2Q FY27 Earnings Update

EXEC EDGE RESEARCH

November 9, 2026

VALUATION	
Current Price	C$7.4
52 Week Range	C$3.59-8.75
Market Cap (C$-Mn)	486.2
Ent. Value (C$-Mn)	353.2
Shares Out. (Mn)	65.7
Avg. 3-Month Volume	0.47 Mn
Announced Deal Value	C$561 Mn (C$7.8/share)
Consideration	C$7.80 cash, 5.8626 OGI shares, or C$3.75 cash + 3.0431 OGI shares
Expected Closing	January 2027

Source: TIKR, Company Filings

FUNDAMENTALS	
Net Revenue (FY26)	C$320.6 Mn
Net Revenue (FY27E)	C$315.5 Mn
Adj. EBITDA (FY26)	C$53.8 Mn
Adj. EBITDA (FY27E)	C$32.3 Mn

Source: Company Filings, Street Estimates sourced from TIKR.

STOCK PRICE PERFORMANCE



Source: TIKR

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Aurora Cannabis Inc. (ACB)

Organigram Deal Crystallizes Significant Shareholder Value; Record International Medical Revenue Drives Sharp Sequential Earnings Recovery in 2Q FY27

- **Organigram's acquisition of ACB crystallizes significant shareholder value while creating a global cannabis leader with expanded international reach and manufacturing scale**. The announced C$7.80/share consideration represents a 93% premium to ACB's unaffected share price, valuing the company at approximately C$561 million. The combination pairs ACB's international medical leadership with Organigram's European commercial network and large-scale cultivation infrastructure, strengthening the combined company's global footprint, production capabilities and access to key medical markets. ACB shareholders are expected to retain approximately 35% economic ownership, providing continued exposure to more than C$50 million in identified annual run-rate synergies and the combined company's growth potential.
- **Record international medical cannabis revenue drove a strong recovery in ACB's 2Q FY27 operating performance**. International medical revenue increased 44% y/y to C$61.4 million, supported by growing demand in Germany and Poland. This contributed to consolidated revenue of C$86.0 million, up 9% y/y and 27% sequentially, more than offsetting continued weakness in Canadian medical cannabis following the federal reimbursement changes.
- **Adjusted EBITDA recovered sharply as stronger international volumes restored operating leverage**. Adjusted EBITDA increased to C$14.0 million from C$3.4 million sequentially, with the margin improving to 16.3% from 5.1%. However, EBITDA remained below C$15.4 million in the prior-year quarter, reflecting Canadian pricing pressure and higher adjusted operating expenses. Meanwhile, free cash flow improved by C$22.4 million y/y to an outflow of C$17.5 million, primarily due to reduced working capital investment, making cash conversion an important priority.
- **Strategic investments in manufacturing and distribution strengthen ACB's ability to capitalize on international medical demand**. Safari generated C$4.9 million in quarterly revenue, demonstrating early commercial traction following its acquisition. The completed Leuna expansion is expected to more than double German flower production, while the acquisition of U.K.-based Internode Pharma and HAP Pharma provides direct import, distribution and pharmacy capabilities. Together, these initiatives improve supply-chain control, support international growth and provide opportunities for additional operating efficiencies.
- **The Organigram transaction establishes a new valuation benchmark for ACB, with further shareholder returns tied to deal completion and the combined company's performance**. At ACB's C$7.40 closing price, shares traded approximately 2.1% below the implied mixed consideration of C$7.55/share, based on Organigram's C$1.25 share price. While the negotiated transaction represents substantial value realization relative to historical trading levels, additional upside will depend on successful closing, synergy realization, earnings growth and the combined company's future trading valuation.

Organigram Deal Unlocks Significant Value and Creates a Global Cannabis Leader

- **ACB's agreement to be acquired by Organigram crystallizes substantial shareholder value and recognizes the strategic value of its international medical cannabis franchise**. Announced on November 3, 2026, the C$7.80/share transaction values ACB at approximately C$561 million on a fully diluted basis. The consideration represents a 93% premium to ACB's unaffected C$4.03 closing price prior to Curaleaf's hostile approach, a 32% premium to ACB's November 2 closing price and a 21% premium to the implied value of Curaleaf's revised proposal. For shareholders, the transaction represents a significant value-realization event that better reflects the company's international medical cannabis franchise, EU-GMP-certified manufacturing infrastructure and long-term earnings potential than was recognized in its pre-bid market valuation.
- **The combination creates a C$623 million global cannabis platform, with ACB contributing a disproportionate share of earnings through its higher-margin medical business**. Through June 30, 2026, the companies generated combined LTM revenue of C$623.2 million and aligned adjusted EBITDA of C$80.0 million. While ACB contributed ~50% of combined revenue, it accounted for roughly 63% of aligned adjusted EBITDA, reflecting the superior profitability of its medical cannabis operations. On a combined basis, approximately 60% of revenue is derived from medical, international, wholesale and related channels, providing a more diversified revenue profile than either company independently. The transaction combines ACB's international medical leadership and earnings strength with Organigram's Canadian recreational scale, production capabilities and European commercial footprint, establishing a complementary operating platform with opportunities to expand margins through greater scale and operating efficiencies.

