

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Jushi Holdings Inc.** (the “Issuer” or “Jushi”).

Trading Symbol: **JUSH**

Number of Outstanding Listed Securities

**As of July 31, 2021:**

**153,132,141**

Date: **August 5, 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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## Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The Issuer is a vertically integrated, multi-state cannabis operator. In the United States, the Issuer is focused on building a multi-state portfolio of branded cannabis assets through opportunistic acquisitions, distressed workouts and competitive applications.**

**On July 7, the Company announced that Franklin Bioscience OH, LLC ("FBS-OH"), a licensed medical marijuana processor to which Jushi provides operational consulting services, has received authorization to commence operations at the Company's newly constructed 8,000 sq. ft., state-of-the-art processing facility located in Columbus, Ohio. Additionally, Jushi and FBS – OH have applied for a change of ownership to state regulators for FBS – OH to become a subsidiary of the Company.<sup>1</sup>**

**On July 15, the Company announced announced it has closed its previously announced acquisition of OhiGrow, LLC, one of 34 licensed cultivators in Ohio, and Ohio Green Grow LLC (collectively, "OhiGrow"), for total consideration of \$5.0 million in cash, inclusive of an approximately 10,000 sq. ft. facility and 1.35 acres of land.<sup>2</sup>**

**On July 20, the Company announced the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("the HSR Act") in respect to its proposed acquisition of Nature's Remedy of Massachusetts, Inc. and certain of its affiliates (collectively, "Nature's Remedy"), a vertically integrated single state operator in Massachusetts. The waiting period expired without a second request for information. The transaction is expected to close in late Q3 or early Q4 of 2021, subject to certain closing conditions, including final approval from the Commonwealth of Massachusetts Cannabis Control Commission.<sup>3</sup>**

**On July 22, the Company announced that it will be deemed a U.S. domestic issuer under United States securities laws and will be subject to SEC**

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<sup>1</sup><https://ir.jushico.com/news-events/press-releases/detail/163/jushi-holdings-inc-announces-franklin-bioscience-oh-llc>

<sup>2</sup><https://ir.jushico.com/news-events/press-releases/detail/165/jushi-holdings-inc-completes-acquisition-of-licensed>

<sup>3</sup><https://ir.jushico.com/news-events/press-releases/detail/166/jushi-holdings-inc-announces-the-expiration-of-hsr-act>

reporting requirements applicable to U.S. domestic companies no later than January 1, 2022. These U.S. reporting requirements will require Jushi's financial statements and financial data to be presented under U.S. GAAP. Jushi has established a task force of internal and external resources to manage the transition.<sup>4</sup>

On July 28, the Company announced it partnered with Colin Hanks to bring his handkerchief line, Hanks Kerchiefs, to select BEYOND / HELLO™ retail stores. The collaboration expands on Jushi's vision for BEYOND / HELLO™ to work with new and like-minded partners to build the Company's brand into a modern retail leader that blends exclusive and unique offerings with cultural experiences. The line of kerchiefs created by the actor, producer and director is now available for purchase at select BEYOND / HELLO™ dispensary locations, as well as online nationwide at Shop Jushi. In addition, a portion of each Hanks Kerchiefs sold will support several charities such as Homes for Our Troops, a nonprofit organization that builds homes for veterans.<sup>5</sup>

On July 29, the Company announced it has expanded its partnerships with the Laundry Project, a movement by Current Initiatives, a 501(c)(3) not-for-profit charitable organization that is committed to educating and mobilizing communities to be "Hope Dealers" through the Laundry Project, Hope For Homes Project and Affordable Christmas initiatives. To date, the Jushi-Laundry Project collaboration has already hosted seven events, which have helped more than 161 families and approximately an average of 570 individuals with more than 2,300 loads of laundry. As a part of the expanded partnership with the Laundry Project, Jushi has committed an additional \$50,000 to fund events coast-to-coast assisting lower-income families in meeting a basic need: washing clothes and linens. Together, Jushi and the Laundry Project will help pay for and assist families with laundry services, entertaining children and creating a caring space at the laundromat during their events. The Company's latest contribution to the organization will be used to host 25 community events in states such as California, Pennsylvania, Illinois, Virginia, among others.<sup>6</sup>

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<sup>4</sup><https://ir.jushico.com/news-events/press-releases/detail/167/jushi-holdings-inc-to-transition-to-domestic-issuer-status>

