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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 29, 2022**

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**JUSHI HOLDINGS INC.**

(Exact name of registrant as specified in its charter)

**British Columbia**

(State or Other Jurisdiction of Incorporation)

**000-56468**

(Commission File Number)

**98-1547061**

(I.R.S. Employer Identification No.)

**301 Yamato Road, Suite 3250  
Boca Raton, Florida 33431**

(Address of Principal Executive Offices) (Zip Code)

**(516) 617-9100**

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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## **Item 2.02. Results of Operations and Financial Condition.**

On August 29, 2022, Jushi Holdings Inc. (the "Company") issued a press release announcing its financial results for the quarter ended June 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The Company also intends to file unaudited condensed consolidated financial statements for the three and six months ended June 30, 2022 with the applicable Canadian securities regulatory authorities on August 29, 2022 in accordance with applicable Canadian securities laws, which may be accessed at [www.sedar.com](http://www.sedar.com). The unaudited condensed consolidated financial statements for the three and six months ended June 30, 2022 contained in the Company's press release and to be filed with the Canadian securities regulatory authorities have not been audited or reviewed by the Company's independent registered public accounting firm, remains subject to change, and should not be considered final until the Company files its second quarter 2022 Quarterly Report on Form 10-Q.

The information contained in this Item 2.02, including Exhibit 99.1, is furnished only, is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such a filing, except as expressly set forth by specific reference in that filing.

## **Item 4.02. Non-Reliance on Previously Issued Financial Statements.**

In connection with the preparation of the Company's unaudited condensed consolidated financial statements for the three and six months ended June 30, 2022, the Company's management identified errors in its previously issued unaudited condensed consolidated balance sheet as of March 31, 2022 resulting in the understatement of certain non-current assets and associated accruals. In addition, management identified errors in the unaudited condensed consolidated statement of cash flows for three months ended March 31, 2022. Such errors resulted in the understatement of net cash flows used in operating activities, the overstatement of net cash flows used in investing activities, and the understatement of net cash flows provided by financing activities during the three months ended March 31, 2022. Company management believes such errors did not impact the cash balance as of March 31, 2022 and further believes there is no net change in cash flows during the three months then ended.

On August 28, 2022, the Company's Audit Committee concluded, after discussion with the Company's management and its advisors, that the Company's previously issued unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2022 ("First Quarter 2022 Interim Financial Statements") were materially misstated due to such errors. As a result, the Company's First Quarter 2022 Interim Financial Statements should no longer be relied upon. Similarly, any previously issued or filed reports, registration statements, press releases, earnings releases and investor presentations or other communications describing the Company's First Quarter 2022 Interim Financial Statements should no longer be relied upon.

The Company will, as soon as practicable, make the appropriate adjustments, which will include restated unaudited condensed consolidated financial statements and any other appropriate revisions.

The Company believes that such errors will not materially impact the unaudited condensed consolidated financial statements as of and for the three and six months ended June 30, 2022.

As previously disclosed and in light of the errors described above, material weaknesses existed in the Company's internal control over financial reporting and that the Company's disclosure controls and procedures were not effective. The Company is still evaluating these matters and expects that further information regarding such material weaknesses and the Company's intended remediation efforts will be described in more detail in its upcoming Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022.

The Company's management and Audit Committee have discussed the matters disclosed in this Current Report on Form 8-K pursuant to this Item 4.02 with Marcum LLP, its independent registered public accounting firm. The unaudited condensed consolidated financial statements as of and for the three and six months ended June 30, 2022, referred to herein or elsewhere, have not been audited or reviewed by the Company's independent registered public accounting firm.

## **Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On August 25, 2022, the Board of Directors approved the award of stock options to purchase 500,000 of the Company's Subordinate Voting Shares to our Chief Operations Officer, Leonardo Garcia-Berg, under the Company's existing 2019 Equity Incentive Plan. The stock options will have an exercise price of the greater of the closing price of the Company's Subordinate Voting Shares as reported by the Canadian Stock Exchange on August 31, 2022, or the prior trading day.

