



11/6/2024

# Aurora Cannabis (ACB)

Company Update: Neutral

C\$ Mn							
Sales	FY24a	FY25e	Prev	FY26e	Prev	FY27	Prev
1Q	75.1	83.4 A	83.4	96.0	86.9	101.7	91.4
2Q	63.1	81.1 A	67.5	81.6	70.9	86.8	76.4
3Q	63.1	79.2 E	67.9	81.6	70.5	86.6	74.7
4Q	<u>67.6</u>	<u>83.3</u> E	<u>71.5</u>	<u>86.2</u>	<u>75.6</u>	<u>92.4</u>	<u>80.0</u>
FY	269.0	327.1 E	290.3	345.3	303.9	367.6	322.5
EBITDA	FY24a	FY25e	Prev	FY24e	Prev	FY25e	Prev
1Q	2.6	4.9 A	4.9	12.1	7.5	14.9	10.5
2Q	3.3	10.1 A	7.0	14.1	10.7	18.2	13.8
3Q	3.3	10.3 E	7.6	15.4	11.4	19.5	14.2
4Q	<u>2.3</u>	<u>11.9</u> E	<u>7.8</u>	<u>15.3</u>	<u>11.3</u>	<u>19.3</u>	<u>14.0</u>
FY	11.5	37.2 E	27.3	56.9	40.9	71.9	52.5

Share price (C\$)	6.97	Perf.	ACB	YOLO	S&P500	Stance:	Neutral
Share count (mn)	54.5	30d	-8%	-12%	2%		no price target
Market Cap (C\$Mn)	380	90d	-19%	-10%	13%		FY=Mar
Ticker	ACB	1yr	7%	5%	35%		



C\$Mn	FY25e	FY26e	FY27e
Projected EV	422	354	280
EV/Sales	1.3x	1.0x	0.8x
EV/EBITDA	11.3x	6.2x	3.9x
	FY25e	FY26e	FY27e
Net debt/Sales	0.1	0.3	0.5
Net debt/EBITDA	1.3	2.0	2.6
Free Cash Flow	-2	68	74
Net (debt) cash	48	113	184
Consensus	FY25e	FY26e	FY27e
Sales	304.8	333.9	396.3
EBITDA	21.8	34.3	54.0
Guidance FY25e:	n/a		

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## Company Update Post Sep Qtr Print

With the focus on the results of the US election and Florida ballot, the entire cannabis group is down today, dragging down non-US cannabis stocks like ACB (-18%; MSOS ETF -29%; S&P500 +2.4%). All this, despite ACB having no US exposure, beating consensus sales estimates for the Sep qtr (\$81Mn vs. \$70Mn) as well as EBITDA (\$10Mn vs. \$4Mn) and setting Dec qtr guidance above consensus. Management sees stable seq sales and EBITDA for the Dec qtr, which vs. consensus is 9% and 90% above, respectively. We see room to become more constructive.

Key take aways from the ACB print,

- **Solid international MMJ performance.** ACB's medical cannabis sales to Europe doubled qoq (\$10.7Mn to \$20.0Mn), with Germany being the largest contributor to absolute \$ sales; but it should be note that Poland was also a key driver of growth. The reported growth in Australia (\$9.3Mn to \$15.1Mn), while partly distorted by the inventory draw down in the June qtr (the first full qtr post MedReleaf Australia deal closing on 2/8/24), was fueled by continued market growth there and ACB taking share as it expands its range of offerings.
- **Improved profitability.** The improved MMJ mix, given more sales from the higher margin export markets (intl was 57% of ACB global MMJ sales vs. 42% for the Sep qtr '23), pushed adj cash gross margins to 68% in the Sep qtr vs. 63% a year ago. For the company as a whole, ACGM were up 450bp to >55%. Recurring cash opex remains in the ~\$35Mn/qtr range, despite ongoing sales growth. As a result, EBITDA margins climbed to 12% from 5% a year ago.
- **Outlook.** Guidance calls for Dec qtr sales and ACGM for the global MMJ business to be in line with the Sep qtr. We believe this could be conservative given underlying growth in the German market, although we realize international shipments are lumpy (EU +87% qoq in Sep) and there is no exact reliable data to make a call on end market growth there. Beyond MJ, the propagation business should be down seq due to seasonality. Guidance calls for positive EBITDA and FCF for the Dec qtr. ACB ended the Sep qtr with net cash of \$27Mn (cash of \$85Mn and Bevo-related debt of \$58Mn).

