



California Retail Trends

Headset Data Process

Our mission — enable the success of the cannabis industry through unparalleled marketing intelligence and customer trends, removing the guesswork from decision-making.



Everything at Headset begins at the retail and dispensary level. Data is collected from participating retailers' POS systems. Headset is currently leveraged by thousands of retailers in 30 distinct markets



Data is aggregated, anonymized and normalized (mapped to a product in our database) to provide a standard view of the market. We also combine our data with information for government agencies as well as publicly traded companies for reporting.



Robots to the rescue. Machine learning algorithms help normalize the disparate product data found in the retailer data. Machine learning automates much of the process of turning messy data into something tidy.



Data entry and product catalog specialists ensure quality, enter new products and associate metadata with those products into product traits.



Aggregated retailer data is cleansed to reduce noise and skew. Inferential statistics methods are applied to the sample to ensure accuracy. We also validate with product manufacturers against their sell-in data.

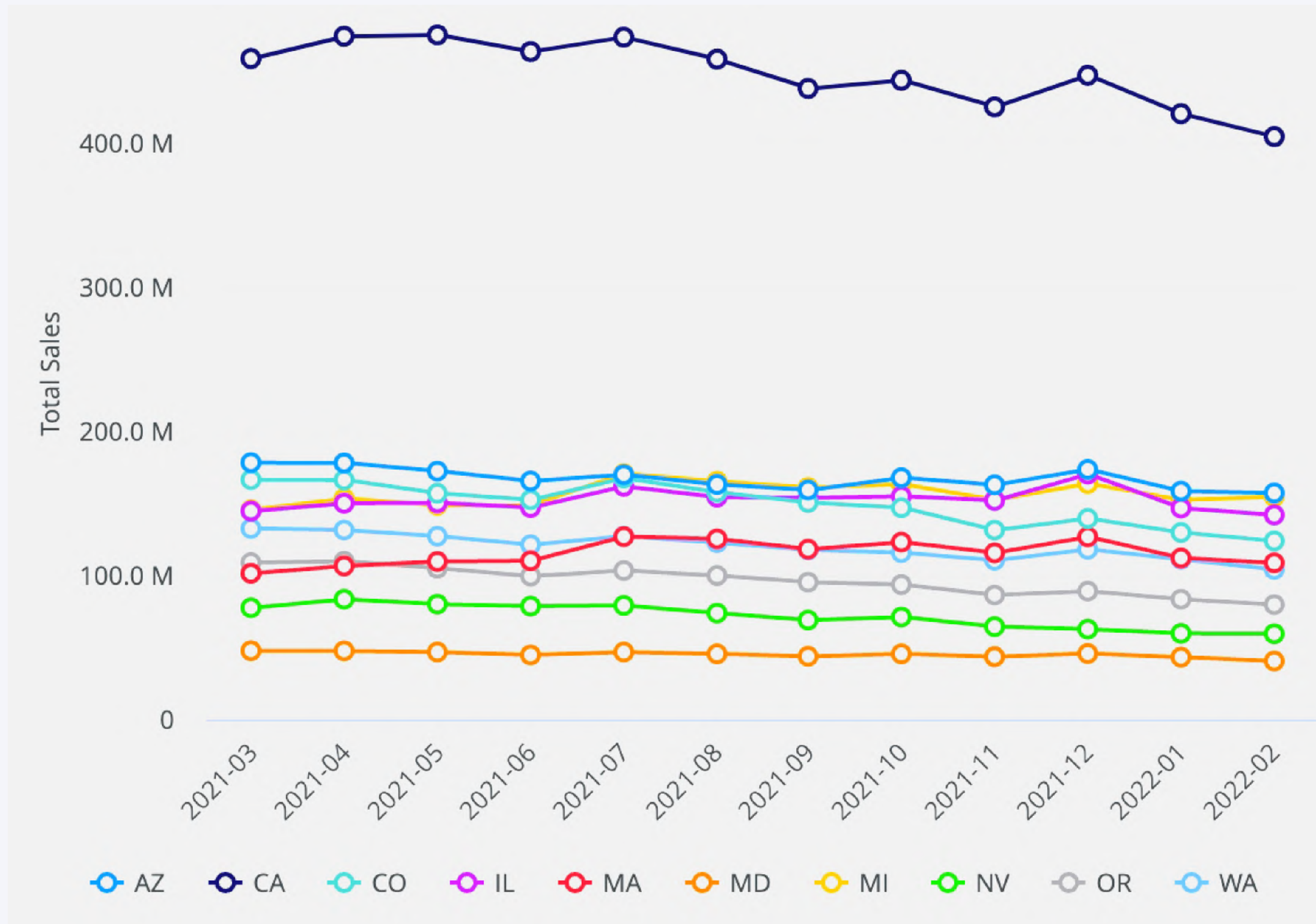


From this sample, projections are developed and utilized by Headset's software solutions.

