



12/10/2024

Jushi Holdings (JUSHF)

Company Update

Sales	CY23a	CY24e	Prev	CY25e	Prev	CY26e	Prev	CY27e
1Q	69.9	65.5 A	65.5	65.4	65.3	71.6	78.5	91.4
2Q	66.4	64.6 A	64.6	68.4	67.5	73.2	83.6	98.3
3Q	65.4	61.6 E	65.2	71.0	75.1	83.2	86.4	104.4
4Q	<u>67.8</u>	<u>64.3</u> E	<u>66.5</u>	<u>72.2</u>	<u>77.5</u>	<u>87.1</u>	<u>88.1</u>	<u>110.0</u>
FY	269.4	256.0 E	261.8	277.0	285.4	314.9	336.6	404.1
EBITDA	CY23a	CY24e	Prev	CY25e	Prev	CY26e	Prev	CY27e
1Q	7.6	13.3 A	13.3	12.8	15.2	16.9	19.4	23.3
2Q	12.6	14.5 A	14.5	14.3	15.7	17.6	20.8	25.0
3Q	9.7	10.3 E	14.8	16.0	17.7	19.8	21.5	26.8
4Q	<u>10.8</u>	<u>11.7</u> E	<u>15.4</u>	<u>16.4</u>	<u>18.3</u>	<u>20.8</u>	<u>21.9</u>	<u>28.3</u>
FY	40.8	49.8 E	58.0	59.5	66.9	75.1	83.6	103.4

Share price (US\$)	0.33	Perf.	JUSHF	MSOS ETF	S&P500	Stance:	Overweight
Share count (mn)	198.5	30d	-16%	-16%	2%		no price target
Market Cap (US\$Mn)	65	90d	-33%	-35%	12%		FY=Dec
Ticker	JUSHF	1yr	-50%	-45%	32%		



\$Mn	FY24	FY25	FY26
Projected EV	355.3	353.5	339.9
EV/Sales	1.4x	1.3x	1.1x
EV/EBITDA	7.1x	5.9x	4.5x
	FY24	FY25	FY26
Net debt/Sales	-0.6x	-0.5x	-0.4x
Net debt/EBITDA	-3.0x	-2.5x	-1.8x
Free Cash Flow	23.4	1.9	13.6
Net debt	-151.1	-149.3	-135.7
Consensus	FY24	FY25	FY26
Sales	257.4	288.0	314.2
EBITDA	51.3	60.3	69.6
Guidance CY24:	n/a		

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Updated Estimates and Views

We rate Jushi Overweight. Jushi is the MSO with the most EBITDA torque to PA going rec (we model rec starting July 2026, but recent bipartisan progress could lead to legislation enacted in 1H25 with sales beginning 1 year earlier than we have modeled) as well as to VA going rec (we have less visibility there, but the state will choose a new Governor next Nov). Despite operational setbacks in 3Q24 (which have been addressed, per management), the company is confident retail expansion plans (7 new stores by 2Q25, inc 5 in OH, plus seven more by 2Q26) and prudent cultivation expansion, could help expand EBITDA by ~50% exiting CY26 (all this without factoring PA or VA rec upside). The stock trades in line with the MSO group, but we would expect outperformance if it can deliver on the retail expansion plans and as investor attention turns to PA news flow (after the recent FL disappointment).

Outlook and expansion plans: Management is confident the operational issues of 3Q are being addressed (staffing changes in PA; more hands-on involvement by the c-suite), and this will lead to improved sales and EBITDA trends. The recent [debt refinancing](#) pushed the largest maturities to late CY26. By then, Jushi expects to reap the benefits from the opening of at least 14 new stores (7 by 2Q25 and 7 by 2Q26) and potentially by the start of rec in PA, which combined could put EBITDA in a range of \$80-100Mn as it exits CY26 (vs. the current run rate of \$40Mn), for debt leverage below 2x. More specifically,

