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Zacks Small-Cap Research

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Vireo Growth Inc. (OTCQX: VREOF)

VREOF: Vireo announces solid 3rd quarter 2026 financial and operating results and updates investors on recent acquisition activity. Organic, or same store growth was approximately 4.0%.

Utilizing a Discounted Cash Flow process containing conservative estimates combined with other valuation methodologies, we believe VREOF could be worth **$45.00** per share.

Current Price (11/10/26)	$6.70
Valuation	**$45.00**

OUTLOOK

Vireo Growth (VREOF) is a vertically integrated cannabis Multiple State Operator (MSO) involved in the cultivation, production, and distribution of a diversified suite of medical and recreational products to proprietary retail outlets and third-party dispensaries in wholesale markets. Following the recently closed acquisitions, the company's operating footprint covers CA, CO, FL, MD, MN, MO, NM, NV, NY, UT, IL, MA, NJ, PA and OH The company appears to be positioned for strong growth going forward and we believe the stock to be significantly undervalued.

SUMMARY DATA

52-Week High	**$21.75**
52-Week Low	**$6.40**
One-Year Return (%)	**-61.9**
Beta	**0.18**
Average Daily Volume (sh)	**50,587**
Shares Outstanding (mil)	**51.8**
Market Capitalization ($mil)	**$350**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**11**
Insider Ownership (%)	**27**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2026 Estimate	**N/A**
P/E using 2027 Estimate	**9.0**

Risk Level	**Above Average**
Type of Stock	**Small Growth**
Industry	**Medical Products**

ZACKS ESTIMATES

Revenues

(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	24.2 A	25.1 A	25.2 A	25.0 A	99.4 A
2025	24.5 A	48.1 A	91.7 A	104.5 A	268.8 A
2026	106.2 A	209.3 A	253.7 A	257.3 E	826.5 E
2027					1,196.6 E

Earnings/Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	*($0.05) A*	*($0.00) A*	*($0.02) A*	*($0.07) A*	*($0.16) A*
2025	*($0.02) A*	*($0.03) A*	*($0.04) A*	*($0.02) A*	*($0.09) A*
2026	($0.56) A	($0.00) A	($0.49) A	$0.10 E	($0.96) E
2027					$0.74 E

Quarterly revenues/EPS may not equal annual revenues/EPS due to rounding.

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WHAT'S NEW

3rd Quarter 2026 Financial Results

On November 10, 2026, Vireo released 3rd quarter 2026 financial results which showed good revenue growth on a GAAP, Pro Forma, organic, and sequential basis.

Vireo reported Q3 GAAP revenue of $253.7 million, up 177% year-over-year, driven primarily by recently completed M&A transactions. Pro forma retail cannabis revenues were $196.7 million (4.0% organic growth), reflecting the acquisitions of C21 Investments, Cannabist Colorado, and PharmaCann as if they had been completed on July 1, 2026. Pro forma wholesale cannabis revenues were $24.7 million (8.0% growth). Non-cannabis revenues were $55.6 million compared to zero in the prior year period which reflects the acquisitions of Hawthorne Gardening and Bridgewell Agribusiness.

Pre-tax income improved to $4.0 million compared to a pre-tax loss of ($13.0) million in the 3rd quarter of 2025. EBITDA improved to $26.8 million compared to negative EBITDA of ($2.1) million while Adjusted EBITDA improved to $42.7 million compared to Adjusted EBITDA of $25.4 million in the prior year period.

As of September 30, 2026, Vireo had $106.8 million in cash, $349.0 million in current assets and $153.2 million in current liabilities. Long-term debt totaled $293 million, resulting in net debt of $186.2 million, excluding convertible debt. We believe the company's net debt leverage ratio is approximately 1.1x based on Q3 2026 Adjusted EBITDA run rate.

Fully diluted shares outstanding totaled 56.9 million, including 51.8 million basic shares and additional shares from RSUs, convertible debt, escrow, earn-outs, warrants and options.