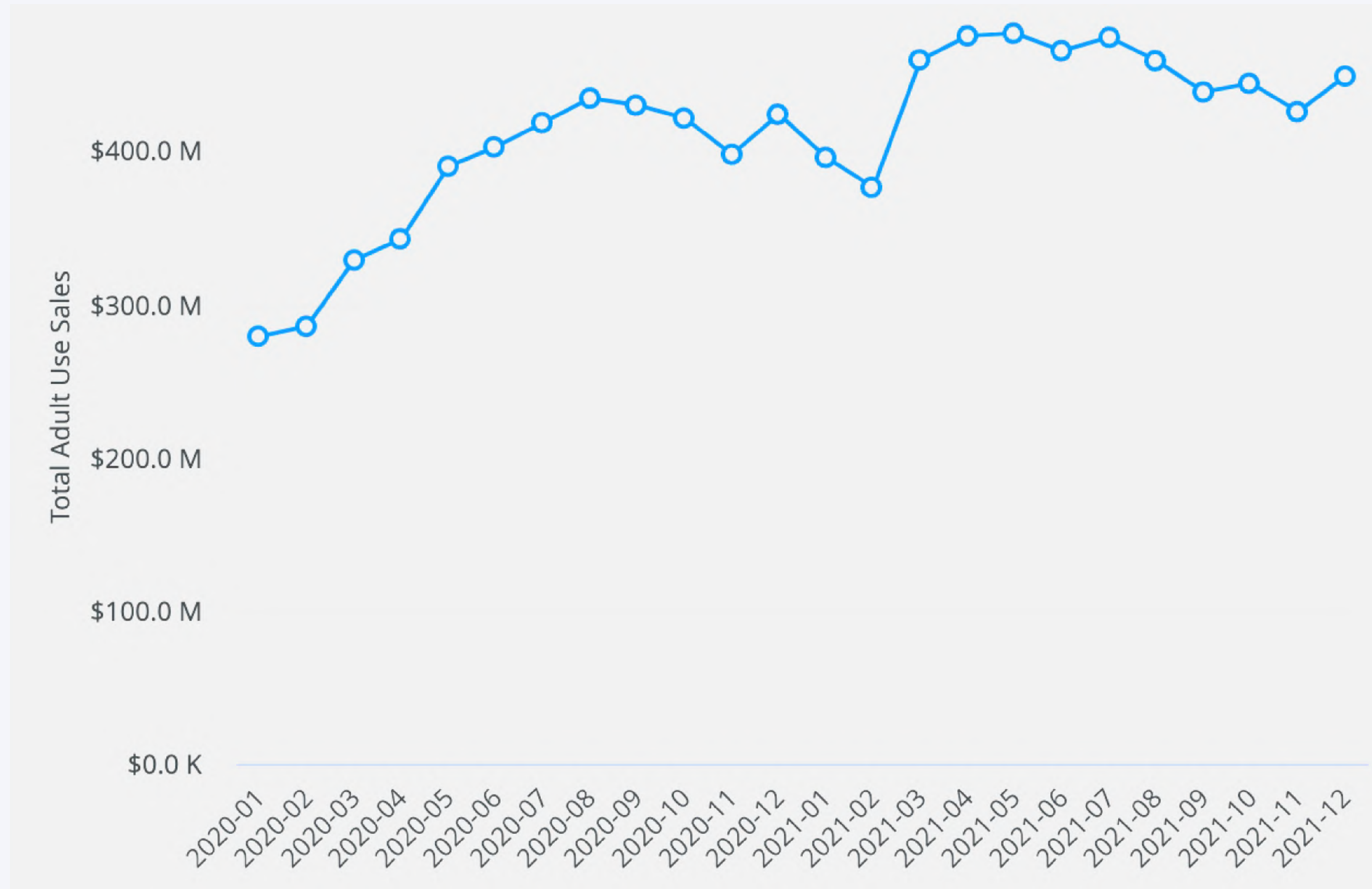


How do sales in California compare to other states?

