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Industry Observations – June 30, 2020

Cannabis Industry

Select Cannabis Public Company Industry Data As of June 30, 2020

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 06/30/20	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2020 Revenue Estimate	CY 2020 EBITDA Estimate
Cultivation, Manufacturing and Retail Operations "Plant Touching"											
Curaleaf Holdings, Inc.	CURA	\$6.09	75.2%	\$3,314.70	\$4,101.30	36.4%	\$1,296.75	\$282.26	\$51.19	\$681.75	\$128.41
Green Thumb Industries Inc.	GTHI	\$9.96	89.4%	\$2,088.92	\$2,899.17	18.4%	\$1,223.01	\$291.12	\$35.23	\$460.50	\$119.91
Harvest Health & Recreation Inc.	HARV	\$0.90	14.5%	\$329.12	\$704.21	48.7%	\$876.95	\$142.56	-\$86.26	\$207.18	-\$0.71
Cresco Labs Inc.	CL	\$4.12	39.7%	\$882.37	\$1,457.37	25.3%	\$1,157.03	\$168.38	-\$27.99	\$364.04	\$51.82
Trulieve Cannabis Corp.	TRUL	\$12.50	90.1%	\$1,413.11	\$1,846.72	43.1%	\$640.14	\$304.40	\$302.90	\$430.87	\$189.18
Aphria Inc.	APHA	\$4.28	57.9%	\$1,224.48	\$1,476.33	20.6%	\$1,939.66	\$386.65	\$33.16	\$449.48	\$30.16
MariMed Inc.	MRMD	\$0.16	7.7%	\$40.23	\$98.29	88.2%	\$65.34	\$49.55	-\$36.24	NM	NM
iAnthus Capital Holdings, Inc.	IAN	\$0.22	6.8%	\$38.50	\$140.39	17.5%	\$831.59	\$53.15	-\$51.23	\$129.70	\$20.75
MedMen Enterprises Inc.	MMEN	\$0.22	8.3%	\$87.24	\$418.50	88.3%	\$811.40	\$176.21	-\$161.93	\$184.97	-\$51.17
Planet 13 Holdings Inc.	PLTH	\$1.57	74.5%	\$244.73	\$433.03	21.5%	\$66.52	\$66.55	\$5.25	\$54.72	\$5.83
22nd Century Group, Inc.	XXII	\$0.76	31.1%	\$106.14	\$77.01	2.7%	\$64.46	\$26.60	-\$19.07	N/A	NM
Plus Products Inc.	PLUS	\$0.49	12.5%	\$24.14	\$24.28	72.4%	\$26.02	\$15.34	-\$22.63	\$21.46	-\$5.48
Business Services "Non-Plant Touching"											
KushCo Holdings, Inc.	KSHB	\$0.70	13.0%	\$88.20	\$107.08	26.3%	\$135.67	\$134.34	-\$67.53	\$104.56	-\$17.73
TILT Holdings Inc.	TILT	\$0.39	40.8%	\$124.34	\$235.60	21.5%	\$541.72	\$160.98	-\$3.06	\$167.44	\$5.48
Akerna Corp.	KERN	\$8.80	42.2%	\$116.68	\$73.98	NM	\$41.35	\$13.29	N/A	NM	NM
Helix TCS, Inc.	HLIX	\$0.14	13.0%	\$15.24	\$15.93	7.4%	\$71.25	\$16.47	-\$4.73	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

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

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Select Cannabis Public Company Valuation Metrics As of June 30, 2020

