

Q1: Quarterly Industry Update

AS OF March 31, 2025



Ancillary Cannabis Industry Summary

COGENT VALUATION identified **Ancillary Cannabis** publicly traded companies, IPOs, and recent M&A transactions within the Ancillary Cannabis 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 Ancillary Cannabis industry decreased from -45.3% to -23.5%, and the median YTD return increased from -42.2% to -33.3%. Between March 31, 2023 and March 31, 2025, the median EV/Revenue multiple decreased from 6.9 to 6 and the median EV/EBITDA multiple decreased from 15.8 to 7.68. The median price-to-earnings multiple increased from 7.23 to 8.56 and the median EV/Gross profit multiple decreased from 2.7 to -2.34 over the same period. The median MVIC/ Earnings Multiple increased from 9.2 to 9.65. The median Price/ Revenue multiple increased from -5.44 to -3.65 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
-23.5	-21.3%	6x	7.68x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/ Earnings Multiple	Median Price/Revenue Multiple
8.56x	-2.34x	9.65x	-3.65x

Public Company Median Multiples by Quarter

	3/31/25	12/31/24	9/30/24	6/30/24	3/31/24	12/31/23	9/30/23	6/3/23
Median EV/Revenue Multiple	6.00x	8.74x	6.55x	5.15x	7.67x	5.15x	7.67x	12.24x
Median EV/EBITDA Multiple	7.68x	12.09x	8.46x	9.25x	10.22x	9.25x	10.22x	15.86x
Median Price/Earnings Multiple	8.56x	-4.63x	-3.48x	-4.63x	-5.33x	-4.63x	-5.33x	-5.11x
Median EV/Gross Profit Multiple	-2.34x	17.20x	8.41x	7.11x	9.22x	7.11x	9.22x	17.93x
Median MVIC/Earnings Multiple	9.65x	14.03x	9.09x	10.76x	11.23x	10.76x	11.23x	19.75x
Median Price/ Revenue Multiple	-3.65x	-6.18x	-3.75x	-5.48x	-6.18x	-5.48x	-6.18x	-5.59x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Comparable Public Company Market Metrics as of March 31, 2025

	2025	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Agrotek Holdings, Inc.	-94.4%	-87.3%	-70.7%	\$0.00	(\$0.25)	-423.5%	-7510.2%	- 127552.1%	817.41x	-10.88x
American Cannabis	-63.4%	-55.0%	-23.6%	\$1.09	\$0.51	-97.4%	46.7%	-89.6%	20.68x	44.30x
American Green, Inc.	-82.8%	-72.7%	-56.7%	\$0.05	\$0.05	-76.6%	100.0%	-1574.3%	16.17x	16.17x
AmeriCann, Inc.	-55.5%	-6.2%	-33.4%	N/A	N/A	-323.2%	N/A	N/A	N/A	N/A
Café Serendipity Holdings	44.8%	77.3%	-15.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Canna Consumer Goods, Inc.	-48.1%	3.9%	11.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cannabix Technologies Inc.	-48.4%	-37.1%	34.2%	N/A	N/A	-270.3%	N/A	N/A	N/A	N/A
Cannabiz Mobile, Inc.	66.7%	25.0%	29.1%	\$1.21	\$0.62	-124.5%	51.4%	-103.2%	0.00x	0.00x
CannaGrow Holdings	-69.0%	-49.2%	-34.6%	\$1.66	(\$0.20)	-197.4%	-12.1%	-119.3%	0.92x	-7.64x
CannaSys, Inc.	N/A	N/A	N/A	\$0.01	\$0.01	-35.6%	100.0%	-3275.6%	1042.20x	1042.20x
CB Scientific, Inc.	-92.9%	-75.0%	-85.0%	\$0.00	\$0.00	-612.5%	100.0%	- 5567918.2 %	3421.14x	3421.14x
CHUMA HOLDINGS, INC.	-53.3%	-30.0%	-65.4%	\$0.05	\$0.03	-64.1%	54.3%	-1271.7%	244.28x	449.57x
CSA Holdings, Inc.	-99.8%	-99.1%	-96.7%	\$3.85	\$0.87	-121.6%	22.6%	-31.6%	0.00x	0.02x
DigiPath, Inc.	-46.8%	-4.8%	-10.5%	\$2.43	\$0.49	-168.8%	20.3%	-69.4%	3.92x	19.26x
Dutch Gold Resources, Inc.	0.0%	0.0%	0.0%	N/A	N/A	-155.8%	N/A	N/A	N/A	N/A
EVIO, Inc.	-54.8%	-50.8%	-48.1%	\$3.06	\$0.28	-757.5%	9.1%	-247.9%	3.97x	43.68x
FutureWorld Corp.	0.0%	0.0%	-29.3%	\$0.25	\$0.25	-86.6%	100.5%	-344.3%	2.06x	2.05x
General Cannabis Corp.	-72.2%	-18.6%	-13.6%	\$5.07	\$1.08	-1702.1%	21.4%	-336.0%	12.87x	60.15x
Global Hemp Group Inc.	-94.4%	-40.1%	73.0%	\$0.00	(\$0.01)	-348.2%	-620.4%	- 338061.2%	12232.15x	-1971.69x