**Valuation.** Taking the ACB share price at C\$6.97 (US\$5.05), we calculate a market cap of C\$391Mn (54.9mn shares plus 1.2mn RSUs) and EV of C\$447Mn (C\$27Mn net cash; -C\$43Mn in leases; \$40Mn minority interest), which is only 1.4x the current sales run rate (Sep qtr annualized), well below the 3-4x multiple we calculate the market is paying for the cannabis units of Tilray and Canopy Growth. We realize these three companies have somewhat different business models and varying strategic focus, but given operational/financial trends, and the more attractive valuation, we see room to become more constructive on ACB shares, our Neutral stance notwithstanding.

Table 1: Stocks Mentioned in this Report

Company name	Ticker	Ticker	Rating
<b>US MSOs</b>			
4Front Ventures		FFNTF	Not rated
Acreage Holdings		ACRDF	will cover
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	Neutral
Trulieve Cannabis		TCNNF	will cover
Verano Holdings		VRNOF	Overweight
Vext Science, Inc.		VEXTF	Overweight
<b>Tech</b>			
Leafly		LFLY	Not rated
Springbig		SBIG	Not rated
WM Technology		MAPS	Neutral

Company name	Ticker	Rating
<b>Canada LPs</b>		
Aurora Cannabis	ACB	Neutral
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	Neutral
Village Farms Intl	VFF	Overweight
<b>Finance Companies</b>		
AFC Gamma	AFCG	Overweight
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
<b>Other</b>		
Intercure	INCR	Overweight
LFTD Partners Inc.	LIFD	Overweight
Ispire Technology	ISPR	will cover
Smoores International	SMORF	will cover

Source: Z&amp;A ratings



# Appendix I: Company Financials

6 November 2024

## Aurora Cannabis: Company Update

### Exhibit 1: Financial Highlights

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25e	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
<b>Sales (\$ Mn)</b>	225.1	270.3	83.4	81.1	79.2	83.3	327.1	96.0	81.6	81.6	86.2	345.3	367.6
qoq ch %	na	na	23%	-3%	-2%	5%	na	15%	-15%	0%	6%	na	na
yoy ch %	-1%	20%	11%	29%	23%	23%	21%	15%	1%	3%	3%	6%	6%
guidance consensus					72.5	77.9	304.8	86.9	70.9	70.5	75.6	333.9	396.3
<b>P&amp;L</b>													
Gross profit before FV adj	29	78	30	39	40	43	152	47	42	44	45	179	194
as % of sales	13%	29%	36%	48%	51%	51%	46%	49%	52%	54%	53%	52%	53%
EBIT	-218	-46	1	-2	1	3	2	3	5	6	6	20	34
as % of sales	-97%	-17%	1%	-3%	2%	3%	1%	3%	6%	8%	7%	6%	9%
adj EBITDA	-10	13	5	10	10	12	37	12	14	15	15	57	72
as % of sales	-4%	5%	6%	12%	13%	14%	11%	13%	17%	19%	18%	16%	20%
consensus EBITDA					5.6	7.6	21.8	7.0	11.0	11.0	11.0	34.3	54.0
as % of sales					7.7%	9.8%	7.2%	8.1%	15.5%	15.6%	14.6%	10.3%	13.6%
<b>EPS</b>													
Pre tax income	-840	-60	8	1	0	2	10	2	4	5	5	16	31
Tax rate assumption	1%	-10%	41%	2097%	3%	3%	164%	3%	3%	3%	3%	3%	3%
Net income after min int	-831	-66	5	-12	0	2	-6	2	4	5	5	15	30
Share count (FD) Mn	277.0	349.1	54.6	54.6	56.3	54.7	55.1	54.7	55.1	54.7	54.7	54.8	54.7
EPS	3.75	-0.80	0.08	0.05	-0.01	0.03	0.16	0.03	0.07	0.09	0.09	0.28	0.55
consensus					-0.02	-0.01	-0.12	-0.02	0.04	0.05	0.06	0.14	0.39
<b>BS and CF highlights</b>													
Operating cash flow	-142	-41	8	-25	22	6	12	6	42	19	10	77	85
(-) Capex	-18	-13	-5	-5	-2	-2	-14	-2	-2	-2	-3	-9	-11
Free cash flow	-161	-54	3	-29	20	4	-2	4	40	17	7	68	74
Ending net (debt)	83	89	63	63	27	48	48	56	56	96	113	113	184
Net debt/Sales	0.4x	0.3x	0.2x	0.2x	0.1x	0.1x	0.1x	0.1x	0.2x	0.3x	0.3x	0.3x	0.5x
Net debt/EBITDA	-8.3x	6.7x	3.2x	1.6x	0.7x	1.0x	1.3x	1.2x	1.0x	1.6x	1.8x	2.0x	2.6x
Equity	559	516	562	562	543	543	543	546	546	550	555	555	581