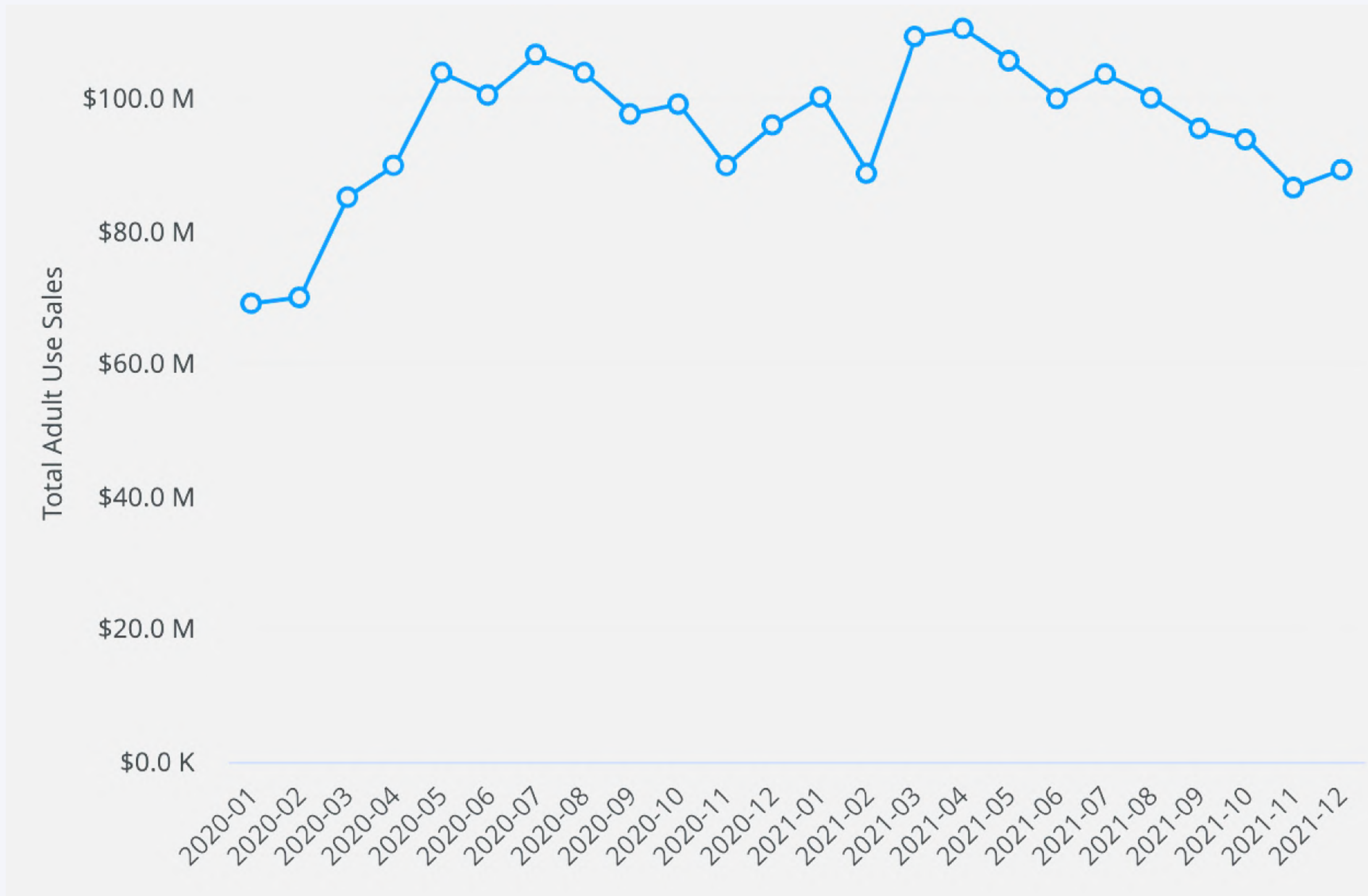
Adult Use Sales by State



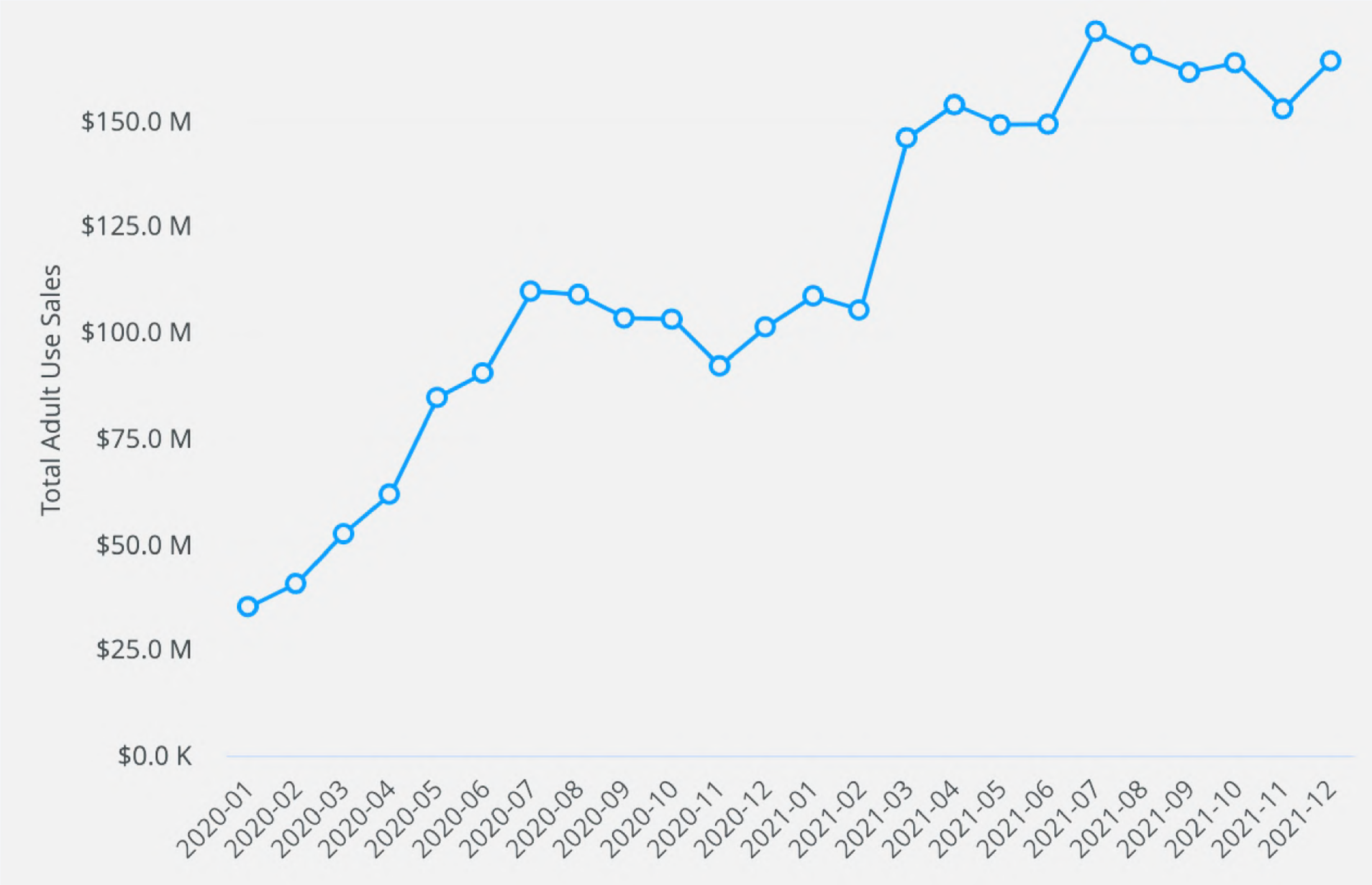
2 Year Sales in California



2 Year Sales in Oregon



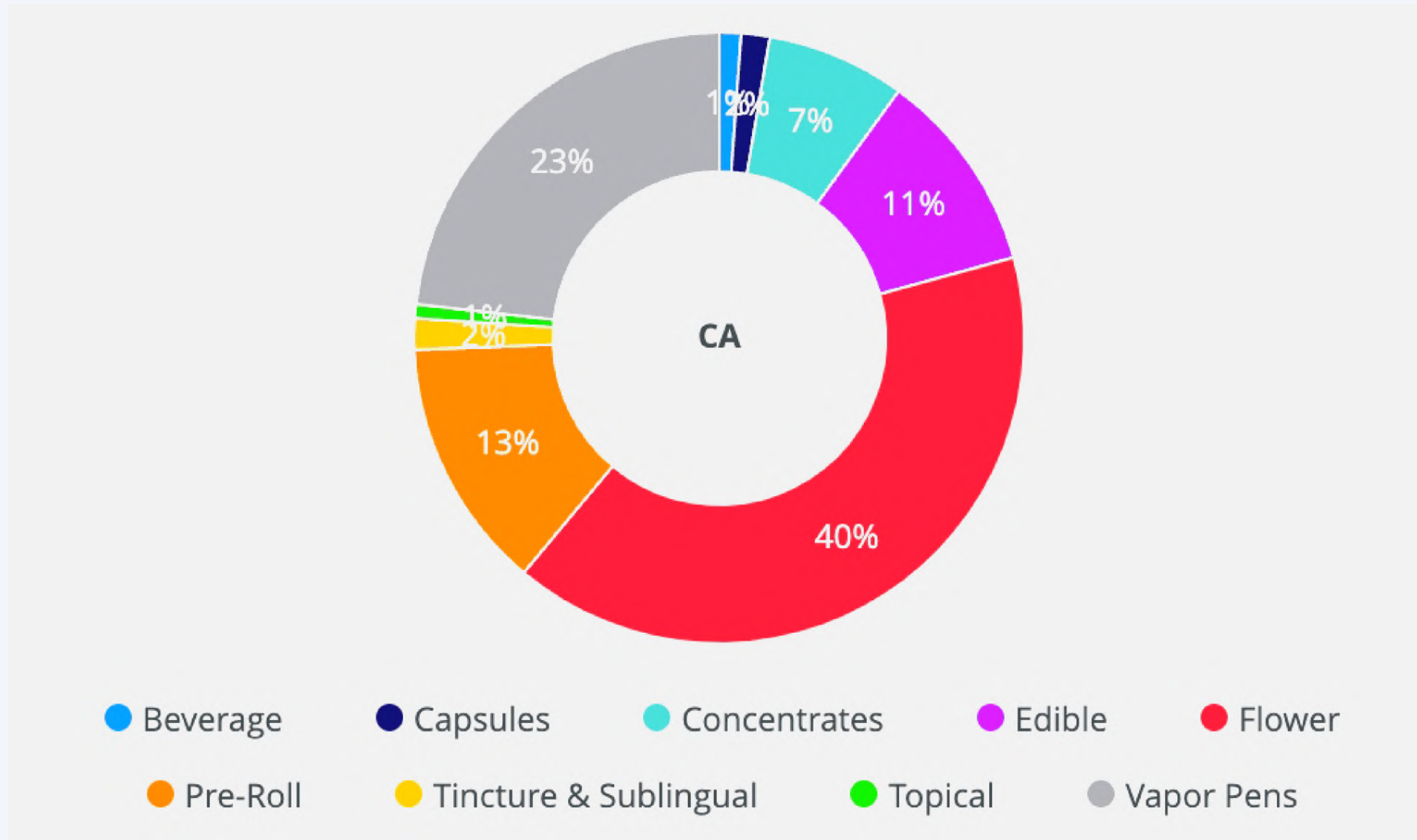
2 Year Sales in Michigan





**How are different categories performing
over the last 365 days?**

Market Share by Category



Flower Sales

CA

Market

Flower

Category

#1

Rank Within Mar...

