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Industry Observations – December 31, 2019

Cannabis Industry

Select Cannabis Public Company Industry Data As of December 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 12/31/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Cultivation, Manufacturing and Retail Operations "Plant Touching"											
Curaleaf Holdings, Inc.	CURA	\$6.31	51.9%	\$3,001.99	\$3,638.57	31.5%	\$713.24	\$177.52	-\$8.78	\$939.35	\$254.95
Green Thumb Industries Inc.	GTHI	\$9.86	58.1%	\$2,033.58	\$2,263.53	13.5%	\$1,081.68	\$161.40	-\$17.68	\$472.62	\$126.29
Harvest Health & Recreation Inc.	HARV	\$3.20	28.6%	\$930.67	\$1,217.30	33.1%	\$634.02	\$95.93	-\$83.91	\$618.55	\$140.68
Cresco Labs Inc.	CL	\$6.88	48.6%	\$942.13	\$1,493.95	13.7%	\$416.53	\$100.66	-\$0.77	\$529.61	\$113.21
Trulieve Cannabis Corp.	TRUL	\$11.85	71.0%	\$1,307.62	\$1,305.49	34.9%	\$442.15	\$209.07	\$233.92	\$393.01	\$158.48
MariMed Inc.	MRMD	\$0.62	11.6%	\$139.05	\$167.21	33.2%	\$137.06	\$43.85	\$4.01	NM	NM
iAnthus Capital Holdings, Inc.	IAN	\$1.46	23.2%	\$251.44	\$394.21	17.5%	\$831.59	\$53.15	-\$51.23	\$251.22	\$45.03
MedMen Enterprises Inc.	MMEN	\$0.54	13.8%	\$127.65	\$504.30	73.6%	\$849.41	\$152.48	-\$187.32	\$275.98	-\$9.57
Planet 13 Holdings Inc.	PLTH	\$1.98	71.4%	\$271.90	\$224.14	21.6%	\$67.12	\$55.33	\$2.29	\$93.47	\$27.51
22nd Century Group, Inc.	XXII	\$1.10	38.2%	\$139.78	\$102.96	3.2%	\$61.86	\$25.71	-\$20.44	\$0.00	NM
Plus Products Inc.	PLUS	\$1.27	20.7%	\$55.18	\$56.08	50.4%	\$37.96	\$13.70	-\$19.19	\$46.90	-\$2.84
Business Services "Non-Plant Touching"											
KushCo Holdings, Inc.	KSHB	\$1.64	22.8%	\$176.07	\$229.71	21.6%	\$178.57	\$158.60	-\$49.75	\$239.89	-\$1.32
TILT Holdings Inc.	TILT	\$0.28	9.1%	\$85.07	\$207.71	13.8%	\$558.35	\$122.44	-\$81.33	\$392.00	\$76.20
Akerna Corp.	KERN	\$8.43	11.6%	\$92.38	\$74.39	NM	\$26.31	\$11.81	\$0.00	NM	NM
Helix TCS, Inc.	HLIX	\$0.46	14.0%	\$42.95	\$58.74	5.8%	\$74.08	\$14.46	-\$7.34	NM	NM

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt); EBITDA (earnings before interest, taxes, depreciation and amortization); NM (Not Meaningful; lack of source data from CapIQ)
Source: Capital IQ

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Publicly available information utilized in this publication has been obtained from sources deemed to be reliable. Houlihan does not guarantee the accuracy or completeness of the information provided within this publication. The material presented reflects information known to the authors at the time this publication was written and this information is subject to change.