	Three Months Ended September 30,			
	2026	2025	$ Change	% Change
Retail:				
MN	$ 17.1	$ 12.0	$ 5.1	43 %
NY	0.7	1.0	(0.3)	(30)%
MD	6.5	6.6	(0.1)	(2)%
UT	13.0	11.5	1.5	13 %
NV	31.6	24.9	6.7	27 %
MO	21.8	20.0	1.8	9 %
CO	42.6	—	42.6	100 %
NM	9.9	—	9.9	100 %
CA	17.5	—	17.5	100 %
FL	12.7	—	12.7	100 %
Total Retail	**$ 173.4**	**$ 76.0**	**$ 97.4**	**128 %**
Wholesale:				
MN	$ 0.2	$ 0.1	$ 0.1	100 %
NY	12.1	5.1	7.0	137 %
MD	3.0	3.7	(0.7)	(19)%
UT	2.4	1.9	0.5	26 %
NV	0.2	—	0.2	100 %
MO	5.9	4.9	1.0	20 %
CO	0.9	—	0.9	100 %
Total Wholesale	**$ 24.7**	**$ 15.7**	**$ 9.0**	**57 %**
Total Cannabis Revenue	**$ 198.1**	**$ 91.7**	**$ 106.4**	**116 %**
Non-Cannabis Revenue	55.6	—	55.6	100 %
Total Revenue	**$ 253.7**	**$ 91.7**	**$ 162.0**	**177 %**

Source: vireogrowth.com

Vireo Growth has pursued an aggressive acquisition strategy to expand its national footprint and strengthen its vertically integrated cannabis platform. The company completed acquisitions of PharmaCann's Colorado retail assets and C21 Investments, adding three Nevada dispensaries and approximately 104,000 square feet of cultivation and production capacity. In addition, it also acquired a 49% interest in a JV that purchased PhytoNatural, providing traction in Pennsylvania through a clinical registrant license. Additional announced transactions include acquiring select assets of The Cannabist

Company across Colorado, Illinois, Massachusetts and New Jersey; an all-stock merger with Planet 13, expected to expand its Nevada and Florida operations and establish an Illinois presence; and four Ohio acquisitions that would establish a vertically integrated platform with eight dispensaries and cultivation and processing operations. Upon completion of these transactions, Vireo expects to operate approximately **270** dispensaries across **15** states.

Vireo's management frames the current cannabis landscape as one where scale by itself is no longer sufficient to build lasting value. Instead, management points to disciplined capital allocation, operational execution, and effective integration as the traits that will separate durable winners from the competition. That thinking underlies every acquisition completed during the quarter. Rather than chasing growth for its own sake, the company is assembling a diversified cannabis and agribusiness platform in which each new investment adds to the strength of the whole organization.

With its pending transactions, Vireo now has one of the largest operating footprints in the industry, and management remains focused on lifting profitability, growing free cash flow, and building individual businesses worth $200 million on a state by state basis. The Hawthorne and Bridgewell acquisitions mark a deliberate step toward diversification, laying the groundwork for a national agribusiness supply platform that extends the company's reach beyond cannabis and forms the basis of its new non-cannabis reporting segment. Management believes these investments position Vireo to show the full earnings power of its platform as integration work carries into 2027.

Subsequent Events

- The company announced a $60.0 million real estate term loan with a U.S. Commercial Bank at a fixed interest rate of 8.50% which is secured by cultivation and production facilities in New York and Florida. A portion of this refinanced the $49.0 million seller note bearing interest at 15%.

- The company announced receipt of registrations from the U.S. DEA for all 41 state-licensed medical cannabis dispensaries in Florida.

- The company closed on the FLUENT transaction, adding 33 dispensaries to the Florida footprint and providing greater scale and a broader operating base in an important market.

Business Updates

- On March 19, 2026, the company completed its previously announced acquisition of a controlling interest in Vireo Health of Rocky Mountain through the restructuring of Medicine Man Technologies (Schwazze). In this transaction, the company acquired 45 dispensaries and two manufacturing facilities located in Colorado and New Mexico.

- On March 22, 2026, the management services agreement previously entered into in connection with the pending acquisition of certain PharmaCann assets became effective in which the company began providing management services related to the dispensaries to be acquired.

- On April 1, 2026, the company completed its merger with Eaze. The company issued 90,379,591 subordinate voting shares as estimated closing consideration subject to customary post-closing adjustments. Former Eaze stockholders may also be eligible to receive additional shares based on the achievement of certain financial targets through calendar year 2026.

- On April 8, 2026, the company completed the acquisition of The Hawthorne Gardening Company from The Scotts Miracle-Gro Company. The company issued 213,000,000 subordinate voting shares subject to customary post-closing adjustments. The company also issued warrants to purchase 80,000,000 subordinate voting shares at an exercise price of $0.85 per share with a five-year term.

