



**HOULIHAN
CAPITAL**

Value. Added.

Valuation & Financial Advisory | Investment Banking

**INDUSTRY UPDATE
CANNABIS MARKET
Q2 2026**

200 W. Madison Street, Suite 2150 | Chicago, IL 60606 | www.houlihancapital.com | 312.450.8600

Member of FINRA | Member of SIPC

Key Trends

- **Trulieve's Historic NYSE Listing:** On June 10, Trulieve became the first U.S. plant-touching cannabis operator to list on a major exchange (NYSE: TRLV), restructuring to a fully DEA-registered medical-only footprint of 206 dispensaries and 3.5M sq. ft. of production capacity, paired with a \$50M buyback authorization.
- **DEA Adult-Use Rescheduling Hearing Begins:** The DEA opened its expedited hearing June 29 to consider extending Schedule III status to adult-use cannabis, the mechanism that would deliver 280E relief industry-wide. Only prohibitionist parties were approved to testify; proceedings were ongoing as the quarter closed.

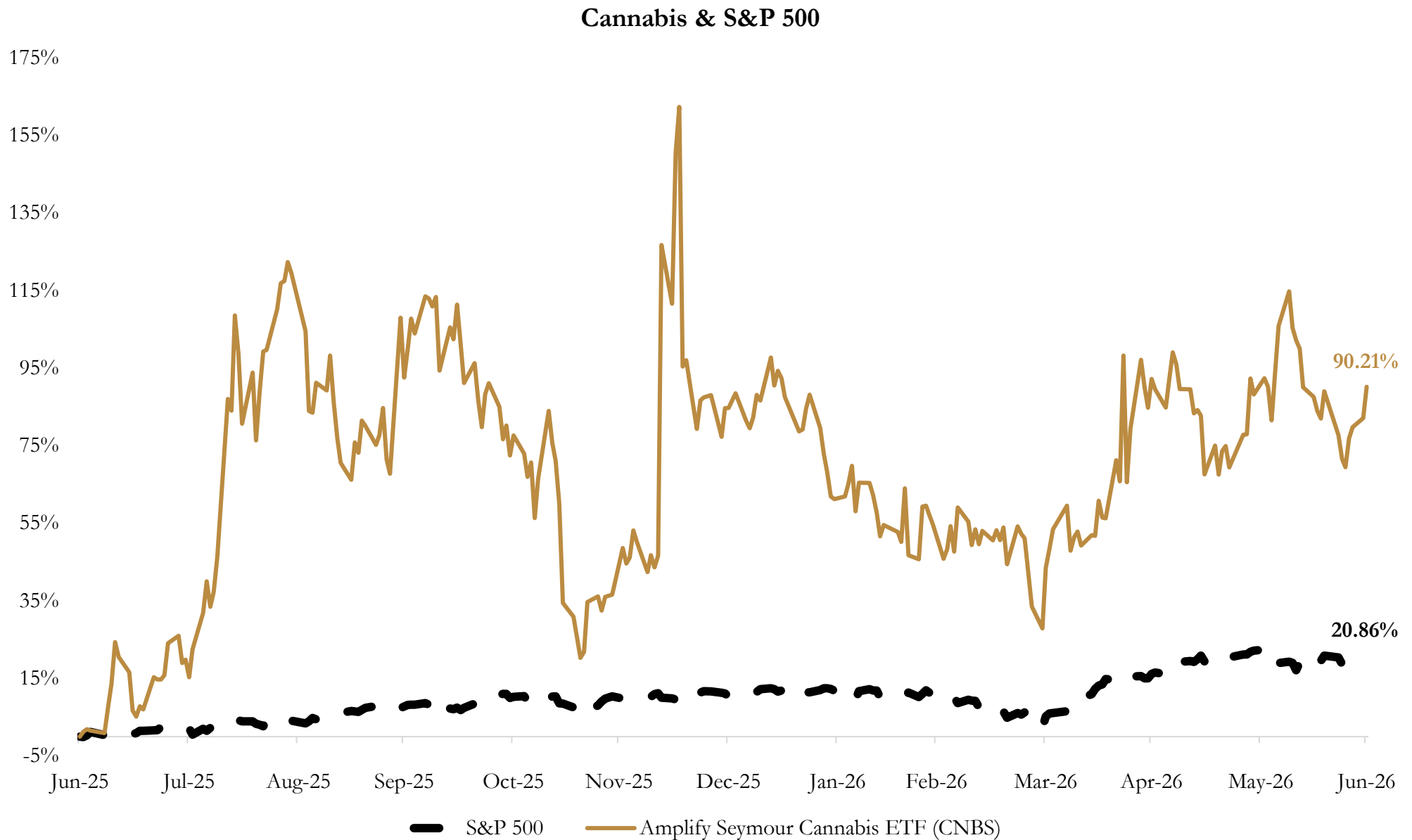
Market Overview

- Q2 2026 earnings, reported in late April, showed **Curaleaf** at \$324M revenue (+6% YoY), **Green Thumb** at \$300M (+7%), **Trulieve** at \$287M (-4%), and **Verano** at \$208M (flat), with all four filing for DEA medical registration.
- Capital discipline is the new theme: Verano completed a 1-for-5 reverse split and secured a \$195M credit facility in June, positioning for its own U.S. uplisting, while the Vireo/FLUENT merger cleared a Canadian court order authorizing a shareholder vote.