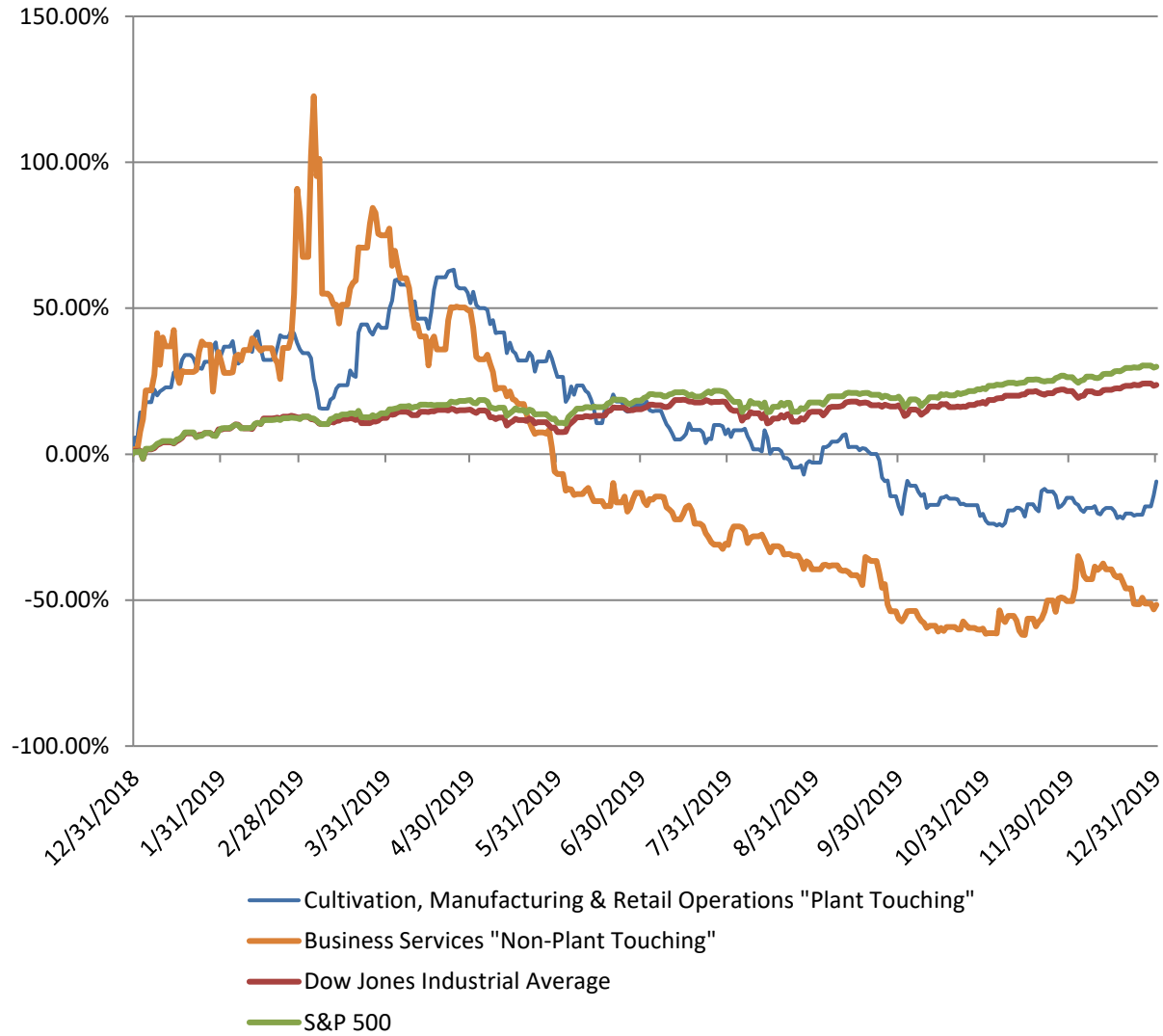
Select Cannabis Public Company Valuation Metrics As of December 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Cultivation, Manufacturing and Retail Operations "Plant Touching"											
Curaleaf Holdings, Inc.	CURA	-4.1%	-24.8%	-5.0%	245.5%	N/A	-4.9%	20.5x	3.9x	N/A	14.3x
Green Thumb Industries Inc.	GTHI	-3.5%	-10.1%	-3.9%	237.1%	N/A	-11.0%	14.0x	4.8x	N/A	17.9x
Harvest Health & Recreation Inc.	HARV	-15.0%	-77.1%	-17.5%	157.7%	N/A	-87.5%	12.7x	2.0x	N/A	8.7x
Cresco Labs Inc.	CL	-1.4%	-10.8%	-1.5%	257.5%	N/A	-0.8%	14.8x	2.8x	N/A	13.2x
Trulieve Cannabis Corp.	TRUL	48.6%	87.1%	59.5%	161.0%	305.6%	111.9%	6.2x	3.3x	5.6x	8.2x
MariMed Inc.	MRMD	1.8%	-17.1%	2.0%	338.9%	N/A	9.1%	3.8x	N/A	41.7x	N/A
iAnthus Capital Holdings, Inc.	IAN	-8.8%	-16.3%	-9.6%	N/A	N/A	-96.4%	7.4x	1.6x	N/A	8.8x
MedMen Enterprises Inc.	MMEN	-21.9%	-138.3%	-27.3%	156.5%	N/A	-122.9%	3.3x	1.8x	N/A	N/A
Planet 13 Holdings Inc.	PLTH	-0.2%	-23.3%	-0.3%	240.7%	N/A	4.1%	4.1x	2.4x	97.8x	8.1x
22nd Century Group, Inc.	XXII	-18.5%	-43.4%	-20.0%	1.9%	N/A	-79.5%	4.0x	N/A	N/A	N/A
Plus Products Inc.	PLUS	-46.7%	-148.2%	-50.7%	153.9%	N/A	-140.0%	4.1x	1.2x	N/A	N/A
	Mean	-6.3%	-38.4%	-6.8%	195.1%	305.6%	-38.0%	8.6x	2.6x	48.4x	11.3x