- On April 13, 2026, the company and Glass House Brands announced a definitive agreement to form a joint venture to combine each party's California dispensary operations. Upon closing, each party is expected to contribute its California retail operations to the joint venture in exchange for a 50% ownership interest. The JV agreement is expected to combine the company's 12 dispensaries and home delivery operations in California and those acquired from Eaze with Glass House's 11 California retail locations. The combined platform is expected to be supported by a preferential supply agreement with Glass House. Beginning five years after closing, the company will have an option to acquire Glass House's ownership interest in the JV, and Glass House will have a reciprocal put right.

- On April 23, 2026, the U.S. DOJ announced an order reclassifying certain FDA-approved marijuana products and cannabis products subject to qualifying state medical marijuana licenses from Schedule I to Schedule III under the Controlled Substances Act. The Department of Justice also announced an administrative hearing process to consider broader rescheduling of marijuana.

- On April 30, 2026, Vireo entered into an agreement to acquire all outstanding shares of FLUENT Corp. in an all-stock transaction. FLUENT shareholders will receive 0.0705359 of a subordinate voting share of Vireo for each FLUENT share. The transaction has been unanimously approved by the boards of both companies following a review by an independent special committee of FLUENT.

  FLUENT is a national cannabis consumer packaged goods company and retailer. FLUENT produces an assortment of cannabis products under a diverse portfolio of brands including MOODS, Knack, Wandr, Bag-O and Hyer Kind. FLUENT operates in Florida, New York, and Texas. Headquartered in Tampa, Florida, FLUENT has approximately 650 employees across 8 cultivation and manufacturing facilities, 35 active retail locations and a wholesale division which trades under ENTOURAGE servicing third party retailers in New York. This transaction closed on November 9, 2026.

- In addition, Florida was highlighted as the key near-term integration focus. CEO Mazarakis stated, *"Florida is like, almost like an orphan asset for us, and that's going to be our first meaningful integration. Florida is going to be the first test case for us as to how we're going to turn around an asset that we again bought very reasonably*."

FOOTPRINT EXPANSION

Source: vireogrowth.com

With recent acquisitions and previously announced deals, Vireo expects to expand its network to about 270 dispensaries across 15 states, including 17 in Nevada and 106 in Florida, making it the largest U.S. cannabis operator by store count.

Following the transformational acquisitions of Wholesome, Proper Brands, and Deep Roots Harvest in the first half of 2025, management has remained aggressive on the M&A front. Management remains focused on building a diversified network of local operators across financially attractive and complementary markets that offer a high ROI over time.

On a pro forma basis, Vireo Growth will operate 270 dispensaries across 15 states (CA, CO, FL, MD, MN, MO, NM, NV, NY, UT, IL, MA, NJ, PA and OH), with approximately 800,000 square feet of cultivation and production facilities, as market shares continue to roll up to scale-enabled Multi-State

Operators (MSOs). While independent management teams retain control of day-to-day operations, affiliated companies can leverage shared corporate services to facilitate operating efficiencies and enhance growth. From a financing standpoint, Vireo's strong balance sheet remains a key competitive advantage relative to many other U.S.-based cannabis operators that typically struggle to source capital to fund growth. Vireo maintains strong liquidity to continue to capitalize on accelerating consolidation trends across the industry.

ACCRETION

During the 4th quarter of 2025, the company completed the key integration work related to the transactions that closed in 2025, including integrating HR, ERP platforms, rationalizing insurance providers and policies, and centralizing procurement across the entire enterprise. According to management, these actions have already generated meaningful corporate overhead and ongoing operating synergies, which are expected to become even more evident in full year 2026 and 2027 results.

Based on those actions, there could be a major step up in earnings power following the closing recent acquisitions. Beyond the rise in revenue related to VREOF's most recent transactions (partially offset by incremental corporate overhead, interest, and minority interest expenses), key organic growth drivers include the launch of adult-use sales in Minnesota, and a step up in New York revenues reflecting the commencement of adult-use sales from the company's indoor facility.

From a margin perspective, recent acquisition integrations have largely been completed which included consolidating accounting, finance, human resources, insurance, and procurement operations, with related synergies likely to be fully realized in 2026 and 2027. Furthermore, a favorable sales mix shift in favor of higher-margin recreational-use products in the retail channel, as well as management's continued focus on driving operational efficiencies and economies of scale more broadly will likely result in a step up in profitability.

We believe Adjusted EBITDA (excludes non-cash inventory adjustments and stock-based compensation expenses, as well as non-recurring items) points to additional accretion related to all acquisitions.

