,448	1,218	11,071	-5,073	10,752	5,599	22,348	34,369	50,654
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending net (debt)	-39,320	-16,767	-18,398	-24,978	-17,997	-15,549	-15,549	-4,479	-9,552	1,200	6,799	6,799	41,168	91,822
Cash/inv/sec	21,676	35,291	31,685	25,408	31,923	34,733	34,733	45,037	41,572	51,807	57,736	57,736	92,704	143,106
Gross debts/loans/bonds	60,996	52,058	50,083	50,386	49,920	50,282	50,282	49,515	51,124	50,607	50,937	50,937	51,536	51,285
<i>Net debt /Sales</i>	<i>-0.1x</i>	<i>-0.1x</i>	<i>-0.1x</i>	<i>-0.1x</i>	<i>-0.1x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.0x</i>	<i>0.1x</i>	<i>0.2x</i>
<i>Net debt / Adj EBITDA</i>	<i>1.1x</i>	<i>-2.2x</i>	<i>-1.3x</i>	<i>-1.3x</i>	<i>-0.7x</i>	<i>-0.5x</i>	<i>-0.7x</i>	<i>-0.1x</i>	<i>-0.3x</i>	<i>0.0x</i>	<i>0.2x</i>	<i>0.2x</i>	<i>1.0x</i>	<i>2.0x</i>

Source: Z&A estimates, company reports

Exhibit 8: Balance Sheet

US\$000s										
BALANCE SHEET	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	CY25e	CY26e	CY27e
Cash and cash equivalents	16,676	30,291	26,685	20,408	26,923	29,733	29,733	52,736	87,704	138,106
Restricted cash	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Trade receivables	27,558	30,561	38,826	44,532	42,492	44,079	44,079	46,945	49,569	48,468
Inventories	70,582	78,472	74,029	84,909	81,020	84,044	84,044	89,509	94,513	92,414
Notes receivable from JV	0	0	0	0	0	0	0	0	0	0
Amounts due from JVs	0	0	0	0	0	0	0	0	0	0
Other receivables	309	294	115	132	126	131	131	139	147	144
Income tax receivable	6,900	0	0	0	0	0	0	0	0	0
Prepaid expenses	5,959	7,150	6,197	7,108	6,782	7,035	7,035	7,493	7,912	7,736
Current assets	132,984	151,768	150,852	162,089	162,343	170,023	170,023	201,821	244,844	291,869
PPE	207,701	205,613	201,020	199,281	197,431	195,630	195,630	188,415	181,273	174,210
Investments in minority interest	2,109	2,656	2,656	2,656	2,656	2,656	2,656	2,656	2,656	2,656
Goodwill	66,225	55,918	54,942	54,942	54,942	54,942	54,942	54,942	54,942	54,942
Intangibles	37,157	32,275	30,778	29,951	29,125	28,298	28,298	25,078	21,947	18,816
Deferred tax asset	4,201	4,201	4,201	4,201	4,201	4,201	4,201	4,201	4,201	4,201
Right of use assets	9,132	12,596	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944
Other assets	5,776	1,962	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046
TOTAL ASSETS	465,285	466,989	458,439	467,111	464,688	469,739	469,739	491,103	523,853	560,684
Line of credit	7,529	4,000	4,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Trade payables	24,894	21,753	19,935	22,865	21,818	22,632	22,632	24,104	25,451	24,886
Current maturities of LT debt	9,646	9,133	8,866	10,169	9,703	10,065	10,065	10,720	11,319	11,068
Accrued loyalty program	2,060	1,773	1,668	1,913	1,826	1,894	1,894	2,017	2,130	2,082
Accrued liabilities	13,064	15,076	12,024	13,791	13,159	13,651	13,651	14,538	15,351	15,010
Accrued sales taxes	11,594	15,941	21,331	24,466	23,345	24,217	24,217	25,791	27,233	26,629
Lease liabilities - current	1,970	2,112	2,243	2,573	2,455	2,546	2,546	2,712	2,864	2,800
Income tax payable	0	28	47	54	51	53	53	57	60	59
Other current liabilities	1,458	2,340	2,561	2,937	2,803	2,907	2,907	3,097	3,270	3,197
Total current liabilities	72,215	72,156	72,675	81,768	78,160	80,966	80,966	86,035	90,677	88,730
Long term debt	43,821	38,925	37,217	37,217	37,217	37,217	37,217	37,217	37,217	37,217
Deferred tax liability	19,756	23,730	23,553	23,553	23,553	23,553	23,553	23,553	23,553	23,553
Operating lease liabilities	7,785	11,335	10,534	10,534	10,534	10,534	10,534	10,534	10,534	10,534
Finance lease liabilities	0	0	0	0	0	0	0	0	0	0
Other liabilities	1,714	1,902	2,044	2,044	2,044	2,044	2,044	2,044	2,044	2,044
Total liabilities	145,291	148,048	146,023	155,116	151,508	154,314	154,314	159,383	164,025	162,078
Common stock	372,429	386,719	386,719	386,719	386,719	386,719	386,719	386,719	386,719	386,719
Additional paid-in capital	13,372	25,611	26,016	26,016	26,016	26,016	26,016	26,016	26,016	26,016
Other	0	0	0	0	0	0	0	0	0	0
Accumulated other comprehens	-8,371	-3,540	-7,503	-7,503	-7,503	-7,503	-7,503	-7,503	-7,503	-7,503
Retained earnings	-74,367	-106,165	-109,017	-109,414	-108,297	-106,180	-106,180	-92,257	-69,556	-39,311
Total stockholders equity	303,063	302,625	296,215	295,818	296,935	299,052	299,052	312,975	335,676	365,921
Non controlling interest	767	649	574	574	574	574	574	574	574	574
Redeemable non controlling inter	16,164	15,667	15,627	15,603	15,671	15,799	15,799	18,171	23,578	32,111
TOTAL LIABILITIES AND EQUITY	465,285	466,989	458,439	467,111	464,688	469,739	469,739	491,103	523,853	560,684

