

Q4: Quarterly Industry Update

AS OF December 31, 2024

cogent valuation
FINANCIAL OPINIONS

Plant-Touching Cannabis Industry Summary

COGENT VALUATION identified **Electronic Payments** publicly traded companies, IPOs, and recent M&A transactions within the Electronic Payments industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2023, the median 52-week share price return of the Electronic Payments industry decreased from 18.6% to 14.3%, and the YTD return was - 41.2%. Between March 31, 2023 and December 31, 2024, the median EV/Revenue multiple decreased from 57.8 to 53.1 and the median EV/EBITDA multiple decreased from 68.8 to 43.20. The median price-to-earnings multiple increased from 54.5 to 45.66 and the median EV/Gross Profit multiple decreased from -3.3 to -3.67 over the same period. The median MVIC/Earnings multiple decreased from 63.2 to 32.33. The median Price/Revenue multiple increased from -5.4 to -3.21x over the same period.

Public Company Key Statistics

| | | | |
|--------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Median 52-Week Return | Median YTD Return | Median EV/Revenue Multiple | Median EV/EBITDA Multiple |
| 14.3% | -32.4% | 53.1x | 43.20x |
| Median Price/Earnings Multiple | Median EV/Gross Profit Multiple | Median MVIC/Earnings Multiple | Median Price/Revenue Multiple |
| 45.66x | -3.67x | 32.33x | -3.21x |

Public Company Median Multiples by Quarter

| | 12/31/24 | 9/30/24 | 6/30/24 | 3/31/24 | 12/31/23 | 9/30/23 | 6/30/23 | 3/31/23 |
|--|----------|---------|---------|---------|----------|---------|---------|---------|
| Median EV/Revenue Multiple | 90.04x | 83.2x | 63.4x | 42.7x | 81x | 63.2x | 42.9x | 83.0x |
| Median EV/EBITDA Multiple | 58.07x | 28.0x | 17.6x | 13.4x | 14.6x | 14.6x | 19.4x | 10.7x |
| Median Price/Earnings Multiple | -5.14x | 30.9x | 20.3x | 4.2x | -5.8x | 9.7x | -7.9x | -7.7x |
| Median EV/Gross Profit Multiple | 98.84x | 82.2x | 71.3x | 73.6x | 84.5x | 53.3x | 80.4x | 27.0x |
| Median MVIC/Earnings Multiple | 67.40x | 71.6x | 42.7x | 53.7x | 65.4x | 63.5x | 52.2x | 43.2x |
| Median Price/ Revenue Multiple | -5.30x | 3.2x | 3.4x | 2.7x | 10.6x | 2.5x | 3.2x | 3.2x |

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Metrics as of December 31, 2024

| | 2024 | 1-Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin | P/Rev. | P/GP |
|---|--------|--------|----------|--------------|------------|-----------|------------|-----------|-----------|
| Abattis Biocenticals Corp. | -56.6% | 39.1% | N/A | N/A | -944.8% | N/A | N/A | N/A | N/A |
| Acacia Diversified Holdings | 22.2% | -54.9% | \$0.42 | \$0.30 | -157.2% | 70.7% | -372.1% | 30.88x | 43.65x |
| Advantis Corp. | 115.2% | 144.5% | N/A | N/A | -29.5% | N/A | N/A | N/A | N/A |
| Alliance Growers Corp. | -62.2% | 214.5% | N/A | N/A | -322.3% | N/A | N/A | N/A | N/A |
| Althea Group Holdings Limited | -40.2% | 77.0% | \$23.89 | \$23.02 | 2486.0% | 96.3% | 104.0% | 66.27x | 68.79x |
| Aphria Inc. | -60.5% | 25.8% | \$2.95 | (\$0.48) | -74.1% | -16.1% | -25.1% | 11.14x | -68.97x |
| Canada House Wellness Group Inc. | -63.0% | -54.1% | \$0.32 | \$0.32 | -1568.7% | 100.0% | -4910.2% | 23.71x | 23.71x |
| Canadian Cannabis Corp. | 300.0% | 0.0% | N/A | N/A | -193.1% | N/A | N/A | N/A | N/A |
| Cann Group Limited | 7.1% | N/A | \$0.04 | \$0.04 | -244.1% | 100.0% | -5916.6% | 7321.54x | 7321.54x |
| Cannabics Pharmaceuticals | -39.2% | -60.7% | \$0.01 | \$0.01 | -352.1% | 100.0% | -43310.0% | 16301.87x | 16301.87x |
| Cannabis Sativa, Inc. | -38.5% | -33.3% | \$0.41 | \$0.21 | -654.2% | 51.4% | -1589.6% | 201.12x | 391.04x |
| Cannabis Science, Inc. | -38.4% | -23.2% | \$0.01 | \$0.00 | -836.3% | 47.7% | -118629.2% | 23207.55x | 48694.42x |
| Cannalink, Inc. | 46.0% | -51.3% | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| CannaRoyalty Corp. | 4.8% | 42.8% | \$2.45 | \$0.72 | -709.0% | 29.4% | -288.9% | 55.76x | 189.50x |
| CanniMed Therapeutics Inc. | 56.2% | 221.3% | \$14.72 | \$11.03 | 269.1% | 74.9% | 18.3% | 47.23x | 63.03x |
| Cannpal Animal Therapeutics | 10.7% | N/A | \$0.10 | \$0.10 | -170.6% | 96.0% | -1692.0% | 159.76x | 166.44x |

