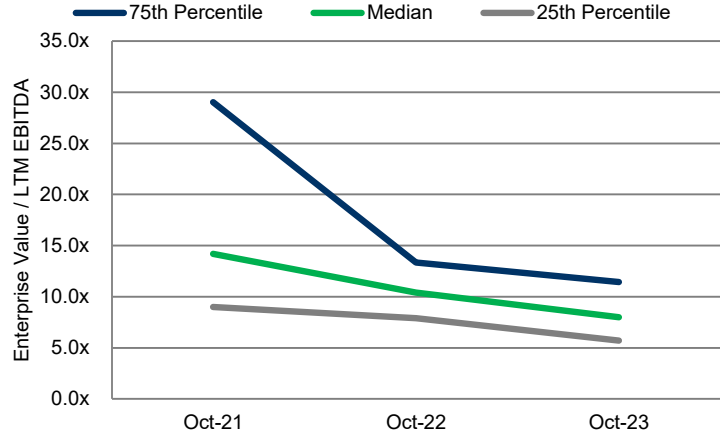


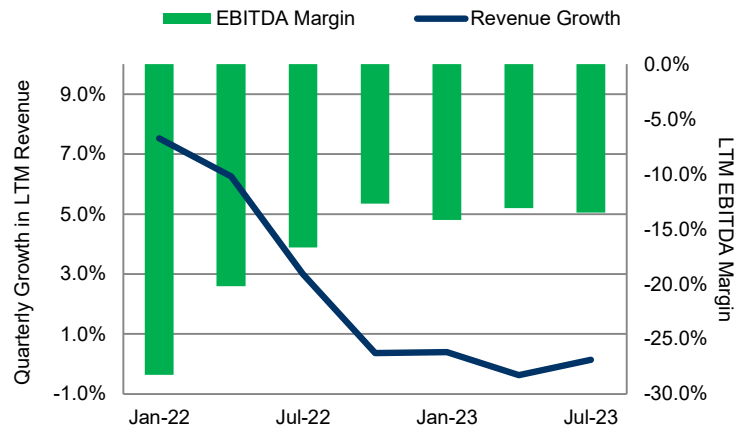
M&A Activity

- 2023's M&A environment has witnessed modest pullback from Q1 2023's peak activity with month-over-month declines during the spring and early summer, though activity remains relatively strong when compared to 2022. Forecasts for the remainder of 2023 suggest cautious optimism despite pressures from equity markets, geopolitical tensions, and questions around interest rates. The United States remains an attractive market with strong consumer spending, low unemployment, and recent GDP growth of 4.9% providing an economic boost. Corporate and private equity buyers are likely to continue their search for deals to deploy their war chests and are expected to continue to target digital transformation and distressed opportunities across North America and Europe.
- The cannabis industry has not been immune to market conditions as M&A activity has substantially dropped from 2021's highs as companies participate in fewer and smaller deals. 2023 is expected to be a busy, but also difficult, year for the industry as distressed companies will be ripe for consolidation, if the deals can be closed.

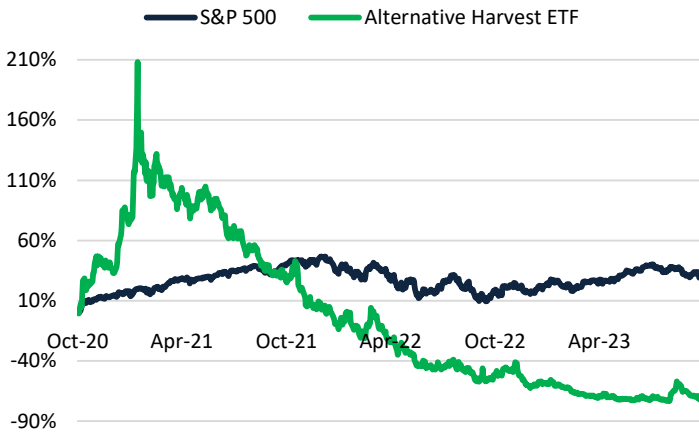
Enterprise Value to 2 Year Projected EBITDA¹



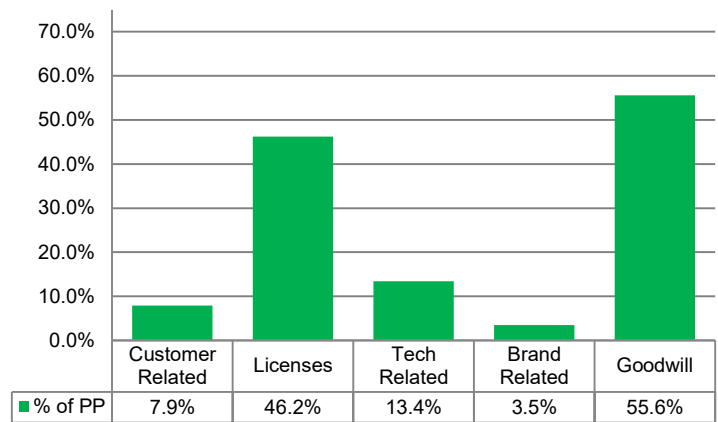
EBITDA Margin & Revenue Growth



Relative Stock Price Returns



Purchase Price Allocation % from Recent Transactions



Notable M&A Deals



On July 31, 2023, Cresco Labs and Columbia Care announced a mutual agreement to amicably terminate the definitive arrangement agreement pursuant to which Cresco agreed to acquire all of the issued and outstanding shares of Columbia Care.



On July 24, 2023, Aurora Cannabis Inc. announced that a wholly-owned subsidiary of the Company has closed the sale of its Medicine Hat, Alberta facility on July 21, 2023 to Bevo Farms Ltd. ("Bevo Farms"), a wholly-owned subsidiary of Bevo Agtech Inc. for approximately \$11.4 million.



On June 22, 2023, Tilray completed the previously announced acquisition of Hexo Corp. In April 2022, Tilray and Hexo inked a "strategic alliance" that saw Tilray acquire Hexo debt in exchange for the right to buy Hexo shares. The subsequent acquisition deal was announced a year later, for an aggregate purchase price of roughly \$56 million.