

---

**United States**  
**Securities and Exchange Commission**  
Washington, D.C. 20549

---

**SCHEDULE 13E-3**  
(RULE 13e-100)

---

**RULE 13e-3 TRANSACTION STATEMENT UNDER SECTION 13(e) OF THE SECURITIES EXCHANGE ACT OF 1934**

(Amendment No. 2)

**CLS HOLDINGS USA, INC.**

(Name of the Issuer)

**CLS HOLDINGS USA, INC. AND**  
**FRANK KORETSKY**

(Name of Persons Filing Statement)

**Common Stock, par value \$0.0001**  
(Title of Class of Securities)

**12565J308**  
(CUSIP Number of Class of Securities)

**With a copy to:**

CLS Holdings, USA, Inc.  
516 S. 4<sup>th</sup> Street  
Las Vegas, Nevada 89101  
(888) 260-7775

Shelley Detwiler DiGiacomo  
Engelman Berger, P.C.  
2800 N Central Avenue, Suite 1200  
(602) 222-4991

---

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of Persons Filing Statement)

This statement is filed in connection with (check the appropriate box):

Check the appropriate box:

- a. ☒ The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934
- b. ☐ The filing of a registration statement under the Securities Act of 1933.
- c. ☐ A tender offer.
- d. ☐ None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies: ☒

Check the following box if the filing is a final amendment reporting the results of the transaction: ☐

**Neither the Securities and Exchange Commission nor any state securities commission has: approved or disapproved of the transaction; passed upon the merits or fairness of the transaction; or passed upon the adequacy or accuracy of the disclosure herein. Any representation to the contrary is a criminal offense.**

---

---

**INTRODUCTION**

This Amendment No. 2 to the Rule 13e-3 Transaction Statement (as amended hereby, the "Transaction Statement") is being filed with the Securities and Exchange Commission (the "SEC") pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by CLS Holdings USA, Inc., a Nevada corporation ("CLSH" or the "Company") and Frank Koretsky, a shareholder who the Company considers an affiliate of the Company.

The Company intends to hold a special meeting of its stockholders to approve a reverse stock split of the Company's Common Stock, par value \$0.0001 (the "Common Stock"). The reverse stock split consists of a 1-to-4,000,000 reverse stock split (the "Reverse Stock Split") whereby stockholders owning any fractional shares of Common Stock following the Reverse Stock Split would have such fractional shares cancelled and converted into the right to receive the cash consideration set forth herein (the "Repurchase Plan"). The Company's Board of Directors (the "Board") has recommended that the Company's shareholders approve the Reverse Stock Split to (i) substantially reduce operational costs by reducing the number of record holders of Common Stock to fewer than 300, thereby allowing the Company to terminate the registration of the Common Stock pursuant to Section 12(g)(4) of the Exchange Act and the Company's reporting obligations under the Exchange Act, and (ii) to provide the minority shareholders with a liquidity event at a price well above the recent trading price of the stock.

This Transaction Statement is being filed with the SEC concurrently with a Proxy Statement (the "Proxy Statement") filed by the Company pursuant to Regulation 14A of the Exchange Act. The information contained in the Proxy Statement, including all Annexes attached thereto, is hereby expressly incorporated herein by reference.

**ITEM 1. SUMMARY TERM SHEET.**

The material terms of the Repurchase Plan are as follows:

- The Reverse Stock Split of 1-to-4,000,000 of the Company's Common Shares will have the effect of creating shareholders with fractional shares of Common Stock.
- The Repurchase Plan provides for the repurchase of fractional shares from stockholders whose resulting share interest following the Reverse Stock Split contains fractional shares.

- Current stockholders holding the resulting fractional shares of Common Stock will receive cash in the amount of three-point-seven cents (\$0.037) per pre-split share in lieu of their fractional shares.
- The Company has received a fairness opinion from Houlihan Capital LLC which presented a range of share values per pre-split share. The Company's Board has elected to use the highest price presented in that range for purposes of setting the purchase price for the fractionalized shares.

See also the information set forth under the caption "Summary of Material Terms of Reverse Stock Split and Related Transactions" in the Proxy Statement, which information is incorporated herein by reference.

## ITEM 2. SUBJECT COMPANY INFORMATION.

(a) *Name and Address.*

CLS Holdings, USA, Inc.  
516 S. 4th Street  
Las Vegas, NV 89101  
(888) 260-7775

The foregoing information is also included in the Company's Proxy Statement under the caption "Company Information—CLS Holdings USA, Inc.

- (b) *Securities.* Common Stock. 164,734,517 shares of the Company's Common Stock were outstanding on May 1, 2025.
- (c) *Trading Market and Price.* The Company's Common Stock trades on the OTCQB market. The highest closing price for the Company's Common Stock over the 30 days preceding April 11 (the date the Independent Committee of the Company's Board of Directors made its recommendation to the full Board to pursue the reverse stock split described in the Proxy Statement) was \$0.0343. The lowest closing price for the Company's Common Stock over that same period was \$0.0220. The information set forth under the caption "SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS" is incorporated herein by reference.
- (d) *Dividends.* The Company has not declared or paid any dividends on its Common Stock for the past two years.
- (e) *Prior Public Offerings.* None.
- (f) *Prior Stock Purchases.* None.

## ITEM 3. INDENTITY AND BACKGROUND OF FILING PERSON.

(a) *Name and Address of Filing Person.*

The information set forth in the Proxy Statement under the caption "COMPANY INFORMATION—Information about our Officers and Directors and Affiliated Shareholder is incorporated herein by reference.

- (b) *Business and Background of Entities.* Not applicable.
- (c) *Business and Background of Natural Persons.*

The information set forth in the Proxy Statement under the caption "COMPANY INFORMATION—Information about our Officers and Directors and Affiliated Shareholder" is incorporated herein by reference.

## ITEM 4. TERMS OF THE TRANSACTION.

- (a)(2) Material Terms. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

"SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS"

"SPECIAL FACTORS"

"POTENTIAL CONFLICTS OF INTEREST OF OFFICERS, DIRECTORS AND CERTAIN AFFILIATED PERSONS"

"GENERAL INFORMATION—What vote is required?"

- (c) Different Terms. The information set forth in the Proxy Statement under the caption "SPECIAL FACTORS—Potential Conflicts of Interest of Officers, Directors and Certain Affiliated Persons" is incorporated herein by reference.

- (d) Appraisal Rights. The information set forth in the Proxy Statement under the caption "DISSENTERS' RIGHTS" is incorporated herein by reference.

- (e) Provisions for Unaffiliated Security Holders. None.

- (f) Eligibility for Listing or Trading. Not applicable.

## ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

- (a) Transactions. Not applicable.
- (b) Significant Corporate Events. Not applicable.
- (c) Negotiations or Contracts. Not applicable.
- (e) Agreements Involving the Subject Company's Securities. Not applicable.

## ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

- (b) Use of Securities Acquired. The information set forth in the Proxy Statement under the captions "SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS" and "SPECIAL FACTORS" is incorporated herein by reference.

**ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS.**

(a) Purposes. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“SPECIAL FACTORS”

(b) Alternatives. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(c) Reasons. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”

(d) Effects. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”  
“MATERIAL U.S. FEDERAL TAX CONSEQUENCES”

**ITEM 8. FAIRNESS OF THE TRANSACTION.**

(a) Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(b) Factors Considered in Determining Fairness. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(c) Approval of Security Holders. The information set forth in the Proxy Statement under “SPECIAL FACTORS” is incorporated herein by reference.

(d) Unaffiliated Representative. The directors who are not employees of the Company and who hold negligible to no shares, served as the Independent Committee to evaluate the Reverse Stock Split. The Company did not engage an unaffiliated representative on behalf of unaffiliated security holders but did commission an independent third-party fairness opinion. The information set forth in the Proxy Statement under the caption “DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion” is incorporated herein by reference.

(e) Approval of Directors. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE”

(f) Other Offers. Not applicable.

**ITEM 9. Reports, Opinions, Appraisals and Negotiations.**

(a) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(b) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS”  
“DELIBERATIONS OF THE INDEPENDENT COMMITTEE—Fairness Opinion”

(c) A copy of the Fairness Opinion delivered to the Independent Committee is attached hereto as Exhibit 99.2 and incorporated herein by reference.

**ITEM 10. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.**

(a) The information set forth in the Proxy Statement under the caption “SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split” is incorporated herein by reference.

(b) Not applicable.

(c) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

(d) The information set forth in the Proxy Statement under the caption “SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split is incorporated herein by reference.

#### ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) The information set forth in the Proxy Statement under the caption “SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS” is incorporated herein by reference.

(b) None.

#### ITEM 12. THE SOLICITATION OR RECOMMENDATION.

(d) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

(e) The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY OF MATERIAL TERMS OF REVERSE STOCK SPLIT AND RELATED TRANSACTIONS”  
“SPECIAL FACTORS—Purpose and Reasons for the Reverse Stock Split”

4

#### ITEM 13. FINANCIAL STATEMENTS

(a) Financial Information.

(1) The audited consolidated financial statements set forth in the Company’s Annual Report on Form 10-K for the year ended May 31, 2024, are incorporated herein by reference.

(2) The unaudited balance sheets, comparative year-to-date statements of comprehensive income and related earnings per share data and statements of cash flows as set forth in the Company’s Quarterly Report on form 10-Q for the quarter ended February 28, 2025, are incorporated herein by reference.

(b) Pro Forma Information. Not applicable.

#### ITEM 14. PERSONS/ASSETS RETAINED, EMPLOYED, COMPENSATED OR USED.

(a) Solicitations or Recommendations. The information set forth in the Proxy Statement under the caption “GENERAL INFORMATION—Who will bear the cost of the solicitation of proxies?” is incorporated herein by reference.

(b) Employees and Corporate Assets. The information set forth in the Proxy Statement under the caption “GENERAL INFORMATION—Who will bear the cost of the solicitation of proxies?” is incorporated herein by reference.

#### ITEM 15. ADDITIONAL INFORMATION.

(b) Not applicable.

(c) Other Material Information. The information contained in the Proxy Statement, including all exhibits thereto, is incorporated herein by reference.

#### ITEM 16. EXHIBITS.

##### EXHIBIT INDEX

	<u>Exhibit No.</u>	<u>Document</u>
16(a)	99.1	<a href="#">Notice of Annual Meeting and Preliminary Proxy Statement of the Company filed with the SEC on May 28, 2025</a>
16(b)	99.2	<a href="#">Form of Secured Promissory Note.</a>
16(c)	99.3*	<a href="#">Opinion of Houlihan Capital LLC dated April 8, 2025</a>
16(d)	99.4	<a href="#">Presentation of Houlihan Capital LLC dated April 8, 2025</a>
16(e)		Not applicable.
16(f)		<a href="#">Included in Exhibit 99.1.</a>
16(g)		Not applicable
107**		<a href="#">Fee Tables</a>

\* Previously filed with the Transaction Statement on Schedule 13E-3 filed with the Securities and Exchange Commission on May 20, 2025.

\*\* Previously filed with the Transaction Statement on Schedule 13E-3 filed with the Securities and Exchange Commission on May 1, 2025.

5

##### SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information as set forth in this statement is true, complete and correct.

CLS HOLDINGS USA, INC.

By: /s/ Andrew Glashow

Name: Andrew Glashow

Title: Chief Executive Officer and Chairman of the Board



Date: May 28, 2025

/s/ Frank Koretsky

Date: May 28, 2025

No. CLSH2025-PN\_\_\_\_\_

## SECURED PROMISSORY NOTE

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR ANY APPLICABLE STATE ("BLUE SKY LAWS") OR FOREIGN SECURITIES LAWS AND WILL BE ISSUED IN RELIANCE UPON AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS PROVIDED BY RULE 506(b) OF REGULATION D AND/OR SECTION 4(a)(2) UNDER THE SECURITIES ACT AND OUTSIDE THE UNITED STATES PURSUANT TO OTHER APPLICABLE REGULATIONS UNDER THE SECURITIES ACT. ANY SALE, PLEDGE, ENCUMBRANCE OR OTHER TRANSFER (ANY, A "TRANSFER") OF ALL OR ANY PORTION OF SUCH SECURITIES WILL BE INVALID UNLESS SUBJECT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND AS REQUIRED BY APPLICABLE BLUE SKY AND/OR FOREIGN LAWS AS TO SUCH TRANSFER OR IN THE OPINION OF COUNSEL SATISFACTORY TO THE BORROWER SUCH REGISTRATION IS UNNECESSARY IN ORDER FOR SUCH TRANSFER TO COMPLY WITH THE SECURITIES ACT AND APPLICABLE BLUE SKY LAWS. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT OR (B) IT IS AN ACCREDITED INVESTOR AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT AND THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT.