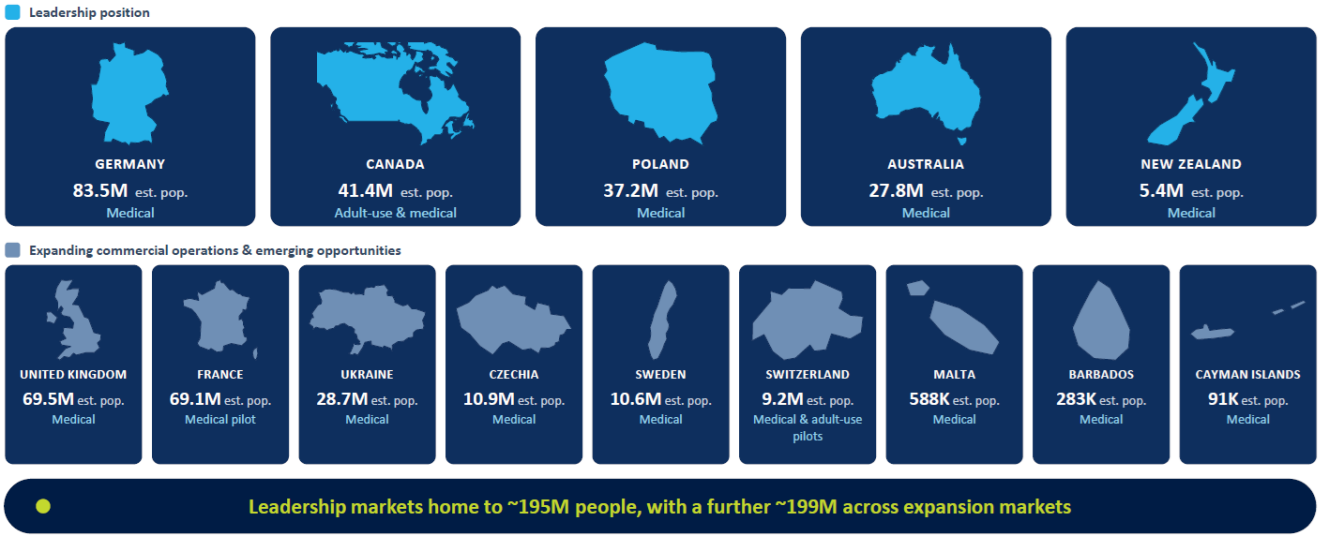
Chart 1: Combined Historical Financial Profile (LTM June 30, 2026)

C$ million	ACB	Organigram	Combined
Net revenue	314.1	309.2	623.2
Gross profit before FV adjustments	149.1	105.3	254.4
Gross margin before FV adjustments	47.50%	34.10%	40.80%
Reported adjusted EBITDA	46.4	29.4	75.8
R&D alignment adjustment	4.1	—	4.1
Adjusted EBITDA (aligned)	50.6	29.4	80.0
Aligned adjusted EBITDA margin	16.10%	9.50%	12.80%

Source: Exec Edge Research, Organigram/Aurora Transaction Presentation. Figures may differ due to rounding. The C$80.0 million adjusted EBITDA figure includes a C$4.1 million adjustment to ACB's R&D treatment to align reporting definitions. Combined figures are historical arithmetic sums, not acquisition-adjusted pro forma financial statements, and exclude Sanity Group's results before its April 15, 2026 acquisition.

- **The combination strengthens ACB's international medical cannabis position by pairing its established production capabilities and product portfolio with Organigram's broader European commercial network**. ACB brings a regulated medical cannabis franchise and established supply relationships across Germany, Poland, Australia and New Zealand, while Organigram's acquisition of Sanity Group adds established European brands and direct relationships with pharmacies, physicians and distributors. Germany remains central to the growth strategy, supported by strong demand for ACB's proprietary medical cultivars and expanding domestic supply capabilities. Together, the businesses combine complementary production, distribution and regulatory expertise, creating opportunities to expand product reach, accelerate commercialization and improve market penetration by leveraging existing commercial infrastructure.
- **The combination significantly expands manufacturing scale, creating opportunities to improve capacity utilization, production costs and international margins**. ACB's standalone network comprises approximately 47,000 kilograms of annual cultivation capacity, while Organigram adds more than 122,000 kilograms, primarily through its 120,000-kilogram Moncton facility. The transaction therefore increases ACB's accessible cultivation capacity approximately 3.6x to 170,000 kilograms annually across a combined network of 14 facilities, complemented by more than 75 metric tons of EU-GMP production and processing capacity. Safari's 36,000 kilograms of annual EU-GMP conversion capacity provides a potential certified export pathway for Moncton's large-scale output, while the completed Leuna expansion strengthens domestic German supply. ACB's proprietary genetics, which have demonstrated 40% to 100% yield improvements over legacy varieties, can also be deployed across a substantially larger cultivation footprint alongside Organigram's R&D capabilities.

Chart 2: Combined Company – Leader in Five Markets, Expanding into More



Source: Exec Edge Research, Organigram/Aurora Transaction Presentation. Map is illustrative. Populations are latest official national estimates (2025–2026); Ukraine per State Migration Service (Sep 2025); Barbados per UN World Population Prospects (2024). Source: national statistics agencies.

