



11/22/2024

Vext Science (VEXTF)

Company Update: Overweight

Sales	FY22a	FY23a	FY24e	Prev	FY25e	Prev	FY26e	Prev
1Q	10.8	9.1	8.4 A	8.4	13.6	15.2	20.8	23.4
2Q	8.8	9.2	8.4 A	7.5	15.1	16.9	21.9	24.6
3Q	7.7	8.1	9.3 E	8.8	17.0	18.9	23.9	26.2
4Q	<u>8.2</u>	<u>8.4</u>	<u>12.3</u> E	<u>13.4</u>	<u>18.6</u>	<u>22.0</u>	<u>24.7</u>	<u>27.1</u>
FY	35.4	34.8	38.4 E	38.1	64.2	73.0	91.3	101.3
EBITDA	FY22a	FY23a	FY24e	Prev	FY25e	Prev	FY26e	Prev
1Q	3.8	2.9	2.0 A	2.0	2.9	4.7	5.5	8.0
2Q	4.8	1.0	1.1 A	1.7	3.5	5.5	5.9	8.6
3Q	3.3	1.1	1.6 E	2.2	4.1	6.2	6.5	9.1
4Q	<u>3.2</u>	<u>0.6</u>	<u>2.5</u> E	<u>4.0</u>	<u>4.9</u>	<u>7.4</u>	<u>6.7</u>	<u>9.4</u>
FY	15.1	5.5	7.2 E	9.9	15.3	23.8	24.7	35.1

Share price (\$)	0.18	Perf.	VEXTF	MSOS ETF	S&P500	Stance:	Overweight
Share count (mn)	245.5	30d	-2%	-14%	0%		no price target
Market Cap (\$Mn)	43	90d	-5%	-19%	5%		FY=Dec
Ticker	VEXTF	1yr	-6%	-4%	23%		



\$Mn	FY24	FY25	FY26
Projected EV	86.9	87.4	79.9
EV/Sales	2.3x	1.4x	0.9x
EV/EBITDA	12.1x	5.7x	3.2x

	FY24	FY25	FY26
Net debt/Sales	-1.1x	-0.7x	-0.4x
Net debt/EBITDA	-6.0x	-2.9x	-1.5x
Free Cash Flow	-5.5	-1.0	7.3
Net debt	-43.0	-44.0	-36.7

Consensus	FY24	FY25	FY26
Sales	37.7	64.4	na
EBITDA	8.5	21.5	na

Guidance CY24:	n/a		
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Company Update

We publish this note following the release of 3Q24 results/SEDAR filings. We rate Vext Overweight.

On Vext's 3Q print (Sep qtr results were released on 11/21). Sales increased 5% seq to \$9Mn (we had \$9.3Mn), driven by growth in OH due to the start of non-med sales on 8/6. OH accounted for 41% of sales vs. 14% in 3Q23 (it added a 2nd store in late Feb, and consolidated production in Oct'23). AZ retail was down about 2% seq, outperforming the state average (where store openings have resulted in as much as 20% erosion in rev/store). Better absorption of start-up costs in OH and strong economics in the state (in the initial phase) pushed EBITDA to 32% from 13% in 2Q24 and 23% in 1Q24. YTD OCF is running at mostly break-even levels vs. \$4-6Mn in CY22-23. Net debt at \$33.5Mn (gross cash \$2.8Mn) was equivalent to 0.9x annualized sales and 2.9x EBITDA.

Outlook. Sales should ramp based on Ohio's start of non-med sales. The latter combined with efficiencies in Arizona (opex cuts; better production yields to allow selling more own-branded products at its two stores), should result in positive FCF. Based on last year's capital raise and FCF improvement, plus monies already paid, Vext will be able to close on the pending acquisitions in Ohio. See appendix for our estimates.

- Sales should be up in 4Q24 with a full quarter of OH rec (plus wholesale rebound post the inventory build by the trade in 1Q24) and AZ should benefit from seasonality to some degree. Margins should remain in line with 3Q levels given the benefits of OH rec, despite some price erosion post launch.
- Vext expects to start consolidating another 2 stores in OH in early 1Q25 (under MSA for now) and should add another four stores during 2025 as per its license allocation (this could stretch to early 2026). It will pay a pending \$2.6Mn for the two MSA stores, and estimates \$4Mn in capex for the four stores.
- In AZ, there are no expansion plans. While the company would like to acquire more stores (from the current two), market M&A valuation prices are not in line with management's views. The cultivation/processing is used mostly to supply the company's stores, with only selective sales to 3rd party stores.
- KY represents optionality; if the company can win a retail license (via the lottery system) as part of the state's new med program. Expansion elsewhere will be opportunistic (and only if accretive).