	Median	-4.1%	-23.3%	-5.0%	199.0%	305.6%	-11.0%	6.2x	2.4x	41.7x	8.8x
Business Services "Non-Plant Touching"											
KushCo Holdings, Inc.	KSHB	-22.4%	-44.7%	-28.0%	131.4%	N/A	-31.4%	1.4x	1.0x	N/A	N/A
TILT Holdings Inc.	TILT	N/A	N/A	N/A	N/A	N/A	-66.4%	1.7x	0.5x	N/A	2.7x
Akerna Corp.	KERN	-39.5%	-80.8%	-45.5%	16.9%	N/A	N/A	6.3x	N/A	N/A	N/A
Helix TCS, Inc.	HLIX	-10.0%	-16.6%	-10.5%	97.8%	N/A	-50.8%	4.1x	N/A	N/A	N/A
	Mean	-23.9%	-47.4%	-28.0%	82.0%	N/A	-49.5%	3.4x	0.7x	N/A	2.7x
	Median	-22.4%	-44.7%	-28.0%	97.8%	N/A	-50.8%	2.9x	0.7x	N/A	2.7x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)
Source: Capital IQ

Cannabis Public Company LTM Equity Performance
As of December 31, 2019



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

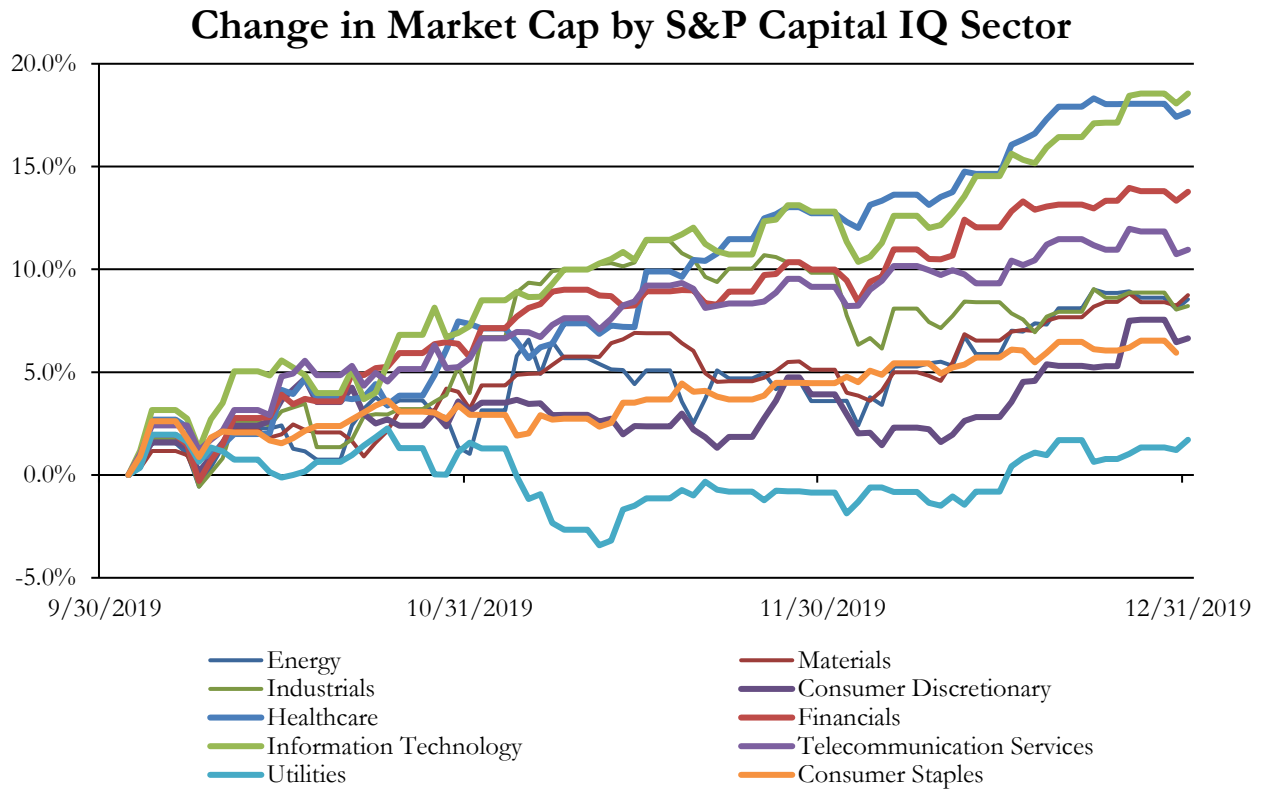
Recent M&A Activity in Cannabis Industry December 31, 2018 to December 31, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
6/5/2019	Integral Associates, LLC/ Integral Associates CA, LLC	GTI Core, LLC	Pharmaceuticals	\$289.19
9/16/2019	Ilera Healthcare/Dispensing/Security/Main/IHC Real	TerrAscend Corp.	Pharmaceuticals	\$223.91
7/24/2019	Substantially all Assets of SugarLeaf Labs, LLC and Forest	Neptune Wellness Solutions Inc.	Pharmaceuticals	\$150.00