- **The transaction offers meaningful earnings upside through more than C$50 million in identified annual run-rate revenue and cost synergies, equivalent to over 60% of the combined company's C$80 million LTM aligned adjusted EBITDA**. Revenue opportunities are expected from cross-selling ACB's proprietary medical products through Organigram's commercial channels, expanding international distribution and accelerating commercialization through shared product development. Cost synergies are expected from procurement efficiencies, consolidated distribution, reduced public-company expenses, improved facility utilization and optimizing production across the combined network by directing demand toward lower-cost facilities. ACB's higher-margin medical business provides a strong foundation for translating these opportunities into incremental earnings, while Organigram's scale and commercial infrastructure enhance their potential impact. We believe successful execution should support stronger operating leverage, higher EBITDA margins and improved cash generation as the combined platform develops.
- **The transaction combines substantial upfront value realization with continued participation in the combined company's growth and potential rerating**. ACB shareholders may elect cash, Organigram shares or a combination of both, with each alternative valued at C$7.80 per ACB share based on Organigram's 20-day VWAP at announcement. The standard combined consideration consists of C$3.75 in cash and 3.0431 Organigram shares per ACB share, representing approximately 48% cash and 52% stock value, and serves as the default election. Final allocations remain subject to aggregate cash and stock limits and proration provisions, as outlined in the chart below. Importantly, shareholders receiving Organigram shares retain exposure to the combined platform's anticipated synergies, enhanced scale and potential valuation upside.
- **ACB shareholders retain meaningful ownership and voting influence in the combined business, preserving participation in its longer-term growth and value creation**. Following completion, ACB shareholders are expected to hold approximately 35% of the combined company's economic ownership on a fully diluted basis, together with approximately 42% of voting rights, compared with roughly 9% economic ownership contemplated under Curaleaf's competing proposal. BAT is expected to hold approximately 42% of economic ownership on an as-converted basis, with voting ownership limited to approximately 30%, while other Organigram shareholders will hold approximately 24% of economic ownership and 28% of voting rights. BAT's use of non-voting convertible preferred securities allows it to maintain its voting threshold without introducing a multiple-voting-share structure.
- **BAT's concurrent investment and committed bank financing provide a clear funding pathway for the acquisition and support the combined company's financial flexibility**. BAT will invest approximately C$187.5 million in Organigram, alongside up to C$210 million in committed ATB Financial facilities, including approximately C$102 million of planned acquisition borrowing. ACB also contributes C$133.0 million in cash, restricted cash and short-term investments as of September 30, including C$83.6 million in unrestricted liquidity, with no loans or

borrowings outstanding. Approximately C$46.7 million of restricted cash is expected to become unrestricted during 3Q FY27. The acquisition has no financing condition, while BAT's equity investment reduces reliance on debt financing and supports continued investment in international manufacturing and commercial expansion.

- **The negotiated Organigram agreement offers a superior outcome to Curaleaf's unsolicited proposal, with financing commitments and contractual protections supporting the targeted January 2027 closing**. Curaleaf revised its bid in October 2026 to US$1.00 in cash and 0.4013 Curaleaf shares per ACB share, which ACB's Board rejected as undervaluing the business. Organigram's subsequent agreement offers higher consideration and greater continued equity participation for ACB shareholders. The transaction has received unanimous approval from both companies' boards following ACB's strategic review and is supported by binding voting commitments from BAT and ACB directors and executives representing approximately 0.6% of outstanding ACB shares. Completion requires approval from both shareholder groups, including the applicable ACB two-thirds and majority-of-minority thresholds, together with court, stock-exchange and regulatory approvals, including German foreign-investment clearance. The agreement permits ACB to consider qualifying superior proposals, subject to Organigram's matching rights and specified termination fees of C$25.2 million payable by ACB and C$38.4 million payable by Organigram under applicable circumstances. Shareholder meetings are expected in December 2026, with closing targeted for January 2027.

Chart 3: Organigram Acquisition, Key Transaction Terms, Financing and Closing Conditions

TRANSACTION ECONOMICS	
Announced consideration	C$7.80 per ACB share, valuing ACB at approximately C$561 million on a fully diluted basis
Premium to unaffected price	93% versus C$4.03 on August 10, 2026
Consideration elections	C$7.80 cash, 5.8626 OGI shares, or C$3.75 cash plus 3.0431 OGI shares per ACB share
Default election and proration	Combined cash/stock consideration applies absent a valid election; aggregate limits of C$253.6 million cash and 205.8 million OGI shares
Pro forma ACB ownership	ACB to have ~35% economic ownership and 42% voting rights BAT will have ~42% pro forma economic ownership on an as-converted, fully diluted basis
FINANCING AND STRATEGIC BENEFITS	
Identified annual synergies	More than C$50 million in anticipated annual run-rate revenue and cost synergies
BAT equity investment	Approximately C$187.5 million through 141 million shares at C$1.33/share, with preferred securities used as necessary to maintain voting limits
Committed bank financing	Up to C$210 million in ATB facilities, including approximately C$102 million of planned acquisition borrowing
Financing protection	No financing condition; alternative financing efforts required under specified circumstances
CLOSING CONDITIONS AND PROTECTIONS	
Shareholder approvals	ACB requires at least two-thirds of votes cast plus applicable majority-of-minority approval; Organigram requires applicable shareholder approvals, including voting requirements excluding BAT
Regulatory approvals	Court, stock-exchange and applicable regulatory approvals, including German foreign-investment clearance
Termination protections	C$25.2 million ACB termination fee and C$38.4 million Organigram reverse termination fee in specified circumstances; matching rights for qualifying superior proposals
Expected closing	Shareholder meetings targeted for December 2026, with closing expected in January 2027

Source: Exec Edge Research, Organigram/Aurora transaction announcement, transaction presentation, Arrangement Agreement, Material Change Report and voting support agreements. All amounts in Canadian dollars unless otherwise stated. Consideration elections remain subject to proration, financing remains subject to contractual terms, and completion requires applicable approvals.

Earnings Update: Record International Medical Growth Drives Strong Sequential Recovery

- **International medical cannabis growth in 2Q FY27 is increasingly overcoming Canadian reimbursement pressure, restoring consolidated revenue growth and reinforcing ACB's global medical-first strategy**. ACB reported net revenue of C$86.0 million for the quarter ended September 30, 2026, up 9% from C$78.8 million y/y and 27% from C$67.6 million sequentially. Medical cannabis revenue increased 17% to C$82.5 million from C$70.5 million y/y and 29% from C$64.0 million in 1Q, representing 96% of consolidated revenue compared with 89% a year earlier. International medical revenue was the principal driver, increasing 44% y/y to a record C$61.4 million from C$42.7 million and 42% sequentially from C$43.3 million. This represented a C$18.7 million y/y increase, more than offsetting lower Canadian medical and consumer cannabis sales.