## **Item 7.01. Regulation FD Disclosure.**

On August 29, 2022, the Registrant posted an investor presentation complementary to its scheduled second quarter 2022 earnings conference call on its website and filed a copy of such presentation with the applicable securities regulatory authorities in Canada and otherwise in accordance with applicable Canadian securities laws. A copy of the investor presentation is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

The information contained in this Item 7.01, including Exhibit 99.2, is furnished only, is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such a filing, except as expressly set forth by specific reference in that filing.

## **Item 9.01. Financial Statements and Exhibits.**

[99.1 Press Release dated August 29, 2022](#)

[99.2 Investor Presentation](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

## **Forward-Looking Statements**

This Current Report on Form 8-K contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation as well as statements that may constitute "forward-looking statements" within the meaning of within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, contained in this Current Report on Form 8-K are forward-looking statements. Words such as "expect," "will," "anticipate," "believe," "estimate," "intend," "plan," "potential" and similar expressions also identify forward-looking statements. Forward-looking statements include statements regarding expected filings, materiality or significance and effects of the reclassification errors on current or prior period financial statements, and any anticipated conclusions of the Company, the Audit Committee or the Company's management related thereto.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results, as well as our expectations regarding materiality or significance, the restatement's quantitative effects, the effectiveness of our disclosure controls and procedures, and our deficiencies in internal control over financial reporting to differ materially from those in the forward-looking statements. These factors include the risk that additional information may arise prior to the expected filing with the Securities and Exchange Commission and Canadian securities regulators with the restated condensed consolidated interim financial statements, the preparation of our restated condensed consolidated interim financial statements or other subsequent events that would require us to make additional adjustments, as well as inherent limitations in internal controls over financial reporting.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**JUSHI HOLDINGS INC.**

Date: August 29, 2022

By: /s/ Jon Barack

Jon Barack

President and Interim Chief Financial Officer

## **Jushi Holdings Inc. Reports Second Quarter 2022 Financial Results and Announces Non-Reliance on Previously Issued First Quarter 2022 Financial Statements**

*Second Quarter 2022 Revenue Growth of 52.4% YoY and 17.6% QoQ to \$72.8 million*

*Completed NuLeaf Acquisition and Expanded Vertically Integrated Footprint in Nevada*

*Established Fifth Vertically Integrated State-Level Operation in Ohio with Medical Dispensary License Win*

BOCA RATON, Fla., Aug. 29, 2022 (GLOBE NEWSWIRE) -- **Jushi Holdings Inc. (“Jushi” or the “Company”)** (**CSE: JUSH**) (**OTCQX: JUSHF**), a vertically integrated, multi-state cannabis operator, announced its financial results for the second quarter 2022 (“Q2 2022”) ended June 30, 2022. The Company became a U.S. reporting company effective August 12, 2022. All financial information is provided in U.S. dollars unless otherwise indicated and are prepared under U.S. Generally Accepted Accounting Principles (“GAAP”).

### **Second Quarter 2022 Highlights**

- Total revenue of \$72.8 million, an increase of 52.4% year-over-year and 17.6% as compared to the quarter ended March 31, 2022 (“Q1 2022”)
- Retail revenue increased 16.1% to \$67.3 million and wholesale revenue increased 42.1% to \$5.5 million, as compared to Q1 2022
- Gross profit of \$26.7 million, an increase of 17.2% year-over-year and 39.5% as compared to Q1 2022
- Adjusted gross profit of \$27.8 million, an increase of 19.1% year-over-year and 12.3% as compared to Q1 2022
- Net Income of \$12.1 million
- Adjusted EBITDA of \$0.5 million
- Cash and cash equivalents were \$43.2 million as of the quarter end

### **Second Quarter 2022 Operational Highlights**

- Expanded the Company’s vertically integrated footprint in Nevada with the completion of the NuLeaf, Inc. (“NuLeaf”) acquisition, adding a 27,000 sq. ft. cultivation facility, a 13,000 sq. ft. processing facility, and three adult-use and medical retail dispensaries in the state
- Opened the 32<sup>nd</sup> and 33<sup>rd</sup> retail locations nationwide, marking the Company’s third Beyond Hello™ location in California and fourth dispensary in Nevada
- Awarded a provisional medical marijuana dispensary license in the Cincinnati Tri-State Area of Ohio, establishing the Company’s fifth vertically integrated state-level operation
- Debuted two new product lines in Pennsylvania under the Company’s brand The Lab™, including a line of solventless live rosin extracts and a line of hydrocarbon extracts, comprised of high-quality vapes and concentrates