10/31/2019	Acres Cannabis	Curaleaf Holdings, Inc.	Pharmaceuticals	\$70.00
7/10/2019	Franklin Bioscience - Penn LLC	Jushi Holdings Inc.	NA	\$63.08
8/23/2019	Fiorello Pharmaceuticals, Inc.	Green Thumb Industries Inc.	Pharmaceuticals	\$59.51
12/12/2019	Lincoln IL Cultivation Facility	GreenAcreage Real Estate Corp.	Real Estate Operating	\$50.00
7/29/2019	Spring Oaks Greenhouses, Inc.	Green Growth Brands Inc.	Agricultural Products	\$49.92
10/22/2019	100,000 square foot properties in Joliet and Kankakee	Innovative Industrial Properties, Inc.	Real Estate Operating	\$32.80
8/2/2019	ACC C Corp.	Liht Cannabis Corp. (nka:Citation Growth Corp.)	Pharmaceuticals	\$30.81
9/23/2019	Dalitsso LLC	Jushi Holdings Inc.	Pharmaceuticals	\$25.90
6/28/2019	Prismic Pharmaceuticals, Inc.	FSD Pharma Inc.	Pharmaceuticals	\$24.48
8/27/2019	Henderson Organic Remedies, LLC	Green Growth Brands Inc.	Pharmaceuticals	\$24.46
12/23/2019	Properties in Pennsylvania and North Dakota	Innovative Industrial Properties, Inc.	Real Estate Operating	\$24.10
11/15/2019	GB Sciences Louisiana, LLC	K2 Logic LLC	Pharmaceuticals	\$24.00
7/31/2019	Ganja Gold Inc.	Integrated Cannabis Company, Inc.	Distributors	\$22.62
6/18/2019	Cake Marketing UK Ltd. and Other Assets of Accelerize Inc.	Constellation Software Inc.	Application Software	\$20.89