(Continued on next page)

Comparable Public Company Market Metrics as of December 31, 2024

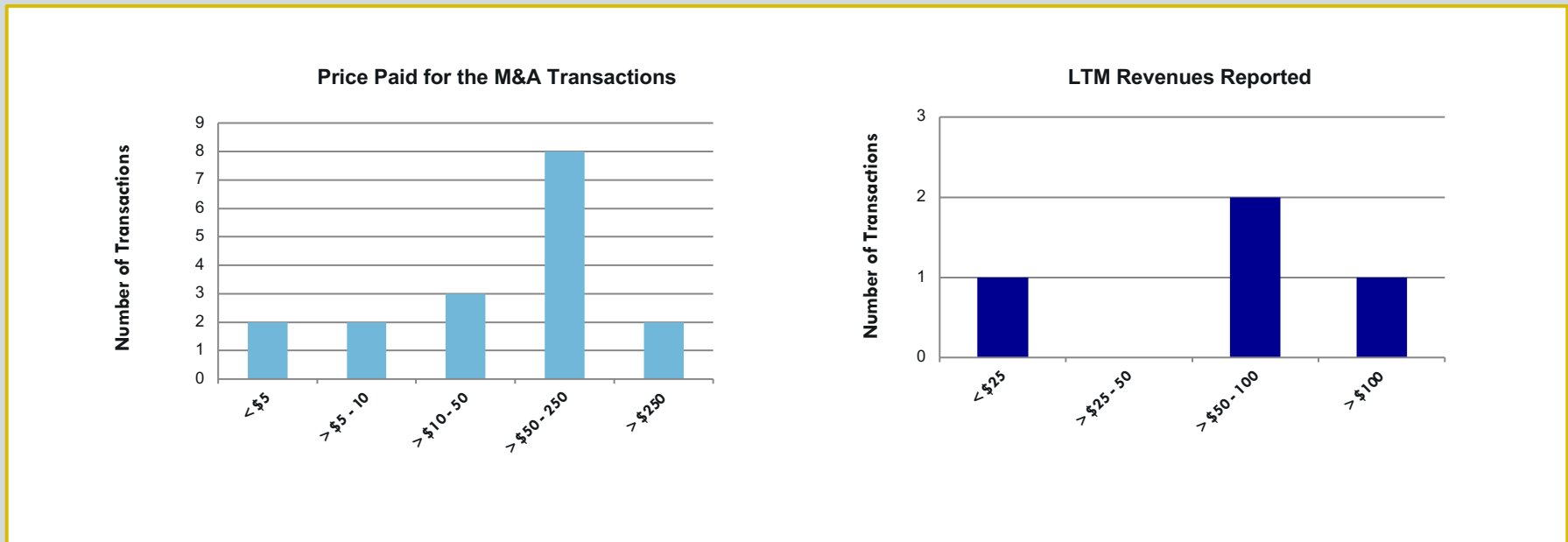
(Continued from previous page)

