

## 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 May 31, 2021:**

**150,775,313**

Date: **June 4, 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 May 3, the Company announced that its previously announced application for a management cease trade order ("MCTO") under National Policy 12-203 Management Cease Trade Orders ("NP 12-203") because it was not able to timely file its audited financial statements for the year ended December 31, 2020, the related management's discussion and analysis, related CEO and CFO certificates and annual information form for the year-ended December 31, 2020 (collective, the "Documents") on or before April 30, 2021, had been approved by the Ontario Securities Commission (the "OSC").<sup>1</sup>**

**On May 4, the Company announced that it has closed on its previously announced acquisition of 100% of the equity of Organic Solutions of the Desert, LLC ("OSD"), an operating dispensary located in Palm Springs, California and approximately 78% of the equity of a retail license holder located in Grover Beach, California with the option to acquire the remaining equity in the future.<sup>2</sup>**

**On May 5, the Company announced that it has closed the previously announced acquisition of a 93,000 sq. ft. facility (the "Facility"), operated by its wholly-owned subsidiary and Virginia-based pharmaceutical processor, Dalitso LLC ("Dalitso"), together with approximately nine acres of surrounding land in Prince William County, Virginia, for approximately \$22 million (the "Acquisition"). The Acquisition, together with Dalitso's planned buildout of the Facility, enables Dalitso to efficiently produce a consistent supply of medical cannabis products as patient access improves and the medical cannabis program continues to mature and expand.<sup>3</sup>**

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<sup>1</sup> <https://ir.jushico.com/news-events/press-releases/detail/144/jushi-holdings-inc-provides-mcto-update>

<sup>2</sup> <https://ir.jushico.com/news-events/press-releases/detail/145/jushi-holdings-inc-completes-acquisition-of-two-california>

<sup>3</sup> <https://ir.jushico.com/news-events/press-releases/detail/146/jushi-holdings-inc-closes-acquisition-of-dalitso-llc>

On May 17, the Company announced a bi-weekly update on the status of the management cease trade order granted on May 3, 2021 (the “MCTO”) under National Policy 12-203 –Management Cease Trade Orders(“NP 12-203“).<sup>4</sup> On May 24, the Company provided an update with respect to the filing of the Documents. MNP then expected to complete the audit and the filing of the Documents by May 28, 2021.<sup>5</sup>

On May 26, the Company announced that Marina Hahn has been appointed to its Board of Directors effective immediately. Ms. Hahn is an experienced industry leader with a strong track record of building culturally relevant consumer brands and disruptive new product categories, as well as driving value creation across startups, turnarounds, and Fortune 500 corporations. To date, Ms. Hahn has launched three highly successful image-based consumer brands that have delivered on her goal of providing superior consumer experiences. A highly strategic thinker who employs unorthodox creative approaches and the latest technologies, Ms. Hahn is effective in building operations, supply chain, product portfolios and sales organizations.<sup>6</sup>

On May 28, the Company announced its unaudited first quarter 2021 ended March 31, 2021 financial results and provided an update with respect to the filing of the Company’s Documents. MNP had again notified the Company that it required additional time to complete its audit procedures. MNP advised the Company that it expected to be ready to sign off on the audit by Friday, June 4, 2021, at which time the Company plans to file the Documents on SEDAR. The Company is not aware of any material issue with the auditor’s review and expects an unqualified opinion.<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.

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<sup>4</sup> <https://ir.jushico.com/news-events/press-releases/detail/147/jushi-holdings-inc-provides-bi-weekly-mcto-status-update>

<sup>5</sup> <https://ir.jushico.com/news-events/press-releases/detail/148/jushi-holdings-inc-provides-update-on-financial-statement>

<sup>6</sup> <https://ir.jushico.com/news-events/press-releases/detail/150/jushi-holdings-inc-announces-the-appointment-of-marina>

<sup>7</sup> <https://ir.jushico.com/news-events/press-releases/detail/152/jushi-holdings-inc-reports-first-quarter-2021-financial>

**As of May 31, 2021, through various subsidiaries the Issuer operates 18 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.

**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

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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.