11/12/2019	Cultivation and Processing Facility of Green Thumb Industries	Innovative Industrial Properties, Inc.	Real Estate Operating	\$20.30
6/20/2019	Blaine Labs, Inc.	Alternate Health Corp.	Personal Products	\$19.62
7/24/2019	Select MMAC Assets of MM Esperanza 2 LLC	DionyMed Brands Inc.	Real Estate Operating	\$19.07
10/9/2019	Michigan Property	Innovative Industrial Properties, Inc.	Real Estate Operating	\$19.00
10/25/2019	Certain Cannabis Related Real Estate Assets	GreenAcreage Real Estate Corp.	Real Estate Operating	\$18.30
10/30/2019	Property Located in Dwight, Illinois	Innovative Industrial Properties, Inc.	Real Estate Operating	\$18.00
5/29/2019	Emerald Dispensary in Gilbert, Arizona	Curaleaf Holdings, Inc.	Pharmaceuticals	\$18.00
9/12/2019	Four-Property Portfolio in Southern California	Innovative Industrial Properties, Inc.	Real Estate Operating	\$17.30
10/23/2019	Five Buildings in Quincy, Florida	Innovative Industrial Properties, Inc.	Real Estate Operating	\$17.00
10/28/2019	Green Tree International, Inc.	Helix TCS, Inc.	Trading Companies and	\$15.00
9/10/2019	Emerald Phoenix/ Infusion Edibles	Nabis Holdings Inc.	NA	\$15.00
5/1/2019	Complia, LLC	NIC Inc.	Application Software	\$15.00