Valuation and share price scenarios. For spot EV purposes, we calculate an EV of \$68Mn; the market cap is \$34Mn (247.8mn shares at 14c) and net debt is \$34Mn. On a spot basis taking 3Q24 results, Vext trades above the public MSO group at 1.9x sales (MSOs at 1.6x) and below on EBITDA (5.9x vs. 8.6x). On a projected basis, the stock valuation is attractive, in our view. On our projected estimates, by 4Q25 Vext would be trading at 1.3x sales and only 4x EBITDA. We realize our forward estimates are sensitive to the evolution of the OH market (new AU rules; increase in the number of licenses) and Vext's ability to scale in KY med (we assume nothing). That said, on our positive

FCF assumptions, we project EV of ~\$50Mn by CY26. While we do not set price targets, we calculate Vext could have 3-4x valuation upside by late Dec'25 (on 1yF basis), if the stock could rerate to an EBITDA multiple more in line with the group (9x) and maintain the new level of profitability. Yes, we realize the company is smaller and has higher debt load than the average MSO, but on the other hand the stock's EBITDA torque to OH rec is the highest in the MSO group, per our estimates.

Table 1: Forward price scenarios (on EV/EBITDA multiples) under our base case financial estimates

US\$ Mn	Dec CY22	Dec CY23	Dec CY24e	Dec CY25e	1Q26e	2Q26e	3Q26e	4Q26e	Dec CY26e	Dec CY27e
Current valuation										
EV (\$Mn)		57	74	72	71	69	67	65	65	54
Market cap (\$Mn)		30	34	34	34	34	34	34	34	34
Share price (US\$)		0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
FD share count (Mn)		217.5	247.4	247.4	247.4	247.5	247.5	247.5	247.5	247.5
common shares (proforma)		217.5	247.4	247.4	247.4	247.5	247.5	247.5	247.5	247.5
RSUs		0.0								
derivatgives in the money										
Broadly defined net debt		-27	-40	-38	-37	-34	-33	-31	-31	-20
net financial debt (proforma)		-27	-39	-38	-38	-35	-34	-32	-32	-20
net leases		0	0	0	0	0	0	0	0	0
other debt (taxes payable)		0	0	0	0	0	0	0	0	0
contingent										
warrant inflow										
Multiples (Z&A)										
PE		5.2x	-2.3x	-10.5x	-35.3x	-176.6x	24.8x	13.3x	48.9x	5.2x
EV/Sales		1.6x	2.1x	1.5x	1.2x	1.1x	1.0x	0.9x	1.0x	0.6x
EV/EBITDA		10.3x	8.4x	4.8x	4.1x	3.7x	3.4x	3.1x	3.4x	2.1x
Price scenarios										
		by Dec'23		by Dec'24				by Dec'25	by Dec'25	by Dec'26
EV/Sales		1.5x	0.05	0.13					0.27	0.43
EV/Sales		2.1x	0.14	0.25					0.43	0.63
EV/Sales		3.0x	0.27	0.42					0.67	0.94
EV/Sales		3.0x	0.27	0.42					0.67	0.94
EV/Sales		5.0x	0.55	0.80					1.21	1.62
EV/Sales		6.0x	0.69	0.99					1.47	1.95
EV/EBITDA		8.0x	0.12	0.33	0.42	0.45	0.51	0.56	0.50	0.75
EV/EBITDA		9.0x	0.16	0.39	0.49	0.53	0.59	0.65	0.57	0.85
EV/EBITDA		9.2x	0.17	0.40	0.50	0.55	0.61	0.67	0.59	0.87
EV/EBITDA		15.0x	0.37	0.75	0.91	0.97	1.08	1.16	1.04	1.47
EV/EBITDA		18.0x	0.48	0.93	1.13	1.19	1.32	1.42	1.28	1.78
EV/EBITDA		36.0x	1.12	2.01	2.40	2.53	2.77	2.96	2.68	3.64

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		GDNF	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
Smoores International	SMORF	will cover