| | 2024 | 1 Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin | P/Rev. | P/GP |
|--|--------------|-------------|---------------|---------------|----------------|--------------|----------------|---------------|---------------|
| Next Generation Management | 52.6% | 61.1% | \$0.05 | \$0.05 | -537.7% | 100.0% | -10189.5% | 14.18x | 14.18x |
| Nutritional High International | -52.6% | 169.2% | \$0.77 | \$0.77 | -647.0% | 100.0% | -841.2% | 115.49x | 115.49x |
| Phivida Holdings Inc. | -7.7% | N/A | \$0.01 | \$0.01 | -141.8% | 82.4% | -12163.1% | 3186.86x | 3866.68x |
| Rocky Mountain High Brands. | -25.2% | -81.0% | \$0.12 | (\$0.23) | -1101.6% | -190.1% | -9232.7% | 155.52x | -81.82x |
| Terra Tech Corp. | -56.5% | -38.8% | \$37.59 | \$6.77 | -3259.8% | 18.0% | -86.7% | 4.39x | 24.38x |
| Tetra Bio-Pharma Inc. | -28.1% | 12.4% | N/A | N/A | -556.3% | N/A | N/A | N/A | N/A |
| The Green Organic Dutchman | N/A | N/A | N/A | \$0.20 | -1421.8% | N/A | N/A | N/A | N/A |
| Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd. | -4.7% | -43.1% | \$78.14 | \$38.17 | 1446.1% | 48.8% | 18.5% | 6.16x | 12.61x |
| True Leaf Medicine | -32.4% | 253.3% | \$0.91 | \$0.28 | -246.2% | 30.4% | -271.5% | 45.18x | 148.63x |
| United Cannabis Corporation | -48.7% | -37.5% | \$0.44 | \$0.31 | -1229.8% | 69.8% | -2801.9% | 146.34x | 209.74x |
| Wildflower Brands Inc. | 25.8% | 416.9% | \$0.74 | \$0.51 | -95.5% | 67.9% | -128.3% | 89.97x | 132.50x |
| Median of Industry Public Companies | 29.2% | 4.6% | \$0.43 | \$0.24 | -356.7% | 68.4% | -947.9% | 90.04x | 58.15x |

Industry Initial Public Offerings: Plant-Touching Cannabis (dollars in millions, except share prices)

| Offer Date | Company Name | Offer Price | Shares Offered | Amount Raised | Total Assets | Debt | LTM Revenues | LTM EBITDA | LTM Net Income | LTM Cash Flows |
|------------|---|---------------|----------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
| 10/4/24 | Hydrofarm Holdings | \$0.16 | 1.6 | \$4.5 | \$0.00 | \$0.00 | \$1.30 | \$0.40 | \$13.00 | \$4.00 |
| 3/11/24 | The Green Organic Dutchman Holdings Ltd. | \$0.79 | 20.00 | \$15.71 | \$80.92 | \$0.22 | \$0.00 | (\$6.36) | (\$6.35) | (\$6.34) |
| 2/1/24 | Elixinol Global Limited | \$0.31 | 12.50 | \$3.89 | \$0.68 | \$0.00 | \$0.01 | \$0.00 | (\$1.92) | (\$1.92) |
| 11/20/23 | Phivida Holdings Inc. | \$0.16 | 30.00 | \$4.68 | \$4.50 | \$0.00 | \$0.05 | \$0.00 | (\$1.47) | (\$1.47) |
| 4/14/23 | Cannpal Animal Therapeutics Limited | \$7.05 | 0.53 | \$74.77 | \$56.19 | \$7.21 | \$30.27 | \$13.03 | \$8.22 | \$9.48 |
| 1/12/23 | MedReleaf Corp. | \$0.22 | 45.00 | \$10.06 | \$1.39 | \$0.00 | \$0.00 | (\$1.06) | (\$1.09) | (\$1.07) |
| 12/23/22 | Cann Group Limited | \$0.15 | 17.50 | \$2.69 | \$0.67 | \$1.40 | \$0.00 | \$0.00 | (\$4.87) | (\$4.87) |
| 11/10/22 | eSense-Lab Limited | \$8.85 | 5.00 | \$44.25 | \$39.39 | \$22.40 | \$7.31 | (\$0.34) | (\$17.23) | (\$16.38) |
| 9/1/22 | CanniMed Therapeutics Inc. | \$20.00 | 3.35 | \$67.00 | \$0.00 | \$0.00 | \$5.63 | \$5.63 | \$4.99 | \$4.99 |
| 8/20/22 | Innovative Industrial Properties, Inc. | \$2.41 | 32.00 | \$77.21 | \$97.55 | \$14.99 | \$43.21 | \$19.16 | \$13.87 | \$14.86 |
| 5/14/22 | Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd. | \$0.15 | 25.00 | \$3.83 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | (\$0.10) | (\$0.10) |
| 3/12/22 | Creso Pharma Limited | \$1.52 | 2.50 | \$3.80 | \$9.37 | \$1.01 | \$0.11 | \$0.00 | (\$3.95) | (\$3.91) |
| 2/10/22 | CannaRoyalty Corp. | \$0.04 | 32.90 | \$1.29 | \$0.64 | \$0.00 | \$0.00 | \$0.00 | (\$2.50) | (\$2.50) |
| 12/1/21 | Nutritional High International Inc. | \$0.16 | 29.66 | \$4.85 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 11/20/21 | MMJ PhytoTech Limited | \$0.09 | 6.85 | \$0.64 | \$0.22 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | (\$0.02) |
| 11/14/21 | Searchtech Ventures Inc. | \$0.20 | 3.00 | \$0.61 | \$0.42 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | (\$0.02) |
| 6/12/21 | Lifestyle Delivery Systems Inc | \$0.01 | 3.30 | \$0.03 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | (\$0.02) |
| | Median | \$0.20 | 12.5 | \$4.50 | \$0.67 | \$0.00 | \$0.00 | \$0.00 | (\$0.10) | (\$0.10) |