### **Recent Developments**

- Transitioned from IFRS to U.S. GAAP reporting as a result of becoming a U.S. reporting issuer as of August 12, 2022
- Opened the 34<sup>th</sup> retail location nationwide and third Beyond Hello™ dispensary in Alexandria, Virginia
- Opening the 35<sup>th</sup> retail location nationwide and fourth Beyond Hello™ dispensary in Fairfax, Virginia on August 31, 2022

### **Management Commentary**

“We are pleased to report solid second quarter top-line growth and improved sequential profitability, a strong indication that our strategy, capital investments and cost savings initiatives are building a strong foundation on which we can continue to execute, despite the challenging macroeconomic environment,” said Jim Cacioppo, Chief Executive Officer, Chairman and Founder of Jushi Holdings Inc. “The development of our footprint in Nevada, including the addition of NuLeaf’s high-quality assets, were meaningful contributors to our retail performance in the second quarter.”

Mr. Cacioppo continued, “In the second quarter, we completed the first phase of construction of the cultivation portion of our grower-processor facilities in Pennsylvania and Virginia. In these two very important markets for Jushi, we are focused on expanding production, improving the sell-through rate of our own-branded products at our Beyond Hello™ stores and building-out our wholesale business. We are also focused on diversifying our product portfolio, including the introduction of many new strains, along with hydro-carbon products and Live Rosin vapes and concentrates that will allow us to differentiate our product offering, while continuing to meet consumer demand.”

“Our team has done a commendable job navigating through these challenging market conditions. I am confident that our strong foundation and cost discipline will ensure we maintain our momentum into the second half of the year. We are excited about what lies ahead for Jushi and believe we are well-positioned to capitalize on the industry opportunity and drive long-term value for our shareholders,” concluded Mr. Cacioppo.

### **Use of Non-GAAP Financial Information**

We believe that the presentation of non-GAAP financial information provides important supplemental information to management and investors regarding financial and business trends relating to our financial condition and results of operations. For further information regarding

these non-GAAP measures, including the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, please refer to the financial tables below, as well as the “Reconciliation of Non-GAAP Financial Measures” section of this press release.

## Financial Results for the Second Quarter 2022

The following is a tabular summary and commentary of revenue, gross profit, adjusted gross profit, net income (loss), and net income (loss) per share for the three month periods ended June 30, 2022, March 31, 2022, and June 30, 2021.

(\$ in millions, except per share amounts)

	Quarter Ended June 30, 2022		Quarter Ended March 31, 2022		% Change	Quarter Ended June 30, 2022		Quarter Ended June 30, 2021		% Change
Revenue	\$	72.8	\$	61.9	17.6%	\$	72.8	\$	47.7	52.4%
Gross profit		26.7		19.1	39.5%		26.7		22.8	17.2%
Adjusted gross profit		27.8		24.8	12.3%		27.8		23.4	19.1%
Net income (loss)		12.1		(19.8)			12.1		3.6	
Net income (loss) per share - basic	\$	0.06	\$	(0.11)		\$	0.06	\$	0.02	
Net loss per share - diluted	\$	(0.15)	\$	(0.16)		\$	(0.15)	\$	(0.09)	

Revenue in Q2 2022 increased 52.4% to \$72.8 million as compared to \$47.7 million in the second quarter of 2021 (“Q2 2021”), driven by the Company’s acquisitions in Nevada and Massachusetts, and new Beyond Hello™ store openings in Pennsylvania and Virginia. Revenue increased 17.6% to \$72.8 million from \$61.9 million in Q1 2022. The 17.6% increase in revenue was primarily driven by the acquisitions in Nevada in the first half of 2022, including contributions from four new state dispensaries, increased retail and wholesale activity in Massachusetts, and growth in retail sales in Illinois and Virginia.

Gross profit in Q2 2022 was \$26.7 million, or 36.7% of revenue, compared to \$19.1 million, or 30.9% of revenue in Q1 2022. Adjusted gross profit in Q2 2022 was \$27.8 million, or 38.3% of revenue, compared to \$24.8 million, or 40.0% of revenue in Q1 2022. Adjusted gross margin was negatively impacted by the under absorption of fixed costs at the Company’s grower-processor facilities as the wholesale business scales and increased promotional activity of Jushi branded products in Pennsylvania.

