

# Curaleaf Hldgs Inc.

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## Buds & Duds: Cannabis stocks perk up, with Curaleaf shares soaring on acquisition valued at US\$875M

Cannabis stocks perked up on Wednesday, with broad-based gains across North American markets.

The North American Marijuana Index, which tracks the top cannabis stocks in the US and Canada, was up 1.4% to 221.4 points on Wednesday. The Horizons Marijuana Life Sciences Index ETF was up 0.5% to C\$17.15. The OTCQX Cannabis Index was up 4.7% at 718.1 points.

### Buds

Curaleaf Holdings (CSE:CURA) (OTCMKTS:CURLF) shares were on the rise -- big time -- on Wednesday as it announced it has inked a mammoth US\$875 million deal to acquire private producer GR Companies Inc (Grassroots).

The deal expands Curaleaf's footprint to 19 states from 12, including Illinois, which recently became the 11th state to legalize recreational marijuana.

Shares soared 16.7% at C\$9.91 in Canadian trading, up 16.8% at US\$7.60 in New York.

The significance of the deal is important: the combined entity will have 131 dispensary licences, 68 operational locations and 20 cultivation sites.

"With the acquisition of Grassroots and the pending acquisition of Select, Curaleaf is the world's largest cannabis company by both revenue and operating presence," said Joseph Lusardi, CEO of Curaleaf. "With a combined 68 open dispensaries, this transaction significantly accelerates our expansion strategy and strengthens our reach across the medical and adult-use markets. In addition, it enhances the depth of our retail and wholesale platform across the country. By leveraging our scale, as well as our market leading capabilities and expertise, we will continue to deliver value for our shareholders."

READ: Harvest One inks CBD-supply agreement with Kentucky hemp grower  
Other gainers Wednesday included Harvest One Cannabis Inc (CVE:HVT) (OTCMKTS:HRVOF), which announced Wednesday that GenCanna Global USA will supply it with GMP Certified CBD oil and other finished products.

Shares were up 1.2% at US\$0.48 in New York, up 1.7% at C\$0.61 in Toronto.

The Vancouver-based cannabis company said it will distribute, through its wholly-owned subsidiary Satipharm Ltd, GenCanna's products in certain regulated markets in the US, Europe, and elsewhere globally. The products will be sold under the Dream Water, Satipharm, and LivRelief brands for an initial term of two years.

READ: Mackie boosts price target on Valens GroWorks to C\$8 after strong quarterly results  
Also on the rise was Valens GroWorks Corp (CVE:VGW) (OTCMKTS:MYMSF) after Mackie Research Corporation

**Price:** 9.07

**Market Cap:** \$4.16 billion

### 1 Year Share Price Graph



January 2019 July 2019 January 2020

### Share Information

**Code:** CURA

**Listing:** CSE

**52 week High Low**  
**15.75 5.93**

**Sector:** Cannabis

**Website:** [www.curaleaf.com](http://www.curaleaf.com)

### Company Synopsis:

*Curaleaf is committed to being the industry's leading resource in education and advancement through research and advocacy. Headquartered in Wakefield, Massachusetts, Curaleaf has a presence in 12 states, owns and operates 33 dispensaries, 12 cultivation sites and 10 processing sites with a focus on highly populated, limited license states, including Florida, Massachusetts, New Jersey and New York.*

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upped its price target to C\$8 from C\$6.75 following the extraction company's strong quarterly numbers posted earlier this week.

Shares were up 1.7% at C\$4.15 in Toronto, up 1.9% at US\$3.19 in New York.

The cannabis company released its second-quarter financial numbers on Monday, showing a boost in revenue to C\$8.8 million -- which significantly surpassed Mackie's C\$5.8 million estimate.

The research firm maintained its Buy rating for Kelowna-based Valens, citing its strong balance sheet and boosted extraction capacity as the key reasons for its recommendation.

Other gainers Wednesday included Planet 13 Holdings Inc (CSE:PLTH) (OTCMKTS:PLNHF), which was up 4.6% at US\$2.15 in New York on no news.

#### Duds

Shares of CBD manufacturer Isodiol International Inc (CSE:ISOL) (OTCQB:ISOLF) dropped Wednesday, down 5.1% to US\$0.43, down 3.4% at C\$0.57, closing in on an all-time low.

The stock has struggled in recent months, on the back of challenges in Mexico, a result of changes by the Mexico's Federal Commission for the Protection against Sanitary Risk (COFEPRIS) surrounding CBD regulation and licenses.

Year-to-date, the stock has dropped more than 80%.

Other laggards Wednesday included Terra Tech Corp (OTCMKTS:TRTC), down 4.3% at US\$0.45.

The firm recently announced had started the process to open a CBD-only retail location called Blüm CBD in downtown Las Vegas.

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