State Legalization

- **Pennsylvania:** The House passed Shapiro's budget in April, which assumed \$729.4M in first-year legalization revenue, but the measure remained unresolved between the House and Senate as the quarter closed.
- **Virginia's** Gov. Spanberger vetoed the legislature's retail bill in May, then struck a budget-process compromise on June 16 targeting July 1, 2027 for retail sales with up to 350 licenses.
- **Florida's** 2026 adult-use push remains dead after the Supreme Court's March denial; signatures do not carry over to 2028 under a new election law.

Sources: DEA.gov, Federal Register, DOJ, Vicente LLP, Marijuana Moment, Cannabis Business Times, MJBizDaily, Spotlight PA, VPM, Virginia Mercury



Source: Capital IQ

2 Public Market Performance

Key Financial and Valuation Metrics for Large Industry Operators

(USD in millions, except per share data)

Company Name	Ticker	Valuation Metrics					Financial Metrics			
		TEV	Price at 06/30/26	% of 52 Week High	TEV / LTM Revenue	TEV / LTM EBITDA	LTM Revenue	LTM EBITDA	Revenue Growth	EBITDA Margin
Cannabis										
Curaleaf Holdings, Inc.	CURA	\$3,666	\$10.78	73.2%	2.8x	17.5x	\$1,315	\$210	3.5%	16.0%
Trulieve Cannabis Corp.	TRLV	\$2,005	\$9.83	74.0%	1.8x	6.7x	\$1,139	\$301	-3.9%	26.4%
Green Thumb Industries Inc.	GTII	\$1,850	\$7.92	78.2%	1.5x	6.9x	\$1,209	\$268	4.8%	22.2%
Verano Holdings Corp.	VRNO	\$839	\$6.53	67.0%	1.0x	4.8x	\$836	\$174	-1.4%	20.9%
Tilray Brands, Inc.	TLRY	\$782	\$4.49	19.4%	0.9x	52.2x	\$915	\$15	11.5%	1.6%
Cresco Labs Inc.	CL	\$757	\$0.82	37.5%	1.2x	6.8x	\$651	\$111	-5.0%	17.1%
Ascend Wellness Holdings, Inc.	AAWH	\$672	\$0.50	41.7%	1.4x	13.0x	\$488	\$52	-8.4%	10.6%
Canopy Growth Corporation	WEED	\$388	\$0.97	42.1%	1.9x	-21.1x	\$207	-\$18	6.8%	-8.9%
SNDL Inc.	SNDL	\$301	\$1.35	46.7%	0.5x	-45.6x	\$654	-\$7	-1.7%	-1.0%
Organigram Global Inc.	OGI	\$238	\$1.02	46.8%	1.1x	20.5x	\$218	\$12	38.1%	5.3%
Aurora Cannabis Inc.	ACB	\$191	\$2.78	42.3%	0.9x	-9.1x	\$221	-\$21	12.3%	-9.5%
MariMed Inc.	MRMD	\$113	\$0.07	30.5%	0.7x	11.6x	\$164	\$10	4.4%	6.0%
Planet 13 Holdings Inc.	PLTH	\$94	\$0.13	27.9%	1.0x	-6.3x	\$92	-\$15	-21.2%	-16.3%