39.7%

Category Market ...

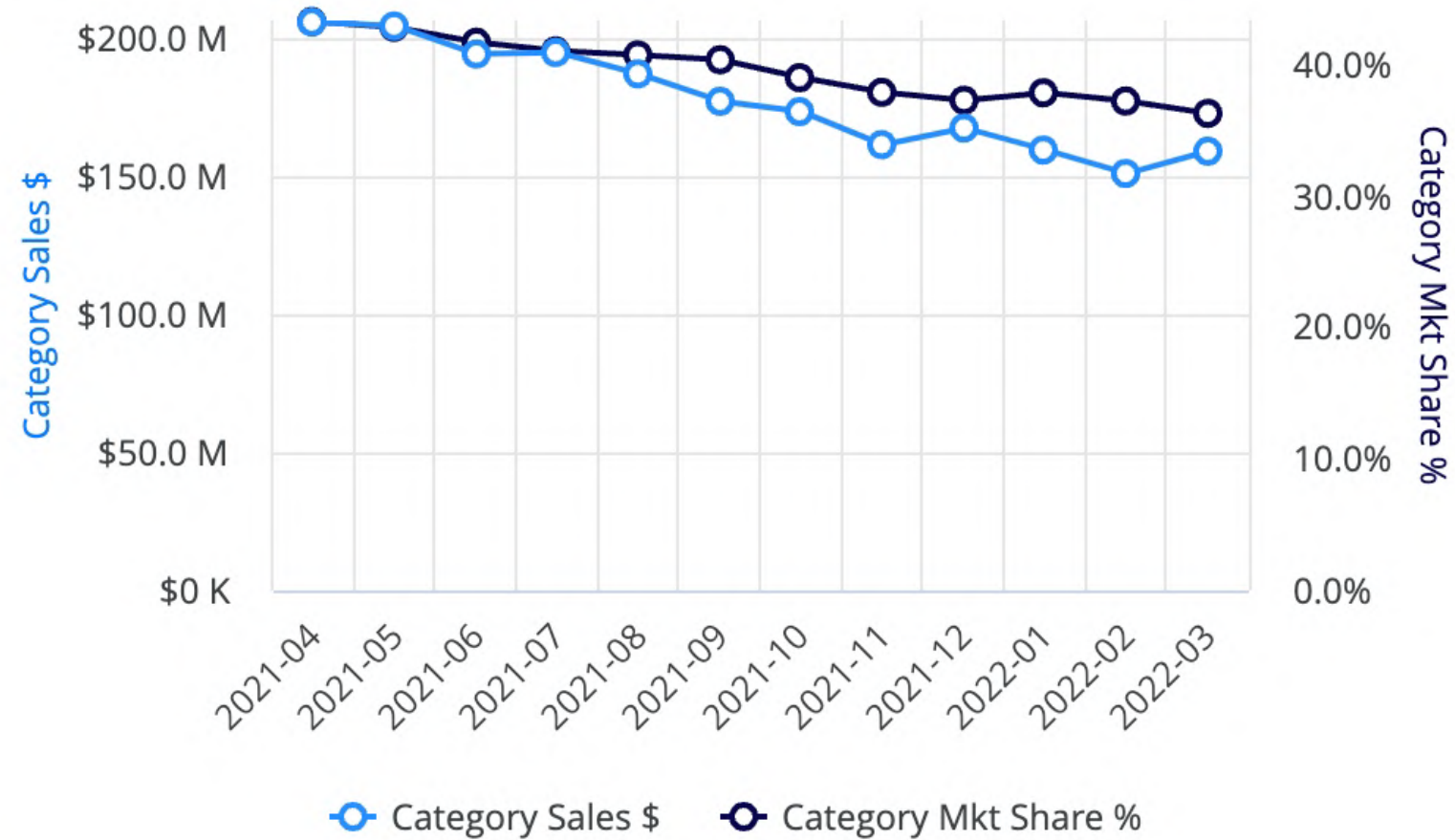
\$2.1 B

Category Sales \$

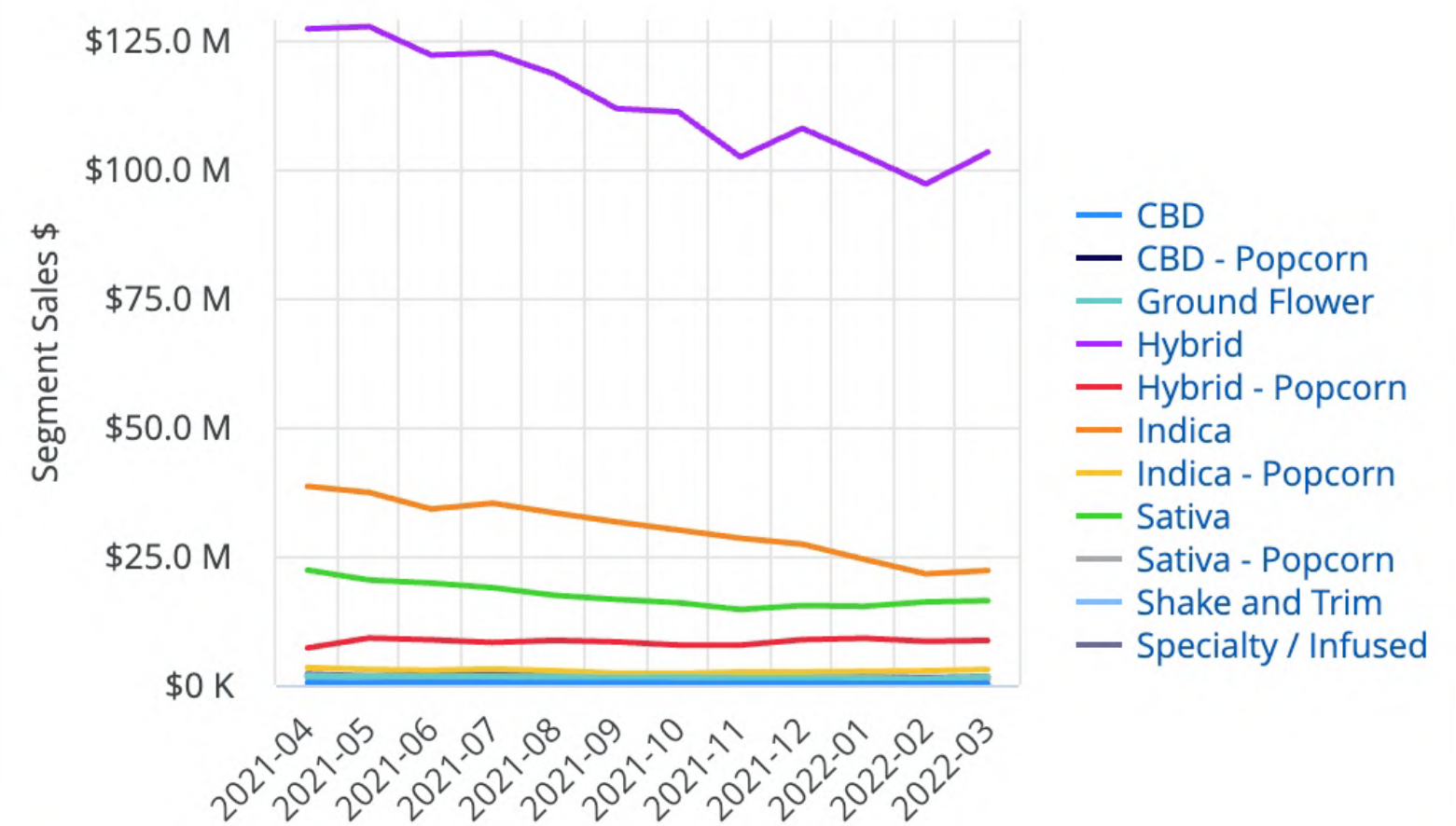
62.2 M

Category Units S...

Sales x Market Share Over Time



Segment Breakdown



Vapor Pen Sales

CA

Market

Vapor ...

Category

#2

Rank Within Mar...

23.5%

Category Market ...