(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 2020 Revenue	TEV/ LTM EBITDA	TEV/ CY 2020 EBITDA
Cultivation, Manufacturing and Retail Operations "Plant Touching"											
Curaleaf Holdings, Inc.	CURA	1.3%	-13.6%	1.5%	173.4%	N/A	18.1%	14.5x	6.0x	80.1x	31.9x
Green Thumb Industries Inc.	GTHI	-0.4%	-7.7%	-0.4%	266.3%	N/A	12.1%	10.0x	6.3x	82.3x	24.2x
Harvest Health & Recreation Inc.	HARV	-8.7%	-46.5%	-10.0%	146.4%	N/A	-60.5%	4.9x	3.4x	N/A	N/A
Cresco Labs Inc.	CL	-3.3%	-14.0%	-3.8%	196.1%	N/A	-16.6%	8.7x	4.0x	N/A	28.1x
Trulieve Cannabis Corp.	TRUL	42.2%	85.3%	52.3%	130.5%	273.3%	99.5%	6.1x	4.3x	6.1x	9.8x
Aphria Inc.	APHA	0.1%	1.7%	0.1%	330.2%	N/A	8.6%	3.8x	3.3x	44.5x	48.9x
MariMed Inc.	MRMD	-28.9%	-234.3%	-31.9%	273.0%	N/A	-73.1%	2.0x	N/A	N/A	N/A
iAnthus Capital Holdings, Inc.	IAN	-8.8%	-16.3%	-9.6%	N/A	N/A	-96.4%	2.6x	1.1x	N/A	6.8x
MedMen Enterprises Inc.	MMEN	-17.8%	-184.9%	-22.4%	69.5%	N/A	-91.9%	2.4x	2.3x	N/A	N/A
Planet 13 Holdings Inc.	PLTH	1.7%	-16.7%	2.1%	111.8%	N/A	7.9%	6.5x	7.9x	82.5x	74.3x
22nd Century Group, Inc.	XXII	-18.0%	-44.5%	-19.4%	0.0%	N/A	-71.7%	2.9x	N/A	N/A	N/A
Plus Products Inc.	PLUS	-41.1%	-160.6%	-43.9%	42.9%	N/A	-147.4%	1.6x	1.1x	N/A	N/A
	Mean	-6.8%	-54.3%	-7.1%	158.2%	273.3%	-34.3%	5.5x	4.0x	59.1x	32.0x
	Median	-6.0%	-16.5%	-6.7%	146.4%	273.3%	-38.6%	4.4x	3.7x	80.1x	28.1x
Business Services "Non-Plant Touching"											
KushCo Holdings, Inc.	KSHB	-30.2%	-86.9%	-37.5%	10.2%	N/A	-50.3%	0.8x	1.0x	N/A	N/A
TILT Holdings Inc.	TILT	N/A	N/A	N/A	N/A	N/A	-1.9%	1.5x	1.4x	N/A	43.0x
Akerna Corp.	KERN	-40.1%	-88.0%	-47.6%	35.2%	N/A	N/A	5.6x	N/A	N/A	N/A
Helix TCS, Inc.	HLIX	-8.9%	-3.3%	-9.8%	39.5%	N/A	-28.7%	1.0x	N/A	N/A	N/A
	Mean	-26.4%	-59.4%	-31.7%	28.3%	N/A	-27.0%	2.2x	1.2x	N/A	43.0x
	Median	-30.2%	-86.9%	-37.5%	35.2%	N/A	-28.7%	1.2x	1.2x	N/A	43.0x