Comparable Public Company Market Price Metrics as of March 31, 2025

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	2025	1 Year	2 Year	3 Year	2020	2019	2018	2021	3 Month	1 Year
Novus Acquisition & Development Corp.	-67.6%	-44.3%	-36.8%	\$0.10	\$0.09	2.4%	96.0%	24.5%	3.76x	3.92x
Peak Pharmaceuticals	N/A	N/A	N/A	\$0.12	\$0.10	-46.0%	83.5%	-395.2%	61.08x	73.16x
Pineapple Express, Inc.	-38.0%	5.1%	28.8%	N/A	N/A	-4.6%	N/A	N/A	N/A	N/A
PotNetwork Holding, Inc.	-41.2%	-64.3%	-42.3%	\$0.61	\$0.61	-336.9%	100.0%	-555.4%	52.94x	52.94x
STWC Holdings, Inc.	39.7%	-54.1%	72.4%	\$25.58	\$8.96	24.3%	35.0%	0.9%	3.37x	9.63x
Synergetics, Inc.	1168.5%	1425.0%	66.5%	\$0.14	\$0.03	-227.5%	18.9%	-1666.4%	301.94x	1599.18x
The Hydroponics Company Limited	-99.8%	-99.8%	-96.2%	N/A	N/A	-35.6%	N/A	N/A	N/A	N/A
U.S. Lithium, Corp.	-23.8%	-2.5%	N/A	\$1.88	\$0.48	-606.9%	25.5%	-323.2%	27.43x	107.56x
WEED, Inc.	N/A	N/A	N/A	\$1.55	(\$1.11)	-976.6%	-71.3%	-628.1%	25.55x	-35.83x
Median of Industry Public Companies	-75.8%	-69.8%	-57.4%	N/A	(\$0.00)	-20.7%	N/A	N/A	N/A	-951.96x

Industry Initial Public Offerings: Ancillary Cannabis

(dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA ¹	LTM Net Income ¹	LTM Cash Flows ¹
1/12/25	Mtech Acquisition Corporation	\$17.00	7.7	\$130.9	\$97.3	\$0.0	\$123.6	(\$14.6)	(\$20.5)	(\$10.2)
11/22/24	Cannabis Strategies Acquisition Corp.	\$0.37	4.48	\$1.68	\$1.96	\$0.04	\$2.30	(\$4.41)	(\$7.30)	(\$7.28)
2/3/24	The Hydroponics Company Limited	\$0.30	1.25	\$0.38	\$0.41	\$0.12	\$0.01	(\$0.32)	(\$0.33)	(\$0.32)
12/25/23	Searchtech Ventures Inc.	\$0.23	7.00	\$1.59	\$0.72	\$0.24	\$0.02	\$0.00	(\$0.12)	(\$0.12)
12/11/22	Cannabix Technologies Inc.	\$7.86	12.50	\$98.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5/3/22	Nhale, Inc.	\$0.15	40.00	\$5.96	\$0.73	\$0.00	\$0.00	\$0.00	(\$0.46)	(\$0.46)
Median of all IPOs		\$0.01	2.00	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	(\$0.02)	(\$0.02)

[1] As of the effective date of the IPO

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
2/13/25	Vancity Green List Inc.	Resinco Capital Partners Inc.	\$0.88	100.0%
11/19/24	Grasscity	High Tide Inc.	\$5.05	100.0%
2/9/23	Bayfield Strategy, Inc.	The Supreme Cannabis Company, Inc.	\$0.63	100.0%
12/3/22	Assets of Arizona DP Consulting	Item 9 Labs Corp.	\$8.25	100.0%
12/26/21	Arizona Facilities Supply LLC	Cresco Labs, LLC (nka:Cresco Labs Inc.)	\$25.30	100.0%
11/16/21	Trauma Healing Centers Incorporated	Harvest Medicine Inc.	\$0.92	100.0%
10/16/20	seng vital International GmbH	Lifespot Health Ltd	\$0.19	50.0%
10/2/20	DOPE Media	High Times Holding Co.	\$11.20	100.0%
9/26/20	One Lab Co	Mountain High Acquisitions Corp.	\$5.68	100.0%
8/21/20	One Lab Co	Mountain High Acquisitions Corp.	\$5.68	100.0%
8/21/20	SSM Partners Inc.	Sproutly Inc. (nka:Sproutly Canada, Inc.)	\$15.22	100.0%
Median of the M&A Transaction Targets			\$1.16	100.0%

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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

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