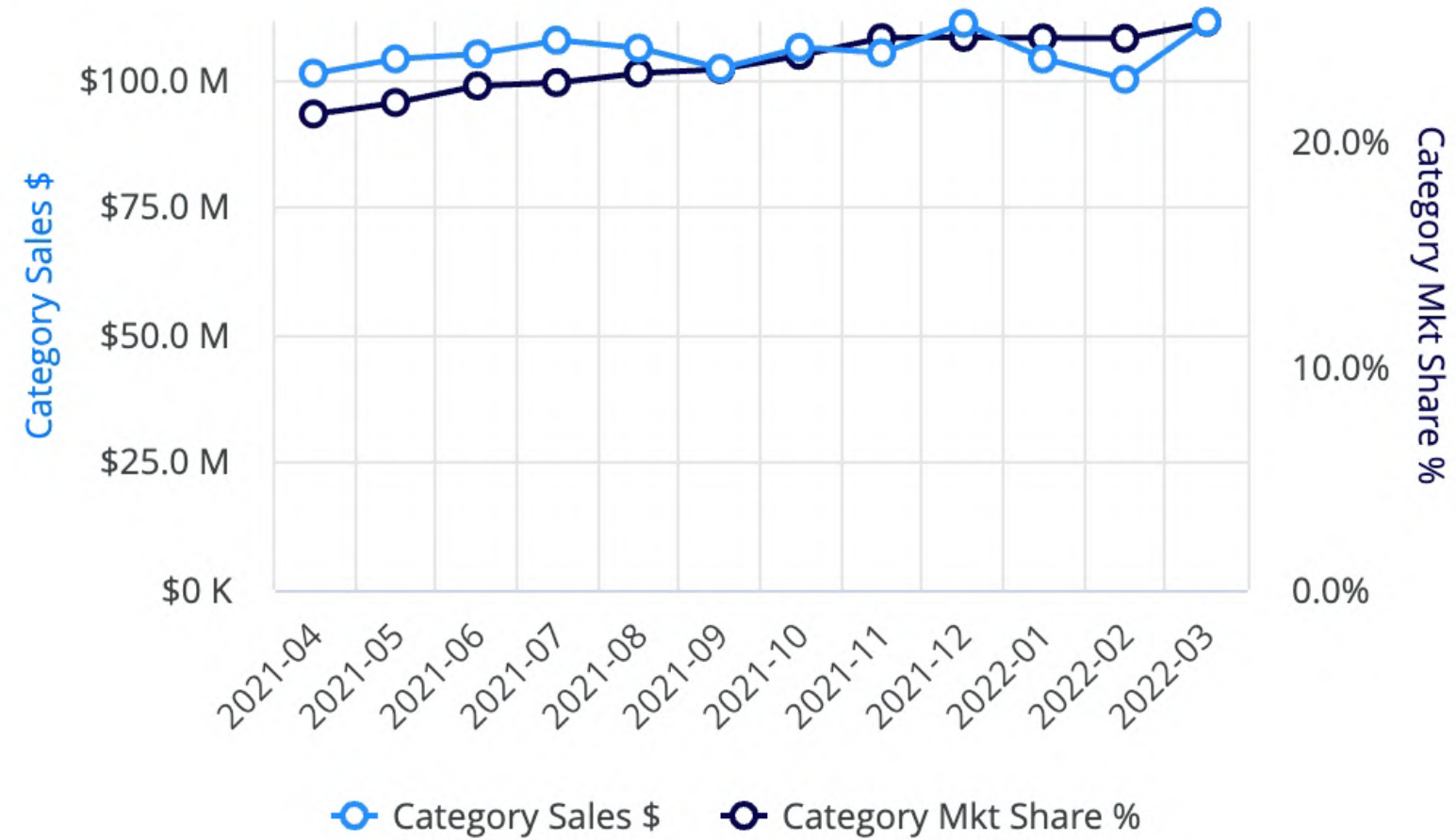
\$1.3 B

Category Sales \$

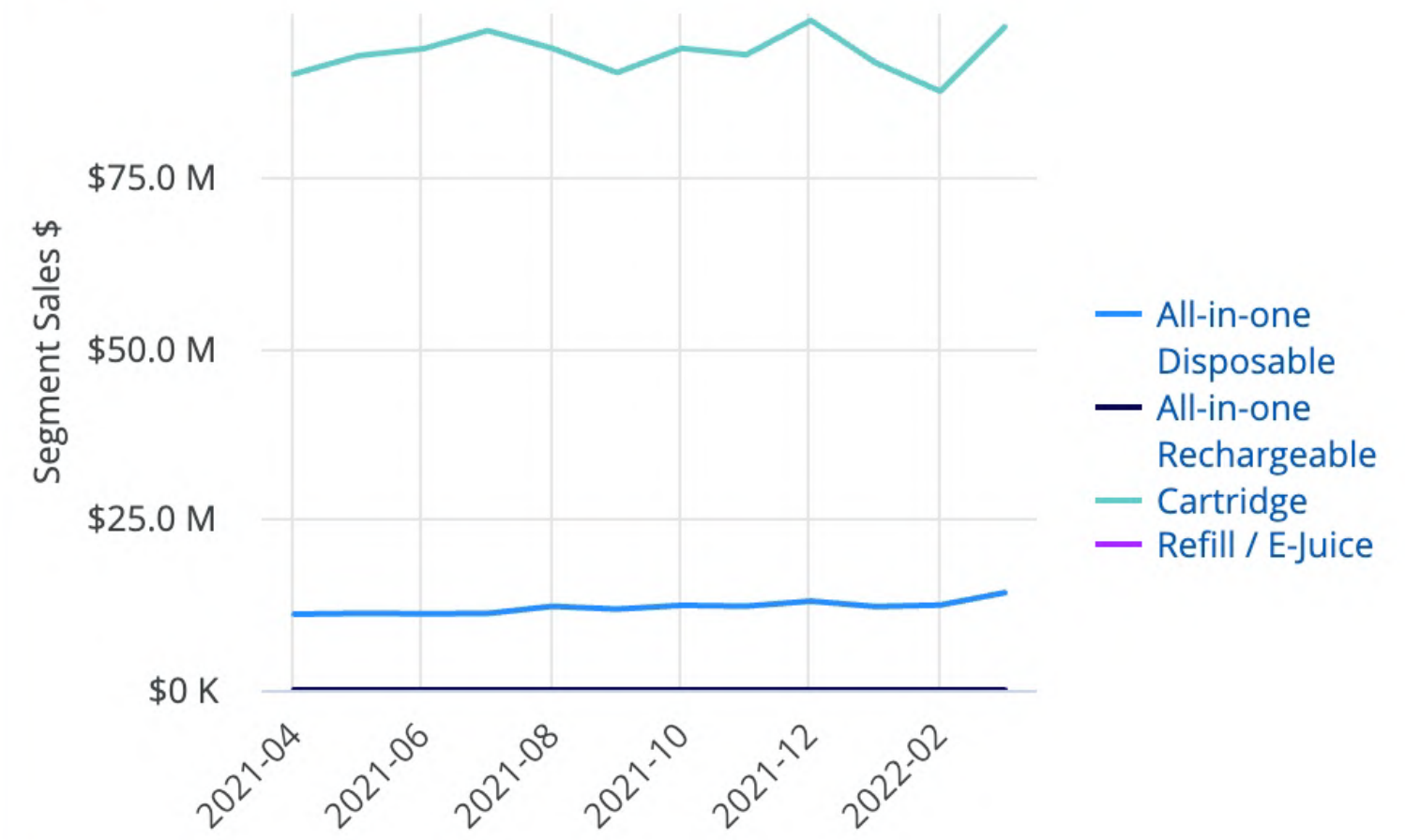
37.2 M

Category Units S...

Sales x Market Share Over Time



Segment Breakdown



Pre-Roll Sales

CA

Market

Pre-Roll

Category

#3

Rank Within Mar...

13.6%

Category Market ...

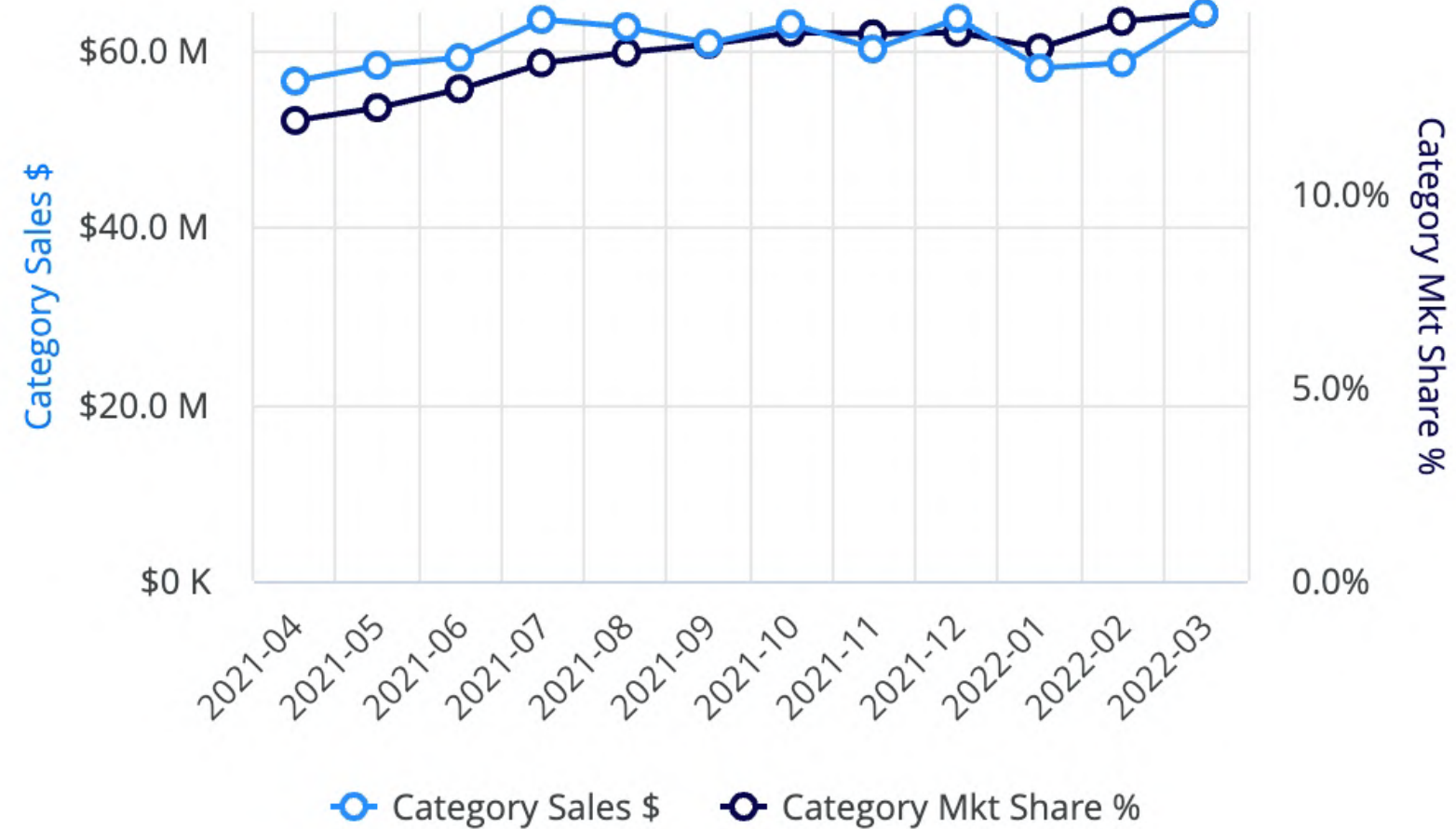
\$729.3...