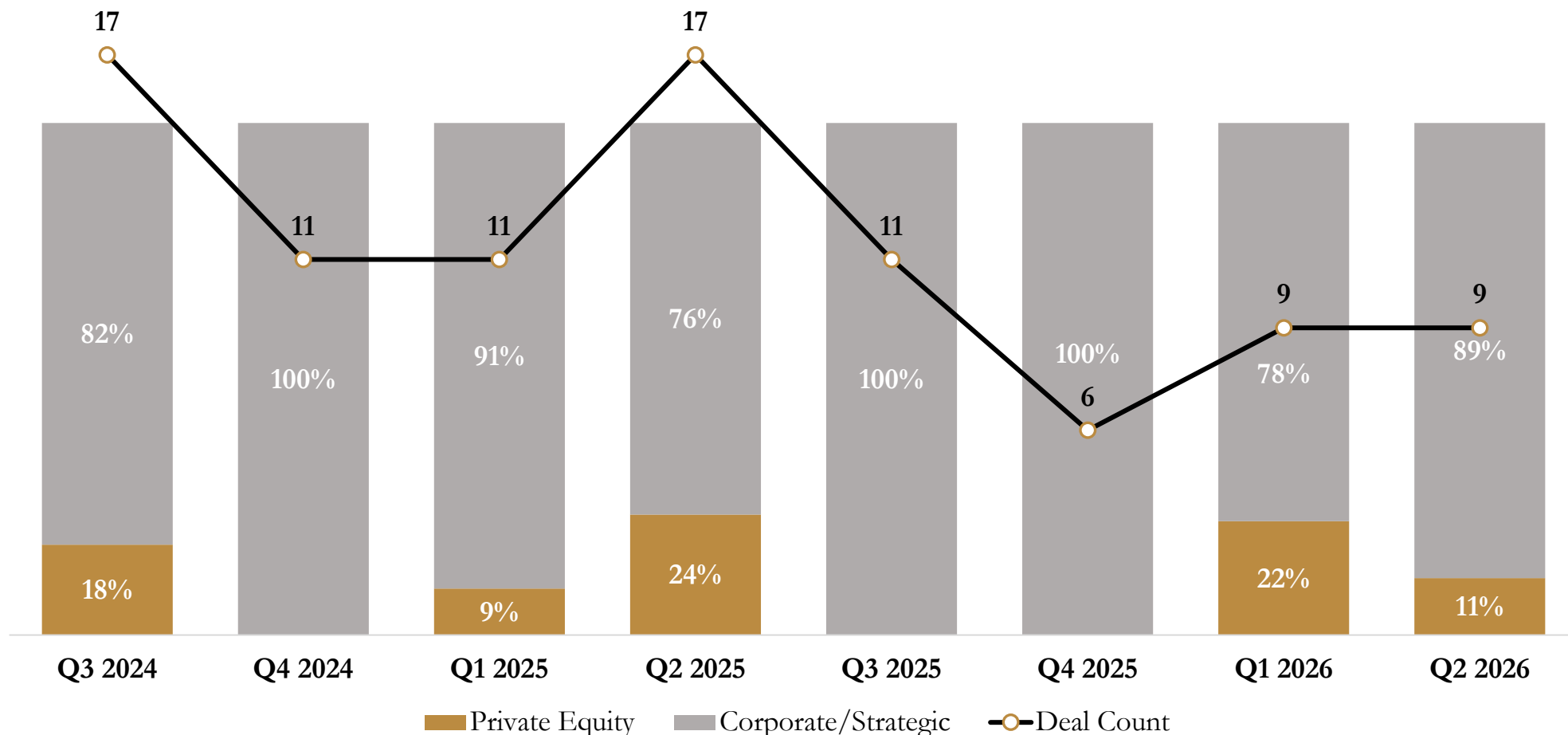
Source: Capital IQ

3

M&A Trends

Quarterly M&A Volume (Strategic vs. Private Equity)

Cannabis M&A activity held steady in Q2 2026, with total transactions flat at nine versus Q1 2026 and up from the cyclical low of six deals in Q4 2025 – though volume remains well below the seventeen deals recorded in Q2 2025. Corporate and strategic buyers continued to dominate, accounting for approximately 89% of activity, while private equity participation narrowed to roughly 11% from 22% in the prior quarter, representing a single financial-sponsor transaction.



Source: PitchBook

Note: Transaction data reflects completed U.S. transactions involving Strategic M&A, PE-backed Companies, and Buyout/LBO platform transactions

3

M&A Trends

Recent M&A Transactions

(USD in millions)