5/16/2019	Pahrump	Green Growth Brands Inc.	Pharmaceuticals	\$13.37
9/4/2019	Two Buildings in Saxton, Pennsylvania	Innovative Industrial Properties, Inc.	Real Estate Operating	\$13.00
5/20/2019	MattJeremy, Inc. LLC	MedMen Enterprises Inc.	Pharmaceuticals	\$13.00
8/30/2019	Apeks LLC	Rough Brothers, Inc.	Industrial Machinery	\$12.60
10/30/2019	Property Located in Litchfield, Illinois	Innovative Industrial Properties, Inc.	Real Estate Operating	\$10.50
6/28/2019	CBD For Life LLC	iAnthus Capital Holdings, Inc.	Personal Products	\$10.44
7/5/2019	Pineapple Ventures, Inc.	Pineapple Express, Inc.	Research and Consulting	\$10.40
10/9/2019	Zefyr, Inc.	Frontier Financial Group, Inc.	NA	\$10.00
5/5/2019	Certain Assets of Honu, Inc.	Cannabis One Holdings Inc.	Pharmaceuticals	\$9.69
7/12/2019	Cheyenne Avenue in Las Vegas	Innovative Industrial Properties, Inc.	Agricultural Products	\$9.60
7/24/2019	Natural Extractions Inc.	Ionic Brands Corp.	NA	\$9.53
6/12/2019	Vegas Valley Growers North LLC	Ionic Brands Corp.	Tobacco	\$8.54
6/11/2019	Pure Ratios Holdings, Inc.	Cannex Capital Holdings Inc.	Pharmaceuticals	\$8.16
6/21/2019	45,000 Square Feet Industrial Property in Harrison	Innovative Industrial Properties, Inc.	Real Estate Operating	\$6.90