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 June 30, 2020



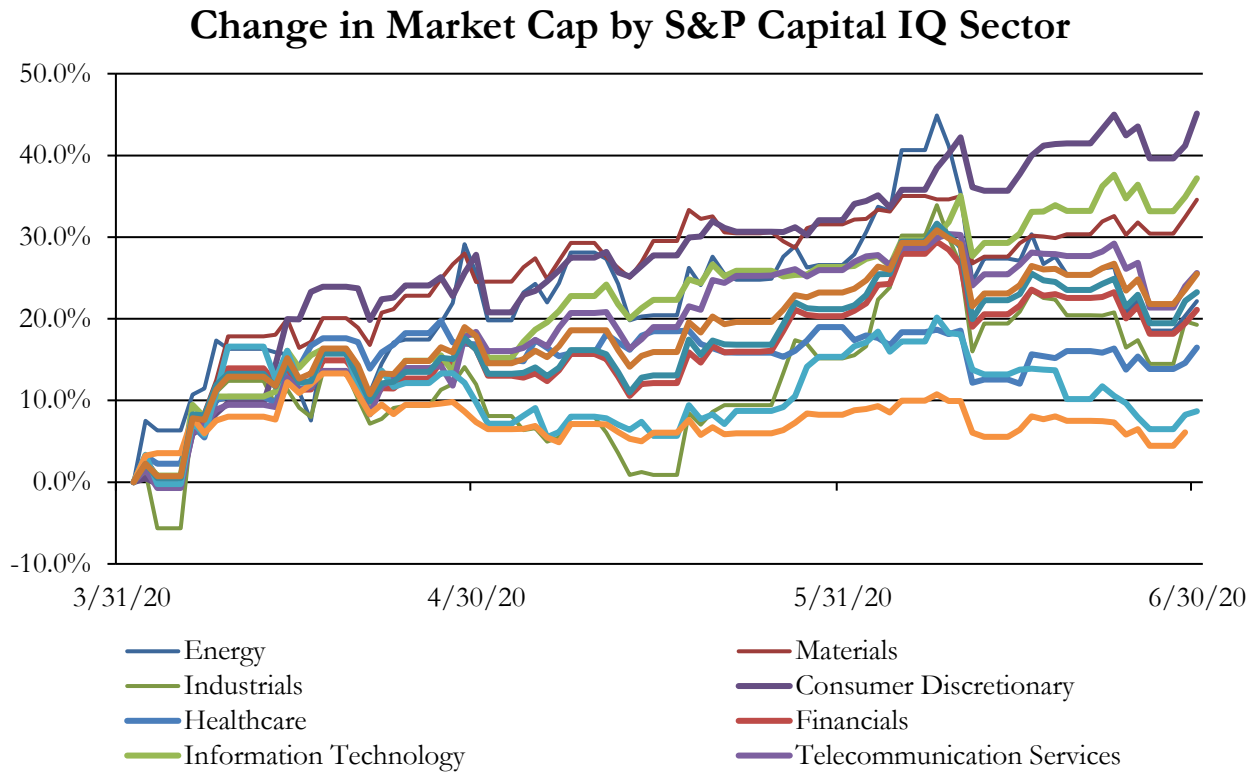
Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

Recent M&A Activity in Cannabis Industry YTD as of June 30, 2020

(USD in millions)