RESCHEDULING UPDATE

Federal cannabis rescheduling remains a potentially significant catalyst for the industry, although implementation has been more incremental than initially anticipated. In December 2025, President Trump issued an executive order directing the Attorney General to expedite the process of moving marijuana from Schedule I to Schedule III of the Controlled Substances Act. On April 23, 2026, the Department of Justice issued an order placing FDA-approved marijuana products and products covered by qualifying state medical marijuana licenses into Schedule III, while initiating a separate administrative process to consider broader rescheduling. The broader proceeding remains unresolved, with no final rule issued as of November 2026.

The most immediate potential financial benefit is relief from IRS Code Section 280E, which prohibits businesses trafficking in Schedule I or II substances from deducting ordinary business expenses for federal income tax purposes. The April order potentially provides tax relief to qualifying medical cannabis operations, although the treatment of mixed medical and adult-use businesses remains uncertain and further IRS guidance is pending. For Vireo, which reported approximately $120 million of uncertain tax

liabilities as of December 31, 2025, the potential implications could be material, although the extent of any relief, including whether previously accrued liabilities could be affected, remains unclear. Broader rescheduling to Schedule III would potentially provide more comprehensive tax relief to the industry.

Additional potential benefits include improved access to banking and financial services, lower financing costs, and increased capacity to invest in marketing, product development and expansion. More broadly, reduced regulatory and financial barriers could accelerate industry consolidation, with larger, vertically integrated multi-state operators potentially benefiting from economies of scale and market share gains. As regulatory uncertainty diminishes, we believe cannabis companies could benefit from meaningful valuation re-rating, particularly if broader rescheduling is finalized and institutional investment restrictions begin to ease. Potential uplistings to senior U.S. exchanges, including the NYSE and Nasdaq, could provide additional catalysts by improving trading liquidity and expanding access to institutional capital, although rescheduling alone does not guarantee exchange eligibility.

KEY INVESTMENT POINTS



Source: vireogrowth.com

Vireo Growth is a vertically integrated cannabis multi-state operator (MSO) involved in the cultivation, production, and distribution of a diversified suite of medical and recreational products across proprietary retail outlets and third-party dispensaries in wholesale markets.

Our investment thesis revolves around:

- Transformational Acquisitions: Management remains focused on building a diversified network of local operators across financially attractive and complementary markets. While independent management teams retain control of day-to-day operations, affiliated companies can leverage shared corporate services to facilitate operating efficiencies and enhance growth.

- Multi-Layered Growth Story: Despite ongoing regulatory uncertainty, we see a number of broader industry and company-specific catalysts that position VREOF for accelerating growth going forward. First, U.S. cannabis industry revenues declined to ~$29 billion last year in 2025, with future growth projected driven by further legalization at the state level, rising consumer demand, and a step up in the number of users reflecting growing adoption of cannabis to treat a wider array of medical conditions, as well as building acceptance/support for legalization efforts. For Vireo, we suspect much of the standalone business's growth will come from Florida, Minnesota, California and Colorado where management remains focused on building out cultivation/production capacity to meet building adult-use demand.

- Profitability Inflection: Our model calls for EPS to be positive in 2027 reflecting full-year accretion from recent acquisitions, with further growth expected in 2028 and beyond as the business continues to scale. Focusing on the top line, we look for strong growth in 2026 and beyond following the closings of recent acquisitions, as well as the commencement of adult-use sales in Minnesota. Key expansion drivers likely include meaningful transaction-related accretion, as senior officials rationalize redundant corporate services across accounting/finance, legal, human resources, and other departments.

- Balance Sheet Strength: Vireo's strong balance sheet remains a key competitive advantage relative to most other U.S.-based cannabis operators that typically struggle to source capital to fund growth due to regulatory restrictions, with highly dilutive financings often the only course of action. Put another way, Vireo maintains ample liquidity to weather the storm and capitalize on accelerating consolidation trends across the industry should the regulatory backdrop remain challenging. Importantly, Vireo's debt profile remains generally favorable, with long-dated maturities (mostly 2028).
- Attractive Valuation: We believe VREOF stock trades at a significant discount from its peers and our DCF calculation. There appear to be multiple catalysts in 2026 & 2027 that may close the value gap.