Category Sales \$

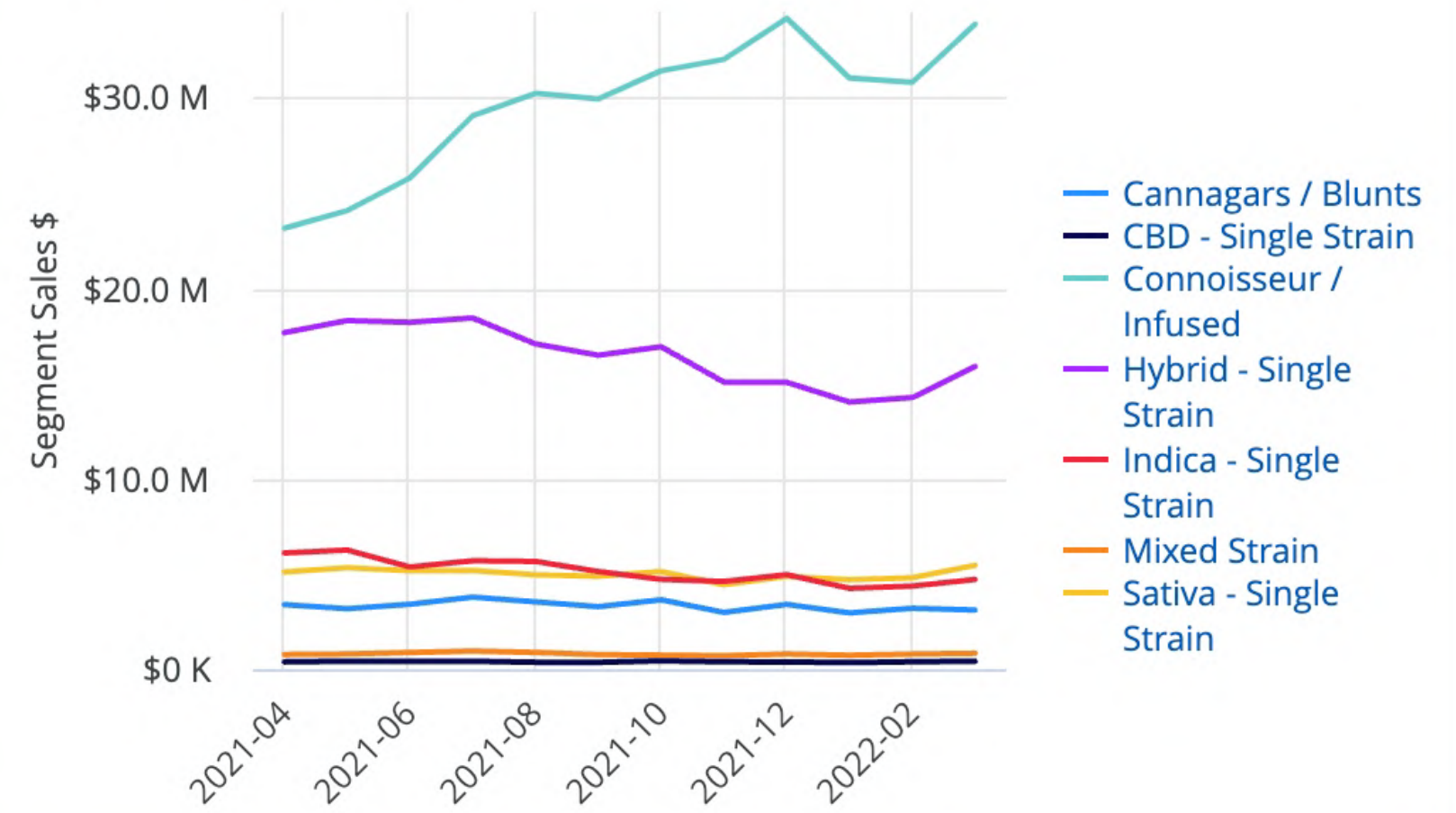
43.8 M

Category Units S...

Sales x Market Share Over Time



Segment Breakdown



Edible Sales

CA

Market

Edible

Category

#4

Rank Within Mar...

10.8%

Category Market ...

