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Cannabis Deal Tracker

Q1 2026 Quarterly Report

January 1, 2026 through March 31, 2026

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Executive Summary

Q1 2026 marked a dramatic resurgence in cannabis capital markets activity.

Executive Summary

The first quarter of 2026 represented a significant inflection point for cannabis capital markets. The Viridian Deal Tracker recorded 40 total transactions across M&A, equity, and debt categories, deploying approximately $1.97 billion in aggregate capital. This figure reflects a meaningful acceleration from both Q1 2025 ($366M across 34 deals) and Q1 2024 ($628M across 51 deals), driven primarily by a surge in large-scale debt refinancings and a revival of strategic M&A.

M&A deal volume reached 20 transactions in Q1 2026, up from 12 in Q1 2025 and 17 in Q1 2024. Disclosed transaction value totaled $579.7M, a sharp increase from Q1 2025's $38.3M, signaling renewed acquirer confidence. Notably, the quarter was defined by consolidation among multi-state operators (MSOs), cross-border acquisitions into Europe, and the continued cleanup of distressed assets in mature U.S. markets.

Debt capital raises totaled $1.29 billion across 13 transactions, a dramatic increase from the $247M raised in Q1 2025. The quarter was dominated by major refinancings from Curaleaf ($500M), Verano ($195M + $25M amendment), Jushi ($160M), and Canopy Growth ($162M), as leading operators extended maturities and improved capital structures ahead of anticipated regulatory catalysts.

Equity issuance remained muted at $94.2M across 7 deals, reflecting the sector's continued preference for debt over dilutive equity. The equity market was concentrated in Canadian-listed companies and biotech/pharma names, with OrganiGram's $47.6M private placement representing over half of total Q1 equity volume.

Q1 2026 at a Glance

40
Total Deals
vs. 34 in Q1 2025

$1.97B
Total Capital Deployed
vs. $366M in Q1 2025

20
M&A Transactions
$579.7M disclosed TV

13
Debt Raises
$1.29B total face value

7
Equity Raises
$94.2M total raised

$500M
Largest Single Deal
Curaleaf Sr. Sec. Notes

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Macro Backdrop

The Cannabis Capital Markets Landscape

Macro Backdrop: The Cannabis Capital Markets Landscape

Q1 2026 opened with the cannabis sector riding a wave of renewed optimism stemming from the December 2025 Executive Order directing the DOJ and DEA to expedite rescheduling from Schedule I to Schedule III. While the formal administrative process remained ongoing through the quarter, the sentiment shift was unmistakable: operators began refinancing aggressively, acquirers re-engaged, and capital formation accelerated meaningfully.

The broader U.S. cannabis market was projected to reach approximately $32.8 billion in regulated sales for 2026, representing 5.2% growth over 2025's $31.1 billion. ATB Capital Markets forecasted 4% revenue growth for MSOs in 2026, with M&A providing additional upside in the second half of the year. The hemp intoxicant loophole closure, expected to take effect in late 2026, was viewed as a net positive for licensed operators, potentially redirecting an estimated $30 billion gray market back toward the regulated channel.

Internationally, Canadian producers continued to dominate global medical cannabis supply chains, with annual export volumes reaching approximately 240 tonnes in 2025, more than doubling 2024 levels. Germany's medical cannabis market remained a key growth vector, though proposed telemedicine restrictions introduced regulatory uncertainty. OrganiGram's proposed acquisition of Sanity Group underscored the transatlantic strategic thesis.

On the credit side, major MSOs used the quarter to extend maturities and right-size their balance sheets. Curaleaf, Verano, Jushi, and Trulieve all completed significant refinancings. Access to secured credit at rates ranging from approximately 9.5% to 12.5% per annum demonstrated an improving, if still expensive, cost of capital environment for the sector's top operators.