Operating expenses in Q2 2022 were \$38.7 million, or 53.3% of revenue, compared to \$37.3 million, or 60.3% of revenue in Q1 2022. The 703 basis point improvement in operating expenses as a percentage of revenue was primarily driven by managing labor and staffing expenses across the organization and lower share based compensation.

Q2 2022 net income was \$12.1 million, or \$0.06 per basic share and net loss of \$0.15 per diluted share, compared to net income of \$3.6 million, or \$0.02 per basic share and net loss of \$0.09 per diluted share, in Q2 2021. The net loss of \$0.15 per diluted share in Q2 2022 was primarily due to the dilutive impact of the outstanding warrant derivative liability.

Adjusted EBITDA in Q2 2022 was \$0.5 million, an increase of \$1.4 million as compared to \$(0.9) million in Q1 2022 and a decrease of \$4.1 million compared to \$4.6 million in Q2 2021. Adjusted EBITDA expansion was slowed by infrastructure and headcount investments at our grower processors that continue to have a transitional impact as the Company scales and slower-than-expected growth of wholesale operations.

## Balance Sheet and Liquidity

As of June 30, 2022, the Company had approximately \$43.2 million of cash and cash equivalents. The Company paid approximately \$14 million in capital expenditures during Q2 2022. For the balance of the year, we expect capital expenditures to be in the range of \$15 to 25 million, prior to any potential tenant improvement reimbursements or financings, for a total of \$55 to \$65 million for the full year 2022, subject to market conditions and regulatory changes. As of June 30, 2022, the Company had approximately \$200 million in principal amount of total debt, excluding leases and property, plant, and equipment financing obligations. As of August 29, 2022, the Company’s Acquisition Facility had \$60 million of available capacity, including the \$25 million accordion feature. As of August 29, 2022, the Company’s issued and outstanding shares were 195,989,084 and its fully diluted shares outstanding were 290,921,762.

## Outlook

Mr. Cacioppo commented, “Moving into the second half of the year, we are revising our fourth quarter 2022 annualized revenue to be between \$320 to \$350 million, with a low double digit Adjusted EBITDA margin. At the retail level, we expect to open three additional Beyond Hello™ stores in the next four months, including two locations in Virginia and one in Ohio. We are also moving an underperforming store in Pennsylvania. Moreover, we will continue work on adding additional operational grow rooms and expanding production at our grower-processor facilities as we look to increase the sell-through rate of our own branded products through our network of retail stores, along with pursuing wholesale opportunities.”

Mr. Cacioppo concluded, “By the end of 2022, we expect to operate 37 retail locations and approximately 330,000 sq. ft. of cultivation and processing capabilities, including 100,000 sq. ft. of canopy. As always, we are fiercely committed to generating return on investment for our shareholders, and I look forward to reporting on the meaningful strides we expect to make as we continue to strengthen our business through

the remainder of 2022.”

### **Non-Reliance on Previously Issued First Quarter 2022 Financial Statements**

In connection with the preparation of the Company’s unaudited condensed consolidated financial statements for the three and six months ended June 30, 2022, the Company’s management identified errors in its previously issued unaudited condensed balance sheet as of March 31, 2022, resulting in the understatement of certain non-current assets and associated accruals. In addition, management identified errors in the unaudited condensed consolidated statement of cash flows for three months ended March 31, 2022. Such errors resulted in the understatement of net cash flows used in operating activities, the overstatement of net cash flows used in investing activities, and the understatement of net cash flows provided by financing activities during the three months ended March 31, 2022. The Company believes such errors did not impact the cash balance as of March 31, 2022, and further believes there is no net change in cash flows during the three months then ended. The Company also believes that such errors will not materially impact the unaudited condensed consolidated financial statements as of and for the three and six months ended June 30, 2022.

As a result, the Company will be required to restate its unaudited condensed interim consolidated financial statements for the Quarter Ended March 31, 2022, filed in Canada on the System for Electronic Document Analysis and Retrieval (“SEDAR”) on May 27, 2022, as amended on June 24, 2022.