Source: Z&A estimates, company reports

## Exhibit 2: Cannabis Sales Trends

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25e	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
<b>Net sales</b>	<b>225.1</b>	<b>270.3</b>	<b>83.4</b>	<b>81.1</b>	<b>79.2</b>	<b>83.3</b>	<b>327.1</b>	<b>96.0</b>	<b>81.6</b>	<b>81.6</b>	<b>86.2</b>	<b>345.3</b>	<b>367.6</b>
Canada Rec	55.5	48.6	11.5	10.4	10.3	9.4	41.6	9.9	11.0	10.4	9.9	41.1	43.4
Canada bulk	1.0	1.2	1.6	0.8	0.2	0.2	2.7	0.2	0.2	0.2	0.2	0.6	0.6
Canada Med	97.0	101.4	27.1	26.3	26.3	26.4	106.2	26.5	26.6	26.7	26.7	106.5	107.8
International Med	47.3	68.9	20.1	35.0	35.1	36.8	127.0	36.1	35.2	36.9	38.8	147.0	165.2
Other/Propagation	20.7	44.8	23.1	8.6	7.4	10.5	49.6	23.3	8.7	7.4	10.6	50.1	50.6
<b>Seq ch</b>	<b>na</b>	<b>20%</b>	<b>23%</b>	<b>-3%</b>	<b>-2%</b>	<b>5%</b>	<b>21%</b>	<b>15%</b>	<b>-15%</b>	<b>0%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>
Canada Rec	na	-12%	-3%	-10%	-1%	-8%	-14%	5%	11%	-5%	-5%	-1%	5%
Canada Med	na	5%	9%	-3%	0%	0%	5%	0%	0%	0%	0%	0%	1%
International Med	na	45%	29%	75%	0%	5%	84%	-2%	-3%	5%	5%	16%	12%
<b>Canada rec assumptions (C\$ Mn)</b>													
Market size C\$ rsp	4,671	5,176	1,258	1,391	1,370	1,255	5,274	1,321	1,460	1,386	1,318	5,485	5,785
QoQ ch %	na	na	5%	11%	-2%	-8%	na	5%	11%	-5%	-5%	na	na
YoY ch %	15%	11%	-1%	1%	3%	5%	2%	5%	5%	1%	5%	4%	5%
Market size C\$ ex factory	2,335	2,588	629	695	685	628	2,637	660	730	693	659	2,743	2,892
Co rec market share	2%	2%	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Co sales C\$Mn	55	49	12	10	10	9	42	10	11	10	10	41	43
<b>Med intl assumptions (C\$ Mn)</b>													
Market size C\$ rsp (CF est)	2,702	3,663	838	891	935	982	3,646	1,031	1,083	1,137	1,194	4,444	5,402
QoQ ch %	na	na	-14%	6%	5%	5%	na	5%	5%	5%	5%	na	na
YoY ch %	63%	36%	0%	0%	-3%	1%	0%	23%	22%	22%	22%	22%	22%
Market size C\$ ex factory	1,351	1,832	419	445	468	491	1,823	516	541	568	597	2,222	2,701
Co market share	4%	4%	5%	8%	8%	8%	7%	7%	7%	7%	7%	7%	6%
Co sales C\$Mn	47	69	20	35	35	37	127	36	35	37	39	147	165

Source: Z&amp;A estimates, company reports

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## Aurora Cannabis: Company Update