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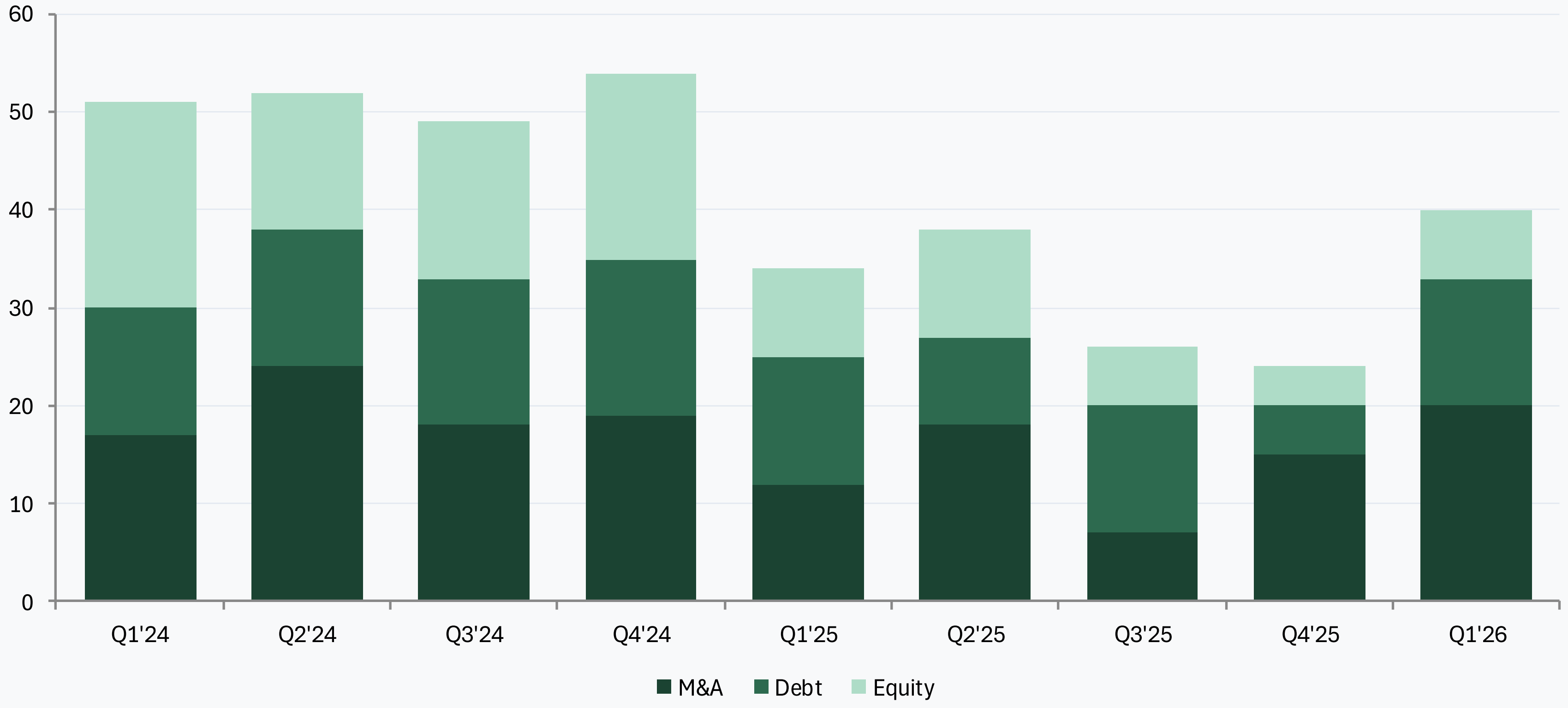
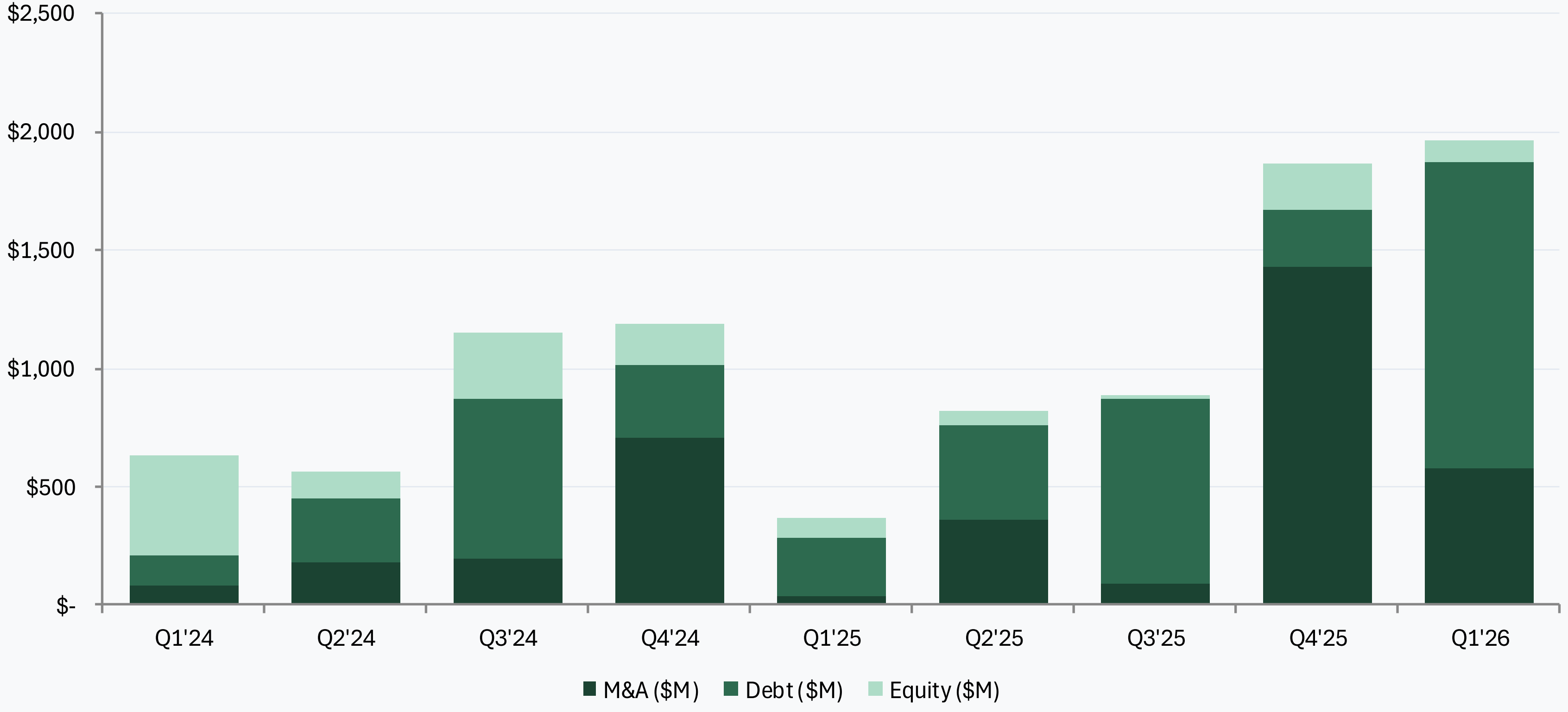
Q1 2026 Deal Tracker Overview

