



12/3/2024

MariMed Inc. (MRMD)

Company update: Overweight

US\$ Mn									
Sales	FY23a	FY24e	Prev	FY25e	Prev	FY26e	Prev	FY27e	
1Q	34.4	37.9 A	37.9	47.4	54.8	55.8	59.9	60.3	
2Q	36.5	40.4 A	40.4	50.0	56.5	58.2	61.5	62.7	
3Q	38.8	41.0 E	41.0	52.2	58.2	60.5	63.0	64.9	
4Q	<u>38.9</u>	<u>41.9</u> E	<u>42.9</u>	<u>55.3</u>	<u>60.2</u>	<u>62.7</u>	<u>65.0</u>	<u>67.2</u>	
FY	148.6	160.8	162.3	204.9	229.7	237.2	249.4	255.1	
EBITDA	FY23a	FY24e	Prev	FY25e	Prev	FY26e	Prev	FY27e	
1Q	7.1	4.7 A	4.7	7.2	8.1	11.4	12.2	12.5	
2Q	6.3	4.4 A	4.4	8.1	9.1	12.0	12.6	13.1	
3Q	6.1	4.7 E	5.2	9.0	9.9	12.4	12.9	13.6	
4Q	<u>5.2</u>	<u>5.7</u> E	<u>5.8</u>	<u>10.0</u>	<u>10.9</u>	<u>12.8</u>	<u>13.3</u>	<u>14.1</u>	
FY	24.7	19.4	20.0	34.4	38.0	48.6	51.0	53.3	

Share price (US\$)	0.14	Perf.	MRMD	MSOS	S&P500	Stance:	Overweight
Share count (mn)	385.6	30d	-12%	-33%	4%		no price target
Market Cap (\$Mn)	55	90d	-23%	-29%	7%		FY=Dec
Ticker	MRMD	1yr	-52%	-34%	32%		



US\$Mn	FY24	FY25	FY26
Projected EV	160.2	177.1	178.5
EV/Sales	1.0x	0.9x	0.8x
EV/EBITDA	8.2x	5.2x	3.7x

	FY24	FY25	FY26
Net debt/Sales	-0.4x	-0.4x	-0.3x
Net debt/EBITDA	-3.5x	-2.3x	-1.5x
Free Cash Flow	-5.5	-10.0	2.4
Net debt	-67.5	-77.5	-75.1

Consensus	FY24	FY25	FY26
Sales	161.4	204.2	218.6
EBITDA	19.4	34.2	45.3

Guidance CY24: Sales up 6-8%
EBITDA down 18-20%

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Company Update

We are publishing this note for the purposes of FactSet compilation of consensus estimates. After the close on 11/6, MRMD released 3Q24 results and cut EBITDA guidance for CY24 to “an 18-20% decline” from “flat to up 2%”, while increasing sales guidance to up “6-8%” from “up 5-7%”. The new company guidance was mostly in line with our own published CY24 estimates, so we have only tweaked our CY24 projections.

For an in-depth update on the company, see our report of 10/16 ([MRMD: Core Markets Deep Dive](#)) and videos from our recent visit to MariMed’s Illinois operations ([management overview](#); [retail](#); [cultivation](#)).

Valuation. We realize the investment call on cannabis stocks at present is mostly sectoral. That said, MRMD is attractively valued, has various “self-help” growth drivers (i.e., not just dependent on reg unlocks at the state level), and has a robust balance sheet. As a result, we rate MRMD Overweight. Our calls are based on fundamentals - not on one-off speculative short term trading so-called “opportunities”. On a spot EV basis, MRMD trades at 1x CY24 sales compared with 1.5x for the MSO average (Curaleaf and Green Thumb are at 2x), and at 8x CY24 EBITDA vs. 11x for the peer average. We believe the discount is overdone. See appendix for valuation calculations and more details. *Note: MJ stocks with FL exposure have taken the biggest hit in the last month (the 11/5 ballot did not reach the 60% threshold); as a result, the MSOS ETF is down 33% in the last 30 days (AYR -70%; Trulieve -49%) vs. -12% for MRMD.*



Table 1: 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	will cover
StateHouse Holdings Inc		STHZF	not rated
TerrAscend		TSNDF	not rated
TILT Holdings		TLLTF	Neutral
Trulieve Cannabis		TCNNF	will cover
Verano Holdings		VRNOF	Overweight
Vext Science, Inc.		VEXTF	Overweight
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	Neutral
Auxly Cannabis Group	CBWTF	will cover
Avant Brands	AVTBF	will cover
Avicanna	AVCN	not rated
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	not rated
Rubicon Organics	ROMJF	not rated
SNDL	SNDL	not rated
Tilray Brands	TLRY	Neutral
Village Farms Intl	VFF	Overweight
Finance Companies		
AFC Gamma	AFCG	Overweight
Chicago Atlantic BDC	LIEN	will cover
Chicago Atlantic REFC	REFI	Overweight
Innovative Industrial Properties	IIPR	not rated
New Lake Capital Partners	NLCP	Overweight
RIV Capital	CNPOF	not rated
SHF Holdings	SHFS	not rated
Other		
Intercure	INCR	not rated
LFTD Partners Inc.	LIFD	Overweight
Ispire Technology	ISPR	will cover
Smooere International	SMORF	will cover