- Jushi is undergoing a companywide revamp and delayering of management which is expected to save \$3 million per year.
- It plans to add seven stores by 2Q25 (5 in Ohio, 1 in IL, and 1 in PA). In OH, it already has one store (Cincinnati area); two are under MSA (operational) and will be transferred to Jushi by 4Q24 (i.e., consolidated), and two more are on build out and should open before mid-year (one more license transaction is on LOI). Ohio profitability is expected to significantly turn the corner in the coming quarters as they grow and scale the business.
- In VA, Jushi expects increased wholesale demand from the likes of AYR (as it opens its six stores after winning the HSA I license) and from Verano (which recently acquired the two Cannabist licensed in VA). Jushi is ramping up cultivation in VA to support wholesale operations. It is in the process of increasing cultivation capacity by a factor of 2.4 times and is expected to be fully in place by year-end, with new yields rolling out starting 2Q25 2025. They are also in the design phase of a further grower processor expansion but will not make the final investment decision for about 9 to 12 months.
- In PA, it will relocate another 1-2 stores and aims to open its 18th store by 2Q25. PA is showing positive momentum for adult use legislation with predictions that this could be passed and signed into law as early as Q1 2025, with rec sales starting by mid-year. There seems to be increased bipartisan support, but we will monitor the news flow out of the state's house and senate chambers. For modelling purposes, we assume rec only begins



by July 2026. Our [initiation report on Jushi](#) highlighted the company as the one having the most EBITDA torque (and thus valuation upside) to PA ging rec.

- Additionally, the company is working on 10 retail license opportunities to create a pipeline to open at least 7 additional stores from the back half of 2025 to mid-2026 as part of their “seven ‘n seven” program (7 by 2Q25 and 7 by 2Q26), which will result in a 40% increase in the store count. So, by 2Q26, the company plans to open/buy at least another 7 stores (these could include 2 in OH; buy 1 in MD and 2 in NJ; and open 5 in IL to reach the cap of 10), without factoring PA expansion depending on rec rules. Re store acquisitions, the company prefers to buy paper licenses (not operational), which it says results in costs more than half below the price tags of operational stores.
- Assuming annual revenues on average of \$5Mn per store, this could result in \$70Mn in additional revenues, which could add at least another \$20Mn EBITDA to the current base of \$40-50Mn (taking the 2Q and 3Q range). Assuming break even FCF, this would mean net debt to EBITDA of 2.3x (\$165Mn over \$70Mn). If we add PA rec, then debt leverage would be below 2x by the time the company has to refinance debt again in late CY26.
- The recent refinancing resulted in \$81Mn in 2nd lien notes now due Dec’26 (15% effective rate) and another \$48.5Mn in new term loans (due 91 days before the 2nd lien notes are paid) partly funded via related parties and a tier 1 hedge fund (the 3Q24 10-Q indicates an effective rate of 26%, which believe is explained by the 19.4mn warrants issued with a strike price of \$1)

About 3Q24. Sales fell 5% seq (-6% yoy), partly on external factors (seasonality, weaker consumer, hemp derivatives competition, reg issues in VA revolving labeling change) as well as production issues in PA/VA. The operational issues and loss of operating leverage dragged down margins, with EBITDA falling to \$10.3Mn in 3Q24 (<17%) from \$14.5Mn in 2Q24 (>22%). Operating cash flow for 3Q24 was \$2.4Mn (FCF \$1.6Mn) and \$14.4Mn for Jan-Sep, but we note this is distorted by Jushi’s stance on 280E (like several other MSOs, the company is delaying income tax payments and filing amended returns for past years). Tax debt is up by \$33Mn YTD. Re the balance sheet, net debt of \$165Mn (vs. \$183Mn YE23) is about 0.7x current sales (3Q annualized) and 4x EBITDA. See our [9/17 report](#) for more background on 1H24 trends for Jushi.

Valuation. At 33c (the stock is down 16% in the last 30 days and -33% in the last 90 days, in line with the MSOS ETF), we calculate a spot EV of \$369Mn (market cap \$64Mn; financial net debt \$165Mn; tax debt \$139Mn); we take the share count at 196.7mn. Derivatives are out of the money (108mn warrants with average strike price of \$1.09; 28mn options at \$0.80). On annualized 3Q24 numbers, the stock would be trading at 1.6x sales and 10.3x EBITDA. On CY24 consensus (FactSet), Jushi trades at 1.5x sales (vs. the MSO average of 1.6x; Green Thumb at 1.9x; Curaleaf at 2x) and 8.9x EBITDA (MSO average 8.2x; Green Thumb 6.2x). We do not think of Jushi as a distressed credit (relative to other tier 2-3 MSOs with tough B/S predicament), and believe the valuation discount

will narrow as OH, PA, and VA growth helps the company's overall profit margin and cash flow mix, and as we get more visibility on the start of rec in PA and VA (and new AU rules for OH). We rate the stock OW. While we do not set price targets, re share price forward scenarios, if we took 12x EBITDA on our CY26 estimates, by Dec'25 (1yF) the stock would be north of \$3 (10x lift).