On August 28, 2022, the Company’s Audit Committee concluded, after discussion with the Company’s management and its advisors, that the Company’s previously issued unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2022 (“First Quarter 2022 Interim Financial Statements”) were materially misstated due to such errors. As a result, the Company’s First Quarter 2022 Interim Financial Statements should no longer be relied upon. Similarly, any previously issued or filed reports, registration statements, press releases, earnings releases and investor presentations or other communications describing the Company’s First Quarter 2022 Interim Financial Statements should no longer be relied upon.

The Company will, as soon as practicable, make the appropriate adjustments, which will include restated consolidated financial statements and any other appropriate revisions.

### **Conference Call and Webcast Information**

The Company will host a conference call to discuss its financial results for the second quarter 2022 at 9:00 a.m. ET today, Monday, August 29, 2022.

Event:	Second Quarter 2022 Financial Results Conference Call
Date:	Monday, August 29, 2022
Time:	9:00 a.m. Eastern Time
Live Call:	1-866-374-5140 (U.S. Toll-Free) / 1-866-455-3403 (Canada Toll-Free)
Conference ID:	53845580#
Webcast:	<a href="#"><u>Register</u></a>

For interested individuals unable to join the conference call, a webcast of the call will be available for one year following the conference call and can be accessed via webcast on Jushi’s [Investor Relations website](#).

### **About Jushi Holdings Inc.**

We are a vertically integrated cannabis company led by an industry-leading management team. In the United States, Jushi is focused on building a multi-state portfolio of branded cannabis assets through opportunistic acquisitions, distressed workouts, and competitive applications. Jushi strives to maximize shareholder value while delivering high-quality products across all levels of the cannabis ecosystem. For more information, visit [jushico.com](https://jushico.com) or our social media channels, [Instagram](#), [Facebook](#), [Twitter](#) and [LinkedIn](#).

### **Forward-Looking Information and Statements**

This press release contains certain “forward-looking information” within the meaning of applicable Canadian securities legislation as well as statements that may constitute “forward-looking statements” within the meaning of within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, contained in this press release, including statements regarding our strategy, future operations, intended expansion of our retail operations and production capacity, intended expansion of our cultivation facilities, future financial position, projected costs, prospects, plans and objectives of management, including without limitation Q4 2022 annualized guidance, as well as expected filings, materiality or significance and effects of errors on current or prior period financial statements, and any anticipated conclusions of the Company, the Audit Committee or the Company’s management related thereto, are forward-looking statements. These forward-looking statements are based on Jushi’s current expectations and beliefs concerning future developments and their potential effects. As a result, actual results could differ materially from those expressed by such forward-looking statements and such statements should not be relied upon. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans,” “expects” or “does not expect,” “is expected,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “anticipates” or “does not anticipate,” or “believes,” or variations of such words and phrases or may contain statements that certain actions, events or results “may,” “could,” “would,” “might” or “will be taken,” “will continue,” “will occur” or “will be achieved”. The forward-looking information and forward-looking statements contained herein may include but are not limited to, information concerning the expectations regarding Jushi, or the ability of Jushi to successfully achieve business objectives, and expectations for other economic, business, and/or competitive factors. Many factors could cause actual future events to differ materially from the forward-looking statements in this press

release, including risks related to the ability of Jushi to successfully and/or timely achieve business objectives, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation, the risk that additional information may arise prior to the completion of restated condensed consolidated interim financial statements or other subsequent events that would require us to make additional adjustments, as well as other risks, uncertainties and other cautionary statements in the Company's public filings with the applicable securities regulatory authorities on the SEC's website at [www.sec.gov](http://www.sec.gov) and on SEDAR at [www.sedar.com](http://www.sedar.com). Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

**For further information, please contact:**

**Investor Relations Contact:**

Michael Perlman  
Executive Vice President of Investor Relations  
561-281-0247  
[investors@jushico.com](mailto:investors@jushico.com)

**Media Contact:**

Ellen Mellody  
570-209-2947  
[ellen@mattio.com](mailto:ellen@mattio.com)

The financial results contained herein are the responsibility of management and have not been reviewed by the Company's independent registered public accounting firm, remains subject to change, and should not be considered final until the Company files its second quarter 2022 Quarterly Report on Form 10-Q.