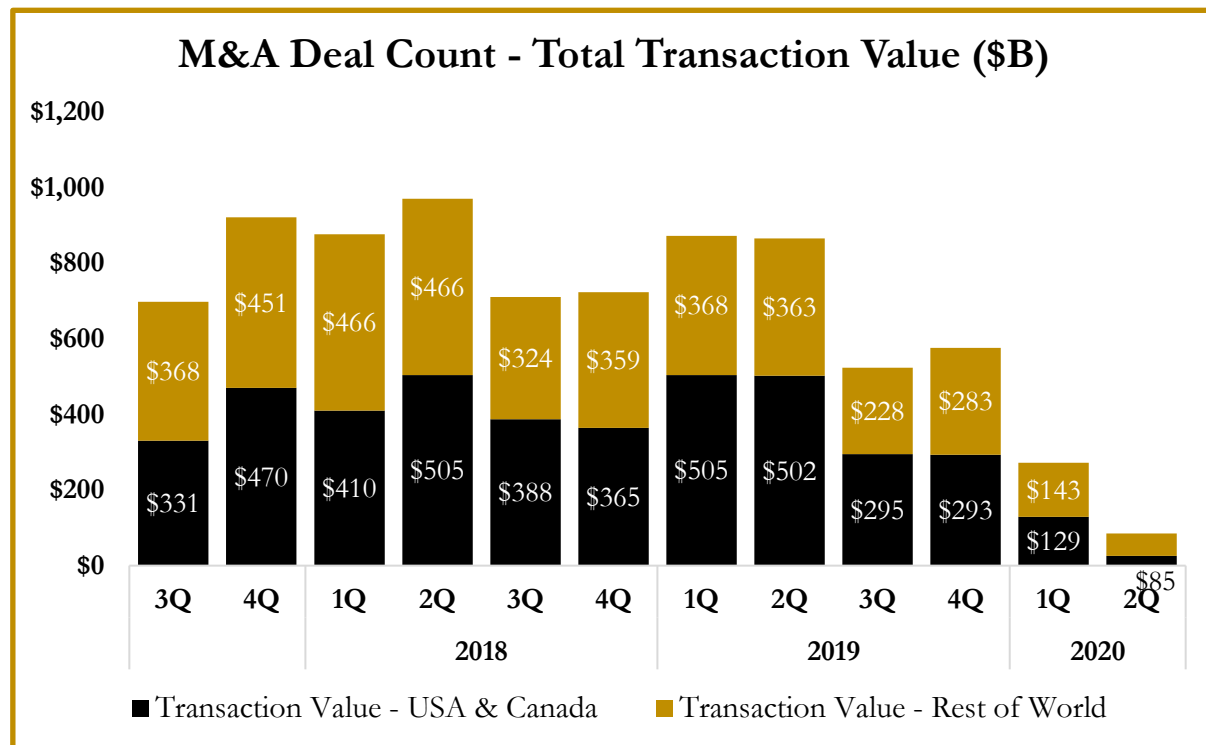
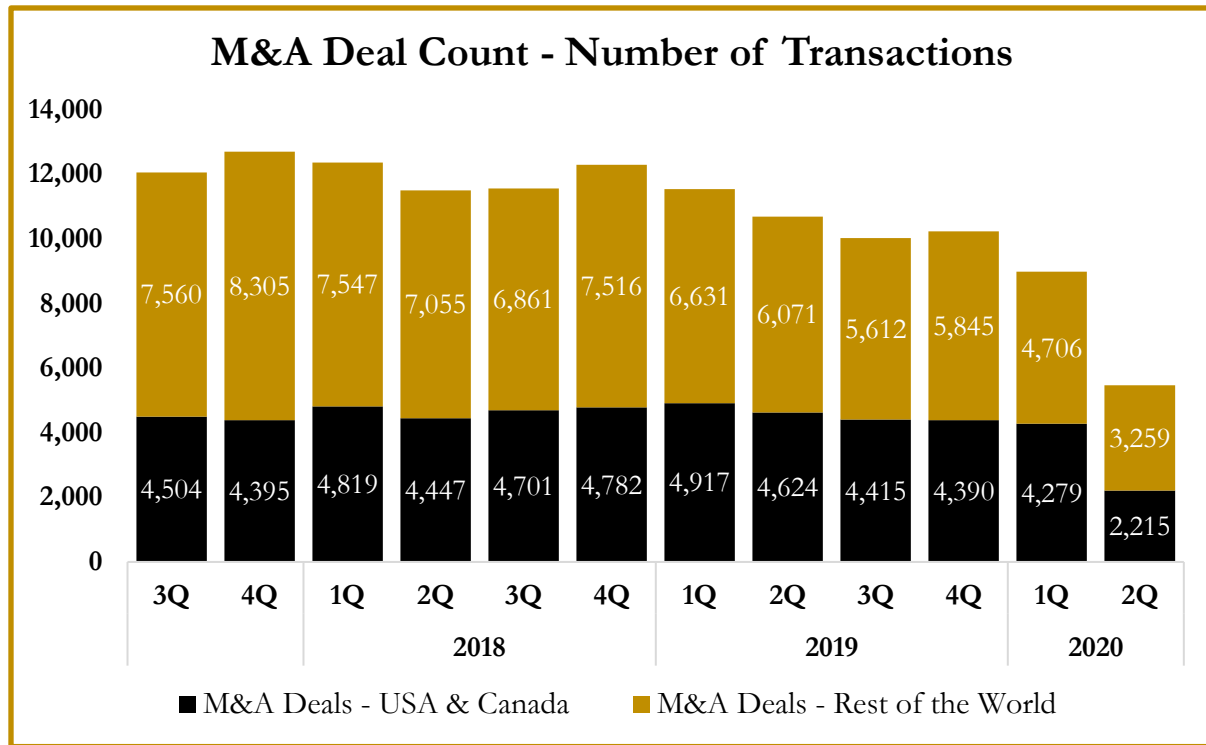
Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
7/24/2019	Substantially all Assets of SugarLeaf Labs, LLC and Forest Remedies	Neptune Wellness Solutions Inc.	Pharmaceuticals	\$150.00
10/31/2019	Acres Cannabis	Curaleaf Holdings, Inc.	Pharmaceuticals	\$70.00
10/22/2019	100,000 Square Foot Properties in Joliet and Kankakee	Innovative Industrial Properties, Inc.	Real Estate Operating Companies	\$32.80
8/2/2019	ACC C Corp.	Liht Cannabis Corp. (nka:Citation Growth Corp.)	Pharmaceuticals	\$30.81
2/7/2020	Hope Heal Health, Inc.	Cresco Labs, LLC (nka:Cresco Labs Inc.)	Pharmaceuticals	\$28.35
3/26/2020	Franklin Labs, LLC	Harvest Health & Recreation Inc.	Pharmaceuticals	\$25.50
8/27/2019	Henderson Organic Remedies, LLC	Green Growth Brands Inc.	Pharmaceuticals	\$24.46
12/20/2019	Properties in Pennsylvania and North Dakota	Innovative Industrial Properties, Inc.	Real Estate Operating Companies	\$24.13
10/9/2019	Michigan Property	Innovative Industrial Properties, Inc.	Real Estate Operating Companies	\$19.00
9/10/2019	Green Tree International, Inc.	Helix TCS, Inc.	Trading Companies and	\$15.00
8/30/2019	Apeks LLC	Rough Brothers, Inc.	Industrial Machinery	\$12.60
1/15/2020	Cannabis property in Richmond, Virginia	Innovative Industrial Properties, Inc.	Real Estate Operating Companies	\$11.74
4/20/2020	Mesa Organics+	Medicine Man Technologies, Inc.	Pharmaceuticals	\$11.70
10/9/2019	Zefyr, Inc.	Frontier Financial Group, Inc.	NA	\$10.00
2/14/2020	OneQor Technologies, Inc.	Terra Tech Corp.	Pharmaceuticals	\$8.90
1/9/2020	Mendo Distribution and Transportation, LLC	Halo Labs Inc.	Health Care Distributors	\$5.85
4/22/2020	15,000 square feet of Industrial Space in Michigan	Innovative Industrial Properties, Inc.	Real Estate Operating Companies	\$5.00