Close Date	Target	Acquirer	Implied TEV
May-26	Black Buffalo Inc.	Imperial Brands PLC	\$150
Feb-26	Six retail locations and production facility in Richmond	Millstreet Capital Management LLC; Millstreet Credit Fund LP	\$130
May-26	389,000 square foot cannabis cultivation and production facility of IIP-NY 2	Vireo Growth Inc.	\$89
Apr-26	The Hawthorne Gardening Company LLC	Vireo Growth Inc.	\$50
Apr-26	Eaze, Inc.	Vireo Growth Inc.	\$49
Jun-26	Bridgewell Agribusiness LLC	Vireo Growth Inc.	\$40
Dec-25	Union Chill Cannabis Company LLC	TerrAscend Corp.	\$13
Dec-25	Pennsylvania Operations of FLUENT Corp.	Hive Holdings, Inc.	\$13
Aug-25	Columbia Care Pennsylvania LLC	N/A	\$10
Jul-25	Foxfire Golf Club/Country Club of Whispering Pines	Rolling Pines LLC	\$4
Jul-25	J Street Capital Partners, LLC	CFN Enterprises Inc.	\$2
Apr-26	Standard Holdings Inc.	Leef Brands Inc.	\$2
Aug-25	Substantially all the assets of Commonwealth Alternative Care Inc.	In Good Health, Inc.	\$2
Sep-25	GreenBud, LLC	Standard Wellness Holdings, LLC	\$1
Jun-26	A.V. Schwan & Associates, Inc.	RTM Engineering Consultants, LLC	NA
Jun-26	Shechter & Everett, LLP	J.S. Held, LLC	NA
Jun-26	Leafbuyer Technologies, Inc. (nka:DATZ World Holdings Corp.)	RagingBull.com, LLC (nka:DATZ World Holdings Corp.)	NA
May-26	Sharff, Wittmer, Kurtz, Jackson & Diaz, P.A.	Citrin Cooperman & Company, LLP	NA
May-26	Clark Seif Clark Inc.	J.S. Held, LLC	NA
May-26	NanoGraf Corporation	Monomyth Group	NA
May-26	Johannesen-Farrar, Inc.	HUB International Limited	NA
May-26	All assets of Vireo Health of New York, LLC	ACE Ventures, LLC	NA
May-26	New Jersey cannabis distribution license and warehouse lease	Nabione, Inc.	NA
May-26	Ben Clements & Sons, Inc.	Bedford Industries, Inc.	NA
May-26	Coordinated Financial Services, Inc.	IMA Financial Group, Inc.	NA
Apr-26	Modern Advocacy LLC	Actum LLC	NA
Apr-26	CMM, LLP	J.S. Held, LLC	NA
Mar-26	Bloom Brothers dispensary on Larch Street	Perpetual Brands	NA
Mar-26	Precisio Business Solutions, Corp.	The Danville Group, Inc.	NA

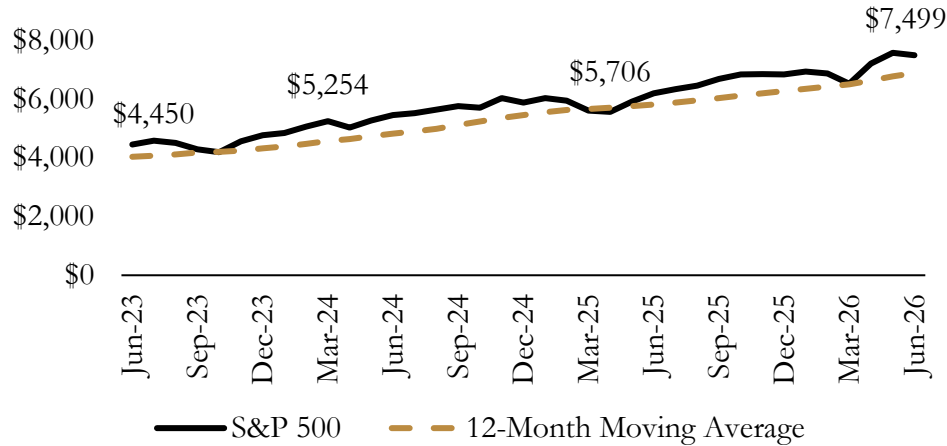
Source: Capital IQ

4

Macroeconomic Environment

Macroeconomic Indicators

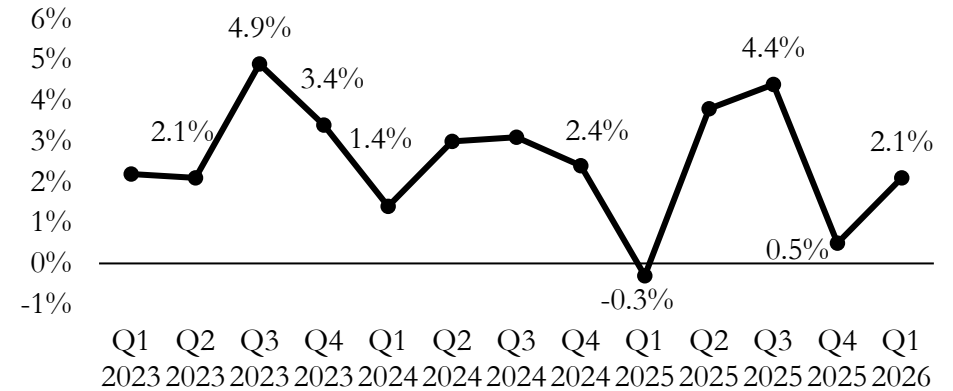
S&P 500



A leading equity index tracking the performance of 500 large U.S. companies.