Appendix I: Company Financials

Exhibit 1: Financial highlights

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24e	Dec CY24e	Mar 1Q25e	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
P&L Highlights														
Sales (product rev + other)	134.0	148.6	37.9	40.4	40.6	41.9	160.8	47.4	50.0	52.2	55.3	204.9	237.2	255.1
qoq ch %	na	na	-2%	7%	0%	3%	na	13%	5%	4%	6%	na	na	na
yoy ch %	10%	11%	10%	11%	5%	8%	8%	25%	24%	29%	32%	27%	16%	8%
Consensus Sales						42.5	161.4	54.8	56.5	58.2	60.2	204.2	218.6	na
Gross profit	64.0	65.9	16.5	16.9	16.8	19.7	69.8	22.8	24.5	25.6	27.6	100.5	118.6	127.6
as % of sales	47.7%	44.4%	43.4%	41.8%	41.3%	47.0%	43.4%	48.0%	49.0%	49.0%	50.0%	49.0%	50.0%	50.0%
Total SGA	-43.6	-51.5	-14.5	-16.0	-15.4	-16.6	-62.4	-18.1	-18.9	-19.1	-20.2	-76.4	-79.5	-84.3
SGA/sales	-32.5%	-34.7%	-38.1%	-39.5%	-38.0%	-39.6%	-38.8%	-38.1%	-37.8%	-36.7%	-36.6%	-37.3%	-33.5%	-33.0%
Operating income	20.4	14.4	2.0	1.0	1.3	3.1	7.4	4.7	5.6	6.4	7.4	24.1	39.1	43.3
operating margin	15.2%	9.7%	5.3%	2.4%	3.3%	7.4%	4.6%	9.9%	11.2%	12.3%	13.4%	11.8%	16.5%	17.0%
Adj EBITDA	32.4	24.7	4.7	4.4	4.7	5.7	19.4	7.2	8.1	9.0	10.0	34.4	48.6	53.3
EBITDA margin	24.2%	16.6%	12.3%	10.8%	11.5%	13.6%	12.1%	15.2%	16.3%	17.3%	18.1%	16.8%	20.5%	20.9%
Consensus EBITDA						6.1	19.4	8.1	9.1	9.9	10.9	34.2	45.3	na
as % of sales						14.4%	12.0%	14.8%	16.1%	17.0%	18.1%	16.7%	20.7%	na
Net interest expense	-0.7	-8.9	-1.6	-1.7	-1.7	-2.9	-7.8	-2.7	-2.8	-2.8	-2.8	-11.1	-10.5	-9.6
Net int exp/sales	-0.5%	-6.0%	-4.2%	-4.2%	-4.1%	-6.8%	-4.9%	-5.8%	-5.5%	-5.3%	-5.1%	-5.4%	-4.4%	-3.8%
Profit before tax	19.5	-6.6	0.4	-0.8	-0.3	0.2	-0.5	1.9	2.8	3.7	4.6	13.0	28.7	33.6
Net profit	13.5	-16.0	-1.3	-1.7	-1.0	-3.8	-7.8	-2.8	-2.3	-1.7	-1.2	-7.9	3.7	6.7
EPS	0.04	-0.04	0.00	0.00	0.00	-0.01	-0.02	-0.01	-0.01	0.00	0.00	-0.02	0.01	0.02
AFD share count (mn)	380.3	363.4	375.2	379.5	380.6	380.6	379.0	380.6	380.6	380.6	380.6	380.6	380.6	380.6
Guidance														
Sales				na	na	na	up 6-8%	na						
EBITDA							down 18-20%	na						
BS and CF Highlights														
Operating cash flow	7.3	7.9	3.2	3.2	0.8	-1.3	5.9	-1.1	-0.1	0.6	0.9	0.3	11.9	15.9
(-) Capex	-12.1	-20.1	-3.4	-5.0	-2.6	-0.5	-11.4	-2.4	-2.5	-2.6	-2.8	-10.2	-9.5	-10.2
Free cash flow	-4.8	-12.2	-0.2	-1.8	-1.8	-1.8	-5.5	-3.5	-2.6	-2.1	-1.8	-10.0	2.4	5.7
Financial net (debt)	-20.0	-51.7	-53.2	-63.2	-65.7	-67.5	-67.5	-71.0	-73.6	-75.7	-77.5	-77.5	-75.1	-69.4
cash	9.7	14.6	15.2	10.2	9.8	12.1	12.1	9.2	6.9	5.0	4.0	4.0	6.7	12.9
debt	29.7	66.4	68.5	73.4	75.5	79.6	79.6	80.2	80.5	80.7	81.5	81.5	81.9	82.4
Net debt to Sales	-0.1x	-0.3x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.3x	-0.3x
Net debt to EBITDA	-0.6x	-2.1x	-2.9x	-3.6x	-3.5x	-3.0x	-3.5x	-2.5x	-2.3x	-2.1x	-1.9x	-2.3x	-1.5x	-1.3x
OCF/Sales	5.5%	5.3%	8.5%	7.9%	2.0%	-3.2%	3.6%	-2.4%	-0.2%	1.1%	1.7%	0.1%	5.0%	6.2%
Capex/Sales	-9.1%	-13.5%	-8.9%	-12.3%	-6.3%	-1.2%	-7.1%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-4.0%	-4.0%
Broad net debt (inc taxes, oth)	-32.0	-66.9	-70.3	-80.4	-83.4	-85.9	-85.9	-92.3	-96.2	-99.4	-102.9	-102.9	-104.3	-100.9
Income taxes paid	14.6	6.4	0.1	0.9	0.0									