Appendix I: Company Financials

22 November 2024

Vext Science: Company Update Post 3Q24

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
Reported Sales	35.4	34.8	8.4	8.4	9.0	9.5	35.3	10.4	10.8	12.1	13.9	47.2	66.0	84.1
qoq ch %	na	na	0%	0%	7%	5%	na	10%	4%	12%	15%	na	na	na
yoy ch %	-5%	-2%	-8%	-8%	11%	12%	1%	24%	28%	34%	48%	34%	40%	27%
Guidance	na	na	na	na	na	na	na	na	na	na	na	na	na	na
Consensus						10.7	37.3	13.6	15.1	17.0	18.6	59.6	85.6	na
Profit margins														
Gross profit before FV adj	23.1	12.0	1.3	1.6	4.0	4.0	10.8	4.2	4.3	4.8	5.6	18.9	26.4	33.6
as % of sales	65.2%	34.6%	15.9%	18.4%	44.2%	42.0%	30.7%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Op exp	-13.8	-19.9	-4.6	-5.3	-5.3	-4.8	-19.9	-4.7	-4.5	-4.6	-4.7	-18.5	-21.6	-22.7
as % of sales	-39.0%	-57.1%	-54.5%	-63.1%	-58.5%	-50.7%	-56.5%	-45.1%	-41.9%	-37.7%	-33.7%	-39.1%	-32.8%	-26.9%
EBIT	9.3	-7.8	-3.2	-3.8	-1.3	-0.8	-9.1	-0.5	-0.2	0.3	0.9	0.4	4.7	11.0
as % of sales	26.2%	-22.5%	-38.6%	-44.6%	-14.4%	-8.7%	-25.8%	-5.1%	-1.9%	2.3%	6.3%	0.9%	7.2%	13.1%
Adj EBITDA	15.1	5.5	2.0	1.1	2.9	2.9	8.8	3.1	3.4	3.9	4.5	14.9	19.3	25.6
as % of sales	42.7%	15.9%	23.3%	12.9%	32.0%	30.8%	25.0%	29.7%	31.6%	32.2%	32.3%	31.5%	29.2%	30.4%
Consensus EBITDA						2.5	7.4	2.9	3.5	4.1	4.9	16.9	24.7	na
as % of sales						22.8%	19.9%	21.3%	23.2%	24.1%	26.3%	28.3%	28.9%	na
EPS														
Pre tax income	6.7	3.4	-6.7	-4.5	-2.7	-1.8	-15.7	-1.6	-1.3	-0.8	-0.2	-3.8	0.8	7.7
tax rate as % of GP	-41.2%	23.8%	-5.1%	-2.8%	-8.7%	-15.0%	-6.2%	-15.0%	-15.0%	-15.0%	-15.0%	-15.0%	-15.0%	-15.0%
Net income after min int	10.9	4.4	-6.3	-4.4	-2.5	-1.5	-14.8	-1.4	-1.1	-0.7	-0.1	-3.3	0.7	6.5
Share count (FD) Mn	139.5	164.7	225.4	245.5	248.7	248.7	242.0	248.7	248.7	248.7	248.7	248.7	248.7	248.7
EPS	0.08	0.03	-0.03	-0.02	-0.01	-0.01	-0.06	-0.01	0.00	0.00	0.00	-0.01	0.00	0.03
consensus						-0.01	-0.05	na	na	na	na	0.00	0.05	na
BS & CF highlights														
Operating cash flow	5.7	4.4	0.1	-0.6	-0.2	0.7	0.0	-0.1	1.7	0.5	-0.1	2.0	7.1	11.9
(-) Capex	-8.9	-2.7	-0.1	-0.6	0.0	-0.1	-0.8	-0.1	-0.1	-0.1	-0.1	-0.5	-0.7	-0.8
Free cash flow	-3.1	1.7	0.0	-1.2	-0.3	0.6	-0.8	-0.2	1.6	0.4	-0.2	1.5	6.4	11.1
Net cash (debt)	-31.3	-27.1	-31.3	-31.9	-33.4	-39.5	-39.5	-39.7	-38.1	-37.8	-38.0	-38.0	-31.6	-20.5
Net debt/Sales	-0.9x	-0.8x	-0.9x	-0.9x	-0.9x	-1.0x	-1.1x	-1.0x	-0.9x	-0.8x	-0.7x	-0.8x	-0.5x	-0.2x
Net debt/EBITDA	-2.1x	-4.9x	-4.0x	-7.4x	-2.9x	-3.4x	-4.5x	-3.2x	-2.8x	-2.4x	-2.1x	-2.6x	-1.6x	-0.8x
Equity	71.9	95.0	88.7	87.0	84.9	83.4	83.4	82.0	80.9	80.2	80.1	80.1	80.8	87.3