All Transactions

Deal Volume by Quarter: Q1 2024 through Q1 2026



Total Capital Deployed by Quarter ($M)



Deal Tracker Overview: Key Observations

Q1 2026 represented the strongest first quarter for cannabis deal activity since 2024 in terms of total capital deployed, with approximately $1.97 billion transacted across 40 deals. The quarter's character was defined by a pronounced shift toward debt capital formation, which constituted roughly 66% of total dollar volume. This pattern reflects the sector's maturation: the largest operators are now firmly in a refinancing and balance sheet optimization phase, leveraging improved credit market access to push out near-term maturities and lower effective borrowing costs where possible.

M&A activity rebounded to 20 deals, the highest quarterly count since Q2 2024. However, deal disclosure rates remained low: only 5 of 20 M&A transactions included a published transaction value, consistent with the cannabis industry's persistent opacity around private deal terms. The disclosed transactions that did surface were notably larger in scale, with OrganiGram's twin bids for Sanity Group and the Millstreet Credit Fund's $130M acquisition of Cannabist's Virginia assets standing out as marquee deals.

Equity issuance continued its multi-quarter contraction, with just 7 deals raising $94.2M. This represented a modest improvement from Q1 2025 ($81.1M, 9 deals) but was far below Q1 2024's $416.8M across 21 deals. The narrowing of the equity window reflects both market conditions and issuer preference: operators who can access secured debt are choosing to do so rather than dilute shareholders at depressed valuations.

The mix of deal types and the concentration of capital in the hands of the sector's largest operators reinforces a theme Viridian has tracked for several quarters: the cannabis capital markets are increasingly bifurcated between a handful of well-capitalized MSOs and a long tail of capital-constrained smaller operators.

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M&A Activity

Mergers, Acquisitions & Asset Sales

M&A Overview: Q1 2026

Q1 2026 delivered 20 M&A transactions, the strongest quarterly deal count since Q2 2024's 24 deals and a sharp rebound from Q1 2025's 12 deals. Disclosed aggregate transaction value reached $579.7M, a fifteen-fold increase over the $38.3M recorded in Q1 2025, though the low disclosure rate (25% of deals) means the true market value was likely considerably higher.

The quarter was dominated by acquisitions (15 of 20 deals), with asset sales (2), an asset purchase (1), an asset acquisition (1), and a merger (1) rounding out the mix. Private acquirers accounted for 14 of 20 transactions, a notable departure from 2024's more balanced public/private split, suggesting that private equity and independent operators are gaining ground as MSOs shed non-core assets.

California was the most active target market by far, with 6 deals targeting companies headquartered in the state. Colorado followed with 3 target deals, reflecting that state's continued importance as a mature but consolidating market. Alberta, Canada appeared in 2 deals, consistent with the ongoing rationalization of the Canadian retail landscape.

Cross-border M&A made headlines in Q1, led by OrganiGram's proposed acquisition of German cannabis company Sanity Group. This transaction, valued at approximately $261M (with a subsequent $134M component), represented one of the largest cross-border cannabis deals in recent memory and signaled growing confidence in the European medical cannabis opportunity.

M&A Deal Spotlights

Transaction	Value	Commentary
OrganiGram / Sanity Group	$261M + $134M	Cross-border acquisition of Germany's Sanity Group by Canadian LP OrganiGram, one of the largest cannabis deals targeting the European market. Signals strong conviction in German medical cannabis growth.
Millstreet Credit Fund / Cannabist Virginia	$130.0M	Credit fund acquired Cannabist's Virginia operations as part of Cannabist's broader restructuring. Virginia's pending adult-use launch in 2026 makes these assets strategically attractive.
Splash Beverage / Medterra CBD	$37.6M	A non-cannabis acquirer entering the hemp/CBD space through a merger, reflecting continued strategic interest in hemp-derived wellness brands from the broader CPG universe.
Parma Holdco / Cannabist Delaware	$16.5M	Asset sale as Cannabist continued divesting state-level operations. Consistent with the broader distressed M&A theme observed across mid-tier operators.
Wyld / Gron	Undisclosed	Oregon-based edibles consolidation, as two established brands combine. Reflects the ongoing theme of brand-level M&A in the infused products category.