VALUATION & ESTIMATES

We are maintaining our price target of **$45.00** as we wait for further growth metrics and the results of the most recent acquisitions. This valuation level represents meaningful upside potential from current levels. Our view is that once uncertainty related to the closing/integration of pending acquisitions fades (old and recent), VREOF's improving fundamental story will increasingly resonate with investors, thereby driving a material upward revaluation for the stock. Vireo remains uniquely positioned to continue to roll up accretive assets, with further acquisitions likely representing incremental catalysts for the stock

In addition, a more favorable regulatory backdrop (particularly as it relates to federal rescheduling or incremental state legalizations) and/or further acquisitions of strategically complementary assets at attractive valuations likely represent powerful catalysts for VREOF. Finally, insiders (including directors and executive officers along with investment vehicles managed by related party Chicago Atlantic) own approximately 40% of VREOF's total capital stock, reinforcing strong management alignment.

Our DCF model suggests a wide disconnect between VREOF's fundamentals and the stock's current price. Key inputs include: 1) EBIT margin forecasts through 2027; 2) slowing EBIT growth through the end of the **forecast** period; 3) a 12.5% discount rate; 4) a perpetual growth rate of 5% despite sustainably higher growth rates for the foreseeable future; and 5) an exit EV/EBITDA multiple of 6.0x**.**

VREOF is selling at approximately **71%** of GAAP Book Value which is highly unusual for a growth company. Many of its competitors are selling above book value.

We also calculate a conservative EV/EBITDA ratio based on our 2027 EBITDA estimates with the EV containing uncertain tax position liabilities. Based on those factors, we believe the company is selling at only **3.7x 2027 Adjusted EBITDA**. Using traditional EV calculations, the ratio falls under **3.0x**.

The current market cap of only $350 million appears to be irrational and more reflective of the ongoing microcap stock malaise as opposed to company fundamentals.

Vireo Growth guided to Q4 2026 revenue of $250–$265 million and Adjusted EBITDA of $45–$48 million, and Q1 2027 revenue of $280–$300 million and Adjusted EBITDA of $53–$56 million. The Q4 figures include FLUENT only from its November 9, 2026 closing date and reflect a sequential revenue decline and seasonality in the non-cannabis business, while Q1 2027 includes a full quarter of FLUENT. Both ranges exclude acquisitions that were still pending as of November 10, 2026.

Based on company guidance and expected deal closings from recent acquisition announcements, we update our 2026 revenue estimate to $826.5 million and our 2026 Adjusted EBITDA estimate is now $154.9 million. Our 2027 revenue estimate is $1.2 billion and our 2027 Adjusted EBITDA estimate is $203.3 million.



Source: vireogrowth.com

INVESTMENT RISKS

- Regulatory uncertainty: The cannabis regulatory landscape remains challenging characterized by ongoing bans at the federal level, a patchwork of differing rules and regulations across states, and continual competition from the black market. The federal Controlled Substances Act (CSA) criminalizes the manufacture, sale, and distribution of Schedule I drugs including marijuana, while the Bank Secrecy Act (BSA) requires depository and other financial institutions to ensure clients refrain from engaging in unlawful behavior, including the sales of marijuana, as well as maintain Anti-Money Laundering (AML) programs. Because of this, cannabis operators often struggle to access traditional financial services and funding from banking institutions, thereby driving elevated operating expenses and higher costs of capital, all else equal.

- M&A integration and financing: All M&A transactions carry meaningful execution and operational risks. And while VREOF manages a decentralized platform leveraging independent operators' local expertise, business dislocation risk rises as accounting/finance, human resources, legal, and other back-office functions are consolidated. Looking ahead, management remains patient, but aggressive as it relates to potentially capitalizing on incremental M&A opportunities. That said, shareholders likely risk dilution, assuming prospective deals are at least partially financed with equity.

- Rising competition: The cannabis industry remains highly fragmented, with ~15,000 dispensaries across the U.S. managed by scale-enabled MSOs and smaller local operators (not to mention the unregulated black market). As such, competition remains fierce, with market shares rolling up to companies that can increasingly leverage superior cultivation and manufacturing capabilities, diversified/innovative product sets, broader retail distribution, more cost-effective marketing initiatives, wider access to financing, and improving operational efficiencies. One of the byproducts of rising competition has been ongoing pricing pressure. Lower prices combined with rising labor/materials costs linked to inflation continues to pressure industry margins, all else equal, with mounting cannabis exports and new market entrants potentially exacerbating the softening pricing trend.