Source: Z&A estimates, company reports

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Vext Science: Company Update Post 3Q24

Exhibit 2: Sales projections

US\$ Mn	CY22	CY23	1Q24	2Q24	3Q24	4Q24e	CY24e	1Q25e	2Q25e	3Q25e	4Q25e	CY25e	CY26e	CY27e
Sales (reported)	35.4	34.8	8.4	8.4	9.0	9.5	35.3	10.4	10.8	12.1	13.9	47.2	66.0	84.1
wholesale	6.5	3.2	1.7	1.9	2.2	7.6	13.3	8.5	9.4	10.6	12.0	40.5	58.9	75.8
retail	28.9	31.7	6.7	6.6	6.8	1.8	21.9	1.9	1.4	1.5	1.9	6.7	7.1	8.3
By states (our est)	35.4	34.8	8.4	8.4	9.0	9.5	35.3	10.4	10.8	12.1	13.9	47.2	66.0	84.1
AZ	35.4	29.1	5.8	5.2	5.3	5.0	21.2	4.9	4.1	4.3	4.9	18.2	19.1	19.3
KY														
OH	0.0	5.7	2.6	3.3	3.7	4.5	14.0	5.5	6.7	7.8	9.1	29.1	46.9	64.8
Market size estimates (\$Mn) rec/med														
AZ	1,426	1,376	325	301	311	331	1,267	325	306	316	337	1,284	1,306	1,330
KY	na	na	na	na	na	na	na	na	na	na	na	na	na	na
OH	467	482	122	120	175	208	625	225	262	284	307	1,078	1,463	1,994
Sales mix %														
AZ	100%	84%	69%	61%	59%	53%	60%	47%	38%	35%	35%	38%	29%	23%
KY														
OH	0%	16%	31%	39%	41%	47%	40%	53%	62%	65%	65%	62%	71%	77%
Other														

Source: Z&A estimates, company reports

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Vext Science: Company Update Post 3Q24

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	28,499	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

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Vext Science: Company Update Post 3Q24

Exhibit 4: Cash Flow

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
Net earnings	10,919	4,398	-6,333	-4,390	-2,497	-1,538	-14,758	-1,381	-1,083	-655	-142	-3,261	700
(+) D&A	6,434	9,593	3,587	3,886	3,833	3,730	15,036	3,613	3,616	3,618	3,621	14,468	14,523
Cash earnings	17,354	13,991	-2,746	-504	1,336	2,192	277	2,232	2,533	2,963	3,479	11,207	15,223
(-) Working capital changes	-7,268	4,405	-192	-411	-2,280	-1,450	-4,332	-2,358	-834	-2,459	-3,570	-9,221	-8,130
(-) Other operating flows	-4,363	-13,972	3,048	322	701	0	4,071	0	0	0	0	0	0
Operating cash flow	5,723	4,425	109	-593	-242	742	16	-126	1,699	504	-91	1,986	7,093
(-) net capex	-8,860	-2,737	-69	-610	-15	-95	-789	-104	-108	-121	-139	-472	-660
Free cash flow	-3,138	1,688	40	-1,203	-258	648	-773	-229	1,591	383	-231	1,514	6,433
(-) acquisitions	-8,514	-6,657	-3,135	-47	-98	-7,700	-10,980	0	0	0	0	0	0
(-) divestitures	0	5,882	0	0	0	0	0	0	0	0	0	0	0
(+) other	-12,435	-13,052	-1,042	616	-1,198	1,000	-624	0	0	0	0	0	0
(-) distributions	0	0	0	0	0	0	0	0	0	0	0	0	0
(+) share issuance	0	16,344	0	0	0	0	0	0	0	0	0	0	0
(-) stock options/warrants	130	0	0	0	0	0	0	0	0	0	0	0	0
Change in net	-23,956	4,204	-4,138	-633	-1,554	-6,052	-12,378	-229	1,591	383	-231	1,514	6,433
Ending net (debt)	-31,325	-27,121	-31,259	-31,892	-33,447	-39,499	-39,499	-39,728	-38,138	-37,755	-37,986	-37,986	-31,552
Cash/inv/sec	5,934	8,720	4,494	3,390	2,844	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Gross debts/loans/bonds	37,259	35,842	35,753	35,282	36,291	44,499	44,499	44,728	43,138	42,755	42,986	42,986	36,552