### Exhibit 3: Gross Profits by Division

C\$ Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25e	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
<b>REPORTED</b>													
Gross profit bef fv adj	40.4	74.4	37.4	39.2	40.1	42.6	159.4	47.3	42.4	43.7	45.5	178.9	193.8
Canada Rec	-17.5	-5.4	1.0	0.5	0.5	0.6	2.6	0.8	1.1	1.2	1.3	4.4	6.5
Medical (Canada + exports)	58.2	76.4	30.3	39.7	38.7	40.5	149.2	40.7	40.2	41.3	42.6	164.8	177.4
Bulk/Bevo	-0.3	3.4	6.2	-1.0	0.9	1.6	7.6	5.8	1.1	1.1	1.6	9.7	9.8
As % of sales	18%	28%	45%	48%	51%	51%	49%	49%	52%	54%	53%	52%	53%
Canada Rec	-32%	-11%	8%	5%	5%	6%	6%	8%	10%	12%	13%	11%	15%
Medical (Canada + exports)	40%	45%	64%	65%	63%	64%	64%	65%	65%	65%	65%	65%	65%
Bulk/Bevo	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
As % of total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Canada Rec	-43%	-7%	3%	1%	1%	1%	2%	2%	3%	3%	3%	2%	3%
Medical (Canada + exports)	144%	103%	81%	101%	96%	95%	94%	86%	95%	95%	94%	92%	92%
Bulk/Bevo	-1%	5%	16%	-3%	2%	4%	5%	12%	3%	3%	4%	5%	5%
<b>ADJ CASH GP</b>													
Gross profit ex dep and ex impairments	32.6	36.0	134.8	42.6	44.3	46.8	51.5	185.8	46.6	47.9	49.7	55.6	59.4
Canada Rec	3.3	2.8	0.0	1.4	1.4	1.5	1.7	6.1	2.0	2.2	2.2	2.5	2.7
Medical (Canada + exports)	25.1	32.8	0.0	41.7	40.7	42.5	42.7	167.6	42.2	43.4	44.7	46.0	49.5
Bulk/Bevo	4.2	0.4	134.8	-0.5	2.1	2.8	7.1	12.1	2.4	2.4	2.8	7.1	7.2
As % of sales	14.5%	13.3%	161.5%	52.5%	55.9%	56.2%	15.7%	193.6%	57.1%	58.8%	57.7%	16.1%	16.2%
Canada Rec	26.2%	23.8%	26.0%	13.5%	14.0%	15.9%	17.4%	15.2%	18.5%	21.0%	22.5%	24.1%	23.4%
Medical (Canada + exports)	59.6%	69.5%	63.9%	68.0%	66.3%	67.2%	68.2%	67.4%	68.3%	68.2%	68.1%	68.1%	67.9%
Bulk/Bevo	na	na	na	na	na	na	na	na	na	na	na	na	na
As % of total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Canada Rec	10%	8%	0%	3%	3%	3%	3%	3%	4%	5%	4%	5%	5%
Medical (Canada + exports)	77%	91%	0%	98%	92%	91%	83%	90%	91%	91%	90%	83%	83%
Bulk/Bevo	13%	1%	100%	-1%	5%	6%	14%	7%	5%	5%	6%	13%	12%

Source: Z&A estimates, company reports



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## Aurora Cannabis: Company Update