- Uncertain tax liabilities: Section 280E of the Internal Revenue Code prohibits companies that traffic in Schedule I or Schedule II controlled substances from deducting ordinary business expenses (with the exception of certain cultivation and manufacturing costs) resulting in outsized tax burdens and less capital to fund growth. Vireo filed amended tax returns for 2020, 2021, and 2022 that allow for standard business expense deductions. While it remains to be seen if the IRS challenges the deductions, one potential outcome is the company is forced to pay back taxes (plus interest).



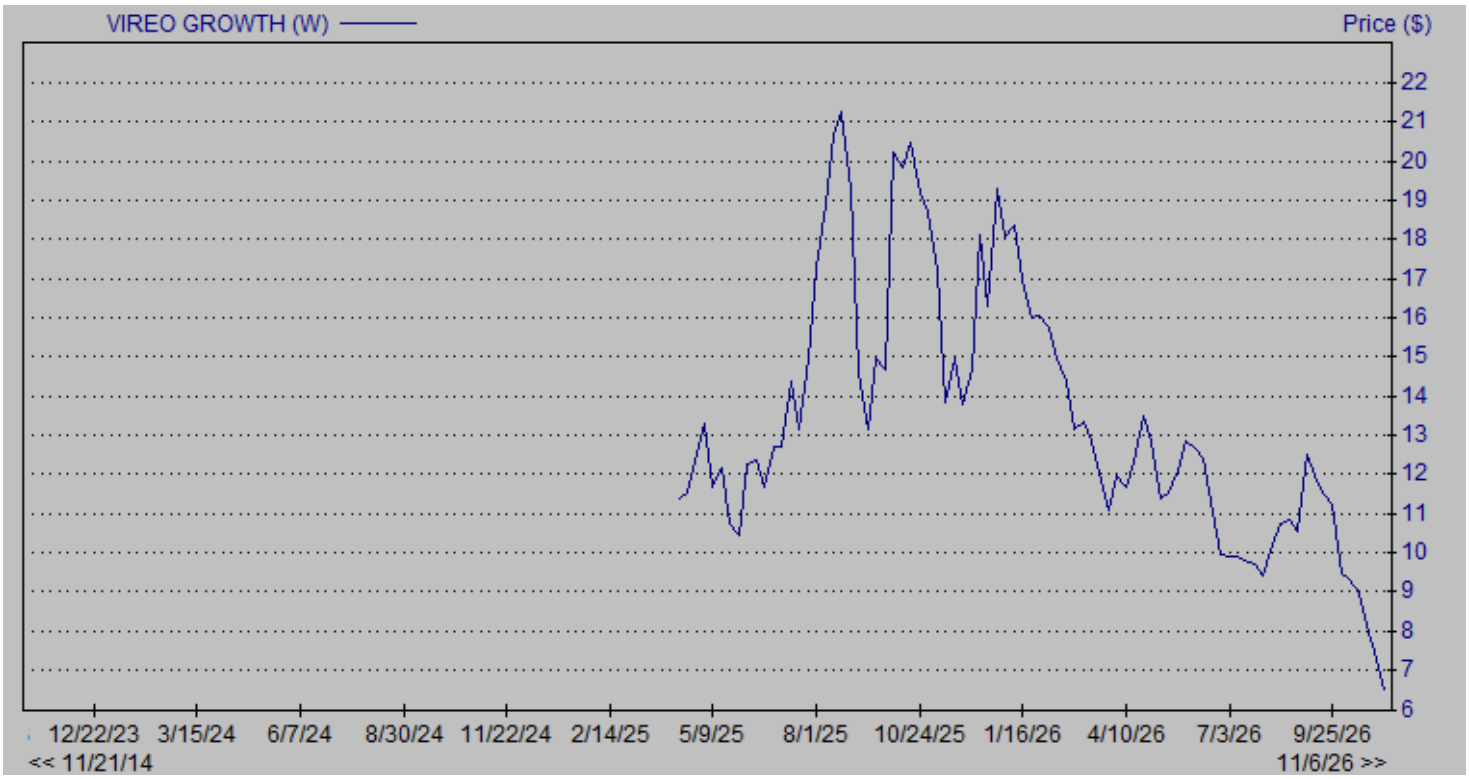
Source: vireogrowth.com

PROJECTED INCOME STATEMENT

	1Q25 Mar-25	2Q25 Jun-25	3Q25 Sep-25	4Q25 Dec-25	1Q26A Mar-26	2Q26A Jun-26	3Q26A Sep-26	4Q26E Dec-26	1Q27E Mar-27	2Q27E Jun-27	3Q27E Sep-27	4Q27E Dec-27	2023 Dec-23	2024 Dec-24	2025 Dec-25	2026E Dec-26	2027E Dec-27
Revenue	**24,541**	**48,063**	**91,655**	**104,510**	106,200	209,300	253,700	257,316	294,497	296,450	306,810	298,871	**88,133**	**99,384**	**268,769**	826,516	1,196,627
Cost of Sales:																	
Product costs	11,695	23,719	40,878	45,717	46,900	110,900	144,500	138,951	147,248	151,189	156,473	153,919	42,740	48,319	122,009	441,251	608,829
Non-cash product costs		4,152	12,398	1,256		2,700	1,200	1,200	1,200	2,700	1,200	1,200			17,805	5,100	6,300
Inventory valuation adjustments	433	(226)	996	656		400	200	200	200	400	200	200	1,289	294	1,859	800	1,000
Gross profit	12,412	20,418	37,383	56,882	59,300	95,300	107,800	116,965	145,848	142,160	148,937	143,552	44,104	50,771	127,095	379,365	580,498
	50.6%	**42.5%**	**40.8%**	**54.4%**	**55.8%**	**45.5%**	**42.5%**	**45.5%**	**49.5%**	**48.0%**	**48.5%**	**48.0%**					
Operating Expenses:																	
Selling, general and administrative	7,474	12,455	29,681	31,577	30,800	75,800	82,000	90,061	101,601	102,275	107,383	104,605	28,218	28,063	81,187	278,661	415,865
Transaction related	1,245	4,729	804	4,430	8,700	19,700	12,400	3,000	8,700	6,000	4,000	4,000	0	4,504	11,208	43,800	22,700
Stock-based compensation	1,461	4,151	4,007	9,046	7,000	0	0	0	0	0	0	0	4,158	3,628	18,664	7,000	0
Depreciation	77	388	553	10,320	1,100	1,700	700	700	1,100	1,700	700	700	470	293	11,338	4,200	4,200
Amortization	180	714	1,530	3,323	2,700	4,400	5,100	5,100	2,700	4,400	5,100	5,100	679	720	5,748	17,300	17,300