4/24/2020	EdenFlo, LLC	Prolific Nutrition LLC	NA	\$4.77
10/10/2019	Sackville & Co. Merchandising Ltd.	48North Cannabis Corp.	Apparel, Accessories and Luxury	\$3.66
6/15/2020	Interrobang Ltd.	Pharmdrug Inc.	Advertising	\$3.25
12/31/2019	Certain assets and assets related to the brands California Bud Co and	Bonfire Brands USA Inc.	Agricultural Products	\$3.00
2/12/2020	SDP Development Group, LLC	C21 Investments Inc.	N/A	\$2.75
9/10/2019	Cultivation, Production and Fulfillment Facility Located in Camp	Nabis Holdings Inc.	Pharmaceuticals	\$2.65
5/13/2020	GPS Associates, LLC	Mountain High Acquisitions Corp.	Pharmaceuticals	\$1.61
1/10/2020	2Rise Naturals LLC	GABY Inc.	Pharmaceuticals	\$1.00
2/16/2020	Lelantos Biotech, Inc.	MCTC Holdings, Inc. (nka:Cannabis Global, Inc.)	Research and Consulting Services	\$0.50
6/12/2020	13,500 Square Foot Cannabis Cultivation Facility In California	Vibe Bioscience Ltd.	Pharmaceuticals	\$0.48
10/25/2019	Resonate Blends, LLC	Textmunication Holdings, Inc. (nka:Resonate Blends	Pharmaceuticals	\$0.11
5/4/2020	Cultivate Brands Corp.	SLANG Worldwide Inc.	Multi-Sector Holdings	N/A
8/1/2019	Patients Mutual Assistance Collective Corporation	Harborside Inc.	Drug Retail	N/A
11/30/2019	Blue Ocean Group LLC	Cannary Packaging Incorporated	N/A	N/A
3/13/2020	Hemp4mula CBD Confections Operations of Kali, Inc.	Puration, Inc.	Packaged Foods and Meats	N/A
4/1/2020	World Insurance Associates LLC	Charlesbank Capital Partners, LLC	Insurance Brokers	N/A
2/5/2020	Axiom Label & Packaging	Resource Label Group, LLC	Office Services and Supplies	N/A
6/15/2020	Silver Spring Consulting Group, LLC	N/A	N/A	N/A
6/30/2020	Fluke Employees Federal Credit Union	Sound Credit Union	Specialized Finance	N/A
12/1/2019	Dunhour Agency, Inc	World Insurance Associates LLC	Insurance Brokers	N/A