### Exhibit 4: Summary Cash Flow

SUMMARY CASH FLOW	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25e	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
<i>C\$ 000s</i>												
Net earnings	-59,045	4,844	1,675	-274	1,570	7,814	1,534	3,806	5,157	4,968	15,464	29,852
(+) D&A	33,071	5,740	5,424	7,518	7,544	26,225	7,570	7,596	7,627	7,659	30,452	30,992
<b>Cash earnings</b>	<b>-25,974</b>	<b>10,584</b>	<b>7,099</b>	<b>7,243</b>	<b>9,113</b>	<b>34,040</b>	<b>9,103</b>	<b>11,402</b>	<b>12,784</b>	<b>12,628</b>	<b>45,916</b>	<b>60,844</b>
(-) Working capital changes	-15,627	10,682	-29,588	15,116	-2,936	-6,726	-3,082	30,935	6,472	-2,949	31,377	24,756
(-) Other operating flows	-26,907	-12,891	-2,402	3	-16	-15,306	-15	-38	-52	-50	-156	-302
<b>Net cash used in operating activities</b>	<b>-68,508</b>	<b>8,375</b>	<b>-24,891</b>	<b>22,362</b>	<b>6,162</b>	<b>12,008</b>	<b>6,006</b>	<b>42,298</b>	<b>19,204</b>	<b>9,628</b>	<b>77,137</b>	<b>85,298</b>
(-) net capex	-16,956	-5,153	-4,543	-2,000	-2,000	-13,696	-2,000	-2,448	-2,448	-2,586	-9,482	-11,027
<b>Free cash flow</b>	<b>-85,464</b>	<b>3,222</b>	<b>-29,434</b>	<b>20,362</b>	<b>4,162</b>	<b>-1,688</b>	<b>4,006</b>	<b>39,851</b>	<b>16,757</b>	<b>7,042</b>	<b>67,656</b>	<b>74,271</b>
(-) acquisitions/divestitures	-2,539	0	0	0	0	0	0	0	0	0	0	0
(-) other (inc bond conversion)	106,257	3,704	117	0	0	3,821	0	0	0	0	0	0
(+) other proceeds	0	0	-6,504	0	0	-6,504	0	0	0	0	0	0
(+) share issuance	37,926	0	126	0	0	126	0	0	0	0	0	0
(-) stock options/warrants	0	0	0	0	0	0	0	0	0	0	0	0
<b>Change in net</b>	<b>56,180</b>	<b>6,926</b>	<b>-35,695</b>	<b>20,362</b>	<b>4,162</b>	<b>-4,245</b>	<b>4,006</b>	<b>39,851</b>	<b>16,757</b>	<b>7,042</b>	<b>67,656</b>	<b>74,271</b>
0												
<b>Ending Net debt</b>	<b>56,180</b>	<b>63,106</b>	<b>27,411</b>	<b>47,773</b>	<b>51,935</b>	<b>51,935</b>	<b>55,941</b>	<b>95,792</b>	<b>112,548</b>	<b>119,590</b>	<b>119,590</b>	<b>193,862</b>
Cash/inv/sec	113,439	115,487	84,921	81,594	85,756	85,756	89,762	129,613	146,369	153,411	153,411	227,683
Gross debts/loans/bonds	57,259	52,381	57,510	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821

Source: Z&A estimates, company reports



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## Aurora Cannabis: Company Update

### Exhibit 5: Projected EV Multiples

C\$Mn	Mar FY23	Mar FY24	Jun 1Q25	Sep 2Q25	Dec 3Q25e	Mar 4Q25e	Mar FY25e	Jun 1Q26e	Sep 2Q26e	Dec 3Q26e	Mar 4Q26e	Mar FY26e	Mar FY27e
<b>Current valuation</b>													
<b>EV (C\$Mn)</b>	<b>383</b>	<b>408</b>	<b>447</b>	<b>426</b>	<b>422</b>	<b>422</b>	<b>418</b>	<b>378</b>	<b>362</b>	<b>354</b>	<b>354</b>	<b>280</b>	
Market cap (\$Mn)	380	381	391	391	391	391	391	391	391	391	391	391	391
Share price (CAD\$)	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97	6.97
Share price (US\$)	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05
FD share count (Mn)	54.5	54.6	56.2	56.1	56.1	56.1	56.1	56.1	56.1	56.1	56.1	56.1	56.1
common shares (proforma)	54.5	54.6	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9	54.9
derivatives in the money	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
RSUs/other	0.0	0.0	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Broadly defined net cash (debt)	39	13	-16	4	8	8	12	52	69	76	76	150	
net financial debt (proforma)	56	63	27	48	52	52	56	96	113	120	120	194	
leases	-17	-50	-43	-43	-43	-43	-43	-43	-43	-43	-43	-43	-43
other debt													
warrant/derivatives inflow													
Minority Interest	42	41	40	40	40	40	40	40	40	40	40	39	
<b>Multiples (Z&amp;A)</b>													
EV/Sales	1.4x	1.2x	1.4x	1.3x	1.3x	1.3x	1.1x	1.2x	1.1x	1.0x	1.0x	0.8x	
EV/EBITDA	28.6x	20.9x	11.0x	10.3x	8.9x	11.3x	8.6x	6.7x	5.9x	5.8x	6.2x	3.9x	

Source: Z&A estimates, company reports



# Appendix II: Valuation Comps

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## Aurora Cannabis: Company Update