\$450,000

June 24, 2025

For Value Received, CLS Holdings USA, Inc, a Nevada corporation with its principal address at 516 S. 4<sup>th</sup> Street, Las Vegas, Nevada 89101 ("Maker"), under the terms of this Promissory Note ("Note"), promises to pay to the order of \_\_\_\_\_ with its principal address at \_\_\_\_\_ ("Purchaser"), the principal amount of \$450,000 (the "Principal Amount"), together with interest on the Principal Amount of 12% per annum, ("Principal and Interest Amount") on or before June 24, 2028 (the "Maturity Date") as set forth below.

Interest payable on the Principal Amount shall accrue at a rate per annum equal to twelve percent (12%) calculated on the basis of a 360-day year ("Interest").

All amounts under this Note are in U.S. Dollars.

1. Payment. Maker shall make payment to the Purchaser of equal monthly principal and interest payments in the amount of \$14,946.44 for 36 months, commencing on July 24, 2025 and continuing until the Maturity Date. There shall be no prepayment penalties in the event that Maker elects to pay the obligation in advance of the Maturity Date.

---

-1-

---

## 2. Default.

2.1. Events of Default. With respect to the Note, the following events are "Events of Default":

- (a) Default of Maker in the payment of principal or accrued interest under the Note when due; or
- (b) the occurrence of any of the following:
  - (i) Maker files a petition in bankruptcy or for reorganization or for the adoption of a plan under the United States Bankruptcy Code (as now or in the future amended, the "Bankruptcy Code");
  - (ii) Maker makes a general assignment for the benefit of its creditors;
  - (iii) Maker consents to the appointment of a receiver or trustee for all or a substantial part of the property of Maker or approves as filed in good faith a petition filed against Maker under the Bankruptcy Code; or
  - (iv) The commencement of a proceeding or case, without the application or consent of Maker, in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of Maker for all or any substantial part of its assets, or (iii) similar relief in respect of Maker under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, and such proceeding or case set forth in (i), (ii), or (iii) above continues undismissed or uncontroverted, or an order, judgement or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect, for a period of sixty (60) business days.

3. Acceleration. If any one or more Events of Default described in Section 2.1 shall occur and be continuing, then Purchaser may, at Purchaser's option and by written notice to Maker, declare the unpaid balance of the Note owing to Purchaser to be forthwith due and payable.

4. Secured. This Note is a secured obligation of Maker and the security shall be all of the otherwise unencumbered assets of the Company or its subsidiaries, permitted to be pledged by law.

5. Notices. Any notice, request or other communication required or permitted hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or if faxed with confirmation of receipt or if mailed by registered or certified mail, postage prepaid, at the address of Maker or Purchaser. Any Party hereto may by notice so given change its address for future notice hereunder. Notice shall conclusively be deemed to have been received when personally delivered or faxed, or five business days after being deposited in the mail in the manner set forth above.

---

-2-

---

6. Usury. This Note is hereby expressly limited so that in no event whatsoever, whether by reason of acceleration of maturity of the loan evidenced hereby, payment of the Principal and Interest Amount or otherwise, shall the amount paid or agreed to be paid to Purchaser hereunder for the loan, use, forbearance or detention of money exceed that permissible under applicable law. If at any time the performance of any provision of this Note or of any other agreement or instrument entered into in connection with this Note involve a payment exceeding the limit of interest that may be validly charged for the loan, use, forbearance or detention of money under applicable law, then automatically and retroactively, ipso facto, the obligation to be performed shall be reduced to such limit.

7. WAIVER OF RIGHT TO TRIAL BY JURY. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH

THIS AGREEMENT OR ANY TRANSACTION DOCUMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES' ACCEPTANCE OF THIS AGREEMENT.

8. Governing Law; Jurisdiction. Maker and Purchaser each hereby submits to personal jurisdiction in the State of Nevada, consents to the exclusive jurisdiction of any competent state or federal district court sitting in Clark County, Nevada, and waives any and all rights to raise lack of personal jurisdiction as a defense in any action, suit, or proceeding in connection with this Note or any related matter. This Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of Nevada, without reference to conflicts of law provisions of such state. Exclusive venue for any legal proceedings brought in connection with, or relating to, this Note shall be in Clark County, Nevada.

9. Successors. The provisions of this Note shall inure to the benefit of and be binding on any permitted successor of Purchaser.

This Note is executed in the State of Nevada as of the date first set forth above.

*Signatures on next page.*

CLS Holdings, USA, Inc.,  
a Nevada corporation

By: \_\_\_\_\_  
Andrew Glashow  
CEO and Chairman

Agreed to and accepted:

By: \_\_\_\_\_  
Lender:

-3-

#### Amortization Schedule

	Beginning Balance	Interest	Principal	Ending Balance
1	\$ 125,000.00	\$ 1,250.00	\$ 4,634.18	\$ 120,365.82
2	\$ 120,365.82	\$ 1,203.66	\$ 4,680.53	\$ 115,685.29
3	\$ 115,685.29	\$ 1,156.85	\$ 4,727.33	\$ 110,957.96
4	\$ 110,957.96	\$ 1,109.58	\$ 4,774.60	\$ 106,183.35
5	\$ 106,183.35	\$ 1,061.83	\$ 4,822.35	\$ 101,361.00
6	\$ 101,361.00	\$ 1,013.61	\$ 4,870.57	\$ 96,490.43
7	\$ 96,490.43	\$ 964.90	\$ 4,919.28	\$ 91,571.15
8	\$ 91,571.15	\$ 915.71	\$ 4,968.47	\$ 86,602.68
9	\$ 86,602.68	\$ 866.03	\$ 5,018.16	\$ 81,584.52
10	\$ 81,584.52	\$ 815.85	\$ 5,068.34	\$ 76,516.18
11	\$ 76,516.18	\$ 765.16	\$ 5,119.02	\$ 71,397.16
12	\$ 71,397.16	\$ 713.97	\$ 5,170.21	\$ 66,226.95
<b>Year #1 End</b>				
13	\$ 66,226.95	\$ 662.27	\$ 5,221.91	\$ 61,005.03
14	\$ 61,005.03	\$ 610.05	\$ 5,274.13	\$ 55,730.90
15	\$ 55,730.90	\$ 557.31	\$ 5,326.88	\$ 50,404.02
16	\$ 50,404.02	\$ 504.04	\$ 5,380.14	\$ 45,023.88
17	\$ 45,023.88	\$ 450.24	\$ 5,433.95	\$ 39,589.93
18	\$ 39,589.93	\$ 395.90	\$ 5,488.28	\$ 34,101.65
19	\$ 34,101.65	\$ 341.02	\$ 5,543.17	\$ 28,558.48
20	\$ 28,558.48	\$ 285.58	\$ 5,598.60	\$ 22,959.88
21	\$ 22,959.88	\$ 229.60	\$ 5,654.59	\$ 17,305.30
22	\$ 17,305.30	\$ 173.05	\$ 5,711.13	\$ 11,594.17
23	\$ 11,594.17	\$ 115.94	\$ 5,768.24	\$ 5,825.92
24	\$ 5,825.92	\$ 58.26	\$ 5,825.92	\$ -0.00
<b>Year #2 End</b>				

-4-

**PRIVATE & CONFIDENTIAL**

**Presentation of Fairness to the Special  
Committee of the Board of Directors of**

**CLS Holdings USA, Inc.**

**April 8, 2025**

**VALUATION &  
FINANCIAL  
ADVISORY**

**INVESTMENT  
BANKING**

**LITIGATION  
SUPPORT**



## PREFACE

---

This material has been prepared by Houlihan Capital, LLC (“Houlihan Capital”) as part of a presentation being made to the Special Committee of the Board of Directors (the “Special Committee”) of CLS Holdings USA, Inc. (collectively, the “Client”, the “Company”, or “CLS Holdings”) in support of our opinion (the “Opinion”) whether or not favorable, to the Special Committee of the Company as to whether, as of the date of such Opinion, the transaction to engage in a business combination with the purpose of taking the Company private in a reverse merger (the “Transaction”) is fair to the shareholders of the Company from a financial point of view.

Our analyses contained herein are confidential and addressed to, and provided exclusively for use by, the Special Committee. Our written opinion may be used (i) by the Special Committee in evaluating the Transaction, (ii) in disclosure materials to holders of Client’s equity holders, (iii) in filings with the U.S. Securities and Exchange Commission (the “SEC”) (including the filing of the fairness opinion and the data and analysis presented by Houlihan Capital to the Board), and (iv) in any litigation pertaining to matters relating to the Transaction and covered in the Opinion.

This Opinion is delivered to each recipient subject to the conditions, scope of engagement, limitations and understandings set forth in the Opinion and subject to the understanding that the obligations of Houlihan Capital and any of its affiliates in the Transaction are solely corporate obligations, and no officer, director, principal, employee, affiliate, or member of Houlihan Capital or their successors or assigns shall be subjected to any personal liability whatsoever (other than for intentional misconduct, fraud, or gross negligence), nor will any such claim be asserted by or on behalf of you or your affiliates against any such person with respect to the Opinion other than Houlihan Capital.

We have relied upon and assumed, without independent verification, the accuracy, completeness and reasonableness of the financial, legal, tax, and other information discussed with or reviewed by us and have assumed such accuracy and completeness for purposes of rendering an opinion. In addition, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company, nor, except as stated herein, have we been furnished with any such evaluation or appraisal. We have further relied upon the assurances and representations from company management that they are unaware of any facts that would make the information

**CONFIDENTIAL**

Page | 2



## PREFACE

---

provided to us to be incomplete or misleading in any material respect for the purposes of the Opinion. We have not assumed responsibility for any independent verification of this information, nor have we assumed any obligation to verify this information. Nothing has come to our attention in the course of this engagement which would lead us to believe that (i) any information provided to us or assumptions made by us are insufficient or inaccurate in any material respect or (ii) it is unreasonable for us to use and rely upon such information or make such assumptions.

The conclusions we have reached are based on all the analyses and factors presented herein taken as a whole and also on the application of our own experience and judgment. Such conclusions may involve significant elements of subjective judgment or qualitative analysis. We therefore give no opinion as to the value or merit standing alone of any one or more parts of the material that follows.

Our only opinion is the formal written opinion Houlihan Capital has expressed as to whether, as of the date of such Opinion, that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company. The Opinion does not constitute a recommendation to proceed with the Transaction. Houlihan Capital was not requested to opine as to, and the Opinion does not address, the (i) underlying business decision of Company, its shareholders, or any other party to proceed with or effect the proposed Transaction, (ii) financial fairness of any aspect of the proposed Transaction not expressly addressed in the Opinion, (iii) terms of the Transaction (except with respect to financial fairness), including, without limitation, the closing conditions and any of the other provisions thereof, (iv) fairness of any portion or aspect of the proposed Transaction to the holders of any securities, creditors, or other constituencies of the Company, or any other party, other than those set forth in the Opinion, (v) relative corporate or other merits of the proposed Transaction as compared to any alternative business strategies that might exist for the Company, or (vi) tax, accounting, or legal consequences of the proposed Transaction to either the Company, its shareholders, or any other party.

In our analysis and in connection with the preparation of the Opinion, Houlihan Capital has made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Transaction. The Opinion, the analyses

**CONFIDENTIAL**

Page | 3



## PREFACE

---

contained herein, and all conclusions drawn from such analyses are necessarily based upon market, economic and other conditions that exist and can be evaluated as of the date of this presentation.

Houlihan Capital, a Financial Industry Regulatory Authority (FINRA) member, as part of its investment banking services, is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, private placements, bankruptcy, capital restructuring, solvency analyses, stock buybacks, and valuations for corporate and other purposes. Neither Houlihan Capital, nor any of its principals, has any ownership or other beneficial interests in the Company and has provided no previous investment banking or consulting services to the Company. Houlihan Capital has received and is receiving a fee from the Company relating to its services in providing this Opinion that is not contingent on the consummation of the proposed Transaction. In an engagement letter dated January 30, 2025, Client has agreed to indemnify Houlihan Capital for certain specified matters in connection with Houlihan Capital's services.

**CONFIDENTIAL**

Page | 4

---





# EXECUTIVE SUMMARY

---

**Executive Summary ..... 6**

    Transaction Overview .....6

    Fairness Opinion Conclusion .....7

    Houlihan Capital Engagement.....8

    Due Diligence Procedures.....11

**Overview of the Company.....12**

**Fairness Opinion Overview .....17**

**Valuation Methodologies.....18**

**Fair Market Value Analysis.....20**

    Market Approach.....20

    Control Premium .....28

    Valuation Conclusion.....32

**Fairness Opinion Conclusion .....33**

    Guideline Public Company Descriptions.....34

    Guideline Public Company Tables.....38

    Guideline Transaction Target Company Descriptions.....40





## EXECUTIVE SUMMARY

---

### TRANSACTION OVERVIEW

- Houlihan Capital, LLC (“Houlihan Capital”) understands that CLS Holdings USA, Inc. and/or its affiliates (the “Client” or the “Company” or “CLS Holdings”) intends to enter into a business combination with the purpose of taking the Company private in a reverse merger. Per conversations with the Client, we understand the Transaction will be structured as a 4 million to 1 reverse stock split, wherein every 4 million shares will be converted to one share post-Transaction. Houlihan Capital understands the Special Committee anticipates the Company would pay “fair value” for the shares, which under Nevada state law is determined as: (1) immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of the corporate action (unless exclusion would be inequitable); (2) using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal; and (3) without discounting for lack of marketability or minority status<sup>1</sup>. Houlihan Capital further notes Nevada state law defines “market value” in reference to shares of a corporation as the highest closing sale price of a share during the 30 calendar days immediately preceding the date in question on the applicable securities exchange<sup>2</sup>. Any stockholder with a fractional share count post-Transaction will be paid out in cash at a later date. Houlihan Capital understands the transaction price determined by the Special Committee to be \$0.037 per share (“Transaction Price”).