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

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	will cover
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
Smoore International	SMORF	will cover

Source: Z&A



Appendix I: Company Financials

10 December 2024

Jushi Holdings: Company Update

Exhibit 1: Financial highlights

US\$ Mn	FY22	FY23	1Q24	2Q24	3Q24	4Q24e	FY24e	1Q25e	2Q25e	3Q25e	4Q25e	FY25e	FY26e	FY27e
Sales	284.3	269.4	65.5	64.6	61.6	64.3	256.0	65.4	68.4	71.0	72.2	277.0	314.9	404.1
qoq ch %	na	na	-3%	-1%	-5%	4%	na	2%	5%	4%	2%	na	na	na
yoy ch %	36%	-5%	-6%	-3%	-6%	-5%	-5%	0%	6%	15%	12%	8%	14%	28%
guidance consensus						64.5	257.4	65.5	68.6	72.1	74.3	288.0	314.2	na
Profit margins														
Gross profit before FV adj	95.5	116.2	32.3	32.6	28.0	34.1	127.0	33.1	35.1	37.0	37.7	142.9	166.4	218.3
as % of sales	33.6%	43.1%	49.4%	50.4%	45.4%	53.0%	49.6%	50.7%	51.3%	52.0%	52.1%	51.6%	52.8%	54.0%
Op exp	315.8	119.0	28.2	24.2	27.8	21.7	102.0	25.0	25.5	25.7	26.0	102.3	110.3	134.4
as % of sales	111.1%	44.2%	43.1%	37.4%	45.2%	33.8%	39.8%	38.2%	37.3%	36.2%	36.1%	36.9%	35.0%	33.3%
EBIT	-220.3	-2.8	4.1	8.4	0.2	12.4	25.0	8.1	9.6	11.2	11.6	40.6	56.1	83.8
as % of sales	-77.5%	-1.0%	6.3%	13.0%	0.3%	19.2%	9.8%	12.5%	14.1%	15.8%	16.1%	14.7%	17.8%	20.7%
adj EBITDA	7.1	40.8	13.3	14.5	10.3	11.7	49.8	12.8	14.3	16.0	16.4	59.5	75.1	103.4
as % of sales	2.5%	15.1%	20.4%	22.4%	16.8%	18.1%	19.5%	19.6%	20.9%	22.5%	22.7%	21.5%	23.9%	25.6%
adj EBITDA - consensus						12.3	51.3	13.2	14.5	15.5	15.8	60.3	69.6	na
as % of sales						19.1%	19.9%	na	na	na	na	20.9%	22.1%	na
EPS														
Pre tax income	-193.9	-33.3	-8.6	7.4	-7.1	6.3	-1.9	2.1	3.5	5.1	5.5	16.3	31.7	59.6
Tax rate on gross profit	-36.2%	-26.6%	-30.1%	-28.6%	-32.0%	-20.0%	1793.6%	-20.0%	-20.0%	-20.0%	-20.0%	-175.8%	-104.9%	-73.2%
Net income	-202.3	-65.1	-18.4	-1.9	-16.0	-0.5	-36.8	-4.6	-3.5	-2.3	-2.0	-12.3	-1.6	16.0
Share count (for EPS purposes) M	204.2	194.8	195.1	195.1	195.2	195.2	195.2	195.2	195.2	195.2	195.2	195.2	195.2	195.2
EPS	-0.99	-0.33	-0.09	-0.01	-0.08	0.00	-0.19	-0.02	-0.02	-0.02	-0.01	-0.06	-0.01	0.08
consensus						-0.04	-0.21	-0.03	-0.03	-0.02	-0.02	-0.14	-0.11	na
BS & CF highlights														
Operating cash flow	-21.4	-3.3	6.5	5.5	2.4	12.5	26.9	4.0	-13.4	-1.0	18.3	7.9	19.6	38.3
(-) Capex	-56.9	-10.7	-1.1	-0.7	-0.8	-1.0	-3.5	-1.5	-1.5	-1.5	-1.5	-6.0	-6.0	-6.0
Free cash flow	-78.3	-14.1	5.4	4.9	1.6	11.5	23.4	2.5	-14.9	-2.5	16.8	1.9	13.6	32.3
Ending net cash (debt)	-163.1	-183.4	-178.6	-169.6	-164.8	-151.1	-151.1	-148.7	-163.6	-166.1	-149.3	-149.3	-135.7	-103.3
LTM EBITDA	7.1	40.8	46.5	48.4	49.0	49.8	49.8	49.3	49.1	54.7	59.5	59.5	75.1	103.4
Net debt/EBITDA	-23.1x	-4.5x	-1.0x	-0.9x	-0.8x	-0.8x	-3.0x	-0.8x	-0.8x	-0.8x	-0.6x	-2.5x	-1.8x	-1.0x
Net debt/Sales	-0.6x	-0.7x	-0.7x	-0.7x	-0.7x	-0.6x	-0.6x	-0.6x	-0.6x	-0.6x	-0.5x	-0.5x	-0.4x	-0.3x
Equity	47.3	-6.2	-22.2	-23.8	-38.7	-39.2	-39.2	-43.7	-47.2	-49.4	-51.4	-51.4	-52.9	-37.1
Income taxes paid	11.7	2.8	-1.5	-2.3	na	na	na	na	na	na	na	na	na	na