Real GDP Growth

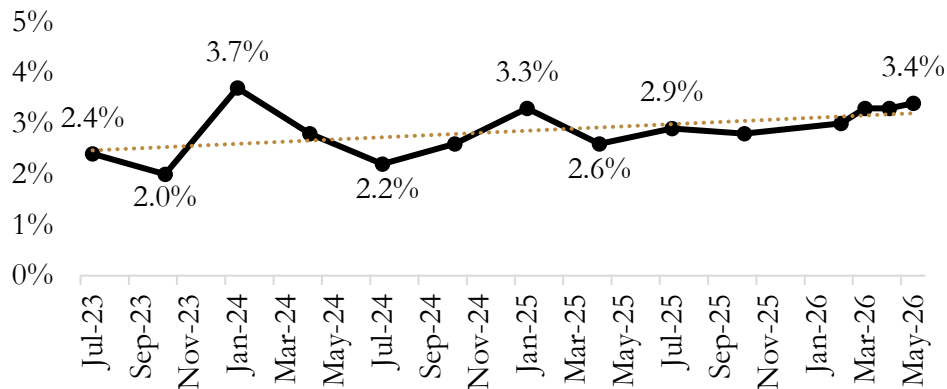
Gross Domestic Product



Tracks inflation-adjusted economic output, typically reported quarterly.

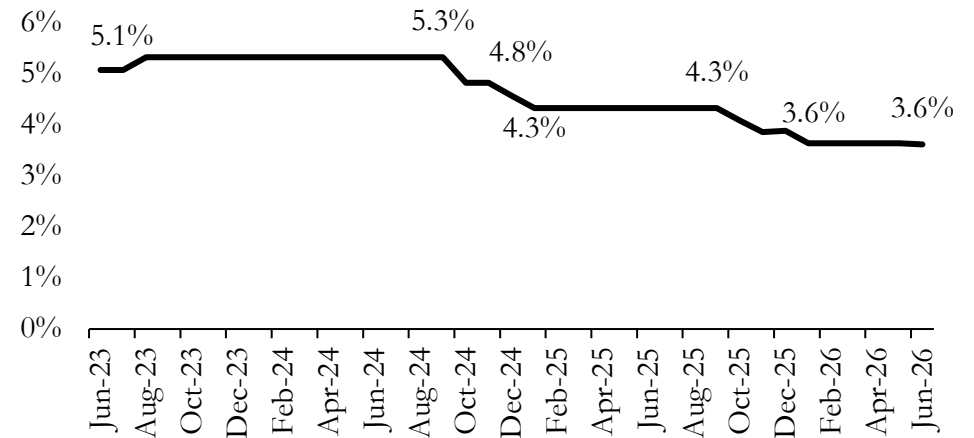
Core PCE

Personal Consumption Expenditures



A key inflation gauge that tracks consumer spending, excluding volatile food and energy prices.

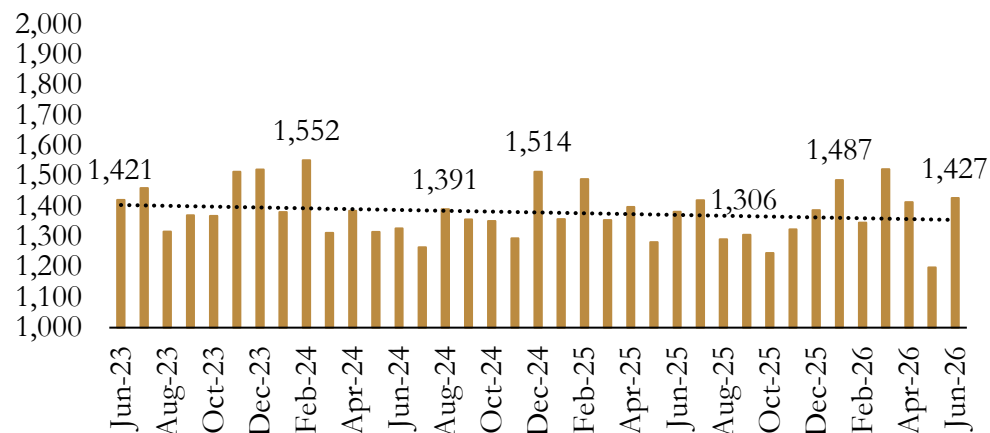
Federal Funds Rate



The Fed's benchmark interest rate that influences borrowing costs throughout the economy.

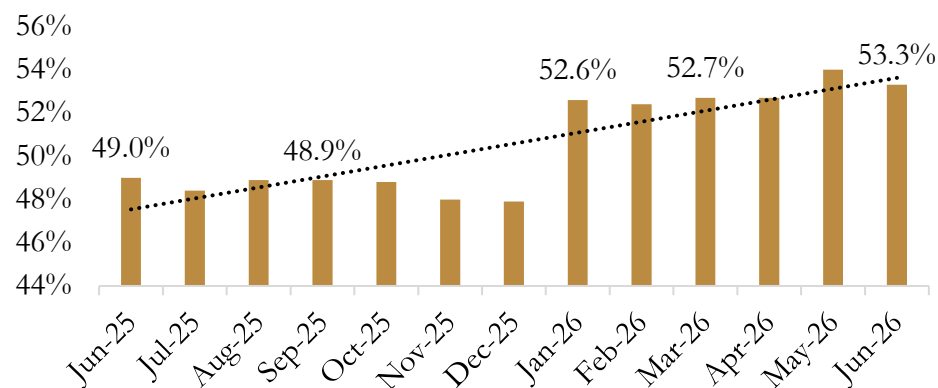
Source: Capital IQ, St. Louis Fed – FRED Economic Data