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | LTM EBITDA | EV/ Revenues | EV/ EBITDA |
|--|-----------------------------|-----------------------------|------------------|---------------|---------------|-----------------|--------------|--------------|
| 3/14/24 | CB Scientific Inc. | Sunorca Development Corp. | \$0.59 | 100.0% | N/A | N/A | N/A | N/A |
| 2/11/24 | Better Buds LLC | C & C Shop LLC | \$0.15 | 100.0% | N/A | N/A | N/A | N/A |
| 4/14/23 | Emerald Med Farms, LLC | QED Connect, Inc. | \$0.17 | 100.0% | N/A | N/A | N/A | N/A |
| 1/12/23 | American Mining Corporation | Cannabics Inc. | \$0.20 | 51.0% | N/A | N/A | N/A | N/A |
| 12/23/22 | AAA Heidelberg Inc. | Chlormet Technologies | \$0.11 | 16.5% | N/A | N/A | N/A | N/A |
| 11/10/22 | MySkin, Inc. | N/A | \$0.13 | 87.0% | \$0.04 | \$0.01 | 2.93x | 8.42x |
| 9/1/22 | Diego Pellicer Brand | Plandaí Biotechnology, Inc. | \$0.05 | 100.0% | N/A | N/A | N/A | N/A |
| 1/12/22 | American Mining Corporation | Cannabics Inc. | 51.0% | N/A | N/A | N/A | N/A | 51.0% |
| 12/23/22 | AAA Heidelberg Inc. | Chlormet Technologies | 16.5% | N/A | N/A | N/A | N/A | 16.5% |
| 11/10/22 | MySkin, Inc. | N/A | 87.0% | \$0.04 | \$0.01 | 2.93x | 8.42x | 87.0% |
| 9/1/21 | Diego Pellicer Brand | Plandaí Biotechnology, Inc. | 100.0% | N/A | N/A | N/A | N/A | 100.0% |
| 1/12/21 | Hemp Life Today, LLC | Global Links Corp. | 100.0% | N/A | N/A | N/A | N/A | 100.0% |
| 12/23/20 | Berkeley Bio-Organic | SK3 Group Inc. | 100.0% | N/A | N/A | N/A | N/A | 100.0% |
| 11/10/20 | Hemp Life Today, LLC | Global Links Corp. | \$0.83 | 100.0% | N/A | N/A | N/A | N/A |
| 9/1/20 | PharmaSphere, LLC | CannaVest Laboratories | \$0.65 | 100.0% | N/A | N/A | N/A | N/A |
| 8/10/20 | Modern Mobility Aids | Galileo Life Sciences, Inc. | \$0.07 | 66.5% | \$0.01 | N/A | 7.47x | N/A |
| Median of the M&A Transaction Targets | | | \$4.28 | 100.0% | \$1.90 | (\$0.08) | 5.97x | 3.30x |

Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

Disclosures and Limitations: This research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources Cogent Valuation believes to be reliable. Cogent Valuation has accurately reflected such information in this research report; however, Cogent Valuation makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Cogent Valuation. Cogent Valuation's research is as of the date reported herein. Cogent Valuation has no affiliation with any of the companies comprising the industry used as a basis for research in this report, nor does Cogent Valuation hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Cogent Valuation performs for you in the future at the sole discretion of Cogent Valuation. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE.

COGENT VALUATION is a nationally recognized full service business valuation firm that has provided independent valuation and financial advisory opinions in thousands of situations since 1991. These assignments include the valuation of companies and pass-through entities, their securities, and their intangible assets ranging in size from small, closely-held businesses and start-ups, to corporations with market values over a billion dollars, covering almost every industry and all types of transactions. With the collective backgrounds of our managing directors and professional staff, Cogent Valuation brings substantial large deal experience to bear on our middle market transaction opinions. Cogent Valuation utilizes proprietary research, intensive due diligence, and the experience and insights of its professionals to produce thoughtful, well-documented opinions that have consistently withstood the scrutiny of clients and their advisors, investors, regulators, and courts.

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. **Contact Steven Kam at 415-392-0888 and kam@cogentvaluation.com** for additional information or questions in connection with this research report.