3/1/2020	Mazzotta Insurance Agency	World Insurance Associates LLC	Insurance Brokers	N/A
8/19/2019	Certain Assets In Florida And Substantially All Of The Assets In Ohio	N/A	Pharmaceuticals	N/A
3/1/2020	TAB Insurance Agency, LLC	World Insurance Associates LLC	Property and Casualty Insurance	N/A
1/30/2020	Arkansas Assets	N/A	Pharmaceuticals	N/A
2/14/2020	Jaguaring Company	Intelligent Buying, Inc.	N/A	N/A
7/30/2019	Women's Football League Association	SHE Beverage Company, Inc.	Movies and Entertainment	N/A
2/14/2020	North Cal Wood Products, Inc.	Kush, Inc.	NA	N/A
7/8/2019	LeafLife AZ	Harvest Health & Recreation Inc.	Pharmaceuticals	N/A
4/16/2020	Two BudCars Locations in Greater Los Angeles Area	BudCars Cannabis Delivery Service	Drug Retail	N/A
10/8/2019	Gloucester Street Capital, LLC	Cresco Labs, LLC	N/A	N/A
7/24/2019	Urban Greenhouse Dispensary	Harvest Health & Recreation Inc.	Pharmaceuticals	N/A
12/3/2019	Media Assets of Cannabis Club TV	Enlighten Technologies	Broadcasting	N/A
11/1/2019	McMillan Insurance Group	World Insurance Associates LLC	Insurance Brokers	N/A
6/26/2020	Compassionate Care Foundation, Inc.	Acreage Holdings, Inc.	Distributors	N/A
9/30/2019	Mendocino County Growers Association	Mendocino Cannabis Industry Association	Diversified Support Services	N/A
6/1/2020	Millennium Medical Solutions Corp.	World Insurance Associates LLC	Research and Consulting Services	N/A
1/30/2020	The Green Solution Illinois LLC	Jushi Inc	NA	N/A
7/10/2019	Imaging3, Inc.	Grapefruit Boulevard Investments, Inc.	Health Care Equipment	N/A
10/5/2019	Bluepoint Wellness CT	Green Thumb Industries Inc.	Drug Retail	N/A
8/7/2019	General Extract LLC	First Colombia Development Corp. (nka:Redwood	Health Care Distributors	N/A
8/6/2019	Revon Systems, LLC	ZYUS Life Sciences Inc	Health Care Technology	N/A