Source: Z&A estimates, company reports



Appendix II: MSO Valuation Comps

Exhibit 5: Valuation Comps – MSOs

US\$Mn 21-Nov-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	1.2x	8.6x	9.2x	10.6x								
Acreage Holdings	2.1x	1.3x	na	135.6x	6.6x	na	-1.0x	-1.6x	-5.1x	-104.8x	-1.2x	-2.0x	-6.3x	-129.2x
Ascend Wellness	1.1x	1.1x	1.1x	6.1x	5.6x	5.0x	-0.4x	-0.4x	-2.2x	-2.4x	-0.9x	-0.9x	-4.7x	-5.1x
Ayr Wellness	0.9x	0.9x	0.8x	3.4x	3.9x	3.4x	-0.8x	-0.8x	-3.3x	-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	na	na	4.1x	na	na	na	na	na	na	na	na	na	na
Cresco Labs	1.4x	1.4x	1.3x	4.8x	4.8x	4.9x	-0.5x	-0.5x	-1.8x	-1.8x	-0.7x	-0.7x	-2.3x	-2.3x
Curaleaf	2.1x	2.1x	1.9x	9.2x	9.2x	7.7x	-0.5x	-0.5x	-2.3x	-2.3x	-0.9x	-0.9x	-3.8x	-3.8x
4Front Ventures	2.1x	na	na	7.7x	na	na	na	-1.0x	na	-3.8x	na	-1.7x	na	-6.5x
Glass House	2.9x	3.8x	na	9.1x	21.0x	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	29.3x	7.5x	na	-0.3x	na	na	na	-0.9x	na	na
Goodness Growth	1.6x	1.7x	na	-95.0x	6.8x	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	6.7x	6.7x	6.7x	-0.1x	-0.1x	-0.2x	-0.2x	-0.1x	-0.1x	-0.4x	-0.4x
Grown Rogue	3.7x	na	na	5.0x	na	na	na	na	na	na	na	na	na	na
iAnthus	1.1x	na	na	5.5x	na	na	na	-0.9x	na	-4.4x	na	-0.9x	na	-4.5x
Jushi	1.5x	1.4x	1.3x	8.9x	7.0x	6.0x	-0.6x	-0.7x	-3.1x	-4.0x	-1.2x	-1.2x	-5.8x	-7.4x
MariMed	1.0x	1.0x	0.8x	8.6x	8.0x	4.7x	-0.4x	-0.4x	-3.3x	-3.5x	-0.5x	-0.5x	-4.2x	-4.5x
Planet 13	1.1x	1.1x	0.9x	26.9x	17.4x	5.2x	0.2x	0.1x	2.4x	3.7x	-0.1x	-0.1x	-1.0x	-1.5x
Schwazze	1.1x	1.1x	na	8.1x	5.3x	na	-0.9x	-0.9x	-4.1x	na	-1.1x	-1.1x	-5.1x	na
StateHouse	1.9x	na	na	19.7x	na	na	na	-1.1x	na	-11.2x	na	-1.8x	na	-18.9x
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	0.9x	0.7x	-17.7x	na	73.3x	-0.5x	-0.6x	15.1x	9.9x	-0.9x	-1.0x	26.3x	17.3x
Trulieve	1.6x	1.6x	1.5x	4.9x	4.6x	4.7x	-0.3x	-0.3x	-0.7x	-0.8x	-0.6x	-0.6x	-1.8x	-1.8x
Verano	1.4x	1.4x	1.3x	4.7x	4.6x	4.3x	-0.4x	-0.4x	-1.3x	-1.4x	-0.7x	-0.8x	-2.5x	-2.5x
Vext	1.8x	1.8x	na	10.1x	8.9x	na	-0.9x	-0.9x	-4.3x	-4.9x	-0.8x	-0.8x	-4.2x	-4.8x