Source: Z&A estimates, company reports



Appendix II: Valuation Comps

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 9: Canada LPs - Valuation Multiples (consolidated multiples)

Multiples 18-Jun-24	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Broadly Defined Net Debt			
							Sales		EBITDA		Sales		EBITDA	
	Current	2024	2025	Current	2024	2025	Current	CY24	Current	CY24	Current	CY24	Current	CY24
Aurora Cannabis Inc.	1.6x	na	na	23.5x	na	na	na	na	na	na	0.1x	na	1.7x	na
Auxly Cannabis Group Inc.	0.7x	na	na	8.7x	na	na	-0.1x	na	-1.6x	na	-0.3x	na	-3.5x	na
Avant Brands Inc	1.8x	na	na	-35.8x	na	na	-0.4x	na	7.6x	na	-0.9x	na	18.0x	na
BZAM Ltd	0.6x	na	na	5.8x	na	na	-0.3x	na	-3.1x	na	-0.5x	na	-4.6x	na
Cannara Biotech	0.6x	na	na	2.2x	na	na	-0.6x	na	-2.2x	na	-0.6x	na	-2.2x	na
Canopy Growth Corporation	1.5x	1.9x	1.6x	-13.4x	-23.6x	96.2x	-1.4x	-1.7x	11.8x	20.9x	-1.2x	-1.5x	10.5x	18.5x
Cronos Group Inc	0.6x	0.6x	0.4x	-0.3x	-1.6x	-4.4x	na	na	na	na	9.2x	8.2x	-3.8x	-23.8x
Decibel Cannabis Company Inc	0.6x	0.7x	0.6x	3.3x	3.4x	2.5x	-0.3x	-0.4x	-1.8x	-1.9x	-0.3x	-0.4x	-1.8x	-1.8x
High Tide, Inc.	0.5x	0.5x	0.5x	16.0x	7.0x	5.5x	0.0x	0.0x	-0.7x	-0.3x	0.0x	0.0x	-0.9x	-0.4x
Nova Cannabis Inc	0.3x	0.3x	0.2x	3.1x	3.6x	2.5x	0.0x	0.0x	0.0x	-0.1x	0.0x	0.0x	-0.4x	-0.4x
OrganiGram Holdings Inc	0.9x	0.9x	0.8x	-8.1x	69.1x	14.4x	na	na	na	na	0.5x	0.5x	-4.3x	36.5x
Rubicon Organics, Inc.	0.7x	na	na	5.7x	na	na	-0.1x	na	-0.6x	na	-0.1x	na	-0.6x	na
SNDL Inc.	0.5x	0.5x	0.5x	38.2x	21.2x	na	na	na	na	na	0.2x	0.2x	12.7x	7.1x
Tilray Brands, Inc.	2.1x	1.9x	1.7x	40.2x	18.7x	12.1x	-0.2x	-0.2x	-4.1x	-1.9x	-0.3x	-0.3x	-6.0x	-2.8x
Village Farms International, Inc.	0.5x	0.5x	0.4x	-54.4x	11.1x	7.0x	-0.1x	-0.1x	7.0x	-1.4x	-0.1x	-0.1x	7.4x	-1.5x