<sup>5</sup><https://ir.jushico.com/news-events/press-releases/detail/169/jushi-holdings-inc-collaborates-with-actor-colin-hanks-to>

<sup>6</sup><https://ir.jushico.com/news-events/press-releases/detail/170/jushi-holdings-inc-expands-partnership-with-laundry>

On July 30, the Company announced that the American Arbitration Association (the “Panel”) awarded \$14,364,920.10 (the “Interim Award”) to Jushi FL SPV, LLC (“Jushi FL”), a subsidiary of Jushi Holdings Inc., in its dispute against San Felasco Nurseries, Inc. (“San Felasco”), a subsidiary of Harvest Health & Recreation, Inc. (“Harvest”). The Interim Award consists of \$10,637,012 in damages, plus \$3,727,908.14 in pre-award interest (accrued at a rate of \$3,497.099 per day) and post-award interest at a rate of 12% per annum. The Panel of three arbiters also affirmed that Jushi is entitled to recoup attorneys’ fees from San Felasco, in an amount to be determined by the Panel. The Interim Award is based on breach of contract and breach of implied covenant of good faith claims brought by Jushi against San Felasco in October of 2018. In its order, the Panel found that San Felasco improperly terminated its franchise agreements with Jushi FL without cause and in bad faith. San Felasco then sold its Florida cannabis business to Harvest, depriving Jushi of the royalties it would otherwise have realized. Following a final hearing in May of 2021, the Panel issued the Interim Award on July 29, 2021.<sup>7</sup>

The Issuer and its subsidiaries continue to be very diligent with its response to COVID-19 whilst still making the health and safety of its patients, customers, and employees a number one priority.

As of July 31, 2021, through various subsidiaries the Issuer operates 20 adult-use and/or medical cannabis dispensaries and one hemp-derived CBD store.

For more information on the Company, its facilities as well as the actions the Issuer and its subsidiaries are taking as it relates to COVID-19 and other information presented in Section 1, please see the Issuer’s filings on SEDAR, CSE, and/or press releases.

2. Provide a general overview and discussion of the activities of management.

**See Section 1.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

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<sup>7</sup><https://ir.jushico.com/news-events/press-releases/detail/171/jushi-holdings-inc-receives-~14-4-million-interim>

**See Section 1.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None material.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**See Section 1.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None material.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None material.**

8. Describe the acquisition of new customers or loss of customers.

**None material.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None material.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

During the month of July 2021, the Issuer had 56 new hires and 55 terminations. Headcount on July 31, 2021 was 905.

11. Report on any labour disputes and resolutions of those disputes if applicable.

On April 8, 2021, a union filed a petition with the National Labor Relations Board seeking to conduct an election to determine whether the majority of eligible employees at one of the company's dispensaries wish to be represented by the union for purposes of collective bargaining. The voting closed on June 8, 2021 and the ballots were counted on June 10, 2021. The majority of voting workers voted against unionizing. On June 17, 2021, the union filed objections to the election. The union withdrew their objections to the election on July 14, 2021 and on July 16, 2021, the National Labor Relations Board certified the election results.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**See Section 1 relating to the Interim Award.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None material.**

14. Provide details of any securities issued and options or warrants granted.

<u>Security</u>	<u>Number Issued</u>	<u>Details of Issuance</u>	<u>Use of Proceeds<sup>(A)</sup></u>
Subordinate Shares	1,062,692	Issued to investors, consultants and employees that exercised warrants and options	

*(A) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

**None.**

16. Provide details of any changes in directors, officers or committee members.

**None.**

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17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

**Pennsylvania’s Department of Health did not release any public information about the program in July.<sup>8</sup>**

**On August 3, the Illinois Department of Financial and Professional Regulation (the “IDFPR”) has announced the adult-use cannabis monthly sales figures for July: (1) 2,802,124 items sold; (2) 85,426,028.21 in-state resident sales; (3) \$42,368,192.28 out-of-state sales; and (4) \$127,794,220.50 total sales. In 2021, the adult-use cannabis total sales is 783,415,868.60.<sup>9</sup> On July 30, fifty-five recreational cannabis stores licenses were awarded in illinois.<sup>10</sup> On August 2, Illinois regulators issued 70 additional adult-use cannabis business licenses, including permits to an initial 32 craft cultivators, 28 to processors and 10 to transporters.<sup>11</sup>**