Source: Z&A estimates, company reports

Exhibit 2: Cash Flow

US\$ 000s	Dec	Dec	Mar	Jun	Sep	Dec	Dec	Mar	Jun	Sep	Dec	Dec	Dec	Dec
SUMMARY CASH FLOW	CY22	CY23	1Q24	2Q24	3Q24	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Net earnings	13,614	-16,007	-1,292	-1,639	-995	-3,808	-7,734	-2,779	-2,289	-1,684	-1,190	-7,942	3,675	6,702
(+) D&A	4,714	8,574	2,312	2,817	2,685	2,611	10,425	2,506	2,541	2,579	2,618	10,244	9,498	10,083
Cash earnings	18,328	-7,433	1,020	1,178	1,690	-1,197	2,691	-273	253	895	1,428	2,303	13,174	16,785
(-) Working capital changes	-21,931	-1,291	1,704	1,335	-1,191	-212	1,636	-911	-418	-369	-506	-2,203	-1,208	-754
(-) Other operating flows	10,914	16,634	486	672	304	78	1,540	57	47	34	24	162	-75	-137
Operating cash flow	7,311	7,910	3,210	3,185	803	-1,331	5,867	-1,127	-118	560	947	262	11,890	15,895
(-) net capex	-12,140	-20,130	-3,368	-4,968	-2,566	-500	-11,402	-2,372	-2,499	-2,611	-2,765	-10,246	-9,489	-10,205
Free cash flow	-4,829	-12,220	-158	-1,783	-1,763	-1,831	-5,535	-3,499	-2,617	-2,051	-1,818	-9,985	2,401	5,689
(-) acquisitions	-14,248	-4,999	-836	-4,522	467	0	-4,891	0	0	0	0	0	0	0
(-) divestitures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(+) other	-11,924	-14,640	-20,386	-18,773	-26,718	0	-65,877	0	0	0	0	0	0	0
(-) distributions	-259	-158	-45	-38	-37	0	0	0	0	0	0	0	0	0
(+) share issuance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	10	109	0	0	0	0	0	0	0	0	0	0	0	0
Change in net	-30,991	-31,750	-21,380	-25,078	-28,014	-1,831	-15,804	-3,499	-2,617	-2,051	-1,818	-9,985	2,401	5,689
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending net (debt)	-19,980	-51,730	-53,271	-63,183	-65,703	-67,534	-67,534	-71,033	-73,650	-75,700	-77,519	-77,519	-75,118	-69,429
Cash/inv/sec	9,737	14,645	15,234	10,192	9,788	12,096	12,096	9,194	6,852	5,043	4,000	4,000	6,749	12,932
Gross debts/loans/bonds	29,717	66,375	68,505	73,375	75,491	79,630	79,630	80,228	80,501	80,743	81,519	81,519	81,867	82,361