Source: FactSet and company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 10: Canada LPs - EV Calculations

C\$Mn 18-Jun-24	Z&A Spot EV	C\$ price	mn shares	mn deriv	Total Mkt Cap	Financial net debt	Net leases	ST income tax liab.	Conting Cons.	ITM deriv inflow	Total BDND	Pref Stock Min Int
Aurora Cannabis Inc.	410	7.82	54.5	1.6	439	89	-48	0	-11	0	30	
Auxly Cannabis Group Inc.	80	0.03	1,250.3	249.9	48	-15	-17	0	0	0	-32	
Avant Brands Inc	35	0.07	258.3	3.4	18	-7	-10	0	0	0	-18	
BZAM Ltd	57	0.07	180.8	0.2	12	-31	-14	0	0	0	-45	
Cannara Biotech	46	0.71	0.0	0.0	0	-45	0	-1	0	0	-46	
Canopy Growth Corporation	481	9.85	9.1	1.4	104	-426	0	0	0	48	-378	
Cronos Group Inc	80	3.20	382.0	7.8	1,248	1,170	-2	0	0	0	1,168	
Decibel Cannabis Company Inc	67	0.07	409.0	15.8	31	-38	1	0	0	0	-37	
High Tide, Inc.	271	3.38	75.1	0.5	255	-12	-4	0	0	0	-16	
Nova Cannabis Inc	80	1.23	57.2	0.0	70	-1	-8	0	0	0	-9	
OrganiGram Holdings Inc	137	2.11	94.5	5.0	210	72	0	0	0	0	72	
Rubicon Organics, Inc.	30	0.44	56.2	4.1	27	-3	0	0	0	0	-3	
SNDL Inc.	532	2.59	263.2	10.9	709	217	-40	0	0	0	177	
Tilray Brands, Inc.	2,221	2.33	799.0	0.0	1,859	-224	-85	0	-19	0	-329	34
Village Farms International, Inc.	195	1.32	110.2	0.0	146	-25	-1	0	0	0	-26	22