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of June 30, 2020

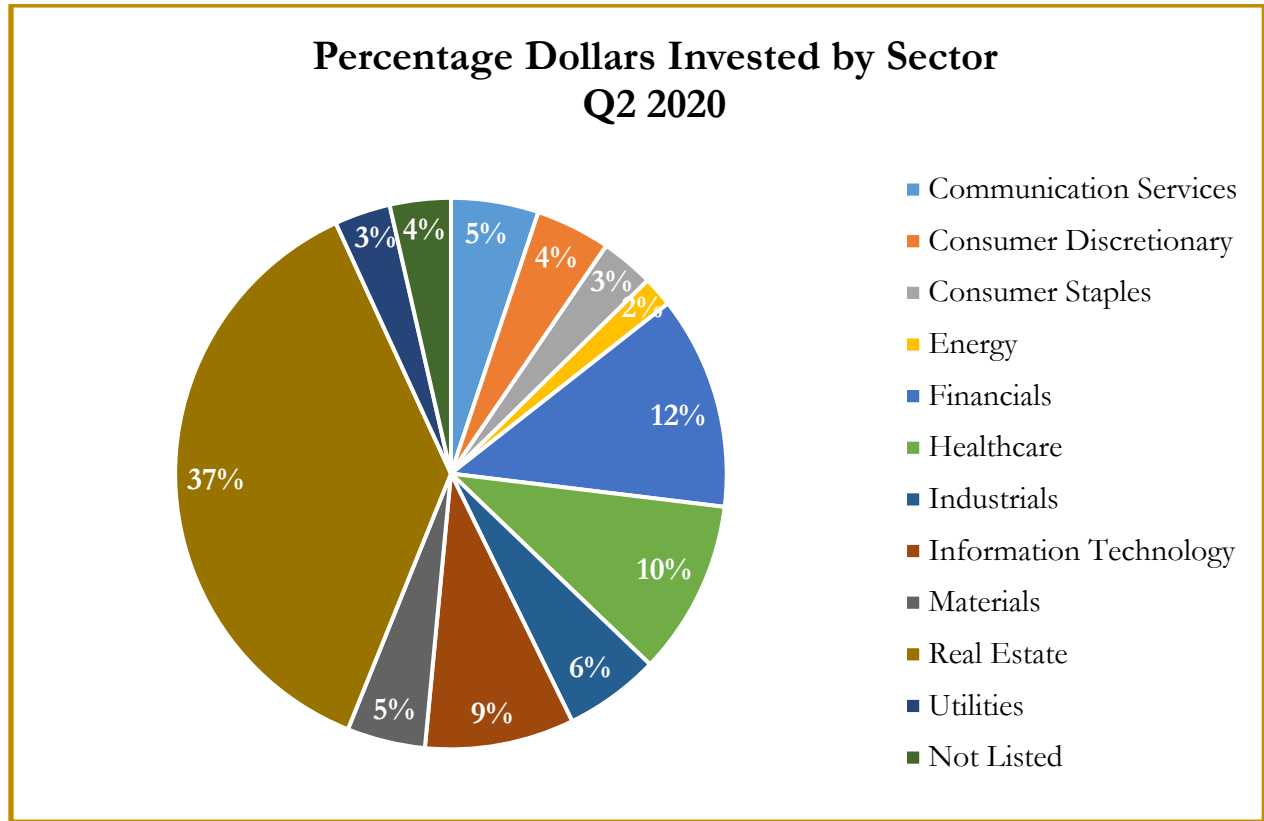


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2020



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2020





About Us

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

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