New Privately-Owned Housing Units Started¹



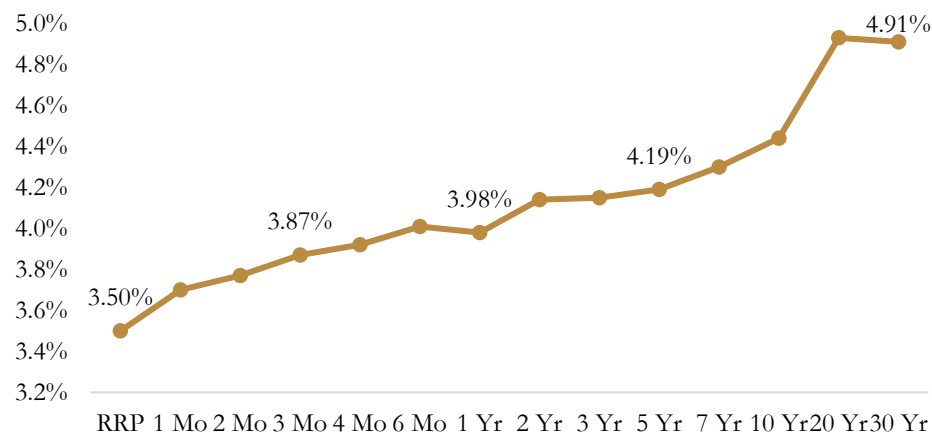
Measures the number of new residential construction projects begun each month.

Manufacturing PMI Purchasing Manager's Index



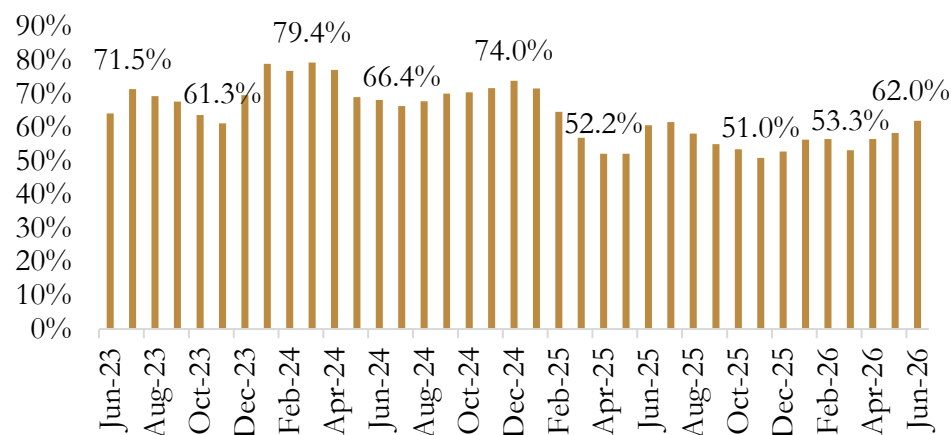
A monthly survey signaling manufacturing sector activity; readings above 50 indicate expansion.

Treasury Par Yield Curve Rates



Displays yields across Treasury maturities, reflecting market expectations for future interest rates.