M&A Target Geography: Q1 2026

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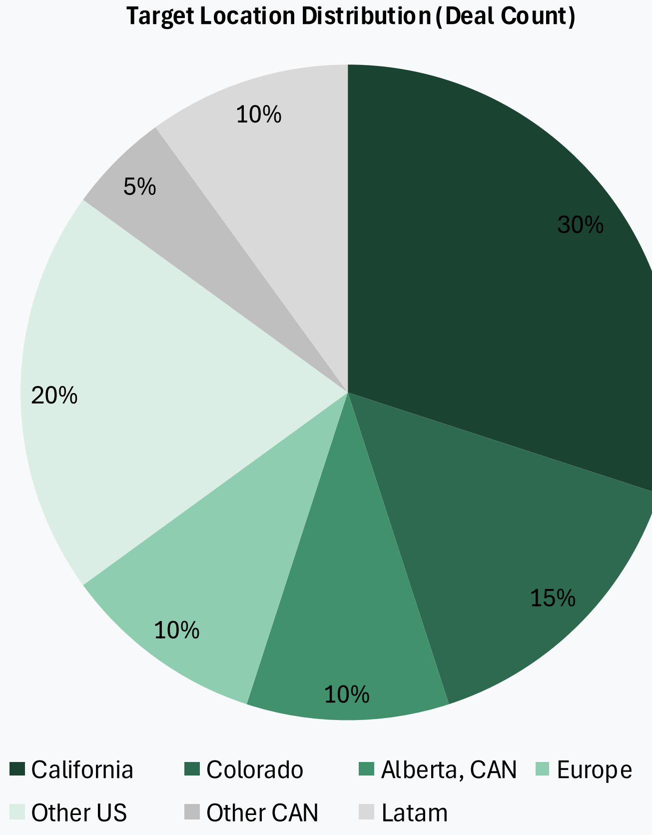

California dominated Q1 2026 M&A target activity with 6 deals, reinforcing its position as the industry's most active and competitive market. Deals ranged from large brand consolidations (Sunderstorm acquiring Lime) to technology acquisitions (Canix acquiring Trym) and asset pickups (Nabis acquiring Humble Cannabis Solutions assets).

Colorado accounted for 3 target-side deals, including Verdant Capital Partners' acquisition of Native Roots, a flagship Denver dispensary brand. The Colorado market continues to attract consolidators seeking established retail footprints at what appear to be attractive entry valuations relative to peak-era pricing.

Cross-border activity into Europe (2 deals, both OrganiGram/Sanity Group components) represented a new frontier for cannabis M&A. The German medical market's regulatory framework, combined with European patient growth, is drawing North American operators eastward.

The geographic spread of targets across 11 distinct states/provinces illustrates the fragmented nature of the cannabis M&A market and the importance of state-by-state strategy for acquirers.

M&A Themes: Q1 2026

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Distressed Asset Cleanup

The Cannabist Company's multi-state divestiture (Ohio, Delaware, Virginia) is the clearest example of a mid-tier MSO unwinding its portfolio under financial pressure. Expect further distressed sales as weaker operators seek to raise liquidity or restructure.

Private Acquirer Dominance

14 of 20 M&A deals featured private buyers, including credit funds (Millstreet), investment partnerships (Key Investment Partners, Verdant Capital), and strategic operators. This reflects the growing role of private capital in cannabis M&A.

European Expansion

OrganiGram's Sanity Group acquisition was the quarter's headline deal and may mark the beginning of a new wave of transatlantic M&A as North American operators pursue the German medical cannabis growth story.

Brand Consolidation in Infused Products

Deals like Wyld/Gron (Oregon edibles) and Sunderstorm/Lime (California vapes/edibles) reflect ongoing consolidation at the brand level in the infused products and extracts segment.

Technology and Software M&A

Canix's acquisition of Trym and Innovia Consulting's purchase of 365 Cannabis highlight that cannabis technology infrastructure is itself becoming an M&A target as the industry professionalizes.

05
Equity Capital Raises

Equity Capital Raises: Q1 2026

Equity issuance in Q1 2026 remained subdued, with 7 deals raising a combined $94.2M. While this represented a modest 16% increase over Q1 2025's $81.1M, it was a far cry from the $416.8M raised across 21 deals in Q1 2024. The equity market continues to operate under significant constraints: depressed public equity valuations, limited institutional appetite, and issuer reluctance to dilute at current price levels.

The quarter's largest equity transaction was OrganiGram Holdings' $47.6M private placement, which accounted for more than half of total Q1 equity volume. This raise was strategically tied to OrganiGram's funding needs for the Sanity Group acquisition, illustrating how equity issuance in 2026 is increasingly transaction-linked rather than general-purpose.

By sector, Biotech/Pharma names accounted for 3 of 7 deals, reflecting that investor appetite for cannabis-adjacent pharmaceutical and clinical-stage companies remains more robust than for plant-touching operators. Cardiol Therapeutics' $14.8M bought-deal financing and Avicanna's $1.6M private placement both fell into this category.