Source: FactSet and company reports

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

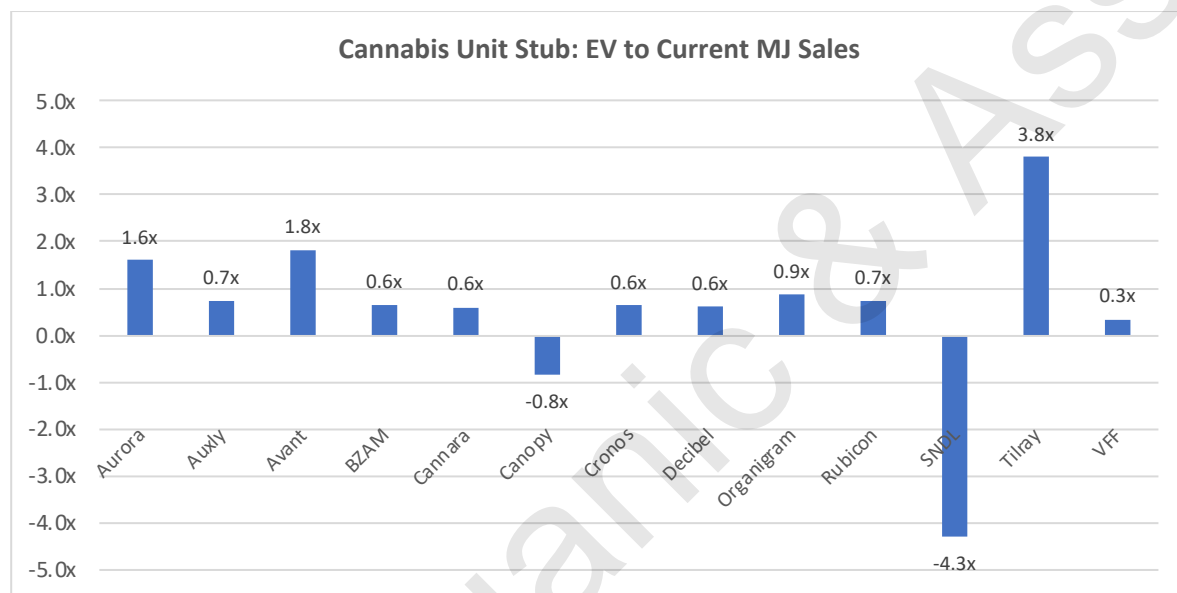
Exhibit 11: Canada LPs - Implied Value of Cannabis Strip

C\$Mn	Aurora	Auxly	Avant	BZAM	Cannara	Canopy	Cronos	Decibel	OGI	Rubicon	SNDL	Tilray	VFF
Total EV	410	80	35	57	46	481	80	67	137	30	532	2,221	195
MJ EV	365	80	35	57	46	-169	80	67	137	30	-328	1,377	59
MJ Sales (ann.)	227	108	19	88	78	203	127	111	158	40	77	362	174
MJ multiple	1.6x	0.7x	1.8x	0.6x	0.6x	-0.8x	0.6x	0.6x	0.9x	0.7x	-4.3x	3.8x	0.3x

Note: We take acquisition value in the case of CGC's units (Storz & Bickel, Wana, Jetty) and market value for stakes in Acreage/TerrAscend

Source: FactSet; Z&A Estimates

Exhibit 12: Implied Value of Cannabis Strip for Canada LPs



Source: FactSet; Z&A Estimates

18 June 2024

Village Farms International: Close Read of Latest Hifyre Data

Exhibit 13: Stock Performance

18-Jun-24	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
AAWH	-32%	-24%	39%
ACRDF	-29%	49%	-18%
AYRWF	-27%	-8%	126%
CBSTF	-35%	-32%	-62%
CNTMF	-22%	-34%	56%
CRLBF	-25%	-20%	-4%
CURLF	-28%	-21%	31%
CXXIF	-27%	-33%	-10%
FFNTF	-31%	-5%	-34%
GLASF	-25%	-2%	93%
GRAMF	-29%	-38%	-17%
GDNSF	-40%	0%	156%
GRUSF	-17%	39%	353%
GTBIF	-8%	-11%	58%
ITHUF	-17%	-18%	-7%
JUSHF	-19%	-18%	18%
LOWLF	9%	-32%	-76%
MRMD	-22%	-24%	-50%
PLNH	-19%	-10%	-13%
SHWZ	-16%	-57%	-57%
STHZF	-55%	-81%	-78%
TCNNF	-29%	-24%	116%
TLTFF	-28%	-3%	-32%
TSNDF	-22%	-20%	-15%
VEXTF	-26%	-14%	-18%
VRNOF	-34%	-35%	19%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
Canadian LPs			
ACB	-23%	57%	6%
AVTBF	-9%	-33%	-56%
BZAMF	92%	25%	-74%
CBWTF	-36%	72%	97%
CGC	-34%	88%	14%
CRON	-19%	2%	37%
DBCCF	-36%	-43%	-46%
ETRGF	-13%	10%	-39%
HITI	12%	45%	94%
LOVFF	-14%	-27%	-23%
NVACF	-3%	-31%	90%
OGI	-24%	-31%	-13%
ROMJF	8%	16%	-1%
SNDL	-23%	27%	35%
TLRY	-14%	-11%	9%
VFF	-23%	8%	43%
Cannabis - International			
CLVR	5%	-14%	-20%
IMCC	-35%	-19%	-58%
INCR	-30%	70%	53%
LGPPF	na	na	na
PCLOF	49%	11%	39%
Tech			
LFLY	15%	-12%	-68%
SBIG	-9%	-2%	-72%
MAPS	6%	9%	15%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
MJ Fincos			
AFCG	3%	0%	-3%
CNPOF	4%	32%	6%
IIPR	-5%	11%	44%
NLCP	0%	11%	62%
PW	-2%	5%	-65%
SHFS	-24%	-33%	-6%
SSIC	6%	22%	46%
REFI	2%	0%	1%
Pix & Shovel			
AGFY	-19%	-33%	-93%
GRWG	-4%	27%	-30%
HYFM	-8%	-8%	-26%
SMG	-5%	-5%	4%
UGRO	-19%	-35%	-1%
Vape parts			
GNLN	-14%	-8%	-76%
ISPR	2%	-23%	-1%
SMORF	28%	38%	8%
TLLTF	-28%	-3%	-32%
Index			
S&P 500	3%	6%	24%
S&P 477	-1%	2%	6%
Nasdaq	-7%	-6%	15%
MSOS ETF	-24%	-20%	33%
YOLO ETF	-18%	-7%	28%