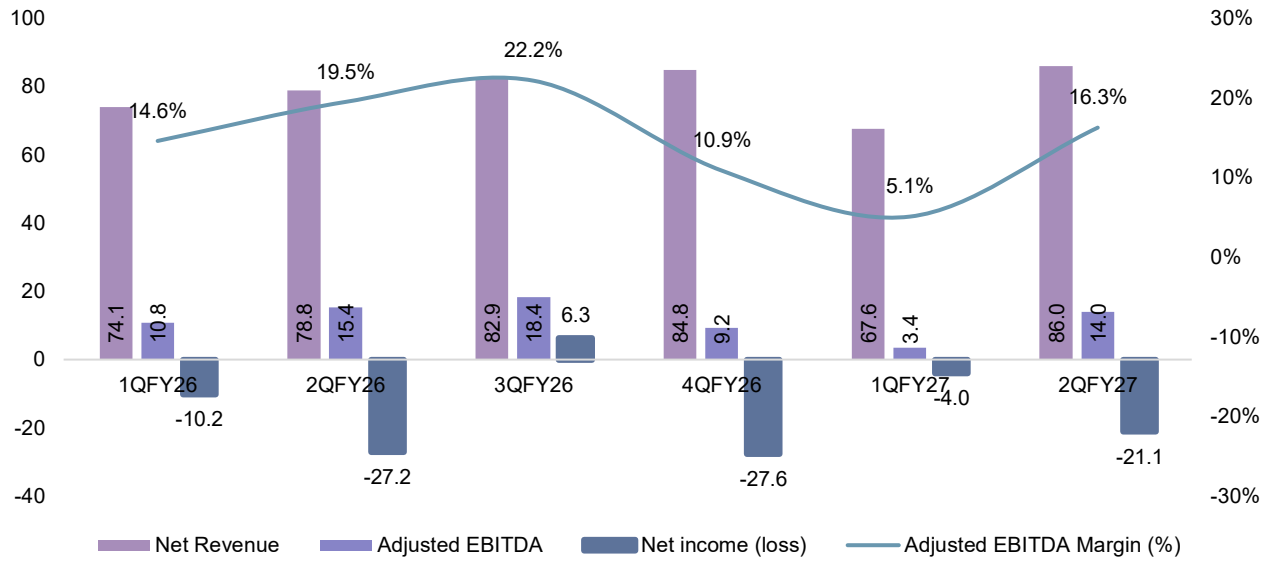
Chart 4: Adjusted Financials (Quarterly)

C$ 000s	1QFY25 Jun-24	2QFY25 Sep-24	3QFY25 Dec-24	4QFY25 Mar-25	1QFY26 Jun-25	2QFY26 Sep-25	3QFY26 Dec-25	4QFY26 Mar-26	1QFY27 Jun-26	2QFY27 Sep-26
Net Revenue	**60,355**	**72,488**	**79,301**	**76,768**	**74,076**	**78,810**	**82,893**	**84,816**	**67,554**	**86,021**
Medical Cannabis Net Revenue	47,201	61,316	68,149	67,776	64,768	70,530	76,247	77,096	64,036	82,519
Canadian Medical Cannabis Net Revenue	27,117	26,269	27,295	26,751	27,674	27,879	28,250	28,314	20,699	21,161
International Medical Cannabis Net Revenue	20,084	35,047	40,854	41,025	37,094	42,651	47,997	48,782	43,337	61,358
Consumer Cannabis Net Revenue	11,533	10,422	9,912	8,166	7,875	6,868	5,160	3,645	2,060	1,631
Wholesale Bulk Cannabis Net Revenue	1,620	750	1,240	826	1,433	1,411	1,486	4,075	1,458	1,871
Adjusted gross margin before FV adjustments on total net revenue	***50%***	***57%***	***63%***	***65%***	***64%***	***65%***	***66%***	***60%***	***58%***	***61%***

Source: Exec Edge Research, ACB Filings. ACB's Fiscal Year ends in March.

- **Germany and Poland continue to anchor international medical growth, supported by expanding patient demand and resilient Australian sales**. European revenue increased 54% y/y to C$47.8 million and 49% sequentially, supported by stronger patient demand in Germany and Poland, while Australian revenue grew 21% to C$12.3 million. International medical revenue represented 71% of consolidated sales compared with 54% a year earlier, underscoring ACB's increasing exposure to higher-growth regulated markets. In contrast, Canadian medical revenue declined 24% y/y to C$21.2 million following the April 2026 federal reimbursement reduction, although it stabilized sequentially with 2% growth. Meanwhile, consumer cannabis revenue declined 76% y/y to C$1.6 million, reflecting ACB's planned exit from lower-margin recreational channels as it prioritizes higher-return domestic and international medical markets.
- **International medical growth restored operating leverage, driving a sharp sequential recovery in gross profitability and adjusted EBITDA**. Adjusted gross profit increased 33% sequentially to C$52.3 million from C$39.5 million, lifting adjusted gross margin to 61% from 58%, compared with 65% a year earlier. Medical cannabis adjusted gross margin was 62%, down from 69% y/y, reflecting Canadian reimbursement changes and competitive pricing pressure. Adjusted EBITDA rebounded to C$14.0 million from C$3.4 million in 1Q FY27, with margins recovering to 16.3% from 5.1%, as C$12.8 million of incremental adjusted gross profit more than offset C$2.3 million of higher adjusted SG&A. However, EBITDA remained below C$15.4 million in the prior-year quarter, reflecting continued margin pressure and a higher normalized operating expense base. Sustaining this recovery will depend on continued international growth, medical pricing stability and disciplined operating expense management.
- **Higher commercial investment to support international growth and unfavorable foreign exchange movements constrained earnings despite improving operating performance**. Sales and marketing expense increased 25% y/y to C$17.8 million, reflecting higher selling and distribution costs associated with international growth, while adjusted SG&A rose 7% to C$37.4 million. Reported G&A increased 15% to C$30.3 million, partly reflecting higher professional fees associated with Curaleaf's bid, while business transformation adjustments increased to C$10.7 million from C$5.7 million y/y. These adjustments were excluded from adjusted EBITDA, separating non-recurring and transformation-related expenses from underlying operating performance. Adjusted net income declined to C$3.1 million from C$12.0 million, impacted by higher operating expenses, a C$4.7 million unfavorable foreign exchange swing and lower interest income. Meanwhile, the reported net loss from continuing operations narrowed to C$21.1 million from C$27.2 million, partly reflecting the absence of C$13.7 million in prior-year impairment charges.