Geographically, Canadian-listed companies dominated the equity market, with 5 of 7 issuers headquartered in Canada. The lone U.S. equity transaction was Charlotte's Web's $10M private placement out of New York, part of a broader balance sheet restructuring that included a debenture conversion. Willie's Remedy, a Texas-based hemp company, raised $15M in Series A funding, one of the few early-stage equity raises in the quarter.

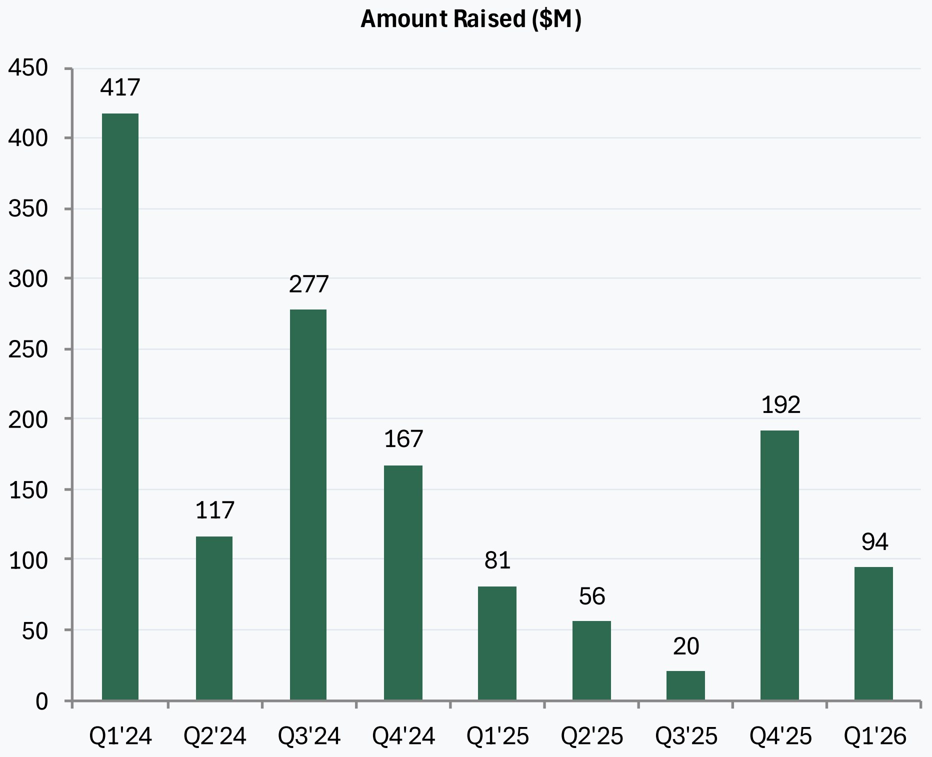
Private placements (both brokered and non-brokered) were the dominant structure, consistent with the cannabis sector's limited access to public equity markets and underwritten offerings.

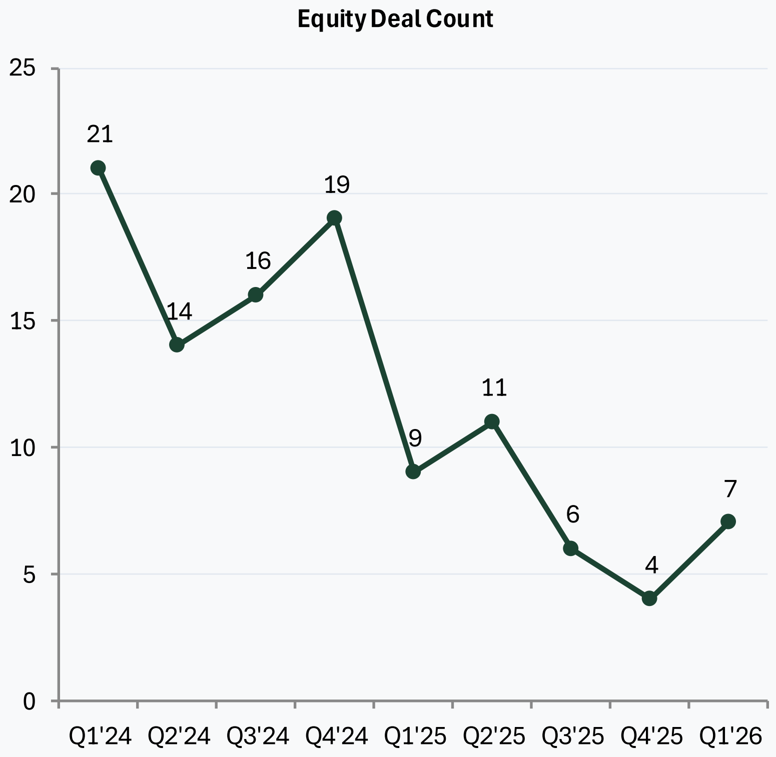
Q1 2026 Equity Transactions

Company	Type	Amount ($M)	Sector	Location
OrganiGram Holdings	Private Placement	$47.6	Cultivation & Retail	New Brunswick, CAN
Willie's Remedy	Series A	$15.0	Infused Products	Texas, USA
Cardiol Therapeutics	Bought-Deal	$14.8	Biotech/Pharma	Ontario, CAN
Charlotte's Web	Private Placement	$10.0	Hemp	New York, USA
Cannara Biotech	Non-Brokered PP	$4.7	Cultivation & Retail	Quebec, CAN
Avicanna	Private Placement	$1.6	Biotech/Pharma	Ontario, CAN
Cannabix Technologies	Non-Brokered PP	$0.5	Ancillary	British Columbia, CAN