### Exhibit 6: LPs Valuation Multiples

Multiples 6-Nov-24	<u>Z&amp;A Spot EV / Sales</u>			<u>Z&amp;A Spot EV / EBITDA</u>			<u>Financial Net Debt</u>				<u>Broadly Defined Net Debt</u>			
	<u>Sales</u>			<u>EBITDA</u>			<u>Sales</u>		<u>EBITDA</u>		<u>Sales</u>		<u>EBITDA</u>	
	Current	2024	2025	Current	2024	2025	Current	CY24	Current	CY24	Current	CY24	Current	CY24
Aurora Cannabis Inc.	1.4x	1.5x	1.3x	11.0x	20.4x	12.9x	na	na	na	na	0.0x	na	-0.4x	na
Auxly Cannabis Group Inc.	0.5x	na	na	2.8x	na	na	-0.4x	na	-2.0x	na	-0.5x	na	-2.8x	na
Avant Brands Inc.	0.7x	na	na	1.9x	na	na	-0.1x	na	-0.4x	na	-0.4x	na	-1.2x	na
BZAM Ltd	0.3x	na	na	3.4x	na	na	-0.2x	na	-2.4x	na	-0.3x	na	-3.4x	na
Cannara Biotech	0.9x	na	na	6.1x	na	na	0.0x	na	0.0x	na	0.0x	na	0.0x	na
Canopy Growth Corporation	3.8x	3.4x	3.2x	-47.1x	-58.0x	338.9x	-1.4x	-1.3x	17.3x	21.3x	-1.4x	-1.3x	17.3x	21.3x
Cronos Group Inc.	-2.5x	-2.4x	-2.0x	6.3x	7.5x	476.5x	na	na	na	na	7.7x	7.4x	-19.3x	-23.1x
Decibel Cannabis Company Inc.	0.9x	0.9x	0.7x	5.2x	4.6x	3.1x	-0.4x	-0.4x	-2.1x	-1.9x	-0.4x	-0.4x	-2.1x	-1.9x
Nova Cannabis Inc.	0.4x	na	na	12.0x	na	na	0.0x	na	-0.1x	na	0.0x	na	-0.9x	na
OrganiGram Holdings Inc.	1.0x	0.9x	0.8x	18.5x	28.8x	11.4x	na	na	na	na	0.5x	0.5x	9.7x	15.1x
Rubicon Organics, Inc.	0.5x	na	na	7.3x	na	na	0.0x	na	-0.4x	na	0.0x	na	-0.4x	na
SNDL Inc.	0.7x	0.7x	0.6x	15.9x	415.5x	na	na	na	na	na	0.2x	0.2x	4.4x	116.1x
Tilray Brands, Inc.	1.2x	1.2x	1.1x	11.8x	15.5x	11.4x	0.0x	0.0x	-0.3x	-0.4x	-0.1x	-0.1x	-0.9x	-1.2x
Village Farms International, Inc.	0.3x	0.3x	0.3x	-6.7x	14.5x	4.6x	0.0x	0.0x	1.0x	-2.1x	0.0x	0.0x	1.0x	-2.2x

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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## Aurora Cannabis: Company Update

### Exhibit 7: LPs EV Calculations

C\$Mn 6-Nov-24	FactSet Spot EV	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.	364	447	6.97	54.9	1.2	391	27	-43		0		-16	40
Auxly Cannabis Group Inc.	170	58	0.04	0.0	0.0	0	-41	-15		-2		-58	
Avant Brands Inc	211	22	0.78	10.5	0.3	8	-5	-8				-13	
BZAM Ltd	112	45	0.00	180.8	0.2	0	-31	-14				-45	
Cannara Biotech	85	67	0.75	90.0	0.0	67	0	0	0			0	
Canopy Growth Corporation	na	996	6.04	102.5	1.8	630	-366					-366	
Cronos Group Inc	-88	-378	2.79	277.0	6.4	790	1,170	-2				1,168	
Decibel Cannabis Company Inc	70	81	0.08	581.9	16.3	48	-34	0				-33	
Nova Cannabis Inc	1	118	1.76	62.1		109	-1	-8				-9	
OrganiGram Holdings Inc	153	153	2.24	103.8	0.0	233	80		0			80	
Rubicon Organics, Inc.	27	25	0.39	56.2	4.3	24	-1	0				-1	
SNDL Inc.	481	613	2.79	264.3	16.2	784	209	-38				171	
Tilray Brands, Inc.	1,391	1,479	2.10	634.4	0.0	1,333	-42	-49		-21		-112	35
Village Farms International, Inc.	152	130	1.18	81.0		95	-19	-1				-19	15