Total Operating Expenses	**10,437**	**22,437**	**36,574**	**58,697**	**50,300**	**101,600**	**100,200**	**98,861**	**114,101**	**114,375**	**117,183**	**114,405**	**33,524**	**37,208**	**128,144**	**350,961**	**460,065**
Operating Income/(Loss)	**1,976**	**(2,019)**	**809**	**(1,814)**	**9,000**	**(6,300)**	**7,600**	**18,105**	**31,747**	**27,785**	**31,753**	**29,148**	**10,580**	**13,563**	**(1,049)**	**28,405**	**120,433**
Other Income/(Expense):																	
Interest expenses, net	(7,600)	(7,648)	(6,906)	(8,101)	(7,800)	(7,600)	(12,100)	(12,100)	(12,100)	(12,705)	(13,340)	(14,007)	(31,261)	(31,189)	(30,254)	**(39,600)**	**(52,153)**
Impairment of long-lived assets	0	0	0	(2,600)									(412)	0	(2,600)	0	0
Gain/(loss) on disposal of assets	0	(6)	(7,838)	(24)	(5,400)	24,000	100		0	0	0	0	(4,478)	(218)	(7,867)	18,700	0
Other income/(expenses)	790	(408)	983	494		4,100	8,400	4,000	5,500	5,967	5,156	5,541	7,746	949	1,859	16,500	22,163
Other income/(expenses), net	(6,809)	(8,061)	(13,761)	(10,231)	(13,200)	20,500	(3,600)	(8,100)	(6,600)	(6,738)	(8,185)	(8,467)	(28,404)	(30,458)	(38,863)	(4,400)	(29,990)
Pre-Tax Income/(Loss)	**(4,834)**	**(10,080)**	**(12,952)**	**(12,046)**	**(4,200)**	**14,200**	**4,000**	**10,005**	**25,147**	**21,047**	**23,569**	**20,681**	**(17,824)**	**(16,895)**	**(39,911)**	24,005	**90,444**
Current income tax expenses	(1,675)	(4,854)	(13,347)	(21,733)	(18,300)	(20,000)	(34,800)	(6,503)	(18,860)	(13,680)	(12,963)	(11,375)	(6,036)	(11,113)	(41,609)	(79,603)	(56,878)
Deferred income tax recoveries	0	0	0	13,406	2,200	5,700	6,800	2,000	2,200	2,420	2,662	2,928	(1,687)	0	13,406	16,700	10,210
Net Income/(Loss)	**(6,509)**	**(14,934)**	**(26,299)**	**(20,373)**	**(20,300)**	**(100)**	**(24,000)**	**5,502**	**8,487**	**9,786**	**13,268**	**12,235**	**(25,547)**	**(28,008)**	**(68,114)**	**(38,898)**	**43,776**
Earnings/(loss) per share	**($0.02)**	**($0.03)**	**($0.04)**	**($0.02)**	**($0.56)**	**($0.00)**	**($0.49)**	**$0.10**	**$0.15**	**$0.17**	**$0.22**	**$0.20**	**($0.19)**	**($0.16)**	**($0.09)**	**($0.96)**	**$0.74**
Weighted avg shares out (basic & diluted)	366,800	559,097	627,654	1,052,500	36,015	45,087	49,221	56,900	57,900	58,900	59,900	60,900	135,236	180,392	734,739	46,806	59,400