Source: Z&A estimates, company reports

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Jushi Holdings: Company Update

Exhibit 2: Sales projections

US\$ 000s	Dec FY22	Dec FY23	Mar 1Q24	Jun 2Q24	Sep 3Q24	Dec 4Q24e	Dec FY24e	Mar 1Q25e	Jun 2Q25e	Sep 3Q25e	Dec 4Q25e	Dec FY25e	Dec FY26e	Dec FY27e
Consolidated sales	284,344	269,450	65,486	64,595	61,611	64,324	256,017	65,364	68,396	71,044	72,243	277,047	314,931	404,119
Other rev	108	0	0	0	0	0	0	0	0	0	0	0	0	0
Retail	261,042	239,355	57,396	56,992	55,441	57,549	227,378	58,634	61,316	63,471	64,306	247,726	272,783	343,104
Wholesale	23,194	30,094	8,090	7,603	6,170	6,775	28,638	6,729	7,081	7,574	7,938	29,321	42,148	61,015
YoY chg %	38%	-5%	-6%	-3%	-6%	-5%	-5%	0%	6%	15%	12%	8%	14%	28%
Retail	34%	-8%	-8%	-4%	-5%	-2%	-5%	2%	8%	14%	12%	9%	10%	26%
Wholesale	109%	30%	7%	12%	-10%	-24%	-5%	-17%	-7%	23%	17%	2%	44%	45%
QoQ chg %	na	na	-3%	-1%	-5%	4%	na	2%	5%	4%	2%	na	na	na
Retail	na	na	-3%	-1%	-5%	4%	na	2%	5%	4%	1%	na	na	na
Wholesale	na	na	-9%	-6%	-19%	10%	na	-1%	5%	7%	5%	na	na	na
PA	126,936	90,675	18,913	19,905	20,247	19,645	78,709	19,757	19,133	17,105	16,463	72,458	70,980	118,608
retail	112,099	77,826	16,446	17,882	17,260	16,607	68,195	16,764	16,234	14,513	13,969	61,480	59,130	96,338
wholesale	14,837	12,850	2,467	2,022	2,987	3,038	10,514	2,994	2,899	2,592	2,494	10,979	11,850	22,270
IL	71,392	55,248	13,308	12,777	9,631	9,580	45,296	9,766	10,053	9,947	10,187	39,953	40,668	41,398
retail	71,392	55,248	13,308	12,777	9,631	9,580	45,296	9,766	10,053	9,947	10,187	39,953	40,668	41,398
wholesale	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MA	43,089	50,833	10,725	10,168	9,868	9,608	40,369	8,778	8,943	9,251	9,271	36,242	34,943	35,564
retail	37,422	44,866	9,417	9,095	9,398	9,128	37,038	8,316	8,472	8,764	8,783	34,334	33,002	33,589
wholesale	5,667	5,967	1,308	1,073	470	480	3,331	462	471	487	488	1,907	1,941	1,976
VA	20,285	44,993	15,429	15,294	14,819	16,324	61,866	16,357	17,082	18,174	18,942	70,556	88,403	106,556
retail	18,062	33,715	11,448	10,986	12,349	13,326	48,109	13,352	13,666	13,980	14,296	55,295	61,429	71,453
wholesale	2,223	11,278	3,981	4,307	2,470	2,998	13,756	3,004	3,416	4,194	4,646	15,261	26,974	35,102
CA	8,090	8,255	1,833	1,760	1,517	1,245	6,354	1,251	1,324	1,294	1,274	5,143	5,262	5,380
retail	8,090	8,255	1,833	1,760	1,517	1,245	6,354	1,251	1,324	1,294	1,274	5,143	5,262	5,380
wholesale	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NV	12,971	16,314	4,426	3,873	3,687	3,650	15,636	3,723	3,872	3,756	3,681	15,032	15,418	15,851
retail	12,971	16,314	4,153	3,714	3,531	3,496	14,894	3,566	3,709	3,597	3,525	14,397	14,766	15,181
wholesale	0	0	273	159	156	154	742	157	164	159	156	635	651	670
OH	1,234	3,133	852	820	1,842	4,272	7,786	5,732	7,989	11,517	12,425	37,663	59,257	80,761
retail	767	3,133	791	778	1,755	4,168	7,491	5,619	7,858	11,375	12,271	37,124	58,525	79,764
wholesale	467	0	61	42	88	104	295	112	131	142	153	539	732	997