Source: Z&A estimates, company reports



Exhibit 3: Cannabis sales projections

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24e	Dec CY24e	Mar 1Q25e	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
Total revenues	134.0	148.6	37.9	40.5	40.6	41.9	160.9	47.4	50.0	52.2	55.3	204.9	237.2	255.1
Product revenue	125.7	144.3	36.9	39.5	39.7	40.6	156.7	46.3	49.0	51.3	54.0	200.7	233.0	250.9
Other	8.3	4.3	1.1	0.9	0.9	1.3	4.2	1.1	0.9	0.9	1.3	4.2	4.2	4.2
Product revenue	125.7	144.3	36.9	39.5	39.7	40.6	156.7	46.3	49.0	51.3	54.0	200.7	233.0	250.9
wholesale	32.9	48.8	14.5	15.9	16.3	16.6	63.3	21.9	23.2	24.8	26.4	96.2	120.3	131.8
retail	92.8	95.5	22.3	23.6	23.4	24.0	93.3	24.5	25.8	26.6	27.6	104.5	112.7	119.1
YoY ch %	16%	15%	10%	12%	5%	8%	9%	26%	24%	29%	33%	28%	16%	8%
wholesale	26%	48%	40%	44%	20%	21%	30%	51%	46%	52%	59%	52%	25%	10%
retail	13%	3%	-4%	-3%	-3%	0%	-2%	10%	9%	14%	15%	12%	8%	6%
QoQ ch %	na	na	-2%	7%	0%	2%	na	14%	6%	5%	5%	na	na	na
wholesale	na	na	6%	10%	3%	2%	na	32%	6%	7%	6%	na	na	na
retail	na	na	-6%	6%	-1%	3%	na	2%	5%	3%	4%	na	na	na
By states (our est)	125.7	144.3	36.9	39.5	39.7	40.6	156.7	46.3	49.0	51.3	54.0	200.7	233.0	250.9
IL	71.9	67.9	15.0	15.6	15.3	15.6	61.6	15.5	16.3	16.6	17.7	66.1	76.8	78.2
MA	41.3	44.9	11.6	13.6	13.4	13.5	52.2	13.6	14.6	15.6	16.3	60.1	67.2	69.2
MD	12.5	31.0	10.0	10.0	10.6	11.0	41.6	12.7	13.4	14.2	14.9	55.3	67.4	79.2
MO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.8	3.9	4.1	4.1	15.9	17.1	18.3
OH	0.0	0.5	0.2	0.2	0.4	0.4	1.3	0.7	0.8	0.9	0.9	3.2	4.4	6.0
Other														
Sales mix %														
IL	57%	47%	41%	40%	39%	39%	39%	33%	33%	32%	33%	33%	33%	31%
MA	33%	31%	32%	34%	34%	33%	33%	29%	30%	30%	30%	30%	29%	28%
MD	10%	22%	27%	25%	27%	27%	27%	27%	27%	28%	28%	28%	29%	32%
MO	0%	0%	0%	0%	0%	0%	0%	8%	8%	8%	8%	8%	7%	7%
OH	0%	0%	1%	1%	1%	1%	1%	1%	2%	2%	2%	2%	2%	2%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: Z&A estimates, company reports



Exhibit 4: Market growth assumptions

US\$ Mn	CY21	CY22	CY23	1Q24	2Q24e	3Q24e	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e	rec began
Total	25,035	25,711	28,499	7,353	7,587	7,812	7,823	30,575	8,044	8,311	8,425	8,489	33,269	35,359	38,312	
rec	15,961	16,581	18,267	4,706	4,902	5,123	5,116	19,847	5,196	5,423	5,561	5,593	21,773	23,867	26,701	
med	9,074	9,130	10,232	2,648	2,685	2,689	2,707	10,728	2,848	2,888	2,864	2,896	11,496	11,492	11,611	
Total (med/rec)	25,035	25,711	28,499	7,353	7,587	7,812	7,823	30,575	8,044	8,311	8,425	8,489	33,269	35,359	38,312	
AZ	1,359	1,426	1,376	325	301	311	331	1,267	325	306	316	337	1,284	1,306	1,330	Jan'21
CA	5,780	5,393	5,177	1,222	1,294	1,264	1,245	5,025	1,251	1,324	1,294	1,274	5,143	5,262	5,380	Oct'16
CO	2,229	1,769	1,529	356	360	378	318	1,413	342	345	362	305	1,354	1,345	1,348	Jan'14
CT	150	150	277	73	73	76	76	298	80	84	89	93	346	419	493	Jan'23
FLA	1,616	1,705	1,860	489	480	497	501	1,966	491	488	488	487	1,954	1,956	1,977	med
GA	1	16	49	21	27	29	32	109	34	34	34	34	136	156	157	med
IL	1,776	1,907	1,960	493	505	496	504	1,998	488	503	497	509	1,998	2,033	2,070	Jan'20
MA	1,644	1,755	1,806	441	457	470	480	1,848	462	471	487	488	1,907	1,941	1,976	Nov'18
MD	551	509	787	273	284	292	297	1,146	310	320	330	343	1,304	1,516	1,780	Jul'23
ME	93	171	229	58	63	76	67	265	66	72	87	77	303	346	396	Oct'20
MI	1,793	2,294	3,029	793	837	912	892	3,433	919	947	975	1,005	3,846	4,075	4,165	Dec'19
MN	25	36	66	19	20	21	21	80	18	17	15	15	66	376	619	Jan'26
MO	210	390	1,338	348	363	375	381	1,467	385	395	405	409	1,593	1,708	1,833	Feb'23
NH	17	20	24	7	7	7	7	27	8	8	8	8	30	34	37	med
NJ	217	556	800	225	235	245	256	962	268	279	291	303	1,142	1,251	1,372	Apr'22
NM	119	358	556	147	150	156	156	609	157	158	162	162	640	654	670	Apr'22
NV	1,042	882	825	219	212	208	206	844	210	218	212	207	847	869	893	Jul'17
NY	250	265	431	138	152	172	192	654	201	216	230	245	892	1,164	1,259	Dec'22
OH	379	467	482	122	120	175	208	625	225	262	284	307	1,078	1,463	1,994	Aug'24
OK	941	780	728	179	185	175	175	714	179	185	175	175	714	724	735	med
OR	1,184	994	955	234	243	249	242	968	239	248	254	247	987	1,007	1,027	Oct'15
PA	1,353	1,457	1,530	411	426	411	405	1,653	399	387	346	333	1,464	1,429	2,378	Jul'26
RI	44	53	108	29	30	29	29	117	24	24	24	24	96	106	115	Dec'22
VA	27	100	167	52	57	62	67	237	67	68	70	71	276	307	357	med
VT	8	9	11	3	3	3	3	12	3	3	3	3	14	15	17	May'22
WA	1,422	1,294	1,259	305	314	327	319	1,265	307	316	328	321	1,272	1,278	1,284	Jul'14
WV	0	22	66	20	21	22	22	85	23	24	25	26	99	116	133	med
Other states	804	932	1,073	353	369	375	391	1,488	565	611	632	679	2,486	2,501	2,515	