Source: Viridian Deal Tracker

Equity Capital Raises: Quarterly Trend





06
Debt Capital Raises

Debt Capital Raises: Q1 2026

Debt capital markets were the defining story of Q1 2026. The quarter saw 13 transactions totaling $1.29 billion in face value, a dramatic increase from Q1 2025's $247M and more than Q4 2025's $239M and Q3 2025's $782M combined. This volume was driven almost entirely by a wave of refinancings from the sector's largest MSOs.

Curaleaf's $500M senior secured notes issuance was the quarter's largest single transaction and one of the largest cannabis debt deals on record. The notes carried a coupon of 11.5% and a February 2029 maturity, reflecting the premium cost of capital in cannabis credit markets, but also the market's willingness to extend meaningful tenor to scaled operators. Verano completed two transactions: a $195M senior secured term loan at SOFR + 550 bps (approximately 9.5% per annum) and a subsequent $25M credit facility amendment. Jushi refinanced its first lien with a $160M senior secured facility, while Canopy Growth secured a $162M amortizing term loan with warrants.

The deal type mix was weighted toward straight (non-convertible) debt, which accounted for 7 of 13 deals. Convertible notes appeared in 3 transactions, all from smaller issuers (IM Cannabis Corp and Akanda Corp). The secured/unsecured split heavily favored secured instruments, as lenders continued to demand collateral protection in a sector where default risk, though declining, remains elevated.

Geographically, the Midwest (Illinois, 3 deals) and Canada (3 deals) led debt issuance. Florida contributed 2 deals (Jushi and Trulieve), consistent with that state's role as a major MSO hub. Notably, international issuers in Israel and the UK accounted for the smaller convertible transactions.

Q1 2026 Debt Transactions

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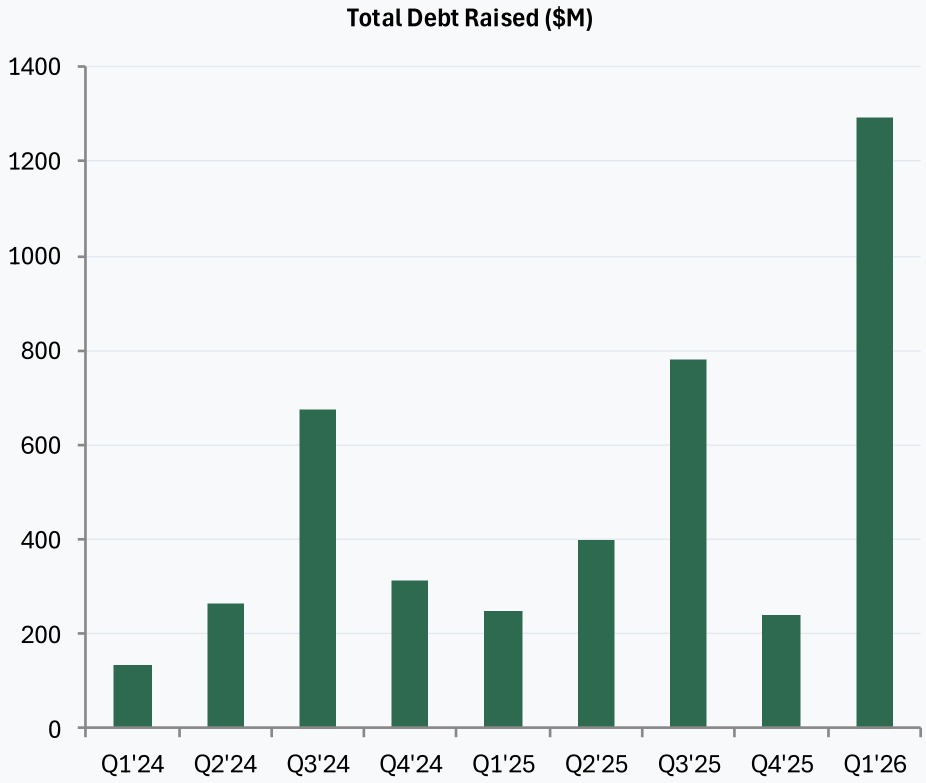
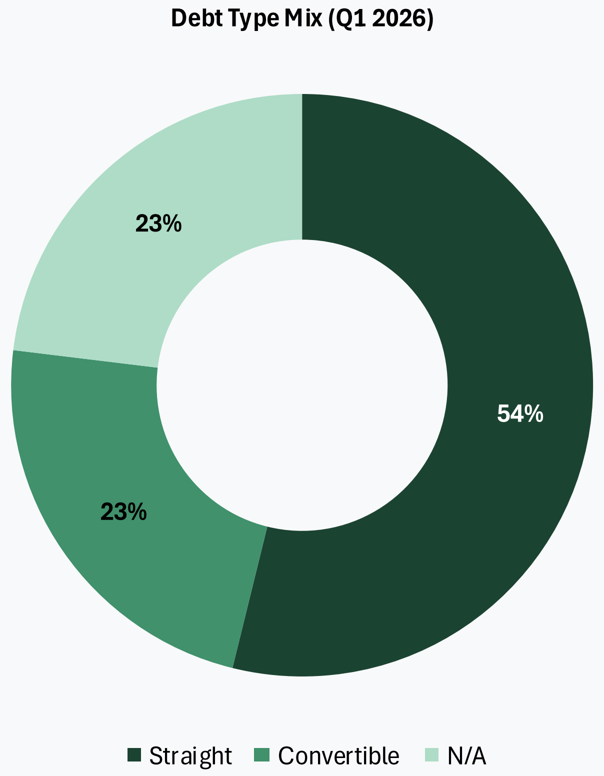
Company	Type	Amount ($M)	Coupon	Maturity	Location
Curaleaf Holdings	Senior Secured Notes	$500.0	11.5%	Feb 2029	MA, USA
Verano Holdings	Senior Secured	$195.0	~9.5%	Mar 2029	IL, USA
Canopy Growth	Amortizing Term Loan	$162.0	~9.9%	Jan 2031	ON, CAN
Jushi Holdings	Senior Secured	$160.0	12.5%	Mar 2029	FL, USA
Decibel Cannabis	Secured Credit Facility	$61.0	N/A	N/A	AB, CAN
OrganiGram Holdings	Senior Secured Facility	$60.0	N/A	N/A	NB, CAN
Trulieve Cannabis	PP Senior Secured Notes	$60.0	10.5%	Dec 2030	FL, USA
Green Thumb Industries	Credit Amendment	$50.0	~8.7%	Sep 2029	IL, USA
Verano Holdings	Credit Amendment	$25.0	10.0%	Feb 2029	IL, USA
Village Farms	Credit Amendment	$11.0	6.0%	Feb 2029	BC, CAN
Akanda Corp	Convertible Notes	$7.0	10.0%	Jan 2027	London, UK
IM Cannabis (x2)	Convertible Notes	$2.0	8.0%	Jul 2027	Tel Aviv, ISR