Source: Z&A estimates, company reports

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Jushi Holdings: Company Update

Exhibit 3: 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	28,505	7,370	7,587	7,812	7,823	30,592	8,044	8,312	8,425	8,489	33,270	35,359	38,312	
rec	15,961	16,581	18,272	4,722	4,902	5,123	5,116	19,863	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	11,497	11,493	11,612	
Total (med/rec)	25,035	25,711	28,505	7,370	7,587	7,812	7,823	30,592	8,044	8,312	8,425	8,489	33,270	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	1,967	491	488	488	487	1,954	1,957	1,978	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	806	242	235	245	256	978	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

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Jushi Holdings: Company Update

Exhibit 4: Cash Flow

SUMMARY CASH FLOW	FY22	FY23	1Q24	2Q24	3Q24	4Q24e	FY24e	1Q25e	2Q25e	3Q25e	4Q25e	FY25e	FY26e
<i>US\$000s</i>													
Net earnings	-202,324	-65,102	-18,355	-1,938	-16,016	-492	-36,801	-4,519	-3,454	-2,243	-1,982	-12,199	-1,540
(+) D&A	26,492	26,588	6,836	7,377	7,768	-711	21,270	4,666	4,696	4,726	4,756	18,846	19,055
Cash earnings	-175,832	-38,514	-11,519	5,439	-8,248	-1,203	-15,531	147	1,242	2,483	2,774	6,647	17,515
(-) Working capital changes	31,266	-11,460	3,804	-3,692	-415	13,671	13,368	3,768	-14,695	-3,471	15,496	1,097	2,054
(-) Other operating flows	123,150	46,656	14,208	3,801	11,037	5	29,051	46	35	23	20	123	16
Operating cash flow	-21,416	-3,318	6,493	5,548	2,374	12,473	26,888	3,961	-13,418	-966	18,290	7,868	19,585
(-) net capex	-56,881	-10,743	-1,077	-687	-770	-1,000	-3,534	-1,500	-1,500	-1,500	-1,500	-6,000	-6,000
Free cash flow	-78,297	-14,061	5,416	4,861	1,604	11,473	23,354	2,461	-14,918	-2,466	16,790	1,868	13,585
(-) acquisitions	-20,978	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
(-) other	-47,657	-6,273	-661	4,222	3,169	2,150	8,880	0	0	0	0	0	0
(+) share issuance/warrants exercise	13,680	0	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	1,203	0	2	5	32	0	39	0	0	0	0	0	0
Change in net	-132,049	-20,334	4,757	9,088	4,805	13,623	32,273	2,461	-14,918	-2,466	16,790	1,868	13,585
Ending net (debt)	-163,066	-183,400	-178,643	-169,555	-164,750	-151,127	-151,127	-148,666	-163,585	-166,050	-149,260	-149,260	-135,675
Cash/inv/sec	26,196	29,155	28,414	32,880	20,741	37,583	37,583	40,044	25,125	22,660	39,450	39,450	53,035
Gross debts/loans/bonds	189,262	212,555	207,057	202,435	185,491	188,710	188,710	188,710	188,710	188,710	188,710	188,710	188,710
<i>Net debt / Sales</i>	<i>-0.6x</i>	<i>-0.7x</i>	<i>-0.7x</i>	<i>-0.7x</i>	<i>-0.7x</i>	<i>-0.6x</i>	<i>-0.6x</i>	<i>-0.6x</i>	<i>-0.6x</i>	<i>-0.6x</i>	<i>-0.5x</i>	<i>-0.5x</i>	<i>-0.4x</i>
<i>Net debt / Adj EBITDA</i>	<i>-23.1x</i>	<i>-4.5x</i>	<i>-3.3x</i>	<i>-2.9x</i>	<i>-4.0x</i>	<i>-3.2x</i>	<i>-3.0x</i>	<i>-2.9x</i>	<i>-2.9x</i>	<i>-2.6x</i>	<i>-2.3x</i>	<i>-2.5x</i>	<i>-1.8x</i>