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

Exhibit 5: Forward EV calculations and forward multiples as per our methodology (this is not the same as spot EV)

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24e	Dec CY24e	Mar 1Q25e	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec CY25e	Dec CY26e	Dec CY27e
EV calculation for val purposes	86.9	140.8	144.2	154.3	157.7	160.2	160.2	166.6	170.5	173.7	177.1	177.1	178.5	175.2
Market cap (\$Mn)	54.9	54.9	54.9	54.9	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3
Share price (US\$)	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Share count used for val pu	385.6	385.6	385.6	385.6	388.0	388.0	388.0	388.0	388.0	388.0	388.0	388.0	388.0	388.0
common shares	380.6	380.6	380.6	380.6	381.3	381.3	381.3	381.3	381.3	381.3	381.3	381.3	381.3	381.3
RSUs and derivatives in th	5.0	5.0	5.0	5.0	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Broadly defined net debt (\$M)	-32.0	-66.9	-70.3	-80.4	-83.4	-85.9	-85.9	-92.3	-96.2	-99.4	-102.9	-102.9	-104.3	-100.9
financial net cash (debt)	-20.0	-51.7	-53.3	-63.2	-65.7	-67.5	-67.5	-71.0	-73.6	-75.7	-77.5	-77.5	-75.1	-69.4
leases net of right of use as-	-0.5	-0.7	-0.8	-0.8	-0.7	-0.8	-0.8	-1.4	-1.6	-1.8	-2.1	-2.1	-2.8	-3.3
st taxes	-11.5	-14.4	-16.3	-16.4	-17.0	-17.6	-17.6	-19.9	-21.0	-21.9	-23.2	-23.2	-26.3	-28.2
contingent warrant inflow														
Other														
preferred stock		19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0
minority interest adj														
Valuation Multiples		CY23					CY24					CY25	CY25	CY25
EV/Sales		0.9x			1.0	1.0	1.0					0.9	0.8	0.7
EV/EBITDA		5.7x			8.4x	7.0x	8.2x					5.2x	3.7x	3.3x

Source: Z&A estimates, company reports

Exhibit 6: Potential share price upside

US\$ Mn	Dec CY22	Dec CY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24e	Dec CY24e	Dec CY25e	Dec CY26e	Dec CY27e	upside	
Scenarios								by Dec'23	by Dec'24	by Dec'25	by Dec'26	by Dec'25
EV/Sales of		1.0x						0.14	0.21	0.29	0.35	106%
EV/Sales of		1.5x						0.35	0.48	0.60	0.68	321%
EV/Sales of		2.0x						0.56	0.74	0.91	1.01	536%
EV/Sales of		3.0x						0.97	1.27	1.52	1.66	965%
EV/Sales of		5.0x						1.80	2.33	2.74	2.98	1824%
EV/Sales of		7.0x						2.63	3.38	3.96	4.29	2682%
EV/EBITDA of		5.0x						-0.02	0.13	0.31	0.38	117%
EV/EBITDA of		7.0x						0.08	0.31	0.56	0.65	293%
EV/EBITDA of		8.0x						0.13	0.39	0.69	0.79	381%
EV/EBITDA of		10.0x						0.23	0.57	0.94	1.07	557%
EV/EBITDA of		15.0x						0.48	1.01	1.56	1.75	997%