**See Section 1 relating to OSD.**

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.**

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

**During the month of May 2021, the Issuer had 88 new hires and 34 terminations. Headcount on May 31, 2021 was 854.**

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 closes on June 8, 2021 and the ballots will be counted on June 10, 2021.**

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.

**None.**

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>

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<b>Subordinate Shares</b>	<b>217,388</b>	<b>Issued to investors that exercised warrants and options</b>	
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(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.**

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

**On May 18, Pennsylvania's Department of Health highlighted the state's medical marijuana program following the quarterly Medical Marijuana Advisory Board Meeting. The following information about the program was provided: (1) 582,000+ patients and caregivers registered; (2) 119 dispensaries are opened and dispensing product; (3) 30 grower/processors are operational with 25 shipping product to dispensaries; (4) since program's inception total sales are more than \$2.8B (\$1.7B in sales from dispensaries selling to patients); and (5) reiterated that the COVID-19 emergency rules surrounding statutory and regulatory suspensions will remain in place for as long as the Proclamation of Disaster Emergency is in effect.<sup>8</sup>**

**On June 2, 2021, the Illinois Department of Financial and Professional Regulation (the "IDFPR") announced the adult-use cannabis monthly sales figures. In May there were 2,512,093 items sold for a grand total of \$116,380,348.01 in sales. Of the total sales, in-state residents accounted for \$79,559,545 while out-of-state residents accounted for \$36,820,803.01. In 2021, the program has generated an aggregate of \$510,047,214.83 in total sales.<sup>9</sup> In May, the State's House approved proposed legislation that would create new additional 55 dispensary license lottery while addressing the issues relating to the initial 75 additional licenses established during 2019.<sup>10</sup>**

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<sup>8</sup><https://www.media.pa.gov/pages/health-details.aspx?newsid=1457>;

<https://www.health.pa.gov/topics/Documents/Programs/Medical%20Marijuana/PA%20DOH%20MMAB%20Presentation%20-%20May%2018%202021.pdf>

<sup>9</sup><https://www.idfpr.com/Forms/AUC/2021%2006%2002%20IDFPR%20monthly%20adult%20use%20cannabis%20sales.pdf>

<sup>10</sup> <https://www.marijuanamoment.net/illinois-house-approves-marijuana-equity-licensing-bill/>

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**The State of Nevada’s Cannabis Compliance Board (“CCB”) announced the suspension of NLV Wellness, LLC’s cultivation license on May 20, 2021.<sup>11</sup> There are no updates relating to state licensing numbers.<sup>12</sup>**

**In May, Virginia’s Governor Northam announces administration appointment of Brad Copenhaver as Commission of the Virginia Department of Agriculture and Consumer Services.<sup>13</sup>**

**In May, Ohio’s Medical Marijuana Control Program announced updated statistics and are as follows: (1) 15 of 20 level 1 provisional cultivators and 12 of 14 level 2 provisional cultivators have certificates of operation; (2) 53 of 58 provisional dispensary licenses have certificates of operation; (3) 30 of 45 provisional processing licenses have certificates of operation; (4) there are over 197,000 registered patients; and (5) as of March 20, 2021 there have been over \$344 million in product sales.<sup>14</sup>**

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<sup>11</sup><https://ccb.nv.gov/wp-content/uploads/2021/03/CCB-CAC-Appointments-for-release.pdf>;  
<https://ccb.nv.gov/wp-content/uploads/2021/05/Summary-Suspension-CCB-.pdf>

<sup>12</sup> <https://ccb.nv.gov/media/#item-3>

<sup>13</sup> <https://www.governor.virginia.gov/newsroom/all-releases/2021/may/headline-895444-en.html>

<sup>14</sup><https://www.medicalmarijuana.ohio.gov/Documents/ProgramUpdate/program%20update.pdf>;  
<https://medicalmarijuana.ohio.gov/news>

## 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 **June 4, 2021**.

Jon Barack  
Name of Director or Senior  
Officer

/s/ Jon Barack  
Signature

Co-President  
Official Capacity

<b>Issuer Details</b>		For Month End: <b>May 2021</b>	Date of Report YY/MM/DD <b>21/06/04</b>
Name of Issuer <b>Jushi Holdings Inc.</b>			
Issuer Address <b>1800 NW Corporate Blvd. Suite 200</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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