**On July 6, the State of Nevada’s Cannabis Compliance Board (“CCB”) announced that three members were reappointed to the CCB.<sup>12</sup> On July 13, the Cannabis Advisory Commission (“CAC”) held its first meeting.<sup>13</sup>**

**On July 19, Virginia’s Governor Northam announced appointments to three cannabis oversight boards.<sup>14</sup>**

**On July 16, Ohio’s Board of Pharmacy published updated program data. The numbers included the following: (1) 15 level I and 12 level II cultivators operational; (2) 54 dispensaries operational; (3) 215,874 registered patients; and (4) \$471.2 million in product sales.<sup>15</sup> On July 30, 2021, Ohio lawmakers introduced a bill to legalize recreational cannabis in Ohio.<sup>16</sup>**

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<sup>8</sup><https://www.health.pa.gov/topics/programs/Medical%20Marijuana/Pages/Medical%20Marijuana.aspx>

<sup>9</sup>[https://www.idfpr.com/Forms/AUC/2021%2008%2003%20IDFPR%20monthly%20adult%20use%20cannabis%20ales.pdf](https://www.idfpr.com/Forms/AUC/2021%2008%2003%20IDFPR%20monthly%20adult%20use%20cannabis%20sales.pdf)

<sup>10</sup>[https://www.idfpr.com/News/2021/2021%2007%2029%20QA%20Lottery%20Results%20Press%20release\\_322p.m.pdf](https://www.idfpr.com/News/2021/2021%2007%2029%20QA%20Lottery%20Results%20Press%20release_322p.m.pdf); [https://mjbizdaily.com/illinois-awards-55-new-recreational-cannabis-retail-licenses/?utm\\_medium=email&utm\\_source=newsletter&utm\\_campaign=MJD\\_20210802\\_NEWS\\_Daily](https://mjbizdaily.com/illinois-awards-55-new-recreational-cannabis-retail-licenses/?utm_medium=email&utm_source=newsletter&utm_campaign=MJD_20210802_NEWS_Daily)

<sup>11</sup>[https://mjbizdaily.com/illinois-awards-70-permits-in-flurry-of-adult-use-cannabis-business-licensing/?utm\\_medium=email&utm\\_source=newsletter&utm\\_campaign=MJD\\_20210802\\_NEWS\\_Daily](https://mjbizdaily.com/illinois-awards-70-permits-in-flurry-of-adult-use-cannabis-business-licensing/?utm_medium=email&utm_source=newsletter&utm_campaign=MJD_20210802_NEWS_Daily)

<sup>12</sup><https://ccb.nv.gov/wp-content/uploads/2021/07/CCB-Reappointments-July-6-2021.pdf>

<sup>13</sup><https://ccb.nv.gov/wp-content/uploads/2021/07/071321-CAC-Holds-First-Meeting-For-Release.pdf>

<sup>14</sup><https://www.governor.virginia.gov/newsroom/all-releases/2021/july/headline-898865-en.html>

<sup>15</sup><https://www.medicalmarijuana.ohio.gov/Documents/ProgramUpdate/program%20update.pdf>;  
<https://medicalmarijuana.ohio.gov/news>

<sup>16</sup><https://mjbizdaily.com/ohio-lawmakers-introduce-bill-to-legalize-recreational-cannabis/>

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **August 5, 2021**.

Jon Barack  
Name of Director or Senior  
Officer

/s/ Jon Barack  
Signature

President  
Official Capacity

<b>Issuer Details</b>		For Month End: <b>July 2021</b>	Date of Report YY/MM/DD <b>21/08/05</b>
Name of Issuer <b>Jushi Holdings Inc.</b>			
Issuer Address <b>301 Yamato Road, Suite 3250</b>			
City/Province/Postal Code <b>Boca Raton, FL 33431</b>		Issuer Fax No. ( )	Issuer Telephone No. <b>(561) 917- 9100</b>
Contact Name <b>Michael Perlman</b>		Contact Position <b>EVP Investor Relations &amp; Treasurer</b>	Contact Telephone No. <b>(561) 910 - 4296</b>
Contact Email Address <b>investors@jushico.com</b>		Web Site Address <b>www.jushico.com</b>	

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