---

<sup>1</sup> As defined in the Nevada Revised Statutes 92A.310, “Fair Value” defined.

<sup>2</sup> As defined in the Nevada Revised Statutes 78.424, “Market Value” defined.

CONFIDENTIAL

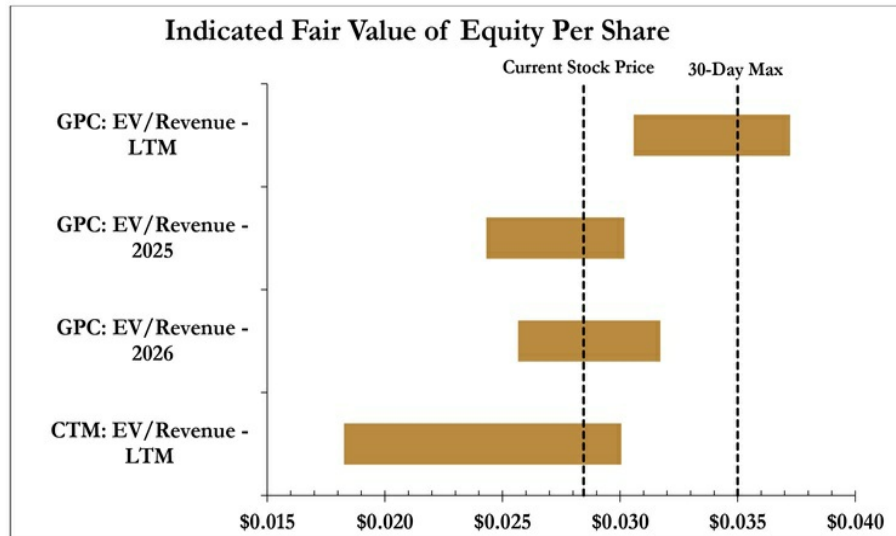
Page | 6



## EXECUTIVE SUMMARY

### Fairness Opinion Conclusion

- Pursuant to an engagement letter dated January 30, 2025, the Special Committee of the Company (the “Special Committee”) engaged Houlihan Capital as its financial advisor to render a written opinion (the “Opinion”), whether or not favorable, to the Special Committee as to whether, as of the date of such Opinion, the Transaction is fair from a financial point of view to the Company and the minority, unaffiliated stockholders of the Company.
- As of the date hereof, it is Houlihan Capital’s opinion that the per share value to be paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company.



CONFIDENTIAL



## EXECUTIVE SUMMARY

---

### HOULIHAN CAPITAL ENGAGEMENT

- Houlihan Capital was given unlimited access to pertinent information from the Company while conducting due diligence in order to identify key issues and parties involved and identify methods of analyses to be considered in the Opinion.
- Houlihan Capital analyzed the Transaction and the per share value to be received and realized by the Company.
- As addressed further herein, Houlihan Capital analyzed internal and external factors which could influence the value of the Target and performed such other analyses deemed appropriate and consistent with accepted business valuation techniques.
- Houlihan Capital prepared its Opinion and conducted an internal fairness committee meeting in order to assess whether, as of the date of such Opinion, that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company.
- The conclusions set forth in the Opinion, and its delivery to the Special Committee on the date hereof, have been approved by Houlihan Capital's internal fairness committee.
- Our only opinion is the formal written opinion Houlihan Capital has expressed as to whether, as of the date of such Opinion, that the consideration to be issued or paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company. The Opinion does not constitute a recommendation to proceed with the Transaction. Houlihan Capital was not requested to opine as to, and the Opinion does not address, the:
  - Underlying business decision of Company, its shareholders, or any other party to proceed with or effect the proposed Transaction;
  - Financial fairness of any aspect of the proposed Transaction not expressly addressed in the Opinion;

**CONFIDENTIAL**

Page | 8



## EXECUTIVE SUMMARY

---

- Terms of the Transaction (except with respect to financial fairness), including, without limitation, the closing conditions and any of the other provisions thereof;
  - Fairness of any portion or aspect of the proposed Transaction to the holders of any securities, creditors, or other constituencies of the Company, or any other party, other than those set forth in the Opinion;
  - Relative corporate or other merits of the proposed Transaction as compared to any alternative business strategies that might exist for the Company; or
  - Tax, accounting, or legal consequences of the proposed Transaction to either the Company, its shareholders, or any other party.
- No opinion, counsel, or interpretation was intended or should be inferred with respect to matters that require legal, regulatory, accounting, insurance, tax, or other similar professional advice. Furthermore, the Opinion does not address any aspect of the Special Committee's recommendation to its shareholders with respect to the adoption of the Transaction or how any shareholder of the Company should vote with respect to such adoption or the statutory or other method by which the Company is seeking such vote in accordance with the terms of the Transaction, applicable law, and the Company's organizational instruments.
  - Houlihan Capital was not requested to make, and did not make, any physical inspection or independent appraisal or evaluation of any of the assets, properties, or liabilities (contingent or otherwise) of the Company.
  - Houlihan Capital's Opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of the Opinion. Houlihan Capital is under no obligation, to update, revise, reaffirm or withdraw the Opinion, or otherwise comment on or consider events occurring after the date of the Opinion.

CONFIDENTIAL

Page | 9



## EXECUTIVE SUMMARY

---

- Houlihan Capital, a Financial Industry Regulatory Authority (FINRA) member, as part of its investment banking services, is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, private placements, bankruptcy, capital restructuring, solvency analyses, stock buybacks, and valuations for corporate and other purposes. Neither Houlihan Capital, nor any of its principals, has any ownership or other beneficial interests in the Company and has provided no previous investment banking or consulting services to the Company.
- Houlihan Capital was not requested to, and did not:
  - Initiate any discussions with, or solicit any indications of interest from, third parties with respect to the Transaction or any alternatives to the proposed Transaction;
  - Advise the Special Committee with respect to alternatives to the proposed Transaction.
- Houlihan Capital has received and is receiving a fee from the Company relating to its services in providing this Opinion that is not contingent on the consummation of the proposed Transaction.
- In an engagement letter dated January 30, 2025, the Company has agreed to indemnify Houlihan Capital for certain specified matters in connection with Houlihan Capital's services relating to the Opinion.

CONFIDENTIAL

Page | 10





## EXECUTIVE SUMMARY

---

### DUE DILIGENCE PROCEDURES

In completing our analyses and for purposes of the Opinion set forth herein, Houlihan Capital has, among other things, performed the following:

- Held discussions with certain members of CLS Holdings' senior management ("Management") regarding the Transaction, the historical performance of the Company (giving effect to the Transaction), and the future outlook for the Company;
- Review of information provided by Client including, but not limited to:
  - The Company's latest reports on Form 10-Q and 10-K and other relevant public documents as filed with the Securities and Exchange Commission;
  - the unaudited financial statements for the year-to-date ("YTD") period ended February 28, 2025 (Houlihan Capital notes the Company's fiscal year ends May 31);
  - Management-provided financial projections for the fiscal year(s) ended ("FYE") May 31, 2025, through May 31, 2027;
  - Operating Agreements related to CLS Holdings, Alternative Solutions LLC, and Serenity Wellness Growers LLC;
  - The Corporate Bylaws of CLS Holdings;
  - Various documents related to sixteen promissory notes issued at various times from January 2, 2024, through February 26, 2025;
- Reviewed the industry in which the Company operates, which included a review of (i) certain industry and economic research, (ii) certain comparable publicly traded companies and (iii) certain mergers and acquisitions of comparable businesses; and
- Developed indications of value for the Company using generally accepted valuation methodologies.

**CONFIDENTIAL**

Page | 11



## COMPANY OVERVIEW – CLS HOLDINGS

---

### Overview of the Company<sup>3</sup>

CLS Holdings (OTCPK:CLSH), was founded in 2014 and is based in Las Vegas, Nevada with two operating subsidiaries – City Trees and Oasis Cannabis Dispensary. As a vertically integrated cannabis company, CLS Holdings focuses on the extraction and conversion of cannabinoids in the United States. It extracts cannabinoids from cannabis plants and converts them into various concentrates, including oils, waxes, edibles, and shatters; and provides toll processing services (the provision of extraction services on a fee-for-service basis). The company also sells organic medical cannabis to licensed retailers; recreational marijuana cannabis products to licensed distributors and retailers; extraction products, such as oils and waxes derived from in-house cannabis production; and offers processing and extraction services for licensed medical cannabis cultivators, as well as cannabis strains in the form of vegetative cuttings to licensed medical cannabis cultivators.

The Company holds the U.S. patent on a proprietary extraction and conversion methodology to deliver high levels of quality and consistency. The Company's warehouse includes 10,000 square feet of dedicated cultivation space. Nevada is currently not accepting applications for new retail store licenses.

Per the Company's latest 10-Q (as of November 30, 2024), the Company has approximately 164,734,517 shares of common stock outstanding, as presented below:

---

<sup>3</sup> Sourced from the Company's most recent 10-Q and 10-K.

CONFIDENTIAL

Page | 12



## COMPANY OVERVIEW – CLS HOLDINGS



### CLS Holdings USA, Inc. Current Ownership

Shareholders	Number of Shares	Ownership
Frank Koretsky	80,027,062	48.58%
Patrick Stibbs Haldan	16,358,109	9.93%
Lou Werner III	16,358,109	9.93%
Ian Whitmore	16,167,406	9.81%
Jeffrey I. Binder	2,179,493	1.32%
Andrew J. Glashow	1,235,237	0.75%
Ross Saxon Silver	61,867	0.04%
Dominick Monaco	37,500	0.02%
Charlene Magee	25,000	0.02%
Jamie Dickson	12,500	0.01%
Free Float Shares	32,272,234	19.59%
<b>Total</b>	<b>164,734,517</b>	<b>100.00%</b>

CONFIDENTIAL





# COMPANY OVERVIEW – CLS HOLDINGS

## Income Statements – Historical

CLS Holdings USA, Inc. Income Statement							
(\$ in thousands)							
	Historical Period					LTM	
	2020	2021	2022	2023	2024	2/28/2025	
<b>TOTAL NET REVENUE</b>	\$ 11,918	\$ 19,292	\$ 22,663	\$ 23,134	\$ 19,961	\$ 17,544	
<b>TOTAL COST OF REVENUE</b>	\$ 5,959	\$ 9,645	\$ 12,173	\$ 13,330	\$ 11,441	\$ 10,233	
<b>GROSS PROFIT</b>	\$ 5,958	\$ 9,647	\$ 10,490	\$ 9,804	\$ 8,520	\$ 7,311	
<i>Gross Profit Margin %</i>	50.0%	50.0%	46.3%	42.4%	42.7%	41.7%	
<b>OPERATING EXPENSES</b>							
Selling, General, and Administrative Expenses	\$ 8,777	\$ 10,801	\$ 11,368	\$ 11,107	\$ 10,516	\$ 8,833	
Goodwill Impairment	25,185	-	-	-	-	-	
Note Receivable Impairment	-	2,499	-	-	-	-	
Investment Impairment	-	-	-	1,591	-	-	
Intangible Asset Impairment	-	-	-	866	-	-	
<b>TOTAL OPERATING EXPENSES</b>	\$ 33,962	\$ 13,300	\$ 11,368	\$ 13,564	\$ 10,516	\$ 8,833	
<b>INCOME FROM OPERATIONS</b>	\$ (28,004)	\$ (3,652)	\$ (878)	\$ (3,760)	\$ (1,997)	\$ (1,522)	
<i>Operating Income Margin %</i>	-235.0%	-18.9%	-3.9%	-16.3%	-10.0%	-8.7%	
Depreciation Expense	\$ 449	\$ 685	\$ 754	\$ 952	\$ 831	\$ 705	
Amortization Expense	-	-	-	-	-	-	
Interest Expense	2,941	3,657	2,150	2,667	1,898	1,352	
Loss on Extinguishment of Debt	-	6,106	-	6,659	2,067	(1,338)	
Loss on Equity Investment	-	-	112	179	-	-	
Employee Retention Tax Credit	-	-	-	-	(937)	(62)	
Gain on Settlement of Liabilities	(275)	-	-	(291)	(4)	(4)	
Gain on Modification of Operating Leases	(29)	(15)	-	-	-	-	
Gain on Settlement of Note Receivable	-	-	(2,741)	(348)	-	-	
Gain on Settlement of Debt	-	-	-	(2)	(2,683)	(4,136)	
Loss on Disposal of Assets	17	-	-	-	-	-	
Other Expenses (Income), Net	-	-	-	-	-	4	
<b>INCOME BEFORE TAXES (EBT)</b>	\$ (30,658)	\$ (13,400)	\$ (399)	\$ (12,624)	\$ (2,338)	\$ 2,662	
Income Tax Expense	-	2,490	2,041	2,221	2,147	2,457	
Minority Interest (After Tax)	-	-	97	1,045	(2)	-	
<b>NET INCOME</b>	\$ (30,658)	\$ (15,891)	\$ (2,343)	\$ (13,800)	\$ (4,488)	\$ 204	
<i>Net Income Margin %</i>	-257.2%	-82.4%	-10.3%	-59.7%	-22.5%	1.2%	