Source: Viridian Deal Tracker. IM Cannabis conducted two convertible note issuances during the quarter.

Debt Capital Raises: Quarterly Trend





Debt Themes: Q1 2026

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Refinancing Wave

The dominant theme in Q1 2026 debt markets was refinancing. Curaleaf, Verano, Jushi, and Canopy Growth all used the quarter to extend maturities, reduce near-term amortization pressure, and demonstrate capital markets access. This wave was catalyzed by the post-Executive Order sentiment improvement and investors' willingness to deploy capital to the sector's top credits.

Secured Lending Remains the Norm

Lenders continue to require secured structures with collateral packages typically covering licenses, real estate, and inventory. Unsecured issuance was limited to one small Akanda Corp convertible note. For scaled MSOs, senior secured facilities at coupons of 9.5% to 12.5% represent the current market clearing rate.

Convertible Notes for Smaller Issuers

Convertible instruments were confined to sub-$10M issuances by smaller international operators (IM Cannabis, Akanda). These deals carry higher effective costs of capital when accounting for conversion dilution and suggest that the convertible market for mid-tier cannabis issuers remains thin.

Balance Sheet Fortification Ahead of Catalysts

Many of these refinancings appear strategically timed to position operators ahead of potential 2026 regulatory catalysts, including the completion of Schedule III reclassification and the intoxicating hemp ban. Operators with clean balance sheets will be best positioned to capitalize on new market openings and M&A opportunities.

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Regional Analysis

Where Capital Is Flowing

Regional Analysis: Q1 2026

Understanding where capital is flowing provides critical context for operators, investors, and acquirers in a sector where regulatory frameworks vary dramatically by jurisdiction. Q1 2026 exhibited several notable geographic patterns:

The U.S. Midwest emerged as a debt capital center, with Illinois-headquartered operators (Verano, Green Thumb) accounting for $270M in credit transactions alone. Illinois's scaled market and relatively stable regulatory environment continue to anchor some of the industry's most significant balance sheet activity.

Florida contributed meaningfully through Jushi ($160M) and Trulieve ($60M), as operators in the state's large medical-only market continue to prepare for a potential adult-use conversion, should a 2026 ballot initiative succeed.

Canada represented the epicenter of equity issuance, with 5 of 7 equity deals involving Canadian-listed companies. OrganiGram's capital raise and simultaneous Sanity Group acquisition linked Canadian equity markets to European expansion, a pattern likely to repeat as LPs seek growth beyond saturated domestic markets.

On the M&A side, California's dominance as a target market (6 of 20 deals) reflects the ongoing consolidation of the country's largest and most fragmented state market. The mix of brand-level M&A, technology acquisitions, and asset pickups in California suggests that the state's market structure is rationalizing, with stronger operators absorbing weaker competitors.