Source: FactSet and company reports

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## Aurora Cannabis: Company Update

### Exhibit 8: Stock Performance

6-Nov-24	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
<b>US MSOs</b>			
Ascend	-18%	-23%	-34%
Ayr	-39%	-27%	-7%
Cannabist	-27%	-31%	-60%
Cansortium	-33%	-3%	26%
Cresco	-27%	-17%	6%
Curaleaf	-21%	-26%	-24%
4Front	-40%	-65%	-80%
GlassHouse	-20%	-16%	62%
Gold Flora	-13%	-39%	-36%
Vireo	-22%	-19%	106%
Grown Rogue	-14%	-3%	112%
Green Thumb	-15%	-21%	-5%
iAnthus	-20%	-26%	-65%
Jushi	-28%	-28%	-23%
MarlMed	-4%	-11%	-52%
Planet13	-23%	14%	-31%
Schwazze	-45%	-27%	-81%
StateHouse	0%	-55%	-17%
Trulieve	-41%	-21%	52%
TerrAscend	-37%	-34%	-51%
Vext	-25%	-36%	-43%
Verano	-25%	-19%	-29%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
<b>Canadian LPs</b>			
Aurora	-8%	-19%	7%
Avant	-24%	-41%	-83%
Auxly	7%	11%	198%
Cannara	20%	17%	-21%
Canopy	-1%	-32%	-25%
Cronos	-10%	-9%	6%
Decibel	36%	43%	-44%
Entourage	-11%	-19%	-42%
High Tide	21%	63%	92%
Nova	0%	37%	131%
OGI	-8%	9%	18%
Rubicon	-5%	-15%	0%
SNDL	1%	0%	35%
Tilray	-10%	-13%	-17%
VFF	-5%	-13%	14%
<b>CBD</b>			
CVSI	-6%	-14%	30%
CWEB	13%	-5%	-46%
LFID	-40%	-47%	-76%
<b>International</b>			
InterCure	-12%	-14%	30%
PharmaCielo	-40%	35%	143%

	Stock Performance		
	Last	Last	Last
Ticker	30d	90d	12mo
<b>MJ Fincos</b>			
AFCG	0%	5%	-9%
CNPOF	-24%	6%	28%
IIPR	-7%	8%	54%
NLCP	-6%	-9%	44%
SHFS	-25%	-38%	-47%
SSIC	8%	8%	38%
REFI	0%	2%	6%
<b>Tech</b>			
LFLY	-16%	-24%	-76%
SBIG	-11%	-22%	-42%
MAPS	-21%	-26%	-40%
<b>Vape parts</b>			
GNLN	-43%	-40%	-60%
ISPR	-2%	-8%	-29%
SMORF	14%	14%	68%
TLLTF	-1%	-42%	-69%
<b>Index</b>			
S&P 500	2%	13%	35%
S&P 477	-2%	2%	18%
Nasdaq	5%	14%	50%
MSOS ETF	-28%	-24%	-14%
YOLO ETF	-12%	-10%	5%

Source: FactSet



# Appendix III: Bio and Disclaimers



## Analyst Bio

Pablo Zuanic is a well-known and highly rated equity analyst following the broader cannabinoids (THC cannabis, hemp derivatives, CBD) and consumer sectors. Over the past six years he has launched coverage of over 40 companies in the US, Canada, and overseas; plant-touching as well as service providers (tech; finance); and has also worked with several private companies. He follows closely the reform process in the US, Canada, Germany, Australia, and elsewhere, and relies on a fundamental and data-driven approach to keep track of sectoral trends. His firm Zuanic & Associates publishes equity research, both from a macro/sectoral level in a thematic manner, as well as on listed stocks. The research service is aimed at institutional investors, corporations, and regulators. The firm is also available for short-term consulting and research advisory projects. Approaching the third 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 ranked in the Institutional Investor magazine surveys and was 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. *He can be contacted via the company's portal [www.zuanicassociates.com](http://www.zuanicassociates.com); via email at [pablo.zuanic@zuanicgroup.com](mailto:pablo.zuanic@zuanicgroup.com); or via X @420Odysseus.*





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