Chart 5: Quarterly Revenue and Profitability Trends

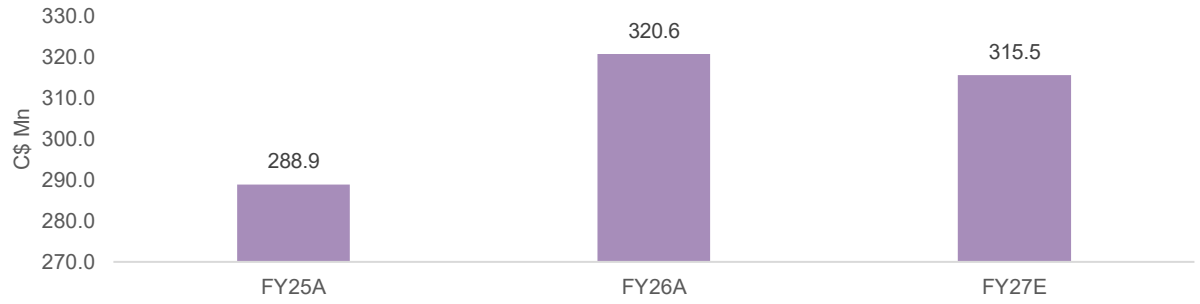


Source: Exec Edge Research, ACB Filings. Figures reflect restated results from continuing operations.

- **Safari and the completed Leuna expansion are expanding ACB's internal production capacity and strengthening supply-chain control as international medical demand accelerates**. Safari generated C$4.9 million in quarterly revenue and C$0.5 million in pre-tax profit, bringing its contribution since the April acquisition to C$7.7 million and C$2.2 million, respectively. The EU-GMP-certified facility expands processing and export capabilities for key medical markets, with approximately C$3.5 million in planned growth capital expenditure over three years to expand capacity and improve operating efficiency. In Germany, the completed Leuna expansion is expected to more than double annual flower production, strengthening domestic supply in a major growth market. Cultivation performance also improved, with quarterly dried cannabis production increasing 28% y/y to 16,536 kilograms from 12,934 kilograms, supported by stronger yields and operating efficiencies. Together, these initiatives provide greater sourcing flexibility and the potential to reduce third-party dependence while supporting further international revenue growth without proportionate increases in infrastructure investment.
- **The U.K. acquisition extends ACB's international strategy downstream, establishing a direct distribution and pharmacy platform to support medical market expansion**. In August, ACB acquired Internode Pharma and HAP Pharma for approximately C$4.3 million, including C$2.1 million in cash and C$1.9 million in contingent consideration. Internode's import and wholesale licenses, together with HAP's pharmacy operations, provide greater control over product distribution and patient access in the U.K. medical market. The acquisition offers the potential to reduce reliance on third-party distributors and improve commercial margins while supporting future product introductions. Although initial revenue traction has not been disclosed, the relatively modest investment establishes a platform for future expansion that complements ACB's expanding EU-GMP production network and the broader commercial capabilities available through the proposed Organigram combination.
- **Free cash flow improved y/y on lower working capital investment, but cash conversion remains weak despite the sequential EBITDA recovery**. FCF was an outflow of C$17.5 million in 2Q FY27 versus C$39.9 million a year earlier, primarily reflecting a reduction in working capital investment to C$12.6 million from C$37.2 million. However, the outflow increased from C$5.8 million sequentially despite the sharp EBITDA recovery, while first-half operating cash flow before working capital deteriorated to a C$12.2 million outflow from C$1.3 million of inflow y/y. Inventory increased to C$162.1 million at September 30 from C$154.9 million at March 31, while receivables rose to C$54.9 million from C$44.6 million, indicating continued working capital demands as production and international sales expand. Encouragingly, the inventory provision declined to C$18.2 million from C$27.3 million, supported by the clearance of previously provided consumer inventory. While the lower inventory provision is constructive, sustained improvement in cash conversion will require tighter working capital management alongside continued international revenue growth.