Source: Z&A estimates, company reports

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Exhibit 5: Share Price Scenarios

US\$ Mn	FY22	FY23	FY24e	1Q25e	2Q25e	3Q25e	4Q25e	FY25e	FY26e	FY27e
EV (US\$Mn)	305	353	355	353	368	370	353	353	340	308
Market cap	65	65	64	64	64	64	64	64	64	64
Share price (US\$)	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
FD share count	197.6	198.5	196.7	196.7	196.7	196.7	196.7	196.7	196.7	196.7
common shares	195.8	196.6	196.7	196.7	196.7	196.7	196.7	196.7	196.7	196.7
derivatives in the money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RSUs	1.9	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Broadly defined net debt	-240	-288	-291	-288	-303	-306	-289	-289	-275	-243
net financial cash (debt)	-163	-183	-151	-149	-164	-166	-149	-149	-136	-103
leases, net of right of use assets	0	1	-1	-1	-1	-1	-1	-1	-1	-1
income tax payable	-77	-106	-139	-139	-139	-139	-139	-139	-139	-139
Multiples (consensus)										
EV/Sales			1.4x					1.2x	na	na
EV/EBITDA			6.9x					5.9x	na	na
Multiples (Z&A)										
PE		na	na					na	na	na
EV/Sales		1.3x	1.4x					1.3x	1.1x	0.8x
EV/EBITDA		8.6x	7.1x					5.9x	4.5x	3.0x
upside										
Price scenarios		by Dec'23				by Dec'24		by Dec'25	by Dec'26	by Dec'25
EV/Sales		1.5x	0.47			0.64		1.00	1.85	306%
EV/Sales		1.5x	0.45			0.62		0.97	1.81	297%
EV/Sales		3.0x	2.43			2.76		3.40	4.93	1039%
EV/Sales		5.0x	5.03			5.57		6.61	9.04	2017%
EV/Sales		6.0x	6.33			6.98		8.21	11.09	2506%
EV/Sales		5.9x	6.24			6.88		8.09	10.95	2471%
EV/EBITDA		6.0x	0.04			0.34		0.89	1.92	272%
EV/EBITDA		7.8x	0.50			0.89		1.58	2.86	482%
EV/EBITDA		6.2x	0.10			0.42		0.98	2.04	300%
EV/EBITDA		12.0x	1.56			2.16		3.18	5.07	972%
EV/EBITDA		20.0x	3.59			4.58		6.24	9.28	1904%
EV/EBITDA		25.0x	4.84			6.08		8.13	11.88	2482%

Source: Z&A estimates, company reports



Appendix II: Valuation Comps

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Jushi Holdings: Company Update

Exhibit 6: US MSO Valuation Comps (note: we show all MSO tiers here, but realize not at all relevant direct comps to Jushi)