**JUSHI HOLDINGS INC.**  
**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF OPERATIONS**  
**AND COMPREHENSIVE INCOME (LOSS)**  
*(in thousands of U.S. dollars, except share and per share amounts)*

	<b>Three Months Ended June 30, 2022</b>	<b>Three Months Ended March 31, 2022</b>	<b>Three Months Ended June 30, 2021</b>
	<i>(unaudited)</i>		
REVENUE, NET	\$ 72,757	\$ 61,888	\$ 47,744
COST OF GOODS SOLD	(46,089)	(42,776)	(24,982)
GROSS PROFIT	\$ 26,668	\$ 19,112	\$ 22,762
OPERATING EXPENSES	\$ 38,745	\$ 37,308	\$ 26,357
LOSS FROM OPERATIONS	\$ (12,077)	\$ (18,196)	\$ (3,595)
OTHER INCOME (EXPENSE):			
Interest expense, net	\$ (10,947)	\$ (10,116)	\$ (6,868)
Fair value gains (losses) on derivatives	42,572	14,309	21,098
Other, net	228	(703)	(487)
Total other income (expense), net	\$ 31,853	\$ 3,490	\$ 13,743
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	\$ 19,776	\$ (14,706)	\$ 10,148
Provision for income taxes	\$ (7,710)	\$ (5,051)	\$ (6,711)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ 12,066	\$ (19,757)	\$ 3,437
Net loss attributable to non-controlling interests	\$ —	\$ —	\$ (190)
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO JUSHI SHAREHOLDERS	\$ 12,066	\$ (19,757)	\$ 3,627

EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO JUSHI SHAREHOLDERS - BASIC	\$	0.06	\$	(0.11)	\$	0.02
Weighted average shares outstanding - basic		190,870,572		183,226,027		163,512,333
EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO JUSHI SHAREHOLDERS - DILUTED	\$	(0.15)	\$	(0.16)	\$	(0.09)
Weighted average shares outstanding - diluted		205,697,153		207,838,906		196,541,225

**JUSHI HOLDINGS INC.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

*(in thousands of U.S. dollars, except share amounts)*

		<b>June 30, 2022</b>		<b>December 31, 2021</b>
		<b>(unaudited)</b>		
<b>ASSETS</b>				
Current assets	\$	97,272	\$	154,356
Non-current assets		610,586		494,785
Total assets	\$	<u>707,858</u>	\$	<u>649,141</u>
<b>LIABILITIES AND EQUITY</b>				
Current liabilities	\$	156,576	\$	83,926
Non-current liabilities		327,186		384,232
Total liabilities	\$	<u>483,762</u>	\$	<u>468,158</u>
Total equity	\$	<u>224,096</u>	\$	<u>180,983</u>
Total liabilities and equity	\$	<u>707,858</u>	\$	<u>649,141</u>

**JUSHI HOLDINGS INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

*(in thousands of U.S. dollars)*

		<b>Six Months Ended</b>		<b>June 30,</b>
		<b>2022</b>		<b>2021</b>
				<i>(unaudited)</i>
Net cash flows used in operating activities	\$	(27,738)	\$	(13,137)
Net cash flows used in investing activities		(61,741)		(43,391)
Net cash flows provided by financing activities		38,041		91,684
Effect of currency translation on cash and cash equivalents		(238)		(132)
NET CHANGE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	\$	<u>(51,676)</u>	\$	<u>35,024</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD		95,487		85,857
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	\$	<u>43,811</u>	\$	<u>120,881</u>

**JUSHI HOLDINGS INC.**

**Reconciliation of Non-GAAP Financial Measures**

***EBITDA, Adjusted EBITDA and Adjusted Gross Profit***

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**JUSHI HOLDINGS INC.**  
**UNAUDITED RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA**  
(in thousands of U.S. dollars)

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NET INCOME (LOSS) <sup>(1)</sup>	\$ 12,066	\$ (19,757)	\$ 3,437
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Transaction costs <sup>(7)</sup>	2,885	780	870
Adjusted EBITDA (Non-GAAP)	\$ 522	\$ (875)	\$ 4,596

(1) Net income (loss) includes amounts attributable to non-controlling interests.

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Gross profit	\$ 26,668	\$ 19,112	\$ 22,762
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# Jushi Holdings Inc.