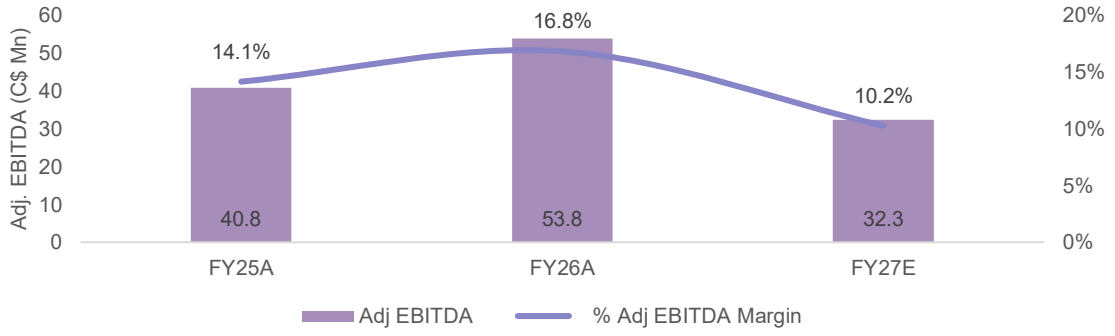
- **ACB retains meaningful financial flexibility despite declining cash balances, with capital allocation increasingly focused on generating returns from recent international investments**. Cash, restricted cash and short-term investments totaled C$133.0 million at September 30, compared with C$149.1 million at June 30 and C$164.7 million at March 31, including approximately C$83.6 million in unrestricted liquidity. The anticipated release of C$46.7 million in restricted self-insurance cash during 3Q FY27 should materially increase immediately available funds without increasing total liquidity, while the company remains free of loans and borrowings apart from lease liabilities of C$21.4 million. First-half capital expenditures totaled C$11.8 million, primarily supporting Leuna, Alpine and River, alongside approximately C$17.2 million in acquisition-related cash payments. ACB also raised C$17.0 million through its ATM program, contributing to an increase in shares outstanding to 65.7 million from 58.9 million at fiscal year-end. With major manufacturing and distribution investments now in place, stronger utilization, working capital efficiency and improved cash conversion will be increasingly important to generating returns on the expanded asset base.
- **ACB's international growth and improving operating leverage create potential upside to FY27 earnings expectations, although cash conversion remains a key constraint**. Sustained demand in Germany and Poland, increased EU-GMP manufacturing capacity and greater control over U.K. distribution provide a foundation for continued international expansion. The sequential recovery in adjusted EBITDA to C$14.0 million from C$3.4 million in 1Q FY27 establishes a stronger earnings run rate, although sustaining this improvement will depend on volume growth, margins and operating expense discipline. According to Street estimates sourced from TIKR, FY27E revenue is projected at C$315.5 million, down 1.6% y/y, with adjusted EBITDA of C$32.3 million, implying a 10.2% margin. With C$17.4 million of adjusted EBITDA generated in 1H FY27, consensus implies C$14.9 million in 2H, or approximately C$7.5 million per quarter, suggesting potential estimate upside if the 2Q earnings recovery proves sustainable.

Chart 6: Annual Net Revenue Estimates



Source: Exec Edge Research, ACB Filings, TIKR. Forward Estimates from TIKR. ACB's Fiscal Year ends in March. Historical figures reflect restated continuing operations.

Chart 7: Adjusted EBITDA & Margin Estimates



Source: Exec Edge Research, ACB Filings, TIKR. Forward Estimates from TIKR. ACB's Fiscal Year ends in March. Historical figures reflect restated continuing operations. FY28 estimates excluded as OGI deal is expected to close in FY27.

Valuation: Organigram Transaction Establishes Higher Benchmark and Upside Potential

- **Disclaimer**: Exec Edge does not publish proprietary estimates, ratings, price targets, or investment recommendations. The valuation discussion below is illustrative only and is based on company filings, management commentary, and third-party data and estimates. It does not constitute a recommendation, price target, rating, or prediction of future pricing.
- **The Organigram transaction establishes a substantially higher valuation benchmark for ACB while preserving further shareholder upside**. The announced C$7.80/share consideration values ACB at approximately C$561 million, representing a 93% premium to its unaffected C$4.03 share price and a 32% premium to its November 2 closing price of C$5.89. At Organigram's 11/6 closing price of C$1.25, the mixed consideration implies approximately C$7.55/share, representing a 2.1% gross spread to ACB's C$7.40 closing price. The all-stock alternative implies C$7.33/share, with elections subject to proration. Beyond the immediate transaction value, ACB shareholders are expected to retain approximately 35% economic ownership in the combined company, providing exposure to more than C$50 million in identified annual run-rate revenue and cost synergies and potential valuation upside.
- **The announced consideration reinforces the valuation framework and underlying thesis established in our previous coverage**. In our August update, ACB traded at 0.92x FY27E sales and 4.95x adjusted EBITDA, while our 1.40x P/S framework illustrated a valuation of approximately C$6.30/share. Organigram's C$7.80/share offer represents a 24% premium to that value, recognizing ACB's international medical franchise, EU-GMP infrastructure and earnings potential. The recent 44% y/y international medical revenue growth and sharp sequential EBITDA recovery further support the underlying business fundamentals.
- **ACB's current trading premium reflects its differentiated international medical franchise and the strategic value recognized through Organigram's acquisition announcement**. With a market capitalization of C$486 million and enterprise value of C$353 million, ACB trades at 1.53x CY26E sales and 10.38x CY26E adjusted EBITDA, based on Street estimates sourced from TIKR, compared with peer averages of 1.31x and 8.65x, respectively. The premium reflects ACB's international medical leadership, certified manufacturing infrastructure and higher-margin business mix, alongside the valuation uplift following Organigram's C$7.80/share acquisition announcement. We believe EBITDA recovery, supported by 44% y/y international medical revenue growth, reinforces the underlying strength of ACB's operations. P/S therefore provides a more meaningful relative valuation comparison amid near-term earnings compression, while the negotiated transaction remains the primary valuation benchmark, with further shareholder returns increasingly linked to transaction completion, realization of identified synergies and the combined company's future trading valuation.