CONFIDENTIAL



## COMPANY OVERVIEW – CLS HOLDINGS

### Financial Projections



#### CLS Holdings USA, Inc. Financial Projections

(\$ in thousands)

	Projected Period		
	2025	2026	2027
<b>TOTAL NET REVENUE</b>	<b>\$ 15,480</b>	<b>\$ 15,927</b>	<b>\$ 16,398</b>
<i>Revenue Growth %</i>	<i>N/A</i>	<i>2.9%</i>	<i>3.0%</i>
<b>TOTAL COST OF REVENUE</b>	<b>\$ 8,823</b>	<b>\$ 9,079</b>	<b>\$ 9,347</b>
<b>GROSS PROFIT</b>	<b>\$ 6,656</b>	<b>\$ 6,849</b>	<b>\$ 7,051</b>
<i>Gross Profit Margin %</i>	<i>43.0%</i>	<i>43.0%</i>	<i>43.0%</i>
<b>OPERATING EXPENSES</b>			
Selling, General, and Administrative Expenses	\$ 8,288	\$ 8,122	\$ 7,960
<b>Total Operating Expenses</b>	<b>\$ 8,288</b>	<b>\$ 8,122</b>	<b>\$ 7,960</b>
<b>INCOME FROM OPERATIONS</b>	<b>\$ (1,632)</b>	<b>\$ (1,273)</b>	<b>\$ (909)</b>
<i>Operating Income Margin %</i>	<i>-10.5%</i>	<i>-8.0%</i>	<i>-5.5%</i>
Depreciation Expense	\$ 453	\$ 408	\$ 365
Interest Expense	323	103	25
<b>INCOME BEFORE TAXES (EBT)</b>	<b>\$ (2,408)</b>	<b>\$ (1,784)</b>	<b>\$ (1,300)</b>
Income Tax Expense	1,664	1,712	1,763
<b>NET INCOME</b>	<b>\$ (4,072)</b>	<b>\$ (3,496)</b>	<b>\$ (3,062)</b>
<i>Net Income Margin %</i>	<i>-26.3%</i>	<i>-21.9%</i>	<i>-18.7%</i>
<b>EBITDA</b>	<b>\$ (1,632)</b>	<b>\$ (1,273)</b>	<b>\$ (909)</b>
<i>EBITDA Margin %</i>	<i>-10.5%</i>	<i>-8.0%</i>	<i>-5.5%</i>

CONFIDENTIAL



# COMPANY OVERVIEW – CLS HOLDINGS

## Balance Sheets – Historical

CLS Holdings USA, Inc. Balance Sheet							
(\$ in thousands)							
	Historical Period					As of	
	2020	2021	2022	2023	2024	2/28/2025	
<b>CURRENT ASSETS</b>							
Cash and Cash Equivalents	\$ 2,926	\$ 1,665	\$ 2,552	\$ 998	\$ 600	\$	221
Restricted Cash	-	-	-	-	-		-
Accounts Receivable	161	685	618	431	683		1,233
Inventory	575	1,228	3,418	3,013	1,969		1,379
Prepaid Expenses and Other Current Assets	234	262	296	149	49		61
Interest Receivable	3	-	-	-	-		-
Notes Receivable	4,042	-	-	-	-		-
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 7,942</b>	<b>\$ 3,841</b>	<b>\$ 6,884</b>	<b>\$ 4,592</b>	<b>\$ 3,301</b>	<b>\$</b>	<b>2,894</b>
<b>NET FIXED ASSETS</b>	<b>\$ 3,776</b>	<b>\$ 3,476</b>	<b>\$ 4,342</b>	<b>\$ 2,913</b>	<b>\$ 2,424</b>	<b>\$</b>	<b>2,072</b>
<b>OTHER ASSETS</b>							
Right of Use Assets, Operating Lease	\$ 1,403	\$ 2,250	\$ 2,155	\$ 1,642	\$ 1,475	\$	1,277
Intangible Assets	1,421	1,305	1,190	209	10		8
Goodwill	558	558	558	558	558		558
Investments	-	-	470	-	-		-
Other Long-Term Assets	167	167	230	158	158		158
<b>TOTAL OTHER ASSETS</b>	<b>\$ 3,550</b>	<b>\$ 4,281</b>	<b>\$ 4,602</b>	<b>\$ 2,566</b>	<b>\$ 2,201</b>	<b>\$</b>	<b>2,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 15,267</b>	<b>\$ 11,597</b>	<b>\$ 15,828</b>	<b>\$ 10,071</b>	<b>\$ 7,925</b>	<b>\$</b>	<b>6,966</b>
<b>CURRENT LIABILITIES</b>							
Accounts Payable & Accrued Liabilities	\$ 1,173	\$ 1,609	\$ 2,318	\$ 2,729	\$ 3,356	\$	4,293
Accrued Interest	222	268	419	635	4		4
Notes Payable	-	330	19,449	1,440	1,128		2,185
Convertible Notes Payable - Current	-	-	-	3,853	302		-
Lease Liability	337	287	381	461	540		661
Taxes Payable	-	2,490	4,532	6,752	8,900		10,585
Loan Payable	-	-	1,013	471	-		-
Contingent Liability	150	-	-	-	-		-
Due to Related Parties	-	-	-	-	-		40
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 1,882</b>	<b>\$ 4,984</b>	<b>\$ 28,112</b>	<b>\$ 16,341</b>	<b>\$ 14,229</b>	<b>\$</b>	<b>17,768</b>
<b>LONG-TERM LIABILITIES</b>							
Lease Liability	\$ 1,136	\$ 1,979	\$ 2,171	\$ 1,745	\$ 1,419	\$	1,027
Notes Payable	-	-	2,694	2,033	1,487		970
Convertible Notes Payable	17,644	19,730	-	3,753	3,699		-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$ 18,781</b>	<b>\$ 21,709</b>	<b>\$ 4,865</b>	<b>\$ 7,531</b>	<b>\$ 6,605</b>	<b>\$</b>	<b>1,997</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 20,663</b>	<b>\$ 26,694</b>	<b>\$ 32,977</b>	<b>\$ 23,871</b>	<b>\$ 20,834</b>	<b>\$</b>	<b>19,764</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>\$ (5,396)</b>	<b>\$ (15,097)</b>	<b>\$ (17,149)</b>	<b>\$ (13,801)</b>	<b>\$ (12,909)</b>	<b>\$</b>	<b>(12,798)</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>\$ 15,267</b>	<b>\$ 11,597</b>	<b>\$ 15,828</b>	<b>\$ 10,071</b>	<b>\$ 7,925</b>	<b>\$</b>	<b>6,966</b>

CONFIDENTIAL



## FAIRNESS OPINION OVERVIEW

---

In assessing whether the consideration to be issued or exchanged in the Transaction to the shareholders of the Company is fair from a financial point of view to the Company and its shareholders, Houlihan Capital compared our estimated fair value of the equity of the Company on a per share basis to the Transaction Price. If the per share value of the Transaction is above the range of values implied by the analysis then the Transaction is fair from a financial point of view to the shareholders of the Company.

The following pages discuss Houlihan Capital's valuation of the Company's equity value per share as of April 8, 2025 (the "Date of Value").

CONFIDENTIAL

Page | 17



## VALUATION METHODOLOGIES

---

There are three primary approaches that have traditionally been used to estimate fair value: the adjusted book value approach, the income approach, and the market approach.

- The adjusted book value approach estimates fair value based on the principle of substitution by assuming a prudent investor would pay no more for an asset than the amount for which the asset or property could be reproduced or replaced, less depreciation from physical deterioration and functional and economic obsolescence, if present and measurable. This approach is typically considered appropriate for highly capital-intensive businesses, real estate holding companies, or other types of holding companies where the value of the entity is derived primarily from the underlying assets held by the entity and not from additional value added from labor or profitable use of the assets owned. This valuation approach may also be used to value companies that are in bankruptcy or liquidation, or those that are otherwise not considered a going concern. **In conducting the valuation analysis, Houlihan Capital leveraged the availability of a Level 1 input, specifically the market price of the Company, which is actively traded on the over-the-counter market (“OTC”). As such, Houlihan Capital did not utilize the adjusted book value approach in support of the Opinion.**
- The market approach references actual transactions of the asset to be valued, similar assets, or assets that can otherwise be used to infer the value of the subject asset. The application of methods, namely the Guideline Public Company Method, within the market approach often requires identifying companies comparable to a subject company, observing transaction prices of those companies’ securities, deriving valuation multiples based on the ratio of such transaction prices to financial metrics (e.g., EBITDA, Tangible Book Value, Book Value), and then applying selected valuation multiples to the subject company’s same financial metrics. **Houlihan Capital was able to identify a sufficient number of guideline public companies that were considered reasonably similar to the Company. As such, Houlihan Capital utilized the Guideline Public Company Method under the market approach in support of the Opinion.**
- The Comparable Transactions Method is another commonly used method under the Market Approach. This valuation method involves determining valuation multiples from sales of companies with financial and

**CONFIDENTIAL**



## VALUATION METHODOLOGIES

operating characteristics considered reasonably similar to those of the company being valued and applying representative multiples to the financial metrics of the subject company to estimate value, similar to the Guideline Public Company Method. **Houlihan Capital was able to identify a sufficiently robust set of transactions involving target companies considered reasonably similar to the Company for which publicly disclosed data to calculate and adjust valuation multiples was available. As such, Houlihan Capital utilized the Comparable Transactions Method under the market approach in support of the Opinion.**

- The income approach is a calculation of the present value of the future monetary benefits expected to flow to the owner of the subject asset. A commonly applied methodology under the Income Approach is the Discounted Cash Flow (“DCF”) Method. Using a DCF analysis, value is indicated from all the future cash flows attributable to the firm or asset, discounted to present value at an appropriate required rate of return. **An forecast suitable to perform a comprehensive DCF analysis and guidance from Company management was not available to Houlihan Capital beyond the next three years. As such, Houlihan Capital did not utilize the income approach in support of the Opinion.**

### Summary

In determining the value of the Target, the following approaches were employed:

- Market Approach - Guideline Public Company Method
- Market Approach - Comparable Transactions Method

CONFIDENTIAL

Page | 19





# FAIR MARKET VALUE ANALYSIS

## MARKET APPROACH

### **Guideline Public Company Method**

Based on our independent research of the relevant industry, we analyzed the population of possible guideline companies, identifying those that were considered to be the most comparable to the Company in terms of business operations, size, stage of development, prospects for growth, and risk. In selecting guideline public companies, we searched for cannabis companies with a focus on extraction, cultivation, and concentrates operating in the state of Nevada. Ultimately, we broadened our screening criteria to include the United States and Canada to find a sufficient number of comparable companies in the industry. Houlihan Capital relied upon the guideline public company peer group presented in the table below.

Houlihan Capital considered applying multiples of the Company's revenues, EBITDA, net income, and book value; however, based on the nature of the cannabis industry, the tax burden of Schedule 280E on reported EBITDA for cannabis companies, and the Company's current lack of profitability, multiples of enterprise value to revenue were concluded to be the most applicable in this instance. The guideline public company multiples, as of the Date of Value, for various time periods are shown below. Additional guideline public company information can be found below.