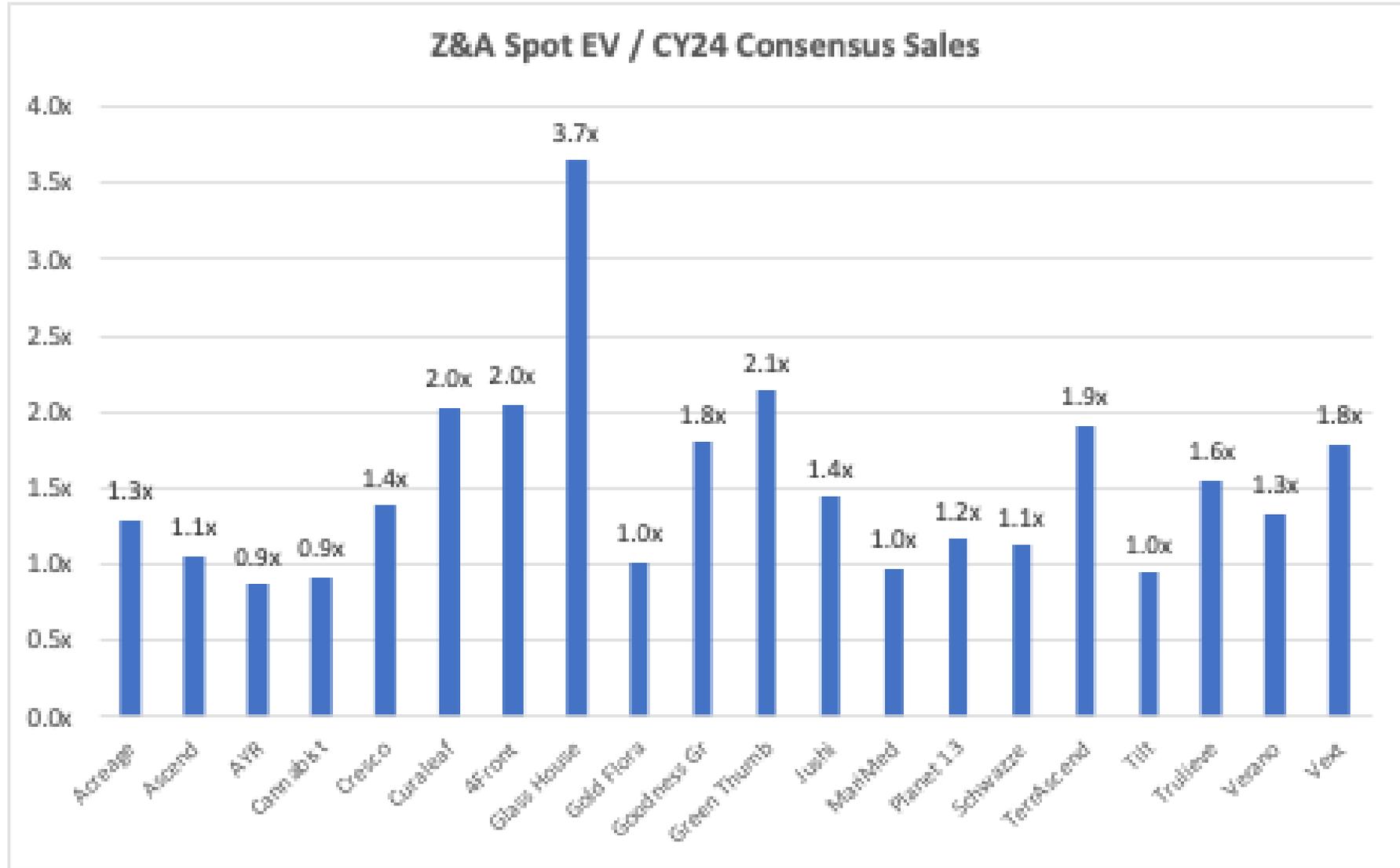
Source: Z&A estimates, company reports



Appendix II: MSO Valuation Comps



Exhibit 7: Valuation Comps – MSOs



Source: FactSet; company reports

Exhibit 8: Valuation Comps – MSOs

US\$Mn 2-Dec-24	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Broadly Defined Net Debt				
	Current	CY24e	CY25e	Current	CY24e	CY25e	Sales		EBITDA		Sales		EBITDA		
							CY24	Current	CY24	Current	CY24	Current	CY24	Current	
US MSOs	1.6x	1.5x	1.3x	8.0x	6.3x	5.6x									
Ascend Wellness	1.1x	1.1x	1.0x	6.0x	5.5x	4.9x	-0.4x	-0.4x	-2.2x	-2.4x	-0.9x	-0.9x	-4.7x	-5.1x	
Ayr Wellness	0.9x	0.9x	0.8x	3.3x	3.8x	3.5x	-0.8x	-0.8x	-3.4x	-3.0x	-0.7x	-0.7x	-2.9x	-2.6x	
Cannabist Co	0.9x	0.9x	0.9x	7.3x	7.0x	5.4x	-0.6x	-0.6x	-4.4x	-4.5x	-0.8x	-0.8x	-6.2x	-6.4x	
Consortium	1.2x	1.2x	na	4.2x	4.2x	na	na	na	na	na	na	na	na	na	
Cresco Labs	1.4x	1.4x	1.4x	4.9x	4.9x	5.1x	-0.5x	-0.5x	-1.8x	-1.8x	-0.7x	-0.7x	-2.3x	-2.3x	
Curaleaf	2.1x	2.0x	1.9x	9.1x	9.1x	7.5x	-0.5x	-0.5x	-2.3x	-2.3x	-0.9x	-0.9x	-3.8x	-3.8x	
4Front Ventures	2.0x	2.0x	na	7.7x	7.7x	na	na	-1.0x	na	-3.8x	na	-1.7x	na	-6.5x	
Glass House	2.8x	3.7x	na	8.7x	20.2x	na	-0.1x	na	-0.7x	na	-0.3x	-0.2x	-1.7x	-0.8x	
Gold Flora	1.0x	1.0x	0.8x	12.0x	55.5x	7.5x	na	-0.3x	na	na	na	-0.9x	na	na	