## Q2 2022 Earnings Presentation



# Jushi

## Cautionary Statement Regarding Forward-Looking Statements

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# Jim Cacioppo

Chief Executive Officer



## Agenda

- ① Financial Highlights
- ② Operational Achievements
- ③ Financial Performance
- ④ Outlook
- ⑤ Q&A

*Beyond Hello*

*Beyond Hello*

*Beyond Hello*



# Solid Q2 Top-line Revenue Growth and Improved Sequential Profitability

US\$ Millions, prepared under U.S. GAAP



\*See Disclaimers for the definition of Adjusted EBITDA and "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation

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## Improved Sell-Through Rate of Jushi Branded Product

### Jushi Brand Penetration

- Significant profitability driver in the coming quarters
- Sell-through rate improvement of 770 basis points to 21% vs. 14% in Q1 2022
- Flower and vape products in Pennsylvania reaching 40% of weekly sold units



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## Continued Headway on Cost Savings Measures



### Retail

- Optimized labor model in alignment with market activity and demand
- Addition of Labor Analyst to maintain increased oversight, tracking, and reporting at all levels
- Vendor and product rationalization has resulted in strategic pricing and promotion opportunities and working to improve margins at the store level



### Grower-Processor Facilities

- New grow rooms in PA & VA to come online in the second half of 2022
- Increased productivity levels across the supply chain with improvements in genetic diversity, quality and yield
- Cost efficiencies expected to result in higher margins for Jushi branded products as quality and diversity improves

### Corporate Staffing

- Built out executive and senior management team, including an EVP of Wholesale Operations

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## Broadened Vertically Integrated Footprint in Nevada with Completion of NuLeaf Acquisition



- NuLeaf Dispensaries (3)
- Beyond Hello Nevada (1)
- NuLeaf Cultivation Facility
- NuLeaf Processing Facility
- Grower-Processor Facility

- 27,000 sq. ft. cultivation facility in Sparks, NV
- 13,000 sq. ft. processing facility in Reno, NV
- Four operating dispensaries, three in Las Vegas in Clark County, and one in Incline Village, Lake Tahoe

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## Phase 1 of Cultivation Expansion Completed: VA & PA Expansion Projects



Scranton, PA Grower-Processor



Manassas, VA Grower-Processor

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Scranton, PA







Manassas, VA



Lakeville, MA



Alexandria, VA

# Established Fifth Vertically Integrated State-Level Operation in Ohio



Awarded provisional medical retail license designated for Clermont County, Ohio



Opening in Q4:  
Beyond Hello™ Cincinnati Tri-State Area

## Near-Term Priorities:

- Establish retail presence
- Drive sell-through of own branded products
- Expand wholesale business
- Diversify product offering
- Explore retail M&A opportunities



## Expanded West Coast Retail Network

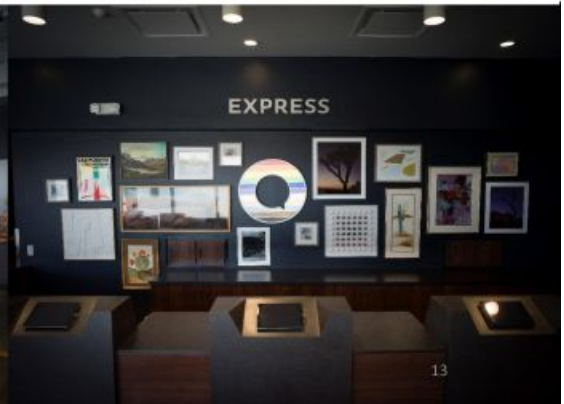
*Beyond  
Hello*



Grover Beach, CA



Palm Springs, CA



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## Debuted Two New Innovative Product Lines

**THE LAB**

**Live Resin & Live Rosin  
Extract Products**



**Now Available in PA  
Coming Soon to MA, NV, & VA**

**TASTELOGY**



**Now Available in NV, OH, & VA  
Coming Soon to MA**

More differentiated products coming to select markets in H2 2022 and 2023

TASTELOGY

SÈCHÈ

Nira<sup>+</sup>  
Medicinals

THE BANK

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# Jon Barack

President, Interim Chief  
Financial Officer



## Q2 2022 Financial Performance



### Revenue

US\$ Millions, prepared under U.S. GAAP



The year-over-year increase in revenue of 52.4% in Q1'22 was primarily attributable to the acquisitions in Massachusetts and Nevada, and new Beyond Hello™ store openings in Pennsylvania and Virginia.