7/2/2019	Kanna, Inc.	Acreage Holdings, Inc.	Pharmaceuticals	\$5.52
6/18/2019	All Of The Assets Of Ann Arbor Provisioning Center, LLC.	GR Companies, Inc.	NA	\$5.50
6/20/2019	Assets Related to Sponsored Content and Marketing Business of	Accelerize Inc. (nka:CFN Enterprises Inc.)	Advertising	\$5.48
11/6/2019	Lyfted Farms, Inc.	TransCanna Holdings Inc.	Pharmaceuticals	\$5.36
5/2/2019	Certain Business Assets of Cub City LLC	Origin House	Pharmaceuticals	\$5.30
8/29/2019	Rare Industries, Inc.	48North Cannabis Corp.	Tobacco	\$5.12
7/10/2019	Substantially All of the Assets of Kirkman Group	Hemptown Organics Corp.	NA	\$5.00
7/2/2019	Property in Lansing, Michigan	Innovative Industrial Properties, Inc.	Real Estate Operating	\$4.80
6/1/2019	MediTaurus LLC	MariMed Inc.	NA	\$4.75
6/28/2019	All Assets of Yerba Oregon LLC	Stem Holdings, Inc.	Pharmaceuticals	\$4.61
5/24/2019	Swell Companies Ltd	C21 Investments Inc.	NA	\$4.55
10/10/2019	Sackville & Co. Merchandising Ltd.	48North Cannabis Corp.	Apparel, Accessories and Luxury	\$3.66
5/31/2019	11,000 Square Foot Industrial Property in Ohio	Innovative Industrial Properties, Inc.	Real Estate Operating	\$3.60
7/29/2019	150,000 square feet property in Holyoke, Massachusetts	Innovative Industrial Properties, Inc.	Real Estate Operating	\$3.50