US\$Mn 10-Dec-24	Z&A Spot EV / Sales			Z&A Spot EV / EBITDA			Financial Net Debt				Broadly Defined Net Debt			
							Sales		EBITDA		Sales		EBITDA	
	Current	CY24e	CY25e	Current	CY24e	CY25e	CY24	Current	CY24	Current	CY24	Current	CY24	Current
US MSOs	1.6x	1.5x	1.3x	8.2x	6.2x	5.5x								
Ascend Wellness	1.1x	1.1x	1.1x	6.1x	5.6x	5.1x	-0.4x	-0.4x	-2.2x	-2.4x	-0.9x	-0.9x	-4.6x	-5.1x
Ayr Wellness	0.9x	0.8x	0.8x	3.3x	3.7x	3.4x	-0.8x	-0.8x	-3.4x	-3.0x	-0.7x	-0.7x	-2.9x	-2.6x
Cannabist Co	0.9x	0.9x	0.9x	7.2x	7.0x	5.3x	-0.6x	-0.6x	-4.4x	-4.5x	-0.8x	-0.8x	-6.2x	-6.4x
Consortium	1.1x	1.1x	na	4.0x	4.0x	na	na	na	na	na	na	na	na	na
Cresco Labs	1.3x	1.3x	1.3x	4.7x	4.7x	4.9x	-0.5x	-0.5x	-1.8x	-1.8x	-0.7x	-0.7x	-2.3x	-2.3x
Curaleaf	2.0x	2.0x	1.8x	8.7x	8.7x	7.3x	-0.5x	-0.5x	-2.3x	-2.3x	-0.9x	-0.9x	-3.8x	-3.8x
4Front Ventures	2.1x	2.1x	na	7.7x	7.7x	na	na	-1.0x	na	-3.8x	na	-1.7x	na	-6.5x
Glass House	2.7x	3.5x	na	8.5x	19.6x	na	-0.1x	na	-0.7x	na	-0.3x	-0.2x	-1.7x	-0.8x
Gold Flora	1.0x	1.0x	0.8x	11.8x	54.9x	7.4x	na	-0.3x	na	na	na	-0.9x	na	na
Goodness Growth	1.6x	1.7x	na	-95.1x	6.8x	na	-0.5x	-0.5x	-2.1x	29.1x	-0.9x	-0.9x	-3.7x	51.1x
Green Thumb	1.9x	2.0x	1.9x	6.2x	6.2x	6.2x	-0.1x	-0.1x	-0.2x	-0.2x	-0.1x	-0.1x	-0.4x	-0.4x
Grown Rogue	3.7x	3.7x	na	4.9x	4.9x	na	na	na	na	na	na	na	na	na
iAnthus	1.1x	1.1x	na	5.5x	5.5x	na	na	-0.9x	na	-4.4x	na	-0.9x	na	-4.5x
Jushi	1.5x	1.4x	1.3x	8.9x	7.2x	6.1x	-0.6x	-0.7x	-3.2x	-4.0x	-1.2x	-1.2x	-5.9x	-7.4x
MariMed	0.9x	1.0x	0.8x	8.2x	7.8x	4.7x	-0.4x	-0.4x	-3.3x	-3.5x	-0.5x	-0.5x	-4.2x	-4.5x
Planet 13	1.0x	1.1x	na	25.3x	27.7x	na	0.2x	0.1x	4.0x	3.7x	-0.1x	-0.1x	-1.7x	-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	10.7x	10.0x	9.4x	-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	88.2x	-0.5x	-0.6x	13.0x	9.9x	-0.9x	-1.0x	22.7x	17.3x
Trulieve	1.5x	1.5x	1.4x	4.5x	4.3x	4.3x	-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	1.9x	1.9x	na	5.8x	7.7x	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

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Jushi Holdings: Company Update