The sequential increase in revenue of 17.6% was primarily driven by the Nevada acquisitions in the first half of the year, an increase in wholesale and retail activity in Massachusetts, and retail sales growth in Illinois and Virginia.

# Q2 2022 Financial Performance

US\$ Millions, prepared under U.S. GAAP

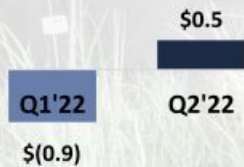
## Gross Profit



## Operating Expenses



## Adj. EBITDA\*



\*See Disclaimers for the definition of Adjusted EBITDA and "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation

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# Liquidity

(Amounts in millions)

June 30, 2022

Cash*	\$43.2
Total Debt**	\$200.0
Net Debt	\$156.8

August 29, 2022

Subordinate Voting Shares Outstanding	195,989,084
Fully Diluted Shares Outstanding	290,921,762

## \$100mm Acquisition Facility

- Available capacity is \$35MM
- Ability to increase capacity by up to \$25MM through an accordion feature

## Capital Expenditures

- \$14MM for Q2 2022
- H2 2022 range of \$15MM to \$25MM

\*As of June 30, 2022, includes cash, cash equivalents and short-term investments

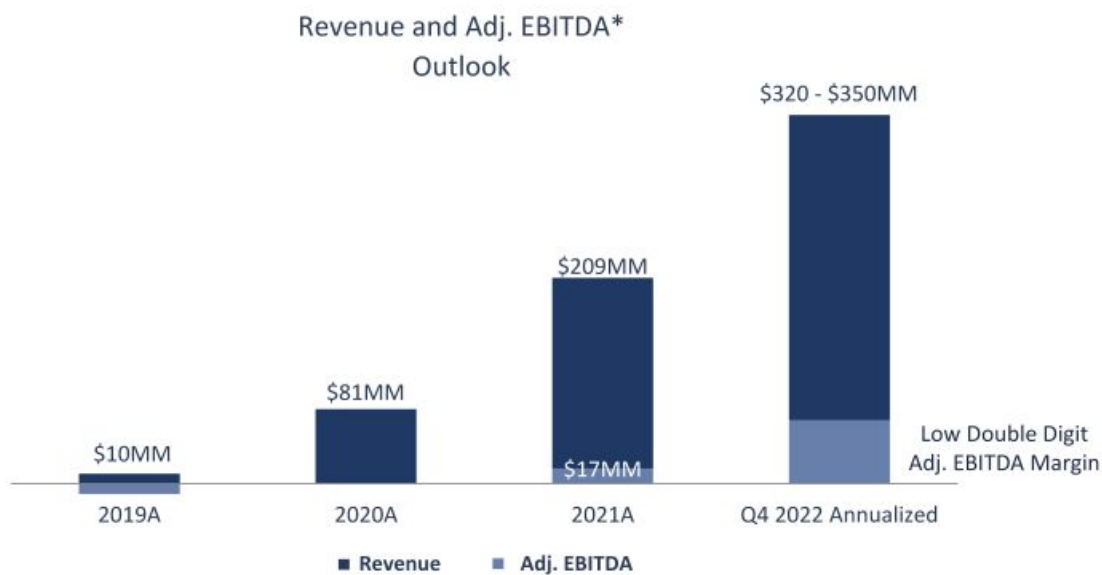
\*\*As of June 30, 2022, excluding leases and property, plant and equipment financing obligations

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# Outlook



## 2022 Outlook



\*See Disclaimers for the definition of Adjusted EBITDA at the end of this presentation.

\*\*Adjusted EBITDA for 2019 through 2021 was presented on a Non-IFRS basis. Q4 2022 Annualized Adjusted EBITDA is presented on a Non-GAAP basis.

# JUSHI HOLDINGS INC. Reconciliation of Non-GAAP Financial Measures



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## Adjusted EBITDA Reconciliation



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# Adjusted Gross Profit Reconciliation



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Q&A



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