Goodness Growth	1.8x	1.8x	na	-101.4x	7.3x	na	-0.5x	-0.5x	-2.1x	29.1x	-0.9x	-0.9x	-3.7x	51.1x	
Green Thumb	2.1x	2.1x	2.0x	6.8x	6.7x	6.8x	-0.1x	-0.1x	-0.2x	-0.2x	-0.1x	-0.1x	-0.4x	-0.4x	
Grown Rogue	3.6x	3.6x	na	4.8x	4.8x	na	na	na	na	na	na	na	na	na	
iAnthus	1.1x	1.1x	na	5.3x	5.3x	na	na	-0.9x	na	-4.4x	na	-0.9x	na	-4.5x	
Jushi	1.5x	1.4x	1.3x	9.0x	7.3x	6.2x	-0.6x	-0.7x	-3.2x	-4.0x	-1.2x	-1.2x	-5.9x	-7.4x	
MariMed	1.0x	1.0x	0.8x	8.4x	7.8x	4.6x	-0.4x	-0.4x	-3.3x	-3.5x	-0.5x	-0.5x	-4.2x	-4.5x	
Planet 13	1.1x	1.2x	na	26.3x	20.4x	na	0.2x	0.1x	2.9x	3.7x	-0.1x	-0.1x	-1.2x	-1.5x	
Schwazze	1.1x	1.1x	na	8.1x	5.4x	na	-0.9x	-0.9x	-4.2x	na	-1.1x	-1.1x	-5.2x	na	
TerrAscend	2.0x	1.9x	1.9x	10.6x	9.9x	9.3x	-0.6x	-0.6x	-2.9x	-3.1x	-1.0x	-1.0x	-5.3x	-5.7x	
TILT	1.0x	1.0x	1.0x	-17.8x	-17.8x	87.9x	-0.5x	-0.6x	13.0x	9.9x	-0.9x	-1.0x	22.7x	17.3x	
Trulieve	1.6x	1.6x	1.5x	4.8x	4.6x	4.6x	-0.3x	-0.3x	-0.7x	-0.8x	-0.6x	-0.6x	-1.8x	-1.8x	
Verano	1.3x	1.3x	1.3x	4.5x	4.4x	4.2x	-0.4x	-0.4x	-1.3x	-1.4x	-0.7x	-0.8x	-2.5x	-2.5x	
Vext	1.8x	1.8x	na	5.6x	7.3x	na	-0.9x	-0.9x	-3.6x	-2.8x	-0.9x	-0.9x	-3.6x	-2.7x	

1) We take FactSet consensus estimates for CY24e and CY25e multiples; 2) By "current", we mean the latest reported qtr annualized