9/10/2019	Cultivation, Production and Fulfillment Facility Located in Camp	Nabis Holdings Inc.	Pharmaceuticals	\$2.65
9/30/2019	2,000 Square Foot Dispensary Location in Arizona	Innovative Industrial Properties, Inc.	Real Estate Operating	\$2.50
6/7/2019	Emerald Mitten, LLC	GR Companies, Inc.	Pharmaceuticals	\$2.50
7/10/2019	Mountain High Recreation, Inc.	Driven Deliveries, Inc.	Internet and Direct Marketing	\$2.30
9/9/2019	Red Ace LLC	Bhang Corporation	Soft Drinks	\$2.05
6/19/2019	XAAS Agro, Inc.	Vireo Health de Puerto Rico, LLC	Pharmaceuticals	\$1.80
7/12/2019	Two Greenhouse Properties in Southern Colorado	Power REIT	Real Estate Operating	\$1.77
10/15/2019	Distribution and Manufacturing Facility in Sonoma County	NA	Real Estate Operating	\$1.70

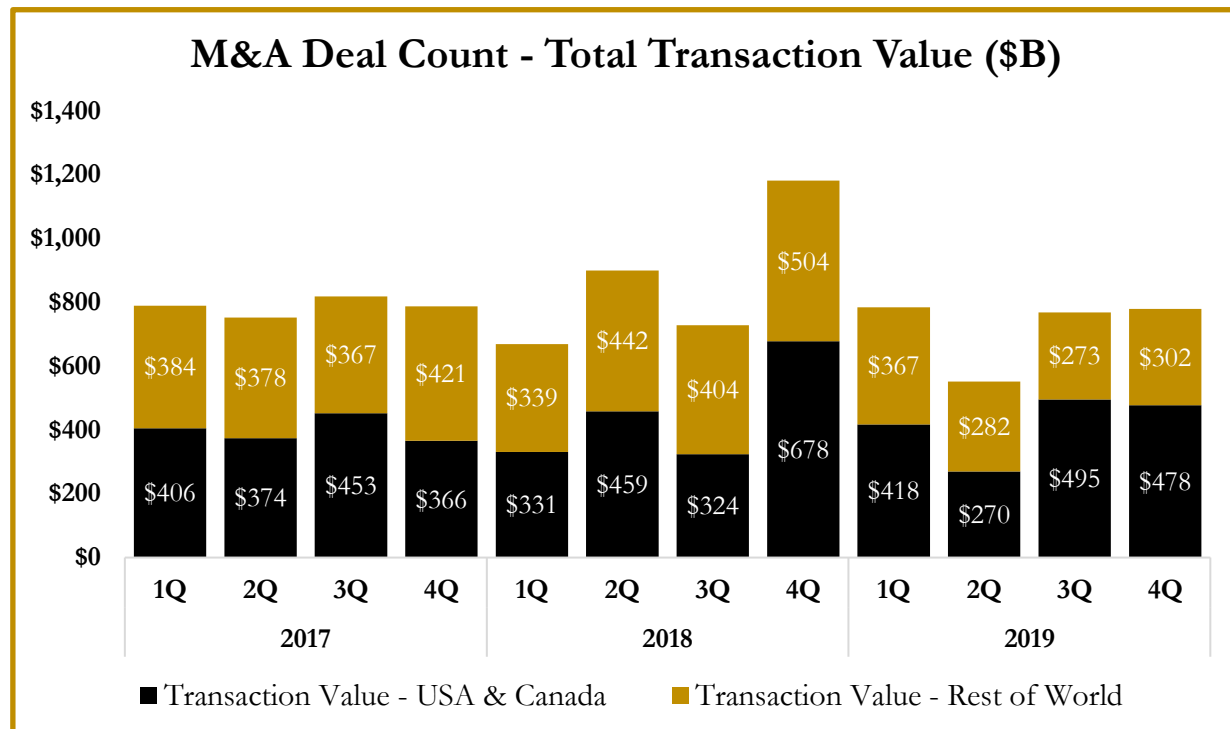
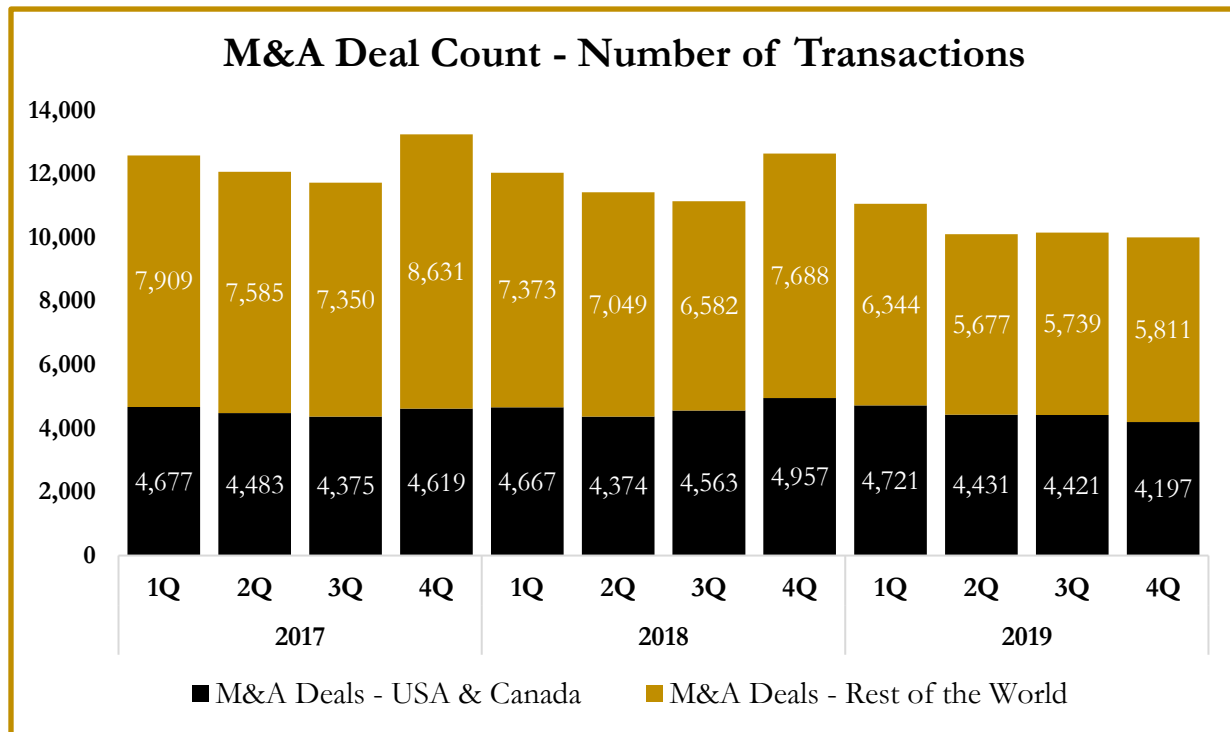
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of December 31, 2019

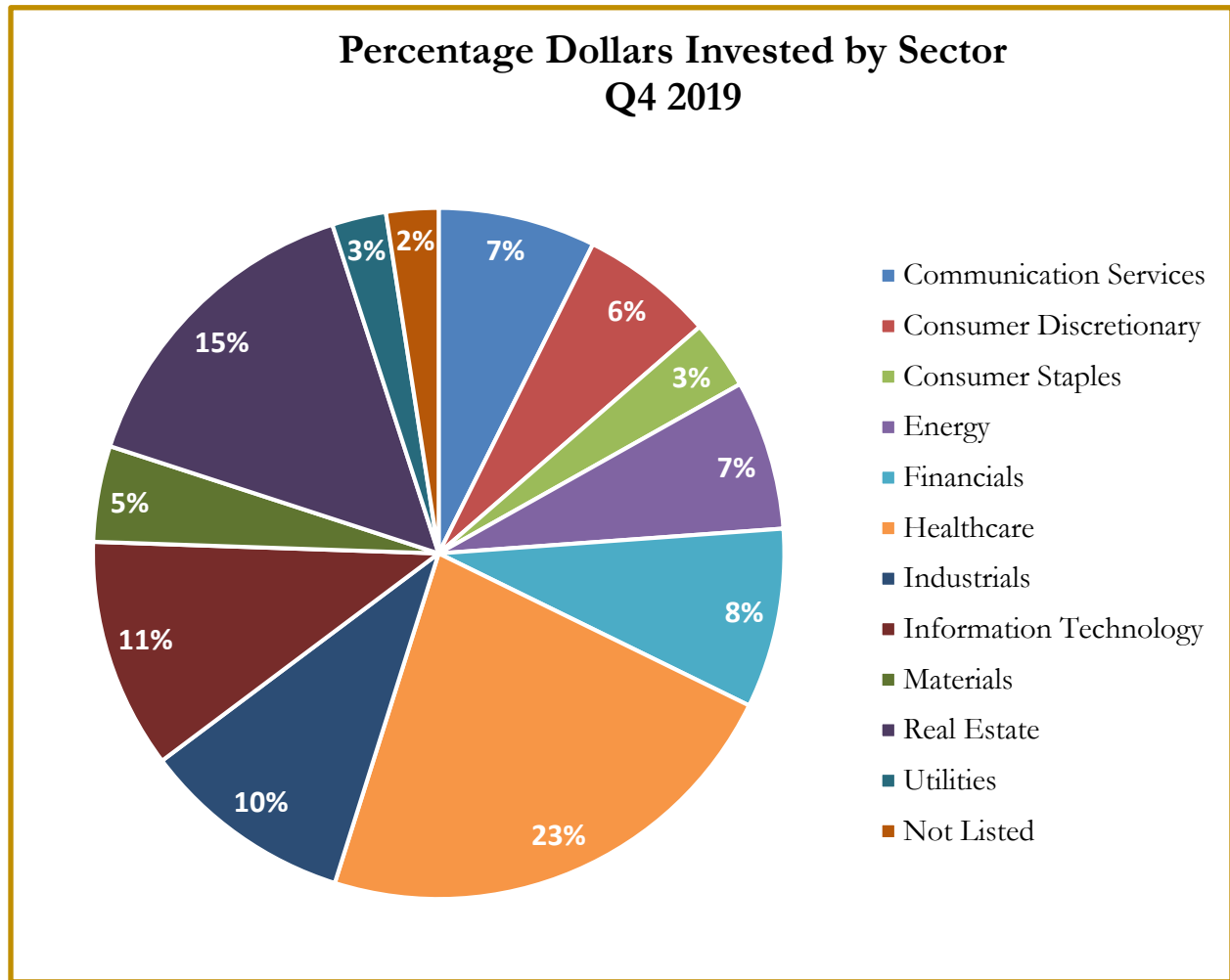


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2019





About Us

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We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

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