 <b>CLS Holdings USA, Inc.</b> <b>Guideline Public Companies</b>		
<b>Company Name</b>	<b>Ticker</b>	<b>Industry</b>
CLS Holdings USA, Inc.	OTCPK:CLSH	Drug Retail
Cresco Labs Inc.	CNSX:CL	Pharmaceuticals
Curaleaf Holdings, Inc.	TSX:CURA	Pharmaceuticals
Green Thumb Industries Inc.	CNSX:GTII	Pharmaceuticals
Planet 13 Holdings Inc.	CNSX:PLTH	Pharmaceuticals
TerrAscend Corp.	TSX:TSND	Pharmaceuticals
Trulieve Cannabis Corp.	CNSX:TRUL	Pharmaceuticals
Verano Holdings Corp.	NEOE:VRNO	Pharmaceuticals
Vext Science, Inc.	CNSX:VEXT	Pharmaceuticals

**CONFIDENTIAL**



# FAIR MARKET VALUE ANALYSIS



CLS Holdings USA, Inc.  
Guideline Public Company Method - Ratio and Valuation Multiple Comparison  
As of April 8, 2025

(\$ in millions, except per share data)

## SIZE, GROWTH, AND PROFITABILITY DATA

Latest Twelve Months

Ticker	Company Name	Revenue	EBITDA	Assets	1-Yr Historical Revenue Growth	Projected 5-Yr EPS Growth	Margins		Profitability Ratios		
							EBITDA	Net Income	ROA	ROE	ROIC
OTCPK:CLSH	CLS Holdings USA, Inc.	\$ 18.6	\$ (0.8)	\$ 7.9	-5.3%	NM	-4.4%	-19.5%	-10.5%	NM	NM
CNSX:CL	Cresco Labs Inc.	715.8	200.2	1,355.4	-1.5%	NM	23.9%	-10.4%	5.2%	-14.8%	6.5%
TSX:CURA	Curleaf Holdings, Inc.	1,342.8	307.7	2,949.5	-1.0%	NM	18.9%	-16.0%	0.4%	-20.0%	0.6%
CNSX:GTII	Green Thumb Industries Inc.	1,137.1	384.4	2,537.0	1.4%	NM	29.7%	6.4%	5.6%	-4.2%	6.1%
CNSX:PLTH	Planet 13 Holdings Inc.	116.4	3.7	206.7	6.7%	NM	-0.7%	-41.1%	-5.0%	-43.4%	-5.9%
TSX:TSND	TerrAscend Corp.	306.7	58.0	607.2	-3.8%	NM	16.2%	-26.2%	2.9%	-34.8%	4.0%
CNSX:TRUL	Trulieve Cannabis Corp.	1,186.5	293.0	2,870.3	1.2%	NM	21.8%	-13.1%	2.1%	-11.7%	2.7%
NEOE:VRNO	Vernoo Holdings Corp.	878.6	254.8	1,989.0	-2.1%	NM	26.6%	-38.9%	2.7%	-31.2%	3.6%
CNSX:VEXT	Vext Science, Inc.	36.0	(0.0)	137.0	5.2%	NM	7.9%	-62.3%	-5.0%	-26.3%	-5.8%
Maximum		\$ 1,342.8	\$ 384.4	\$ 2,949.5	6.7%	0.0%	29.7%	6.4%	5.6%	4.2%	6.5%
75th Percentile		1,137.1	293.0	2,537.0	1.4%	NM	23.9%	-13.1%	2.9%	-14.0%	4.5%
Mean		637.6	166.8	1,406.7	0.1%	NM	18.6%	-24.6%	0.2%	-22.2%	1.5%
Median		715.8	200.2	1,355.4	-1.0%	NM	18.9%	-16.5%	2.1%	-23.1%	3.2%
25th Percentile		116.4	3.7	206.7	-2.1%	NM	7.9%	-38.9%	-5.0%	-32.1%	-1.0%
Minimum		18.6	(0.8)	7.9	-5.3%	0.0%	-4.4%	-62.3%	-10.5%	-43.4%	-5.9%
STDEV		529.0	152.6	1,214.0	4.0%	NM	12.1%	20.3%	5.5%	15.0%	4.9%

## TURNOVER, LEVERAGE, AND LIQUIDITY RATIOS

Latest Twelve Months

Ticker	Company Name	Turnover			Debt /		EBITDA /	Liquidity		Earnings Per Share (LTM)
		DOH	DSO	DPO	MVIC	Book Equity		Interest	Current Ratio	Quick Ratio
OTCPK:CLSH	CLS Holdings USA, Inc.	75.7	20.4	2.9	25.4%	NM	NM	NM	0.2x	0.1x
CNSX:CL	Cresco Labs Inc.	96.9	26.2	16.2	77.1%	1.6 x	3.2 x	3.4 x	3.1x	2.0x
TSX:CURA	Curleaf Holdings, Inc.	113.2	15.6	8.9	66.0%	1.1 x	3.5 x	3.1 x	1.1x	0.4x
CNSX:GTII	Green Thumb Industries Inc.	88.6	15.4	23.1	30.9%	0.3 x	1.4 x	16.2 x	2.4x	1.4x
CNSX:PLTH	Planet 13 Holdings Inc.	116.8	4.2	13.1	47.1%	0.5 x	15.4 x	11.1 x	2.1x	1.0x
TSX:TSND	TerrAscend Corp.	117.0	21.6	3.4	73.6%	1.4 x	4.2 x	1.6 x	1.3x	0.6x
CNSX:TRUL	Trulieve Cannabis Corp.	172.3	2.3	20.1	57.2%	0.7 x	2.8 x	4.7 x	4.4x	2.3x
NEOE:VRNO	Vernoo Holdings Corp.	144.1	16.5	12.9	76.4%	0.6 x	2.1 x	4.7 x	1.8x	0.6x
CNSX:VEXT	Vext Science, Inc.	162.0	11.2	9.2	60.2%	0.5 x	10.9 x	1.0 x	1.5x	0.3x
Maximum		172.3	26.2	23.1	77.1%	1.6x	15.4x	16.2x	4.4x	2.3x
75th Percentile		144.1	20.4	16.2	73.6%	1.2x	8.9x	6.3x	2.4x	1.4x
Mean		120.7	14.8	12.2	60.4%	0.8x	5.4x	5.7x	2.0x	1.0x
Median		116.8	15.6	12.9	60.2%	0.6x	3.3x	4.0x	1.8x	0.6x
25th Percentile		96.9	11.2	8.9	55.4%	0.5x	2.6x	2.7x	1.3x	0.4x
Minimum		75.7	2.3	2.9	30.9%	0.3x	1.4x	1.0x	0.2x	0.1x
STDEV		32.8	7.9	6.9	15.1%	0.5x	5.0x	5.2x	1.2x	0.8x

CONFIDENTIAL





## FAIR MARKET VALUE ANALYSIS



**CLS Holdings USA, Inc.**  
**Guideline Public Company: Multiples at Date of Value**  
**As of April 8, 2025**

Ticker	Company Name	Enterprise Value / Revenue		
		LTM	2025F	2026F
OTCPK:CLSH	CLS Holdings USA, Inc.	0.47x	N/A	N/A
CNSX:CL	Cresco Labs Inc.	0.85x	0.88x	0.85x
TSX:CURA	Curaleaf Holdings, Inc.	1.23x	1.22x	1.15x
CNSX:GTII	Green Thumb Industries Inc.	1.37x	1.32x	1.26x
CNSX:PLTH	Planet 13 Holdings Inc.	0.84x	0.74x	N/A
TSX:TSND	TerrAscend Corp.	1.01x	1.02x	1.00x
CNSX:TRUL	Trulieve Cannabis Corp.	0.96x	0.95x	0.92x
NEOE:VRNO	Verano Holdings Corp.	0.68x	0.68x	0.66x
CNSX:VEXT	Vext Science, Inc.	1.71x	1.30x	0.76x
<b>Max</b>		<b>1.71x</b>	<b>1.32x</b>	<b>1.26x</b>
<b>75th Percentile</b>		<b>1.23x</b>	<b>1.24x</b>	<b>1.08x</b>
<b>Mean</b>		<b>1.01x</b>	<b>1.01x</b>	<b>0.94x</b>
<b>Median</b>		<b>0.96x</b>	<b>0.98x</b>	<b>0.92x</b>
<b>25th Percentile</b>		<b>0.84x</b>	<b>0.84x</b>	<b>0.80x</b>
<b>Min</b>		<b>0.47x</b>	<b>0.68x</b>	<b>0.66x</b>

**CONFIDENTIAL**



## FAIR MARKET VALUE ANALYSIS

In valuing the Company, Houlihan applied multiples of last twelve months (“LTM”), calendar year 2025, and 2026 revenue. Houlihan Capital believes these time periods strike a balance between reliability, visibility, and growth potential.

The selection of a valuation multiple is largely a qualitative exercise that is informed by quantitative measures. In selecting the multiples to apply to the Company, Houlihan Capital reviewed the growth expectations, size, cash flow margins, and other risk factors of the Company and the guideline public companies. Based on this information and other factors, Houlihan Capital used professional judgment to select multiples that reflect the relative comparability of the Company to the guideline public companies.

A summary of the analysis includes the following:

- **Growth.** Historical and expected growth has a direct impact on the value of a company. Investors are willing to attribute higher multiples to firms whose revenues and earnings are growing more rapidly than their competitors. Superior earnings growth is also an indication of the competitive position of a company, with more successful firms able to grow faster than the industry. In calendar year 2022 the Company achieved a revenue growth rate in line with the median of the guideline public companies of 10.9%. However, in the following two years the industry median dropped to -1.7% and -0.3%, respectively. Over the contemporaneous period the Company experienced negative revenue growth rates of -10.6% and -12.7%, respectively. For the three calendar years ending 2025, 2026, and 2027 the peer group is projected to grow revenues by a wide range of -2.7% to 71.2% with median revenue growth rates of 0.9%, 3.6%, and 3.9%, respectively. The Company is expected to experience a decline in revenue for calendar year 2025 of -16.8% before achieving revenue growth rates of 2.9% and 3.0% in the following two years.
- **Size.** There is generally an inverse relationship between a company’s size and the level of investment risk. Larger companies are often more geographically diversified which makes it easier to enter into new markets. Large companies also have greater access to capital markets than small companies. Investors typically expect smaller, less diversified businesses to have a higher amount of risk associated with their lack of financial size

CONFIDENTIAL

Page | 23



## FAIR MARKET VALUE ANALYSIS

and diversification. The Company is smaller than the guideline companies in terms of revenue and total assets. All else equal, this suggests lower multiples are warranted.

- Profitability. Profitability has a direct impact on the value of a company, with highly profitable companies trading at premium multiples. It is also an indication of the competitive position within an industry, as the market leaders are typically able to earn above average profits. While publicly available cash flow projections for the peer group are limited, over the last twelve months the guideline public companies generated net income/loss margins ranging from -62.3% to 6.4% with a median of -19.5%. Based on information provided by the Client, the Company is expected to generate net losses ranging from -18.7% to -26.3% over the next three calendar years. The Company is expected to generate similar losses to the selected group.
- Houlihan Capital notes the broader cannabis industry has faced a lack of access to institutional capital which has directly impacted the Company's ability to raise financing to fund capital expenditures or to participate in strategic acquisitions to grow the business. These factors have the potential to limit growth and could have an adverse effect on future profitability. While these factors affect the peer group and broader cannabis industry as a whole, smaller companies would likely be disproportionately impacted by the adverse market conditions. Based on conversations with Management, Houlihan Capital understands the Company could face insolvency within three years of the Date of Value and has struggled to achieve profitability since 2022. Management indicated the Company's strong financial performance in calendar year 2022 was related to the COVID-19 pandemic and is not indicative of the Company's usual operations. All else considered, these factors support a lower applied multiple.
- Houlihan Capital further notes the Nevada cannabis market has limited licensing opportunities for retail locations per state regulations. This creates a significant barrier to entry in the retail cannabis market, effectively mitigating the risk of losing market share to new competitors in the retail market. All else considered, these factors support a stronger applied multiple.

Accordingly, Houlihan selected revenue multiples at a significant discount (~55%) to the mean multiple indicated by the peer group.


**CONFIDENTIAL**

Page | 24



## FAIR MARKET VALUE ANALYSIS

Houlihan applied the selected multiples to the respective financial metrics to determine the indicated enterprise value of the Company on a minority, marketable basis. After deducting the Company's debt balance, Houlihan Capital then added the Company's cash balance to calculate the indicated equity value as shown below.