Net income (loss)	(6,509)	(14,934)	(26,299)	(20,373)	(20,300)	(100)	(24,000)	5,502	8,487	9,786	13,268	12,235	(25,547)	(28,008)	(68,114)	(38,898)	43,776
Interest expense, net	(7,600)	(7,648)	(6,906)	(8,101)	(7,800)	(9,500)	(11,600)	(12,100)	(12,100)	(12,705)	(13,340)	(14,007)	(31,261)	(31,189)	(30,254)	(41,000)	(52,153)
Income taxes	(1,675)	(4,854)	(13,347)	(8,327)	(16,100)	(14,300)	(28,000)	(4,503)	(16,660)	(11,260)	(10,301)	(8,446)	(7,723)	(11,113)	(28,203)	(62,903)	(46,668)
Depreciation & Amortization	(257)	(1,102)	(2,083)	(13,643)	(3,800)	(6,100)	(5,800)	(5,800)	(3,800)	(6,100)	(5,800)	(5,800)	(1,149)	(1,013)	(17,085)	(21,500)	(21,500)
Depreciation & Amortization in COGS	(570)	(859)	(1,813)	(1,629)	(2,900)	(4,200)	(5,400)	(1,629)	(2,900)	(4,200)	(5,400)	(1,629)	(2,454)	(2,343)	(4,871)	(14,129)	(14,129)
EBITDA	**3,593**	**(472)**	**(2,149)**	**11,328**	**10,300**	**34,000**	**26,800**	**29,534**	**43,947**	**44,052**	**48,109**	**42,117**	**17,039**	**17,650**	**12,299**	**100,634**	**178,225**
Inventory adjustment	433	3,926	996	0	500	0	0	0	0	0	0	0	1,289	294	5,355	500	0
Non-cash inventory adjustment			12,398	1,912	0	3,100	1,400	0	0	0	0	0		0	14,309	4,500	0
Grown Rogue termination fee included in CC	267	267	0	0	0	0	0	0	0	0	0	0		0	533	0	0
Loss on impairment of long-lived assets	0	0	0	2,600	5,500	(2,900)	0	0	0	0	0	0	412	0	2,600	2,600	0
Stock-based compensation	1,461	4,151	4,007	9,046	7,000	7,500	6,000	5,500	5,500	5,500	5,500	5,500	4,158	3,628	18,664	26,000	22,000
Transaction related expenses	1,245	4,729	804	4,430	8,700	19,700	12,400	3,000	8,700	6,000	4,000	4,000	0	4,504	11,208	43,800	22,700
Other income	(790)	408	(479)	(9,516)	700	(20,500)	(3,800)	0	(4,247)	(4,679)	(5,315)	(5,920)	(7,793)	(1,149)	(10,377)	(23,600)	(20,161)
Debt financing costs or FV Consideration			1,874	9,617	0	0	0	0	0	0	0	0		0	11,491	0	0
Severance expense	380	240	74	36	0	0	0	0	0	0	0	0		0	730	0	0
Loss on disposal of assets	0	6	7,838	23	0	600	(100)	0	0	600	(100)	0	4,478	218	7,867	500	500
Adjusted EBITDA	**6,588**	**13,254**	**25,362**	**29,476**	**32,700**	**41,500**	**42,700**	**38,034**	**53,900**	**51,473**	**52,194**	**45,698**	**19,583**	**25,145**	**74,680**	**154,934**	**203,264**

Source: Company reports and Zacks SCR estimates and calculations.

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