Chart 8: Trading Comps - ACB vs. Peers*

Ticker	Company	Market Cap (C$Mn)	EV (C$Mn)	P/CY26E Sales (x)	EV/CY26E EBITDA (x)
ACB	**Aurora Cannabis Inc.**	**486**	**353**	**1.53**	**10.38**
OGI	**Organigram Global Inc.**	**176**	**267**	**0.44**	**5.57**
CRON	Cronos Group Inc.	1,879	903	6.26	14.95
TLRY	Tilray Brands, Inc.	603	797	0.42	9.05
SNDL	SNDL Inc.	486	515	0.53	10.27
WEED	Canopy Growth Corporation	389	329	1.21	NM
DB	Decibel Cannabis Company Inc.	79	126	0.58	4.08
HITI	High Tide Inc.	333	433	0.42	7.37
ROMJ	Rubicon Organics Inc.	32	43	0.43	7.52
	Average	**496**	**418**	**1.31**	**8.65**

Source: Exec Edge Research, TIKR. Price data as of 11/6 close. Notes: (1) TLRY estimates use the period ending November 30, while HITI estimates use January 31, reflecting differences in financial reporting calendars. (2) WEED is excluded from the EV/EBITDA average because its multiple is not meaningful.

Chart 9: ACB - Financial Snapshot

Income Statement | ACB, C$000s	FY25	FY26	4Q FY25	1Q FY26	2Q FY26	4Q FY26	1Q FY27	2Q FY27
Revenue	319,858	342,424	83,522	80,508	84,734	89,308	70,757	89,180
Excise taxes	-30,947	-21,831	-6,754	-6,432	-5,925	-4,492	-3,203	-3,159
Net revenue	**288,911**	**320,593**	**76,768**	**74,076**	**78,809**	**84,816**	**67,554**	**86,021**
Cost of sales	-144,085	-161,819	36,472	35,227	42,210	49,857	38,362	42,117
Gross profit before fair value adjustments	**144,826**	**158,774**	**40,296**	**38,849**	**36,599**	**34,959**	**29,192**	**43,904**
Loss on fair value of inventory and biological assets sold	-131,985	-138,255	-30,945	31,437	38,610	-31,949	32,272	34,454
Unrealized gain on changes in fair value of biological assets	168,111	116,131	16,043	-26,116	-33,155	19,841	-38,702	-28,098
Gross profit	**180,952**	**136,650**	**25,394**	**33,528**	**31,144**	**22,851**	**35,622**	**37,548**
Expenses								
General and administration	91,323	106,567	25,078	26,872	26,294	29,540	24,602	30,267
Sales and marketing	56,170	59,641	15,407	14,455	14,304	16,022	15,591	17,843
Business development costs	3,435	1,975	624	361	321	850	1,589	1,713
Research and development	3,676	4,022	785	829	904	985	941	910
Depreciation and amortization	2,984	3,814	482	767	1,379	1,196	937	1,109
Share-based compensation	12,930	7,293	3,786	2,186	4,969	689	693	3,640
Total Expenses	**170,518**	**183,312**	**46,162**	**45,470**	**48,171**	**49,282**	**44,353**	**55,482**
Income (loss) from operations	**10,434**	**-46,662**	**-20,768**	**-11,942**	**-17,027**	**-26,431**	**-8,731**	**-17,934**
Other income (expenses)								
Legal Settlement and contract termination fees	0	0	0	0	0	0	0	0
Interest and other income	10,314	5,847	2,128	1,823	2,093	695	1,241	1,252
Finance and other costs	-2,515	-1,809	-1,195	-486	-419	-485	-464	-330
Foreign exchange gain (loss)	11,659	1,341	4,468	-86	3,755	-223	2,881	-936
Other gains	2,099	720	6,524	434	732	586	1,443	-1,549
Restructuring charges	0	0	0	0	0	0	0	0
Impairment of property, plant and equipment	-696	-2,775	0	0	-525	-2,246	0	0
Impairment of intangible assets and goodwill	0	-13,186	0	0	-13,186	0	0	0
Impairment of investment in associates	0	0	0	0	0	0	0	0
Total Other Income (expenses)	20,861	-9,862	11,925	1685	-7,550	-1,673	5,101	-1,563
Income (loss) before taxes	**31,295**	**-56,524**	**-8,843**	**-10,257**	**-24,577**	**-28,104**	**-3,630**	**-19,497**
Income tax recovery (expense)	**-4,245**	**-2,095**	**-3,285**	**71**	**-2605**	**538**	**-403**	**-1553**
Net income (loss) from continuing operations	27,050	-58,619	-12,128	-10,186	-27,181	-27,566	-4,033	-21,050
Net loss from discontinued operations, net of tax	-25,459	-77,345	-19,724	-9,679	-25,867	-33,579	0	0
Net income (loss)	**1,591**	**-135,964**	**-31,852**	**-19,865**	**-53,048**	**-61,145**	**-4,033**	**-21,050**
Income (loss) per share - diluted								
Continuing operations	$0.49	($1.03)	($0.22)	($0.18)	($0.48)	($0.48)	($0.07)	($0.32)
Discontinued operations	($0.45)	($1.11)	($0.13)	($0.09)	($0.43)	($0.51)	-	$0.00
Total operations	**$0.04**	**($2.14)**	**($0.35)**	**($0.27)**	**($0.91)**	**($0.99)**	**($0.07)**	**($0.32)**