<div>  <b>CLS Holdings USA, Inc.</b>  <b>Market Approach Summary: Guideline Public Company Method</b>  <b>As of April 8, 2025</b> </div>									
(\$ in thousands, except per share values)									
	Low						High		
	EV / Revenue						EV / Revenue		
	LTM	2025	2026	LTM	2025	2026	LTM	2025	2026
Financial Metric <sup>1</sup>	\$ 17,544	\$ 15,480	\$ 15,927	\$ 17,544	\$ 15,480	\$ 15,927			
Selected Multiple <sup>2</sup>	0.40x	0.40x	0.40x	0.45x	0.45x	0.45x			
<b>Indicated Enterprise Value</b>	<b>7,018</b>	<b>6,192</b>	<b>6,371</b>	<b>7,895</b>	<b>6,966</b>	<b>7,167</b>			
Less: Debt <sup>3</sup>	(3,165)	(3,165)	(3,165)	(3,165)	(3,165)	(3,165)			
<b>Indicated Equity Value (Excl. Cash)</b>	<b>3,853</b>	<b>3,027</b>	<b>3,206</b>	<b>4,730</b>	<b>3,801</b>	<b>4,003</b>			
Plus: Control Premium @ 25.0%	963	757	802	1,183	950	1,001			
<b>Indicated Equity Value (Excl. Cash)</b>	<b>4,816</b>	<b>3,784</b>	<b>4,008</b>	<b>5,913</b>	<b>4,752</b>	<b>5,003</b>			
Plus: Cash and Cash Equivalents <sup>3</sup>	221	221	221	221	221	221			
<b>Indicated Fair Value of Equity</b>	<b>5,037</b>	<b>4,005</b>	<b>4,229</b>	<b>6,133</b>	<b>4,972</b>	<b>5,224</b>			
<b>Indicated Fair Value Per Share</b>	<b>\$ 0.031</b>	<b>\$ 0.024</b>	<b>\$ 0.026</b>	<b>\$ 0.037</b>	<b>\$ 0.030</b>	<b>\$ 0.032</b>			

<sup>1</sup> Last twelve months ("LTM") figure is as of February 28, 2025. Financial information as of the Date of Value was not available. Projected financial information is on a calendar year basis as provided by Management.

<sup>2</sup> Multiples are selected from a size-adjusted range of guideline public companies based upon Houlihan Capital's judgment considering the size, profitability, growth, and risk of the subject company compared to the guideline public companies.

<sup>3</sup> As shown on the Management-provided balance sheet as of February 28, 2025 (the latest available). The Company's debt balance is comprised of the Company's current and long-term notes payable balances, as well as capital leases.

The Guideline Public Company method indicated an equity value per share range of \$0.024 to \$0.037 as of the Date of Value.

CONFIDENTIAL



# FAIR MARKET VALUE ANALYSIS

## Comparable Transaction Method

The Comparable Transactions Method estimates the value of a company based upon implied transaction multiples of companies engaged in similar lines of business as the subject company. Although no two companies are exactly alike, the primary requirement in this approach is that the companies be engaged in the same or similar lines of business. Other relevant factors, such as company size, operating performance (such as growth and profitability), financial conditions (including risk), and customer base of the guideline companies are considered to make the most valid comparisons. For details on the comparable transactions, please see below.

Houlihan Capital searched for transaction data from the last 3 years involving cannabis companies with a focus on extraction, cultivation, and concentrates operating in the United States and Canada. The search returned four companies for which Enterprise Value to LTM revenue multiples were available.

CLS Holdings USA, Inc. Comparable Transactions Method - M&A Transactions As of April 8, 2025												
(\$ in millions)												
Target	Buyer / Investor	Closed Date	Total Transaction Size	Implied from Transaction								
				Enterprise Value	Equity Value	Revenue	EBITDA	EBIT	EBITDA Margin %	Enterprise Value / Revenue		
Acreage Holdings, Inc.	Canopy USA, LLC	12/09/2024	\$ 258.1	\$ 234.7	\$ 14.8	\$ 212.7	\$ (12.7)	\$ (29.6)	-6.0%	1.10x		
HEXO Corp.	Tilray Brands, Inc.	06/22/2023	217.7	157.7	30.5	109.5	(110.5)	(131.2)	-100.9%	1.44x		
The Valens Company Inc.	SNDL Inc.	01/17/2023	105.2	89.5	61.5	66.4	(63.0)	(74.2)	-94.9%	1.35x		
VIVO Cannabis Inc.	MediPharm Labs Corp.	04/01/2023	8.2	6.4	5.6	18.8	(5.6)	(9.9)	-29.9%	0.34x		
Max			\$ 258.1	\$ 234.7	\$ 61.5	\$ 212.7	\$ (5.6)	\$ (9.9)	-6.0%	1.44x		
Mean			147.3	122.1	28.1	101.8	(47.9)	(61.2)	-57.9%	1.06x		
Median			161.4	123.6	22.7	87.9	(37.8)	(51.9)	-62.4%	1.23x		
Min			8.2	6.4	5.6	18.8	(110.5)	(131.2)	-100.9%	0.34x		

Houlihan's comparison of the Company to the target companies is similar to the comparison of the guideline public companies, although information on the target companies is more limited (for example, growth estimates are not available). Due to these information limitations, Houlihan selected a multiple range consisting of the minimum and a significant discount (~60%) to the mean observed multiple. Houlihan applied the selected multiples to the Company's revenue to determine the indicated enterprise value of the Company.

CONFIDENTIAL





## FAIR MARKET VALUE ANALYSIS

The following table presents the Comparable Transactions Method:



### CLS Holdings USA, Inc. Market Approach Summary: Comparable Transactions Method As of April 8, 2025

*(\$ in thousands, except per share values)*

	Low	High
	EV / LTM Revenue	EV / LTM Revenue
Financial Metric <sup>1</sup>	\$ 17,544	\$ 17,544
Selected Multiple <sup>2</sup>	0.34x	0.45x
<b>Indicated Enterprise Value</b>	<b>5,953</b>	<b>7,895</b>
Plus: Cash and Cash Equivalents	221	221
Less: Debt	(3,165)	(3,165)
<b>Indicated Fair Value of Equity</b>	<b>3,009</b>	<b>4,951</b>
<b>Indicated Fair Value Per Share</b>	<b>\$ 0.018</b>	<b>\$ 0.030</b>

<sup>1</sup> The last twelve months period is as of February 28, 2025, the latest available information.

<sup>2</sup> Selected multiple based upon Houlihan judgment considering the size, profitability, growth, and risk of the subject company compared to the target companies.

The Comparable Transactions method indicated an equity value per share range of \$0.018 to \$0.030 as of the Date of Value.

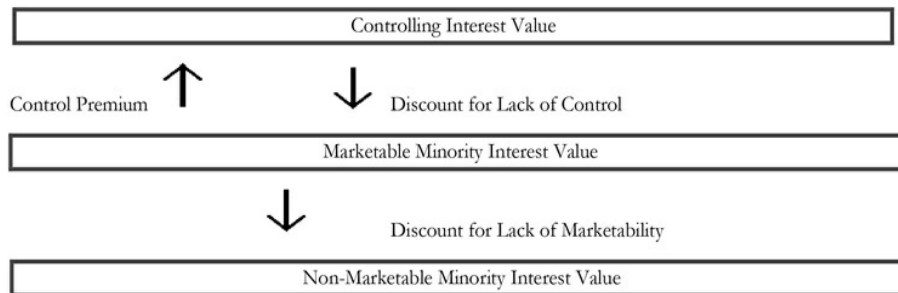
CONFIDENTIAL



## FAIR MARKET VALUE ANALYSIS

### CONTROL PREMIUM

In the valuation of an interest in a privately-held entity, the relative control rights and the liquidity of the investment being valued should be considered. The following are typical valuation bases:



Therefore, depending on whether the subject interest is a controlling interest or a non-marketable, minority interest will determine whether application a control premium or discount for lack of control and discount for lack of marketability are appropriate.

Minority ownership interests, which lack the ability to control a business enterprise, are typically considered to be worth less on a pro rata basis than similar controlling or majority interests, and are discounted accordingly. In particular, a security interest lacking control is unable to unilaterally compel distribution of cash or profits (absent judicial remedies), force liquidation, or effect any significant change to the subject business or entity. Due to the limitations inherent in owning a non-controlling interest, a market participant willing buyer will presumably purchase such an interest only at a price that takes into account such limitations.

The market prices of publicly traded securities are normally considered to reflect the fact that a minority interest is being transacted. Therefore, indications of value predicated on an analysis of current values and expected returns for securities traded on public exchanges, such as within the Guideline Public Company Method under the Market

**CONFIDENTIAL**



## FAIR MARKET VALUE ANALYSIS

Approach, are typically considered to represent a minority interest basis of value. If the subject interest is a controlling interest (or in situations in which discounts for lack of control are prohibited), the value indication derived from application of the Guideline Public Company Method should be adjusted upward.

Indications of value derived from the Comparable Transactions Method of the Market Approach are generally considered to produce a controlling value, if a majority interest was transacted. Similarly, indications of value developed using the Income Approach generally assume that the investor/owner can control such issues as cash distributions and dividend payments, since these indications of value are developed using control level cash flow projections. Thus, the Income Approach is typically considered to produce a controlling interest basis of value.

FactSet Mergerstat, LLC (“Mergerstat”) performs quarterly control premium studies based on publicly reported transactions for controlling interests in companies across a broad range of industries. In the Mergerstat studies, the control premium is stated as a percentage of the unaffected minority marketable interest price per share, which is defined as just prior to the point of change in the representative normal pricing of a given company’s securities before an acquisition is announced to the market. The Mergerstat control premium studies include acquisitions of more than 50.0% of a company (i.e., where a controlling interest is acquired).

Given the volatility in the number of transactions and the size of the average and median control premiums in any given quarter or year, Houlihan considered the most recent 10 years of quarterly historical Mergerstat control premium data as of December 31, 2024. As shown in the subsequent tables, the historical 10-year weighted average median control premium indicated by the Mergerstat studies is 25.52% based on an average of 508 annual transactions and using the quarterly average and median premiums weighted based on the number of quarterly transactions. The inverse of the indicated control premiums ( $1 - [1 / (1 + \text{control premium})]$ ) can be used to estimate minority discounts. The historical 10-year weighted average median minority discount indicated by the transactions included in the Mergerstat control premium studies is 20.28%.

**CONFIDENTIAL**

Page | 29





## FAIR MARKET VALUE ANALYSIS



### Historical Control Premiums - Most Recent 10 Years<sup>1</sup>

Year <sup>4</sup>	Transactions	Control Premium (LTM Data) <sup>2</sup>		Implied Minority Discount <sup>3</sup>	
		Average <sup>5</sup>	Median <sup>5</sup>	Average	Median
2015	541	31.5%	24.0%	23.9%	19.4%
2016	535	34.5%	25.4%	25.6%	20.3%
2017	544	29.2%	21.2%	22.6%	17.5%
2018	509	32.3%	20.8%	24.4%	17.2%
2019	544	35.1%	22.7%	26.0%	18.5%
2020	439	39.9%	24.5%	28.5%	19.7%
2021	544	46.3%	27.5%	31.7%	21.6%
2022	486	51.2%	29.0%	33.9%	22.5%
2023	445	53.8%	30.3%	35.0%	23.3%
2024	490	52.8%	31.0%	34.6%	23.6%
Average	508	40.66%	25.65%	28.61%	20.35%
Median	522	37.49%	24.95%	27.25%	19.97%
10-Year Weighted Average		40.24%	25.52%	28.41%	20.28%

<sup>1</sup> Data Source: Mergerstat Quarterly Control Premium Studies (Q4 2014 through Q4 2024).

<sup>2</sup> Includes negative premium data reported by the Mergerstat studies.

<sup>3</sup> Calculated as the inverse of the control premium:  $1 - [1 / (1 + \text{control premium})]$

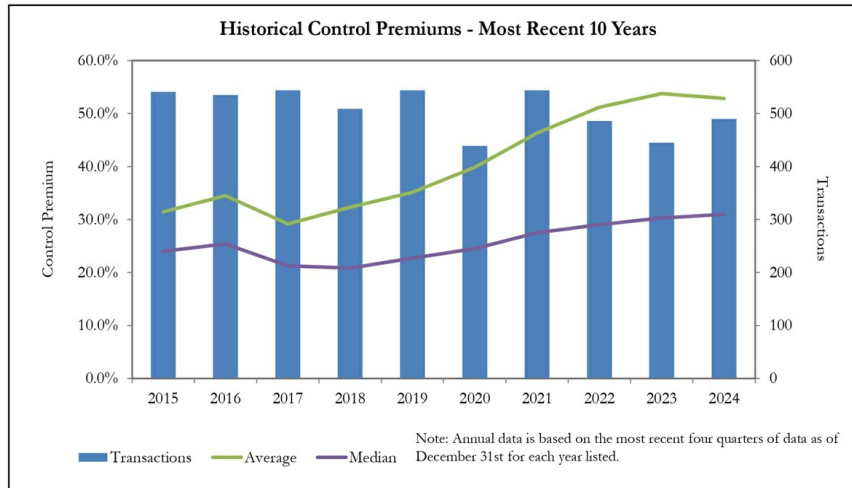
<sup>4</sup> Annual data based on the most recent four quarters of data as of September 30th for each year listed (e.g., 2024 represents Q1 of 2024 through Q4 of 2024).

<sup>5</sup> Weighted based on number of transactions per quarter.

CONFIDENTIAL



## FAIR MARKET VALUE ANALYSIS



The magnitude of the discount for lack of control / minority discount is correlated with the perception of management's willingness and ability to act in a manner that maximizes shareholder returns. Therefore, careful consideration of the factors above and how they pertain to the specific subject investment must be evaluated to determine the appropriate discount for lack of control to apply to a specific investment. Ultimately, Houlihan Capital relied on the historical 10-year weighted average median control premium indicated by the Mergerstat studies of ~25.0% to apply to the Guideline Public Company Method.