Source: FactSet and company reports

Exhibit 9: Spot EV calculation - MSOs

US\$m	FactSet	Z&A	US\$	mn	mn	Total	Financial	Net	Income	Conting	ITM deriv	Total	Pref Stock
2-Dec-24	Spot EV	Spot EV	price	shares	deriv	Mkt Cap	net debt	leases	tax liab.	Cons.	inflow	BDND	Min Int
US MSOs													
Ascend Wellness	581	600	0.39	214.5	13.3	88	-241	-134	-137			-512	
Ayr Wellness	626	404	0.64	114.0	31.1	93	-359	4	-11	0	55	-311	
Cannabist Co	555	431	0.11	472.7	8.2	51	-269	-26	-86			-380	
Cansortium	140	130	0.11	304.9	5.6	34	-59	-9	-29			-97	
Cresco Labs	948	998	1.17	441.0	8.9	524	-365	-56	-43	-10		-474	
Curaleaf	2,244	2,732	1.93	743.8	11.2	1,460	-678	-24	-389	-56		-1,146	126
4Front Ventures	241	160	0.03	915.2	3.8	26	-79	-8	-40	-6	0	-134	
Glass House	468	713	6.86	81.0	3.5	580	-25	0	-4	-32		-61	72
Gold Flora	130	133	0.04	287.7	0.1	10	-40	-34	-44	-4		-123	
Goodness Growth	106	177	0.37	230.3	4.1	88	-51	-10	-29			-89	
Green Thumb	2,366	2,422	9.33	236.2	9.3	2,289	-82	-28	-23	0	0	-133	
Grown Rogue	75	95	0.67	143.5		96	5	-2	-2			1	
iAnthus	26	188	0.00	6,615.3		26	-156	-6				-162	
Jushi	337	372	0.34	196.7	0.0	67	-165	-1	-139			-305	
MariMed	138	158	0.14	381.3	6.7	55	-66	-1	-17			-83	19
Planet 13	98	137	0.40	325.2	0.3	129	19	-7	-16	-5		-8	
Schwazze	180	194	0.10	80.2		8	-151	-2	-33	0		-186	
TerrAscend	447	582	0.76	355.8	3.1	272	-172	-5	-128	-4		-310	
TILT	109	111	0.01	390.6	4.4	3	-62	-44	-2			-108	
Trulieve	1,171	1,833	5.94	186.0	3.3	1,123	-300	-21	-384	-5		-710	
Verano	857	1,170	1.42	356.9	8.6	519	-355	-6	-285	-4		-651	
Vext	48	64	0.13	245.5	3.4	33	-32	1				-31	

Source: FactSet and company reports

Exhibit 10: Stock Performance

2-Dec-24			
	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
Ascend	-55%	-60%	-72%
Ayr	-70%	-60%	-70%
Cannabist	-50%	-53%	-69%
Consortium	-30%	-23%	9%
Cresco	-22%	-26%	-32%
Curaleaf	-34%	-33%	-45%
4Front	-30%	-44%	-76%
GlassHouse	-10%	-18%	45%
Gold Flora	-55%	-63%	-70%
Vireo Growth	-13%	-23%	55%
Grown Rogue	1%	8%	148%
Green Thumb	-7%	-4%	-11%
iAnthus	-57%	-72%	-87%
Jushi	-29%	-33%	-47%
MariMed	-12%	-23%	-52%
Planet13	-29%	-29%	-45%
Schwazze	-9%	-9%	-82%
StateHouse	MN/A	-42%	-1%
Trulieve	-49%	-32%	7%
TerrAscend	-27%	-37%	-53%
Vext	-3%	-23%	-32%
Verano	-56%	-57%	-67%

Stock Performance			
	Last	Last	Last
Ticker	30d	90d	12mo
Canadian LPs			
Aurora	-19%	-25%	0%
Avant	-45%	-63%	-89%
Auxly	-6%	-13%	97%
Cannara	11%	19%	-8%
Canopy	-24%	-27%	-32%
Cronos	-2%	-8%	3%
Decibel	-6%	-6%	-52%
Entourage	8%	-14%	-23%
High Tide	21%	70%	128%
Nova	0%	-1%	143%
OGI	-15%	-18%	19%
Rubicon	2%	-21%	-35%
SNDL	-9%	-2%	36%
Tilray	-21%	-22%	-26%
VFF	-10%	-23%	1%
CBD			
CVSI	-17%	-24%	7%
CWEB	-8%	-17%	-37%
LFID	-17%	19%	-77%
International			
InterCure	-25%	-24%	7%
PharmaCielo	-9%	55%	170%

Stock Performance			
	Last	Last	Last
Ticker	30d	90d	12mo
MJ Fincos			
AFCG	-2%	-6%	-14%
CNPOF	-37%	-17%	24%
IIPR	-16%	-11%	35%
NLCP	-1%	-5%	43%
SHFS	13%	-27%	-36%
LIEN	-1%	12%	35%
REFI	5%	1%	4%
Tech			
LFly	-20%	-23%	-72%
SBIG	0%	-3%	-46%
MAPS	70%	36%	62%
Vape parts			
GNLN	-40%	-66%	-71%
ISPR	3%	-15%	-41%
SMORF	16%	16%	64%
TLLTF	-35%	-57%	-74%
Index			
S&P 500	4%	7%	32%
S&P 477	4%	2%	21%
Nasdaq	9%	14%	47%
MSOS ETF	-33%	-29%	-34%
YOLO ETF	-16%	-14%	-7%

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 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. 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 Zuanic can be contacted via the company's portal www.zuanicassociates.com; via email 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.

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