Consumer Sentiment

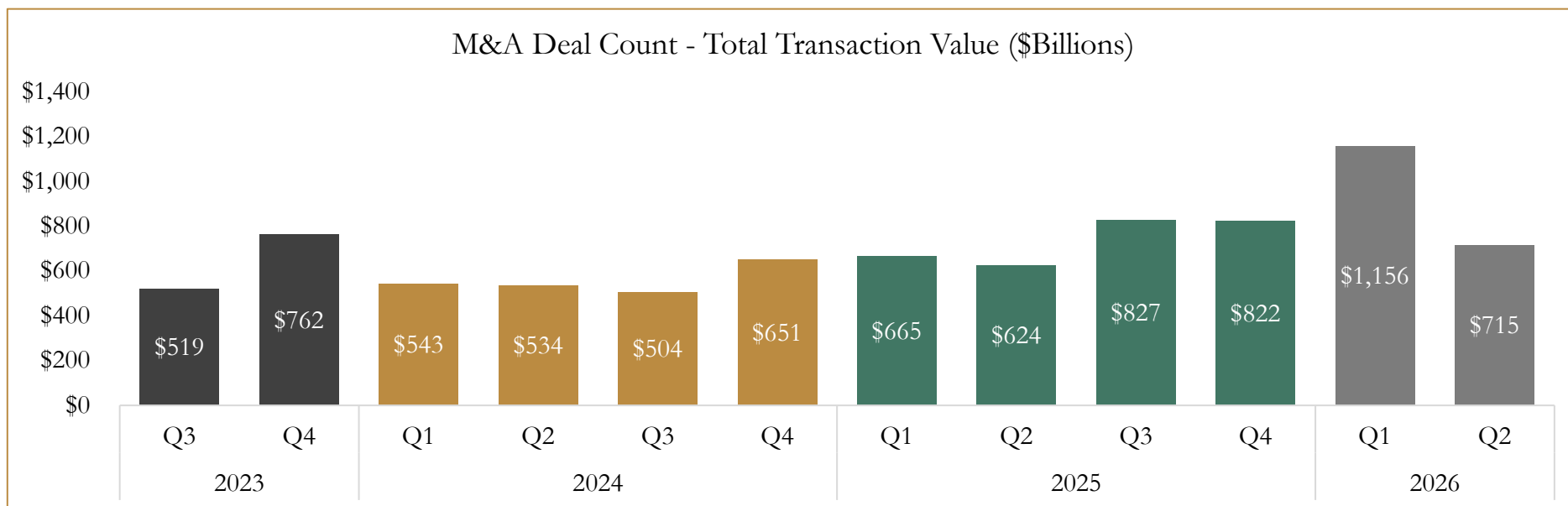
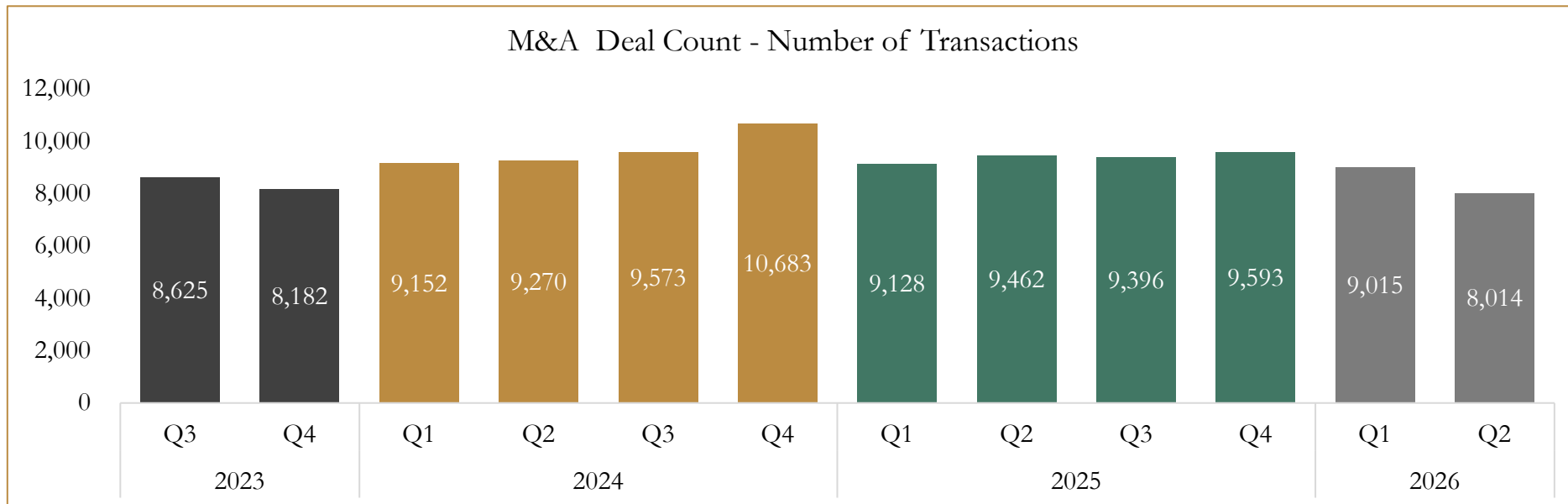


Measures consumer confidence in the economy based on monthly survey data from the University of Michigan.

Source: St. Louis Fed – FRED Economic Data, Institute for Supply Management, ¹Figures in Thousands

Macroeconomic Environment

Total M&A Volume (Past Three (3) Years)



Source: Capital IQ; Data derived from M&A activity over the past three years.

Company Overview

- Founded in 1996, Houlihan Capital is an employee-owned valuation and investment banking firm
- As a member of FINRA and SIPC, our team of 40+ professionals are committed to the highest levels of quality and professionalism