Exhibit 7: US MSO EV Calculations

US\$Mn 10-Dec-24	FactSet Spot EV	Z&A Spot EV	US\$ price	mn shares	mn deriv	Total Mkt Cap	Financial net debt	Net leases	Income tax liab.	Conting Cons.	ITM deriv inflow	Total BDND	Pref Stock Min Int
US MSOs													
Ascend Wellness	594	614	0.45	214.5	13.3	103	-241	-134	-137			-512	
Ayr Wellness	621	393	0.56	114.0	31.1	81	-359	4	-11	0	55	-311	
Cannabist Co	552	427	0.10	472.7	8.2	47	-269	-26	-86			-380	
Consortium	140	125	0.09	304.9	5.6	28	-59	-9	-29			-97	
Cresco Labs	922	962	1.09	441.0	8.9	488	-365	-56	-43	-10		-474	
Curaleaf	2,155	2,627	1.80	743.8	11.2	1,355	-678	-24	-389	-56		-1,146	126
4Front Ventures	242	160	0.03	915.2	3.8	26	-79	-8	-40	-6	0	-134	
Glass House	453	693	6.62	81.0	3.5	559	-25	0	-4	-32		-61	72
Gold Flora	130	132	0.03	287.7	0.1	9	-40	-34	-44	-4		-123	
Goodness Growth	101	166	0.33	230.3	4.1	77	-51	-10	-29			-89	
Green Thumb	2,196	2,223	8.52	236.2	9.3	2,090	-82	-28	-23	0	0	-133	
Grown Rogue	75	98	0.69	143.5		99	5	-2	-2			1	
iAnthus	34	196	0.01	6,615.3		35	-156	-6				-162	
Jushi	334	369	0.33	196.7	0.0	64	-165	-1	-139			-305	
MariMed	134	154	0.13	381.3	6.7	51	-66	-1	-17			-83	19
Planet 13	94	132	0.38	325.2	0.3	124	19	-7	-16	-5		-8	
Schwazze	180	194	0.10	80.2		8	-151	-2	-33	0		-186	
TerrAscend	452	588	0.78	355.8	3.1	278	-172	-5	-128	-4		-310	
TILT	110	112	0.01	390.6	4.4	3	-62	-44	-2			-108	
Trulieve	1,087	1,734	5.41	186.0	3.3	1,024	-300	-21	-384	-5		-710	
Verano	850	1,163	1.40	356.9	8.6	512	-355	-6	-285	-4		-651	
Vext	50	67	0.14	245.5	3.4	36	-32	1				-31	

Source: FactSet, company reports, Z&A calculations

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Exhibit 8: Stock Performance

10-Dec-24	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
Ascend	-34%	-51%	-69%
Ayr	-44%	-71%	-79%
Cannabist	-32%	-54%	-76%
Consortium	-11%	-46%	-18%
Cresco	-5%	-33%	-41%
Curaleaf	-18%	-37%	-59%
4Front	-34%	-43%	-80%
GlassHouse	-5%	-22%	44%
Gold Flora	-57%	-64%	-72%
Vireo Growth	-22%	-32%	36%
Grown Rogue	17%	13%	160%
Green Thumb	-5%	-12%	-26%
iAnthus	-32%	-58%	-82%
Jushi	-16%	-33%	-50%
MariMed	-12%	-19%	-55%
Planet13	-13%	-33%	-56%
Schwazze	-33%	-67%	-84%
StateHouse	MN/A	-32%	7%
Trulieve	-25%	-44%	-10%
TerrAscend	-2%	-32%	-50%
Vext	19%	-20%	-29%
Verano	-37%	-56%	-70%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
Canadian LPs			
Aurora	-12%	-17%	-8%
Avant	-30%	-51%	-87%
Auxly	-13%	-13%	130%
Cannara	20%	16%	-20%
Canopy	-18%	-19%	-50%
Cronos	-1%	-5%	-2%
Decibel	-4%	-1%	-50%
Entourage	11%	11%	-32%
High Tide	32%	79%	107%
Nova	MN/A	MN/A	MN/A
OIGI	-6%	-9%	18%
Rubicon	-1%	-27%	-23%
SNDL	-8%	-4%	31%
Tilray	-15%	-19%	-29%
VFF	1%	-19%	-1%
CBD			
CVSI	-23%	-22%	-5%
CWEB	-11%	-19%	-44%
LFID	-17%	18%	-76%
International			
InterCure	-13%	-22%	-5%
PharmaCielo	70%	58%	158%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
MJ Fincos			
AFCG	-4%	-8%	-22%
CNPOF	-3%	-18%	27%
IIPR	-12%	-11%	26%
NLCP	6%	-2%	43%
SHFS	10%	-31%	-54%
LIEN	1%	14%	36%
REFI	4%	3%	4%
Tech			
LFLY	-9%	-31%	-74%
SBIG	6%	20%	-47%
MAPS	75%	51%	56%
Vape parts			
GNLN	-35%	-67%	-74%
ISPR	-9%	-12%	-49%
SMORF	4%	16%	75%
TLLTF	-18%	-41%	-67%
Index			
S&P 500	2%	12%	32%
S&P 477	4%	0%	20%
Nasdaq	3%	11%	47%
MSOS ETF	-16%	-35%	-45%
YOLO ETF	-7%	-17%	-18%

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

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