Source: FactSet



Appendix III: Bio and Disclaimers



Analyst Bio

Pablo Zuanic is a well-known and highly rated equity analyst following the cannabis and psychedelics sector. Over the past five years he launched coverage of over 40 companies in the US, Canada, and overseas (MSOs, LPs, CBD, ancillary, psychedelics), kept close track of sectoral trends, and followed the reform process in the US, Canada, Germany, Australia, and elsewhere. His firm Zuanic & Associates publishes equity research on the cannabis and psychedelics sectors, both from a macro/sectoral level in a thematic manner, as well as on listed stocks. The research service is aimed at institutional investors and corporations. The firm is also available for short-term consulting and research advisory projects. Now, more than a year since its inception, the firm has collaborated with over 25 companies (in North America and overseas; plant touching and service providers; public and private), both on an on-going basis as well for specific projects. At various points in his career, Pablo Zuanic was II ranked and called as expert witness in industry investigations. He has a deep global background having covered stocks over the past 20 years in the US, Europe, Latin America, and Asia, across consumer sub sectors. Prior employers include JP Morgan, Barings, and Cantor Fitzgerald. An MBA graduate of Harvard Business School, he started his career as a management consultant, which brings a strategic mindset to his approach to equity research. *Pablo Zuanic can be contacted via the company's portal 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 and advisory services. Potential conflicts of interest are duly reflected in the respective specific company reports.

Analyst Certification: The publishing analyst, whose name appears on the front page of this report, certifies that the views expressed in this independent research report accurately reflects his personal views about the subject securities or issuers discussed in this report. His opinions and estimates are based on his best judgement at the time of publication and are subject to change without notice. As per the company's policy, the author of this report does not own shares in any company he covers.

Other: This report is for use by professional and or institutional investors only, and it is deemed impersonal investment advice, published on a bona fide and regular basis. This report is for informational purposes only and is based on publicly available data believed to be reliable, but no representation is made whether such data are accurate or complete. As such, this report should not be regarded by its recipients as a substitute for obtaining independent investment advice and/or exercise of their own judgement. When making an investment decision this information should be viewed as just one factor in the investment decision process. Neither the publishing analyst, nor any of the company's officers and directors, accept any liability for any loss or damage arising out of the use of all or any part of the analyst's research.

Risks: The financial instruments mentioned in this report may not be suitable for all investors and investors must make their own investment decisions based on their specific investment objectives. Past performance should not be taken as an indication or guarantee of future performance. The price, value of and income from, any of the financial instruments featured in this report can rise as well as fall and be affected by changes in political, financial, and economic factors. If a financial instrument is denominated in a currency other than the investor's currency, a change in exchange rates may adversely affect the price or value of, or income derived from, the financial instrument, and such investors effectively assume currency risk.

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

Copyright: No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the author.