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

22 November 2024

Vext Science: Company Update Post 3Q24

Exhibit 6: Spot EV calculation - MSOs

US\$Mn 21-Nov-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													
Acreage Holdings	244	337	0.13	125.0	1.0	16	-261	-3	-58			-322	
Ascend Wellness	592	612	0.44	214.5	13.3	100	-241	-134	-137			-512	
Ayr Wellness	631	416	0.72	114.0	31.1	105	-359	4	-11	0	55	-311	
Cannabist Co	553	428	0.10	472.7	8.2	48	-269	-26	-86			-380	
Cansortium	140	125	0.09	304.9	5.6	29	-59	-9	-29			-97	
Cresco Labs	937	983	1.13	441.0	8.9	508	-365	-56	-43	-10		-474	
Curaleaf	2,280	2,774	1.99	743.8	11.2	1,502	-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	489	742	7.20	81.0	3.5	608	-25	0	-4	-32		-61	72
Gold Flora	130	134	0.04	287.7	0.1	11	-40	-34	-44	-4		-123	
Goodness Growth	101	165	0.33	230.3	4.1	76	-51	-10	-29			-89	
Green Thumb	2,350	2,404	9.25	236.2	9.3	2,270	-82	-28	-23	0	0	-133	
Grown Rogue	75	99	0.70	143.5		100	5	-2	-2			1	
iAnthus	35	197	0.01	6,615.3		36	-156	-6				-162	
Jushi	332	366	0.32	196.7	0.0	62	-165	-1	-139			-305	
MarimMed	142	162	0.15	381.0	5.0	59	-66	-1	-17			-83	19
Planet 13	100	140	0.41	325.2	0.3	132	19	-7	-16	-5		-8	
Schwazze	180	195	0.11	80.2		9	-151	-2	-33	0		-186	
StateHouse	144	200	0.02	256.4	138.6	6	-114	-10	-54	-22	7	-192	2
TerrAscend	446	581	0.75	355.8	3.1	271	-172	-5	-128	-4		-310	
TILT	109	111	0.01	390.6	4.4	3	-62	-44	-2			-108	
Trulieve	1,201	1,869	6.13	186.0	3.3	1,159	-300	-21	-384	-5		-710	
Verano	901	1,217	1.55	356.9	8.6	566	-355	-6	-285	-4		-651	
Vext	49	66	0.14	245.5	3.4	34	-32	1				-31	

Source: FactSet and company reports

22 November 2024

Vext Science: Company Update Post 3Q24

Exhibit 7: Stock Performance

21-Nov-24	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
US MSOs			
Ascend	-46%	-61%	-62%
Ayr	-63%	-60%	-67%
Cannabist	-53%	-62%	-73%
Cansortium	-39%	-39%	-8%
Cresco	-28%	-35%	-35%
Curaleaf	-37%	-36%	-45%
4Front	-39%	-53%	-85%
GlassHouse	-15%	-23%	52%
Gold Flora	-55%	-54%	-67%
Vireo Growth	-28%	-29%	45%
Grown Rogue	10%	17%	150%
Green Thumb	-10%	-12%	-9%
iAnthus	-42%	-64%	-81%
Jushi	-38%	-44%	-59%
MariMed	-7%	-32%	-49%
Planet13	-32%	-38%	-47%
Schwazze	0%	-48%	-82%
StateHouse	##N/A	-29%	-25%
Trulieve	-51%	-37%	7%
TerrAscend	-38%	-48%	-52%
Vext	-8%	-19%	-40%
Verano	-54%	-60%	-63%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
Canadian LPs			
Aurora	-22%	-30%	-7%
Avant	-43%	-66%	-87%
Auxly	-23%	-12%	97%
Cannara	5%	-17%	-28%
Canopy	-10%	-36%	-32%
Cronos	-4%	-12%	0%
Decibel	36%	-3%	-53%
Entourage	-12%	-9%	-46%
High Tide	-8%	39%	87%
Nova	1%	0%	152%
OGI	-15%	-23%	22%
Rubicon	-20%	-31%	-22%
SNDL	-1%	-3%	35%
Tilray	-17%	-30%	-26%
VFF	-14%	-26%	-1%
CBD			
CVSI	-17%	-20%	25%
CWEB	-2%	-15%	-38%
LFID	-14%	3%	-73%
International			
InterCure	-24%	-20%	25%
PharmaCielo	-11%	56%	172%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
MJ Fincos			
AFCG	-5%	-3%	-16%
CNPOF	-32%	-17%	18%
IIPR	-18%	-12%	35%
NLCP	-7%	-8%	41%
SHFS	-22%	-42%	-49%
LIEN	-1%	12%	36%
REFI	3%	3%	5%
Tech			
LFLY	-23%	-23%	-70%
SBIG	-22%	-13%	-63%
MAPS	29%	6%	39%
Vape parts			
GNLN	-62%	-72%	-68%
ISPR	-6%	-16%	-53%
SMORF	20%	20%	66%
TLLTF	-39%	-64%	-83%
Index			
S&P 500	2%	7%	31%
S&P 477	1%	1%	20%
Nasdaq	8%	14%	48%
MSOS ETF	-36%	-35%	-34%
YOLO ETF	-22%	-23%	-11%

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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