Balance Sheet - Key Items | ACB, C$000s	FY25	FY26	4Q FY25	1Q FY26	2Q FY26	4Q FY26	1Q FY27	2Q FY27
Cash and cash equivalents	137,921	64,690	137,921	140,160	95,689	64,690	69,307	65,889
Restricted cash	47,407	47,791	47,407	45,873	46,257	47,791	49,086	49,409
Short-term investments	0	52,213	0	0		52,213	30,722	17,730
Accounts receivable	42,470	44,578	42,470	39,136	46,734	44,578	41,091	54,928
Biological assets	51,168	20,213	51,168	36,584	41,190	20,213	24,000	21,696
Inventory	187,925	154,862	187,925	191,679	180,774	154,862	163,543	162,148
Total assets	**852,666**	**601,087**	**852,666**	**837,839**	**7,56,863**	**601,087**	**620,877**	**615,133**
Accounts payable and accrued liabilities	73,605	50,592	73,605	81,288	49,345	50,592	56,830	59,111
Loans and borrowings (short term)	21,513	0	21,513	59,841	59,757	0	0	0
Loans and borrowings (long term)	40,194	0	40,194	0	0	0	0	0
Total liabilities	**244,075**	**89,255**	**244,075**	**249,155**	**189,763**	**89,255**	**93,746**	**96,717**
Total equity attributable to Aurora Cannabis Inc. shareholders	567,171	511,832	567,171	551,920	531,911	511,832	527,131	518,416
Non-controlling interests	41,420	0	41,420	36,764	35,189	0	0	0
Total equity	**608,591**	**511,832**	**608,591**	**588,684**	**567,100**	**511,832**	527,131	518,416
Total liabilities and equity	**852,666**	**601,087**	**852,666**	**837,839**	**756,863**	**601,087**	**620,877**	**615,133**

Cash Flow Statements - Key Items | ACB, C$000s	FY25	FY26	4Q FY25	1Q FY26	2Q FY26	4Q FY26	1Q FY27	2Q FY27
Net cash provided by (used in) operating activities	**18,969**	**-7,828**	**6,767**	**7,679**	**-38,008**	**2,413**	**-4,446**	**-14,946**
Purchase of property, plant and equipment and intangible assets	-15,054	-22,545	-500	-4,875	-6,704	-5,174	-5,410	-6,353
Net cash provided by (used in) investing activities	**-11,868**	**-72,844**	**-3,862**	**-4,875**	**-5,137**	**-5,310**	**1,239**	**7,001**
Net cash provided by (used in) financing activities	**-4420**	**4,896**	**3,015**	**-1,162**	**-1,248**	**13,449**	**5,375**	**8,376**
Increase (decrease) in cash and cash equivalents	1,826	-73,231	5,296	2,239	-44,471	8,327	4,617	-3,418
Cash and cash equivalents, end of period	137,921	64,690	137,921	140,160	95,689	64,690	69,307	65,889

Source: Exec Edge Research, ACB Filings. ACB's Fiscal Year ends in March. Numbers reflect restated continuing operations.

Chart 10: ACB + OGI, Pro Forma Historical Financial Profile

$CMn	Q4 2025A	Q1 2026A	Q2 2026A	Q3 2026A	LTM
For the period ended	30-Sep-25	31-Dec-25	31-Mar-26	30-Jun-26	30-Jun-26
Aurora net revenue	$78.80	$82.90	$84.80	$67.60	$314.10
Organigram net revenue	$80.10	$63.50	$59.80	$105.80	$309.20
Pro forma net revenue	**$158.90**	**$146.40**	**$144.60**	**$173.30**	**$623.20**
Aurora gross profit before fair value adjustments	$36.60	$48.40	$35.00	$29.20	$149.10
Organigram gross profit before fair value adjustments	$28.00	$23.50	$15.00	$38.80	$105.30
Pro forma gross profit before fair value adjustments	**$64.60**	**$71.90**	**$50.00**	**$68.00**	**$254.40**
Aurora adjusted EBITDA	$16.30	$19.70	$10.20	$4.40	$50.60
Organigram adjusted EBITDA	$9.80	$5.30	$0.90	$13.40	$29.40
Adjusted EBITDA	**$26.10**	**$24.90**	**$11.10**	**$17.80**	**$80.00**
$CMn	Q4 2025A	Q1 2026A	Q2 2026A	Q3 2026A	LTM
Organigram					
Consumer net revenue	$66.40	$54.10	$50.00	$61.80	$232.30
Medical net revenue	$13.60	$9.50	$9.70	$44.00	$76.80
Total Organigram net revenue	**$80.10**	**$63.50**	**$59.80**	**$105.80**	**$309.20**
Aurora					
Medical net revenue	$70.50	$76.20	$77.10	$64.00	$287.90
Consumer net revenue	$6.90	$5.20	$3.60	$2.10	$17.70
Wholesale bulk net revenue	$1.40	$1.50	$4.10	$1.50	$8.40
Total Aurora net revenue	**$78.80**	**$82.90**	**$84.80**	**$67.60**	**$314.10**
Combined company					
Total medical net revenue	$85.60	$87.20	$90.90	$109.50	$373.20
Total consumer net revenue	$73.30	$59.20	$53.70	$63.90	$250.10
Total pro forma net revenue	**$158.90**	**$146.40**	**$144.60**	**$173.30**	**$623.20**
% Medical					**59.90%**
% Consumer					**40.10%**

Source: Exec Edge Research, Company Filings. Notes 1. Adjusted EBITDA and gross profit before fair value adjustments are non-IFRS measures; refer to each company's MD&A for definitions and reconciliations. 2. Organigram and Aurora figures are aligned by calendar quarter end. 3. Aurora adjusted EBITDA adds back research and development expense, net of depreciation, to reported adjusted EBITDA to align with Organigram's presentation. 4. Organigram medical net revenue comprises medical, international, wholesale and other revenue. 5. Combined medical net revenue includes Aurora's wholesale bulk net revenue.

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