CONFIDENTIAL



# FAIR MARKET VALUE ANALYSIS

## VALUATION CONCLUSION

To conclude on a range of Equity Values as indicated by our analyses, we considered all the values resulting from the Guideline Public Company Method and the Comparable Transactions Method. Based on the analyses discussed above, the estimated fair value of equity range determined by our analysis is as follows:



### CLS Holdings USA, Inc. Equity Value Summary As of April 8, 2025

	Low	High	Low	High	Low	High
<b>Guideline Public Company Method</b>	<b>Multiple</b>		<b>Equity Value</b>		<b>Per Share Value</b>	
EV/Revenue - LTM	0.40x	0.45x	5,037	6,133	0.031	0.037
EV/Revenue - 2025	0.40x	0.45x	4,005	4,972	0.024	0.030
EV/Revenue - 2026	0.40x	0.45x	4,229	5,224	0.026	0.032
<b>Comparable Transaction Method</b>						
EV/Revenue - LTM	0.34x	0.45x	3,009	4,951	0.018	0.030
<b>Max</b>		<b>0.45x</b>		<b>6,133</b>		<b>0.037</b>
<b>Mean</b>		<b>0.42x</b>		<b>4,695</b>		<b>0.029</b>
<b>Median</b>		<b>0.43x</b>		<b>4,962</b>		<b>0.030</b>
<b>Min</b>		<b>0.34x</b>		<b>3,009</b>		<b>0.018</b>
<b>CLS Holdings (OTCPK:CLSH)</b>						
Market Capitalization (Publicly Traded Price)		0.47x		4,687		0.0285

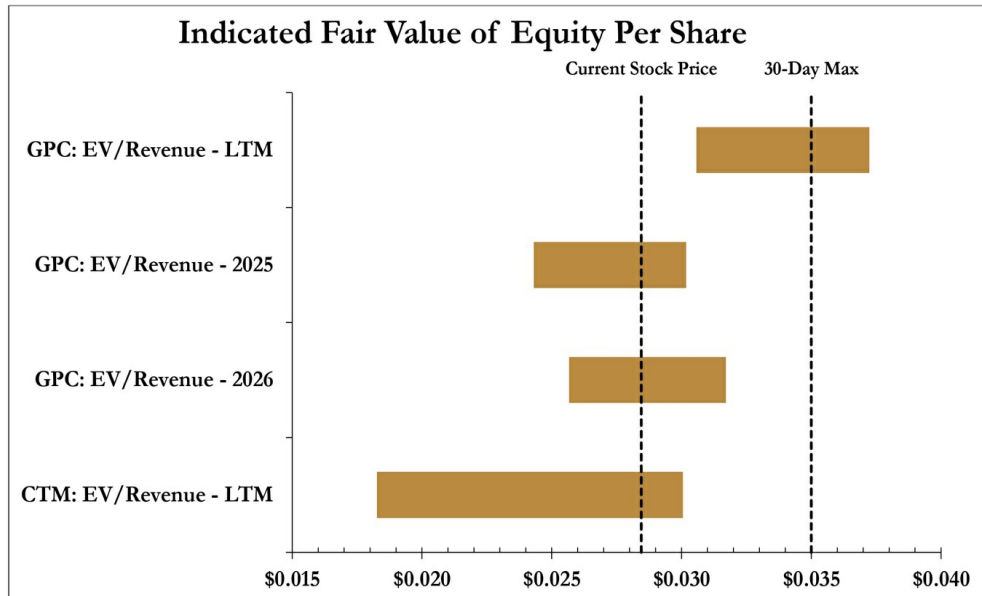
CONFIDENTIAL



## FAIRNESS OPINION CONCLUSION

Pursuant to an engagement letter dated January 30, 2025, the Special Committee of the Company (the “Special Committee”) engaged Houlihan Capital as its financial advisor to render a written opinion (the “Opinion”), whether or not favorable, to the Special Committee as to whether, as of the date of such Opinion, the Transaction is fair from a financial point of view to the Company and the minority, unaffiliated stockholders of the Company.

As of the date hereof, it is Houlihan Capital’s opinion that the per share price to be paid in the Transaction is fair from a financial point of view to the Company and the shareholders of the Company.



**CONFIDENTIAL**



## EXHIBITS

---

### GUIDELINE PUBLIC COMPANY DESCRIPTIONS

#### OTCPK: CLSH

CLS Holdings USA, Inc., a diversified cannabis company, focuses on the extraction and conversion of cannabinoids in the United States. It extracts cannabinoids from the cannabis plants and converts into concentrates, that includes oils, waxes, edibles, and shatters; and provides toll processing services. The company also sells organic medical cannabis to licensed retailers; recreational marijuana cannabis products to licensed distributors and retailers; extraction products, such as oils and waxes derived from in-house cannabis production; and offers processing and extraction services for licensed medical cannabis cultivators, as well as cannabis strains in the form of vegetative cuttings to licensed medical cannabis cultivators. It offers its products under Oasis Cannabis and City Trees brand names. The company's concentrates are used for pharmaceutical and other purposes. CLS Holdings USA, Inc. was founded in 2014 and is based in Las Vegas, Nevada.

#### CNSX: CL

Cresco Labs Inc. cultivates, manufactures, and sells retail and medical cannabis products in the United States. It provides cannabis in flowers, vape pens, live resins, disposable pens, and extracts under the Cresco brand; vape carts, vape pens, flower, popcorn, shake, pre-rolls, shorties, and concentrates under the High Supply brand; vapes and gummies under the Good News brand; vapes and edibles under the Wonder Wellness Co. brand; and tinctures, capsules, salves, and sublingual oils under the Remedi brand. The company offers cannabis flowers under the FloraCal brand; and cannabis oils and variety of bites are available at multiple potency levels under the Mindy's Edibles brand, as well as licenses the Kiva brand. In addition, the company offers cannabis-infused edibles under the Sunnyside brand. The company is headquartered in Chicago, Illinois.

#### TSX: CURA

Curaleaf Holdings, Inc. produces and distributes cannabis products in the United States and internationally. The company offers flower, pre-rolls, flower pots, and dry-herb vaporizer cartridges; concentrates for vaporizing which includes pre-filled vaporizer cartridges and disposable vaporizer pens; and concentrates for dabbing, such as distillate

**CONFIDENTIAL**



## EXHIBITS

---

droppers, mints, topical balms and lotions, tinctures, lozenges, capsules, and edibles. It also provides hemp-based products and cannabinoids, such as cannabidiol and cannabigerol. In addition, the company engages in the cultivation, production, and sale of hemp-derived THC products through wholesale channels. The company is headquartered in Stamford, Connecticut.

### CNSX: GTII

Green Thumb Industries Inc. manufactures, distributes, markets, and sells of cannabis products for medical and adult-use in the United States. It operates through two segments, Retail and Consumer Packaged Goods. The company offers cannabis flower; processed and packaged products, including pre-rolls, concentrates, vapes, tinctures, edibles, topicals, capsules, tinctures, and other cannabis-related products under the &Shine, Beboe, Dogwalkers, Doctor Solomon's, Good Green, incredibles, and RHYTHM brands. It distributes its products to third-party licensed retail customers; and sells finished products directly to consumers through its retail stores, as well as direct-to-consumer delivery channel. Green Thumb Industries Inc. was founded in 2014 and is headquartered in Chicago, Illinois.

### CNSX: PLTH

Planet 13 Holdings Inc., together with its subsidiaries, cultivates and provides cannabis and cannabis-infused products for medical and retail cannabis markets in the United States. It owns, manufactures, and sells cannabis products in the form of gummies and beverages, chocolates, vapes and concentrates, and flowers under the TRENDI, Leaf and Vine, Dreamland, HaHa, and Medizin brand names. The company also owns and operates lounge and cannabis dispensaries; and non-cannabis retail merchandise store and event space, as well as Trece Eatery + Spirits, a coffee shop and pizzeria restaurant. In addition, it provides consultation, education, and convenience services. The company is headquartered in Las Vegas, Nevada.

### TSX: TSND

TerrAscend Corp. cultivates, produces, and sells cannabis products in Canada and the United States. The company manufactures vaporizables, concentrates, topicals, flowers, tinctures, and edibles. It offers its products under the

**CONFIDENTIAL**

Page | 35





## EXHIBITS

brand name Kind Tree Cannabis, GAGE Cannabis, Legend, Valhalla Confections, State Flower Cannabis, Ilera Healthcare, Wana, Cookies, and Lemonnade. The company also operates retail dispensaries under the Apothecarium, TerrAscend, Pinnacle Emporium, GAGE Cannabis, and State Flower brand names. It serves medical patients and adult-use consumers in North America. The company was incorporated in 2017 and is headquartered in King Of Prussia, Pennsylvania.

### CNSX: TRUL

Trulieve Cannabis Corp. operates as a cannabis retailer. The company cultivates, processes, and manufactures cannabis products and distributes its products to its dispensaries, as well as through home delivery. It sells flowers, edibles, concentrates, and accessories under the Avenue, Cultivar Collection, Muse, Modern Flower, Alchemy, Momenta, Sweet Talk, Co2lors, Loveli, Trekkers, and Roll One brands. The company operates dispensaries in Florida, Arizona, Georgia, Ohio, Maryland, West Virginia, Connecticut, and Pennsylvania. It operates cultivation and processing facilities in Arizona, Colorado, Florida, Georgia, Maryland, Pennsylvania, and West Virginia. The company also offers medical cannabis dispensary in North Miami Beach, Florida. Trulieve Cannabis Corp. was formerly known as Schyan Exploration Inc./Exploration Schyan Inc. and changed its name to Trulieve Cannabis Corp. in September 2018. Trulieve Cannabis Corp. was incorporated in 1940 and is headquartered in Quincy, Florida.

### NEOE: VRNO

Verano Holdings Corp. operates as a vertically integrated multi-state cannabis operator in the United States. The company engages in the cultivation, processing, wholesale, and retail distribution of cannabis in Arizona, Connecticut, Florida, Illinois, Maryland, Massachusetts, Michigan, Nevada, New Jersey, Ohio, Virginia and West Virginia, and Pennsylvania. It offers cannabis products under the Encore, Avexia, MUV, Savvy, BITS, Verano, and Essence brands for medical and adult-use markets. The company is headquartered in Chicago, Illinois.

### CNSX: VEXT

Vext Science, Inc., through its subsidiaries, operates as an integrated agricultural technology, services, and property management company in the cannabis industry in the United States. It owns and manages cultivation facilities,

**CONFIDENTIAL**



## EXHIBITS

---

manufacturing units, and dispensaries; and involves in the cultivation, extraction, manufacture, and sale of THC and CBD cartridges, concentrates, and edibles. The company also engages in the retail dispensary activities; and wholesale distribution of cannabis THC and hemp CBD products under the Vapen, Pure Touch, Appalachian Pharm, Herbal Wellness, and Revibe brands. In addition, it provides management, advisory, cultivation, non-cannabis products, and dispensary services to entities in the cannabis field through operations agreements and direct sales. The company was formerly known as Vapen MJ Ventures Corporation and changed its name to Vext Science, Inc. in November 2019. Vext Science, Inc. was incorporated in 2015 and is headquartered in Phoenix, Arizona.