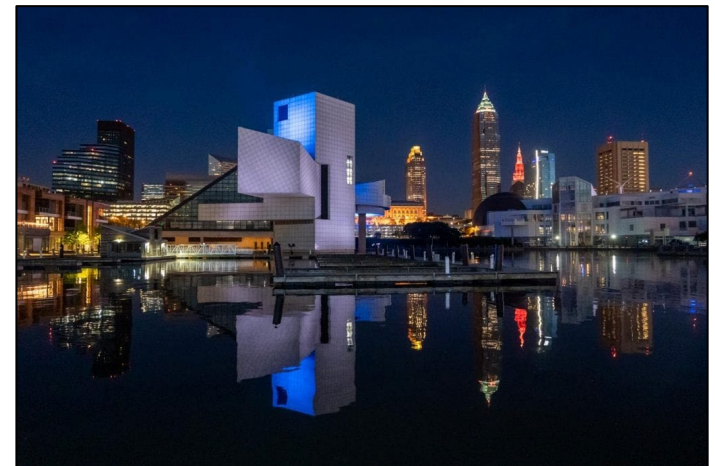
Divisions & Core Offerings

- **Valuation & Financial Advisory** – Portfolio Valuations and Transaction Advisory (i.e., Fairness Opinions) for Funds, with an industry specialization in cryptocurrency
- **Investment Banking** – M&A Advisory for Founders and Family-Owned businesses in the lower middle market

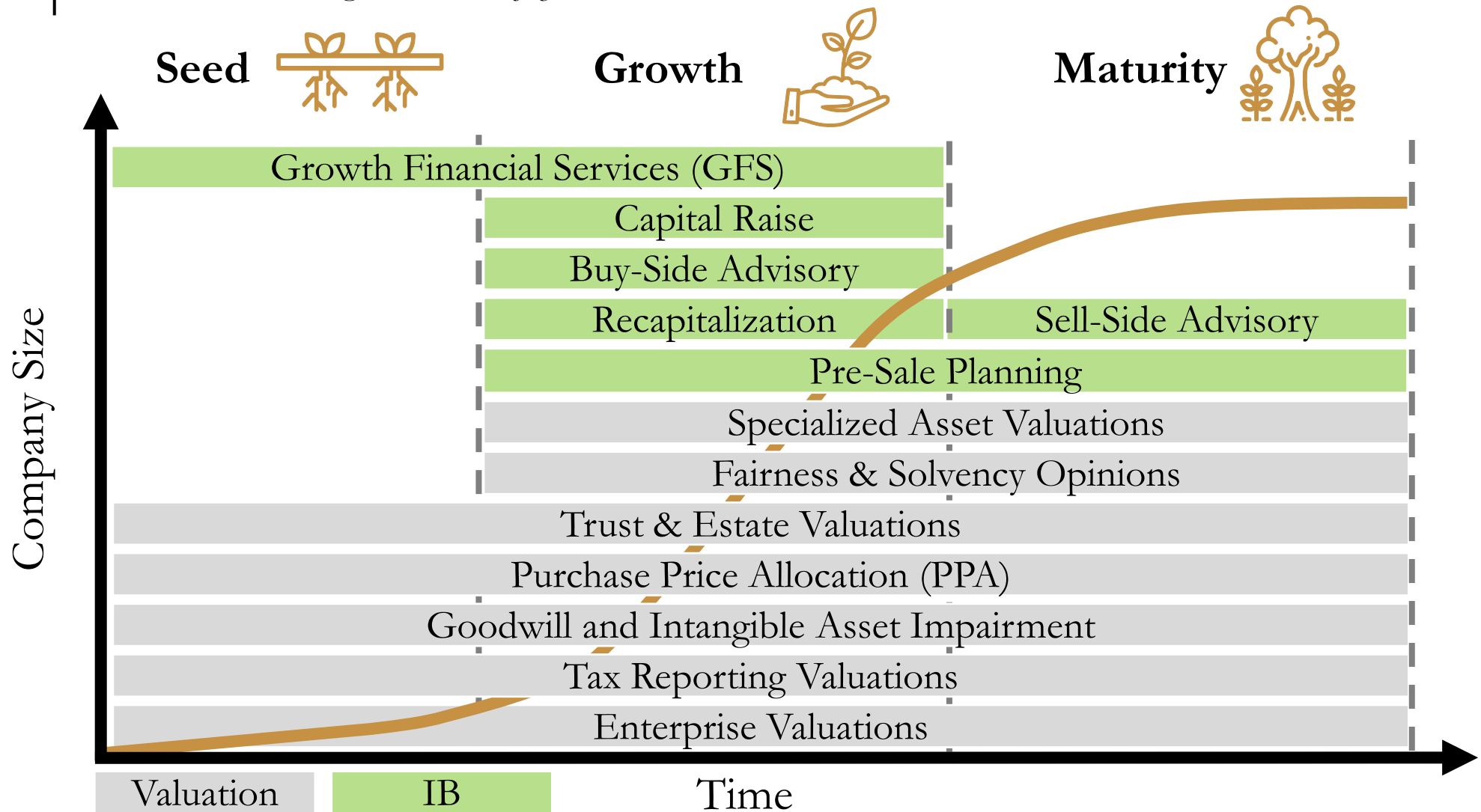
Houlihan Capital Locations



Chicago, IL



Cleveland, OH



For questions or inquiries regarding our services, please contact:

info@houlihancapital.com