The international component of Q1 deal flow was small but symbolically important. OrganiGram's German acquisitions, the Israeli convertible notes, and Akanda's UK-based issuance collectively point to a cannabis capital market that, while still overwhelmingly North American, is gradually developing transatlantic connectivity.

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Looking Ahead

Q2 2026 and Beyond

Looking Ahead: Q2 2026 and the Rest of the Year

Several catalysts are converging that could further accelerate cannabis deal activity through the balance of 2026:

Schedule III Reclassification: The completion of the administrative rescheduling process remains the sector's most significant near-term catalyst. If finalized, the elimination of Section 280E's punitive tax treatment would immediately improve cash flows for all plant-touching operators, reduce effective tax rates, and make cannabis companies more attractive to both lenders and equity investors. Operators that refinanced in Q1 are positioned to benefit most from this shift.

Intoxicating Hemp Ban: The federal ban on intoxicating hemp-derived THC products, expected to take effect in late 2026, could redirect a substantial unregulated market back toward licensed operators. The scale of this potential shift is estimated at up to $30 billion, though the transition's timeline and enforcement will be uneven.

State-Level Catalysts: Virginia's adult-use launch, expected in 2026, could unlock significant value for operators with existing licenses in the state (Millstreet's $130M Virginia acquisition appears to be a direct bet on this thesis). Florida may see another adult-use ballot initiative, and Pennsylvania continues to debate recreational legalization.

M&A Acceleration: The combination of improved balance sheets, strategic clarity on regulation, and continued distress among smaller operators creates favorable conditions for an acceleration of M&A activity in Q2 and the second half of 2026. Viridian anticipates that MSOs with strong liquidity will be active acquirers, while private equity funds continue to build cannabis portfolios through direct asset acquisitions.

Capital Markets Outlook: Debt markets are likely to remain the primary source of capital for the sector's largest operators, with potential for improved terms as the regulatory backdrop clarifies. Equity markets may reopen more meaningfully if rescheduling drives a sustained re-rating of cannabis equities, particularly for U.S.-listed names.

The overall picture heading into Q2 2026 is one of cautious optimism tempered by execution risk. The regulatory catalysts are real, but their timing and ultimate impact remain uncertain. Operators that used Q1 to shore up their balance sheets and position for growth will be best situated to navigate whatever the rest of the year brings.

09

Methodology & Disclaimer

Methodology & Disclaimer

Methodology

The Viridian Deal Tracker is a proprietary database that has tracked cannabis industry capital raises, M&A transactions, and related capital markets activity since January 2015. The tracker has cataloged and analyzed more than $60 billion in cumulative deal volume across equity, debt, and M&A categories.

Data for this report covers the period from January 1, 2026 through March 31, 2026. Transactions are sourced from public filings (SEC, SEDAR+, CSE, OTCQX), press releases, news sources, and Viridian's proprietary research network. All dollar amounts are presented in U.S. dollars unless otherwise noted. Canadian dollar-denominated transactions have been converted at the prevailing exchange rate at the time of announcement.

M&A transaction values reflect disclosed enterprise values where available. Many cannabis M&A transactions do not publicly disclose transaction values; as such, aggregate M&A dollar volumes understate true market activity. Debt figures represent face value of instruments at issuance. Equity figures represent gross proceeds raised.

Historical comparisons reference data from the same Viridian Deal Tracker database for the periods indicated.

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Past performance is not indicative of future results. Cannabis remains a Schedule I controlled substance under federal law, and the regulatory landscape continues to evolve. Investors should conduct their own due diligence and consult with qualified legal and financial advisors before making any investment decisions.

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About Viridian Capital Advisors

About Viridian Capital Advisors

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Launched in 2014, Viridian Capital Advisors was one of the first, and is now among the leading, corporate finance, M&A advisory, and research practices serving the legal cannabis, CBD, and psychedelics industries. The firm represents companies, investors, lenders, buyers, and sellers across the full spectrum of cannabis capital markets activity.

Viridian's advisory practice helps clients "institutionalize" their businesses before going to market for capital or M&A by building professional boards of directors, sophisticated financial models, valuation analyses, and exit strategies. The firm's investment banking practice raises capital and executes M&A transactions through its New York City based broker-dealer, Bradley Woods & Co. Ltd., a member of FINRA and SIPC.

Viridian is widely recognized as the industry leader in cannabis capital markets research and market intelligence through the Viridian Deal Tracker. Launched in January 2015, and having analyzed more than $60 billion in cumulative transactions, the Deal Tracker monitors and analyzes investment, M&A activity, and capital markets trends across the cannabis, CBD, and psychedelics industries.

The firm is supported by an Advisory Board comprising former executives from Diageo, Procter & Gamble, Anheuser-Busch, Mars Wrigley, Pantheon Partners, and Conde Nast.

Capital Raise

Equity and debt financing for established cannabis enterprises

M&A Advisory

Buy-side and sell-side transaction advisory and execution

Valuation Services

Data-driven valuation analysis for companies and assets

Deal Tracker

Proprietary cannabis capital markets data and research

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