CONFIDENTIAL

Page | 37





# EXHIBITS

## GUIDELINE PUBLIC COMPANY TABLES

CLS Holdings USA, Inc. Guideline Public Company Method - Ratio and Valuation Multiple Comparison As of April 8, 2025													
(\$ in millions, except per share data)													
SIZE, GROWTH AND PROFITABILITY DATA													
Latest Twelve Months													
Ticker	Company Name	Revenue	EBITDA	Assets	1-Yr Historical Revenue Growth	Projected 5-Yr EPS Growth	EBITDA	Net Income	ROA	ROE	ROIC		
OTCPK:CLSH	CLS Holdings USA, Inc.	\$ 18.6	\$ (0.8)	\$ 7.9	-5.3%	NM	-4.4%	-19.5%	-10.5%	NM	NM		
CNSX:CL	Cresco Labs Inc.	715.8	200.2	1,355.4	-1.5%	NM	23.9%	-10.4%	5.2%	-14.8%	6.5%		
TSX:CURA	Curaleaf Holdings, Inc.	1,342.8	307.7	2,949.5	-1.0%	NM	18.9%	-16.0%	0.4%	-20.0%	0.6%		
CNSX:GTII	Green Thumb Industries Inc.	1,137.1	384.4	2,537.0	1.4%	NM	29.7%	6.4%	5.6%	-4.2%	6.1%		
CNSX:PLTH	Planet 13 Holdings Inc.	116.4	3.7	206.7	6.7%	NM	-0.7%	-41.1%	-5.0%	-43.4%	-5.9%		
TSX:TSND	TerAscend Corp.	306.7	58.0	607.2	-3.8%	NM	16.2%	-26.2%	2.9%	-34.8%	4.0%		
CNSX:TRUL	Trulieve Cannabis Corp.	1,186.5	291.0	2,870.3	1.2%	NM	21.8%	-13.1%	2.1%	-11.7%	2.7%		
NEOE:VRNO	Verano Holdings Corp.	878.6	254.8	1,989.0	-2.1%	NM	26.6%	-38.9%	2.7%	-31.2%	3.6%		
CNSX:VEXT	Vext Science, Inc.	36.0	(0.0)	137.0	5.2%	NM	7.9%	-62.3%	-5.0%	-26.3%	-5.8%		
Maximum		\$ 1,342.8	\$ 384.4	\$ 2,949.5	6.7%	0.0%	29.7%	6.4%	5.6%	4.2%	6.5%		
75th Percentile		1,137.1	293.0	2,537.0	1.4%	NM	23.9%	-13.1%	2.9%	-14.0%	4.5%		
Mean		637.6	166.8	1,406.7	0.1%	NM	15.6%	-24.6%	0.2%	-22.2%	1.5%		
Median		715.8	200.2	1,355.4	-1.0%	NM	18.9%	-19.5%	2.1%	-23.1%	3.4%		
25th Percentile		116.4	3.7	206.7	-2.1%	NM	7.9%	-38.9%	5.0%	-32.1%	-1.4%		
Minimum		18.6	(0.8)	7.9	-5.3%	0.0%	-4.4%	-62.3%	-10.5%	-43.4%	-5.9%		
STDEV		529.0	152.6	1,214.0	4.0%	NM	12.1%	20.3%	5.5%	15.0%	4.9%		
TURNOVER, LEVERAGE, AND LIQUIDITY RATIOS													
Latest Twelve Months													
Ticker	Company Name	Turnover			Debt /		EBITDA /	Liquidity		Earnings Per			
		DOH	DSO	DPO	MVIC	Book Equity	Interest	Current Ratio	Quick Ratio	Share (LTM)			
OTCPK:CLSH	CLS Holdings USA, Inc.	75.7	20.4	2.9	55.0%	NM	NM	0.2x	0.1x	\$	(0.04)		
CNSX:CL	Cresco Labs Inc.	96.9	26.2	16.2	77.1%	1.6x	3.2 x	3.4 x	2.0x		(0.22)		
TSX:CURA	Curaleaf Holdings, Inc.	113.2	15.6	8.9	66.0%	1.1 x	3.5 x	3.1 x	1.1x		(0.31)		
CNSX:GTII	Green Thumb Industries Inc.	88.6	15.4	23.1	30.9%	0.3 x	1.4 x	16.2 x	2.4x		0.30		
CNSX:PLTH	Planet 13 Holdings Inc.	116.8	4.2	13.1	47.1%	0.5 x	15.4 x	11.1 x	2.1x		(0.16)		
TSX:TSND	TerAscend Corp.	117.0	21.6	3.4	73.0%	1.4 x	4.2 x	1.6 x	1.3x		(0.28)		
CNSX:TRUL	Trulieve Cannabis Corp.	172.3	2.3	20.1	57.2%	0.7 x	2.8 x	4.7 x	4.4x		(0.79)		
NEOE:VRNO	Verano Holdings Corp.	144.1	16.5	12.9	76.4%	0.6 x	2.1 x	4.7 x	1.8x		(0.98)		
CNSX:VEXT	Vext Science, Inc.	162.0	11.2	9.2	60.2%	0.5 x	10.9 x	1.0 x	1.5x		(0.09)		
Maximum		172.3	26.2	23.1	77.1%	1.6x	15.4x	16.2x	4.4x	2.3x	\$ 0.3		
75th Percentile		144.1	20.4	16.2	73.0%	1.2x	5.9x	6.3x	2.4x	1.4x	(0.3)		
Mean		120.7	14.8	12.2	60.4%	0.8x	5.4x	5.7x	2.0x	1.0x	(0.3)		
Median		116.8	15.6	12.9	60.2%	0.6x	3.3x	4.0x	1.8x	0.6x	(0.2)		
25th Percentile		96.9	11.2	8.9	55.4%	0.5x	2.6x	2.7x	1.3x	0.4x	(0.3)		
Minimum		75.7	2.3	2.9	30.9%	0.3x	1.4x	1.0x	0.2x	0.1x	(1.0)		
STDEV		32.8	7.9	6.9	15.1%	0.5x	5.0x	5.2x	1.2x	0.8x	0.4		

CONFIDENTIAL



# EXHIBITS



CLS Holdings USA, Inc.  
Guideline Public Company Method - Ratio and Valuation Multiple Comparison  
As of April 8, 2025

(\$ in millions, except per share data)

## TRADING DATA

Ticker	Company Name	Stock Price 4/8/2025	% of 52-Week		Shares Outstanding	Market Capitalization	Enterprise Value	Revenue		EBITDA	
			High	Low				2025 (CY Est.)	2026 (CY Est.)	2025 (CY Est.)	2026 (CY Est.)
OTCPK:CLSH	CLS Holdings USA, Inc.	\$ 0.03	43.8%	157.2%	164.7	\$ 4.7	\$ 8.8	NA	NA	NA	NA
CNSX:CL	Cresco Labs Inc.	0.54	21.5%	102.7%	351.4	190.3	610.6	696.5	721.4	164.6	182.4
TSX:CURA	Curis Holdings, Inc.	0.72	11.8%	102.5%	756.4	547.9	1,648.4	1,347.6	1,428.6	305.8	339.9
CNSX:GTII	Green Thumb Industries Inc.	5.03	33.3%	107.4%	236.5	1,189.2	1,552.2	1,179.6	1,236.8	358.2	372.0
CNSX:PLTH	Planet 13 Holdings Inc.	0.20	25.2%	112.0%	325.2	64.0	98.0	132.6	NA	9.4	NA
TSX:TSND	TerrAscend Corp.	0.30	14.4%	101.2%	291.9	88.3	308.8	302.0	309.8	63.3	70.1
CNSX:TRUL	Trulieve Cannabis Corp.	3.23	23.0%	107.0%	191.0	617.9	1,138.0	1,202.2	1,242.0	401.8	405.3
NEOE:VRNO	Vernoo Holdings Corp.	0.45	7.3%	112.3%	359.0	161.6	600.5	883.0	914.5	260.1	272.3
CNSX:VEXT	Vext Science, Inc.	0.11	39.5%	115.4%	247.6	26.1	61.4	47.2	80.8	13.1	24.9
Max			43.8%	157.2%	756.4	\$ 1,189.2	\$ 1,648.4	\$ 1,347.6	\$ 1,428.6	\$ 401.8	\$ 405.3
75th Percentile			33.3%	112.3%	351.4	547.9	1,138.0	1,185.3	1,239.4	318.9	355.9
Mean			24.4%	113.1%	324.8	321.1	669.6	723.8	847.7	197.0	238.1
Median			23.0%	107.4%	291.9	161.6	600.5	789.7	914.5	212.3	272.3
25th Percentile			14.4%	102.7%	236.5	64.0	98.0	259.7	515.6	50.8	126.3
Min			7.3%	101.2%	164.7	4.7	8.8	47.2	80.8	9.4	24.9
STDEV			12.5%	17.3%	175.5	394.2	635.2	512.3	507.0	156.6	149.5

## PUBLIC COMPANY VALUATION MULTIPLES

Ticker	Company Name	EV / CY Revenue			EV / CY EBITDA			Price / CY Earnings			Price / BV
		LTM	2025	2026	LTM	2025	2026	LTM	2025	2026	LTM
OTCPK:CLSH	CLS Holdings USA, Inc.	0.47x	N/A	N/A	-10.8x	N/A	N/A	NM	NA	NA	NM
CNSX:CL	Cresco Labs Inc.	0.85x	0.88x	0.85x	3.1x	3.7x	3.3x	NM	NM	NM	0.4x
TSX:CURA	Curis Holdings, Inc.	1.23x	1.22x	1.15x	5.4x	5.4x	4.8x	NM	NM	NM	0.6x
CNSX:GTII	Green Thumb Industries Inc.	1.37x	1.32x	1.26x	4.0x	4.3x	4.2x	9.5x	23.5x	18.4x	0.7x
CNSX:PLTH	Planet 13 Holdings Inc.	0.84x	0.74x	N/A	26.6x	10.4x	N/A	NM	2.5x	NA	0.6x
TSX:TSND	TerrAscend Corp.	1.01x	1.02x	1.00x	5.3x	4.9x	4.4x	NM	NM	NM	0.5x
CNSX:TRUL	Trulieve Cannabis Corp.	0.96x	0.95x	0.92x	3.9x	2.8x	2.8x	21.0x	NM	NM	0.5x
NEOE:VRNO	Vernoo Holdings Corp.	0.88x	0.88x	0.66x	2.4x	2.3x	2.2x	7.0x	NM	NM	0.2x
CNSX:VEXT	Vext Science, Inc.	1.71x	1.30x	0.76x	-2196.4x	4.7x	2.5x	NM	NM	6.4x	0.3x
Max		1.7x	1.3x	1.3x	26.6x	10.4x	4.8x	21.0x	23.5x	18.4x	0.7x
75th Percentile		1.2x	1.2x	1.1x	5.3x	5.0x	4.3x	15.3x	18.2x	15.4x	0.6x
Mean		1.0x	1.0x	0.9x	-210.6x	4.8x	3.5x	12.5x	13.0x	12.4x	0.5x
Median		1.0x	1.0x	0.9x	3.9x	4.5x	3.3x	9.5x	13.0x	12.4x	0.5x
25th Percentile		0.8x	0.8x	0.8x	2.4x	3.5x	2.6x	8.2x	7.7x	9.4x	0.4x
Min		0.5x	0.7x	0.7x	-2196.4x	2.3x	2.2x	7.0x	2.5x	6.4x	0.2x
STDEV		0.4x	0.2x	0.2x	733.9x	2.5x	1.0x	7.5x	14.9x	8.5x	0.2x

CONFIDENTIAL



## EXHIBITS

---

### GUIDELINE TRANSACTION TARGET COMPANY DESCRIPTIONS

#### Acreage Holdings, Inc.

Acreage Holdings, Inc. operates in cannabis industry in the United States. It cultivates and processes cannabis plants; manufactures branded consumer products; distributes cannabis flower and manufactured products; and retails dosable cannabis products to consumers. The company serves medical and adult recreational use customers in Connecticut, Illinois, Maine, Massachusetts, New Jersey, New York, Ohio, and Pennsylvania under The Botanist, Prime, and Superflux brands. Acreage Holdings, Inc. was founded in 2011 and is headquartered in New York, New York. As of December 9, 2024, Acreage Holdings, Inc. operates as subsidiary of Canopy USA, LLC.

#### HEXO Corp.

HEXO Corp., together with its subsidiaries, produces, markets, and sells cannabis in Canada. The company offers its adult-use and medical products under the HEXO brand name. It also provides cannabis beverages under the Little Victory, House of Terpenes, Mollo, Veryvell, and XMG brands; and cannabis products under UP Cannabis, Original Stash, and Up brand names. It has a strategic alliance with Tilray Brands, Inc. The company was formerly known as The Hydropharmacy Corporation and changed its name to HEXO Corp. in August 2018. HEXO Corp. was founded in 2013 and is headquartered in Gatineau, Canada. As of June 22, 2023, HEXO Corp. operates as a subsidiary of Tilray Brands, Inc.

#### The Valens Company Inc.

The Valens Company Inc., through its subsidiaries, develops, manufactures, and sells cannabinoid-based products in Canada, the United States, and internationally. The company provides packaged dried flower/pre-rolls under the Verse, Versus, Contraband, and Citizen Stash brands; vapourizers and hydrocarbon extracts under the Verse and Versus brands; edible cannabis products under the Verse, Vacay, and LYF brands; and topical cannabis under the Nuance brand. It also offers analytical testing services to third party licensed producers in the cannabis space. The company is headquartered in Toronto, Canada. As of January 17, 2023, The Valens Company Inc. operates as a subsidiary of SNDL Inc.

**CONFIDENTIAL**



## EXHIBITS

---

### VIVO Cannabis Inc.

VIVO Cannabis Inc. produces and sells cannabis products for the medical and adult-use markets in Canada, Germany, and Australia. It offers dried cannabis flower products, pre-rolls, and cannabis oils; and cannabis-derived products under the Canna Farms, Beacon Medical, Fireside, and Lumina brands, as well as provides cannabis-related medical information and services. The company also operates a network of medical cannabis clinics under the Harvest Medicine brand; and HMED Connect telemedicine platform, an online medical cannabis store. In addition, it engages in the ethanol extraction, product formulation, and EU-GMP related processes. The company is headquartered in Napanee, Canada. As of April 1, 2023, VIVO Cannabis Inc. operates as a subsidiary of MediPharm Labs Corp.

CONFIDENTIAL

Page | 41

---