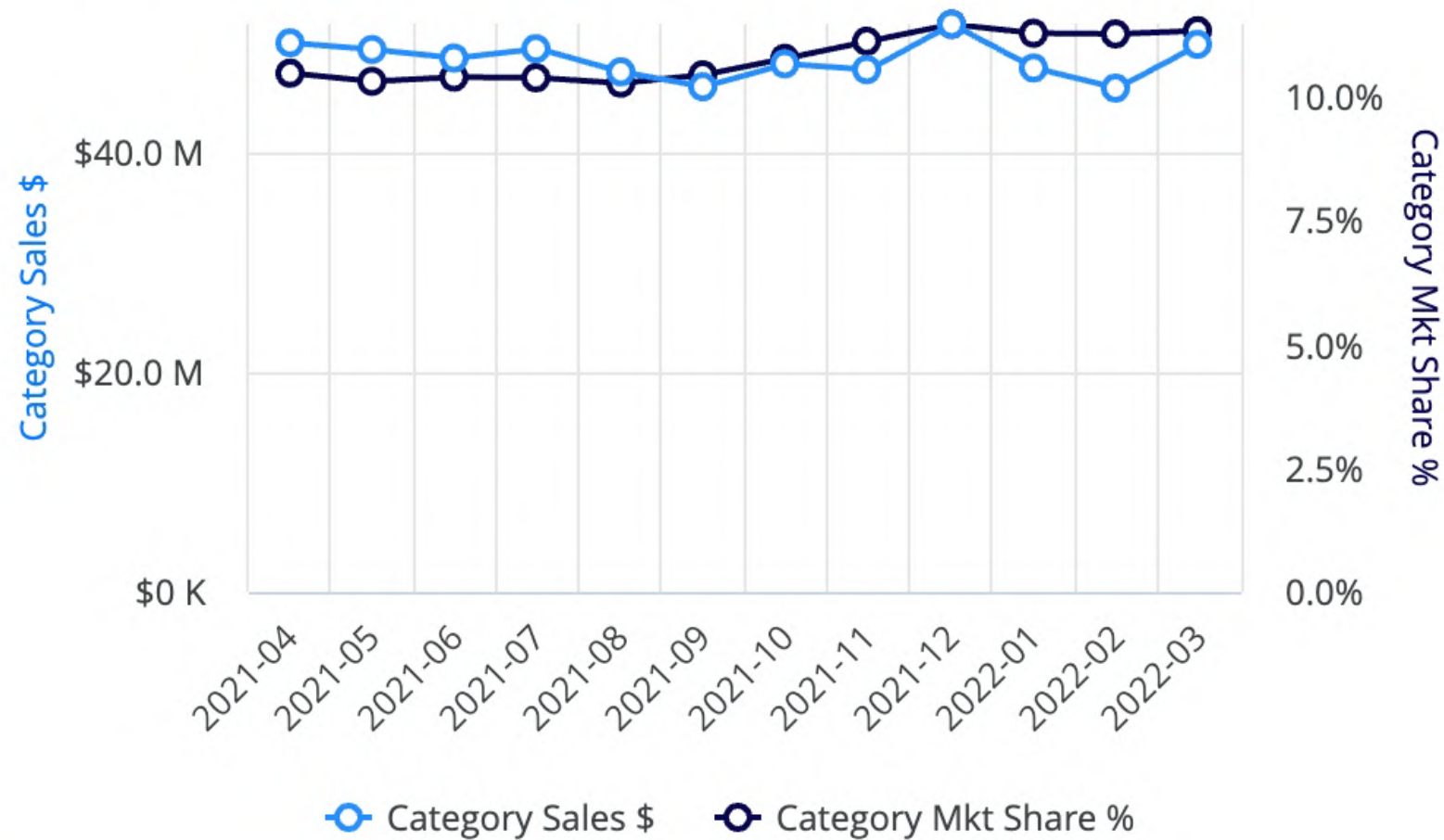
\$579.6...

Category Sales \$

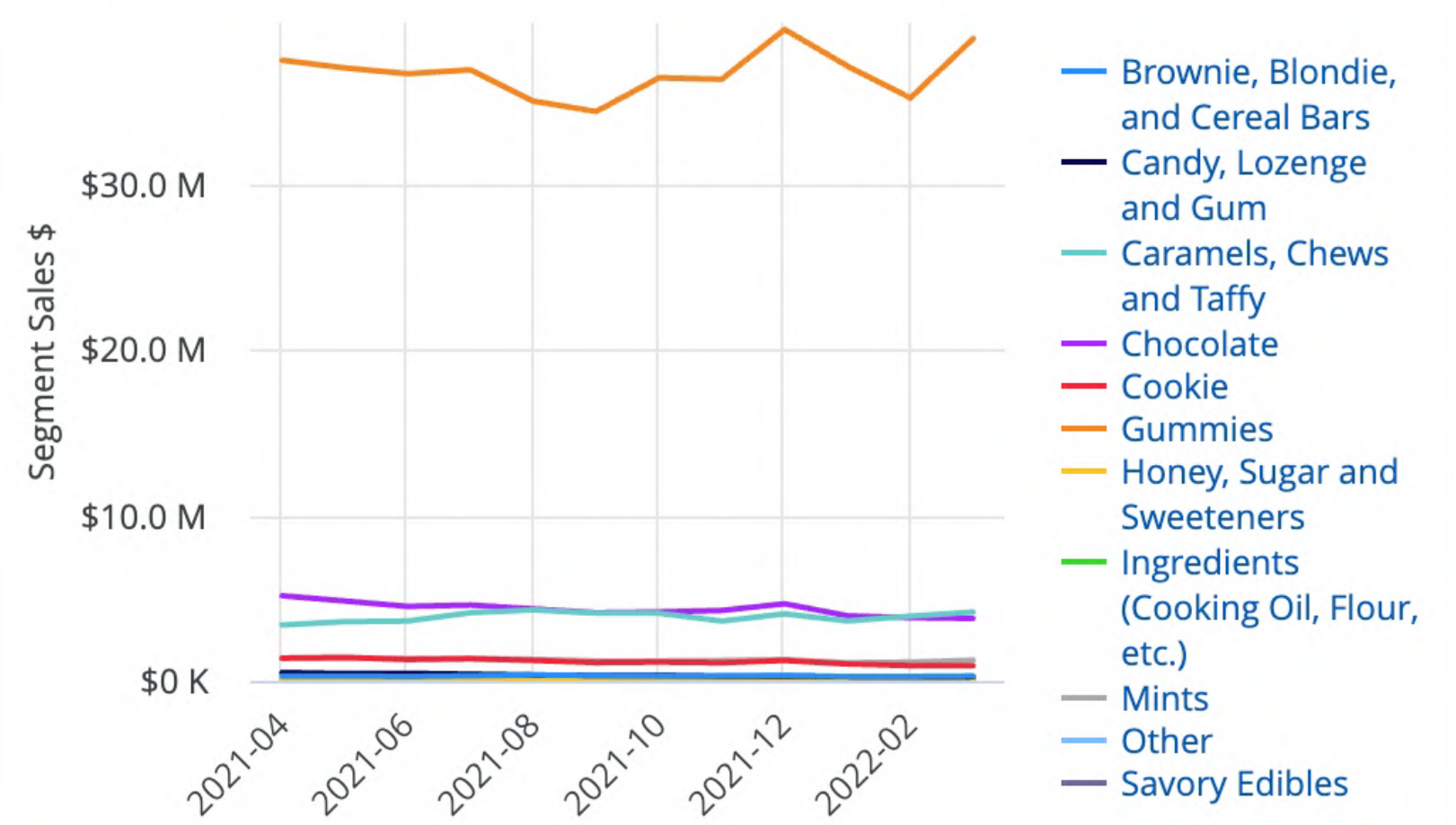
36.1 M

Category Units S...

Sales x Market Share Over Time



Segment Breakdown



Beverage Sales

CA

Market

Bevera...

Category

#8

Rank Within Mar...

1.1%

Category Market ...

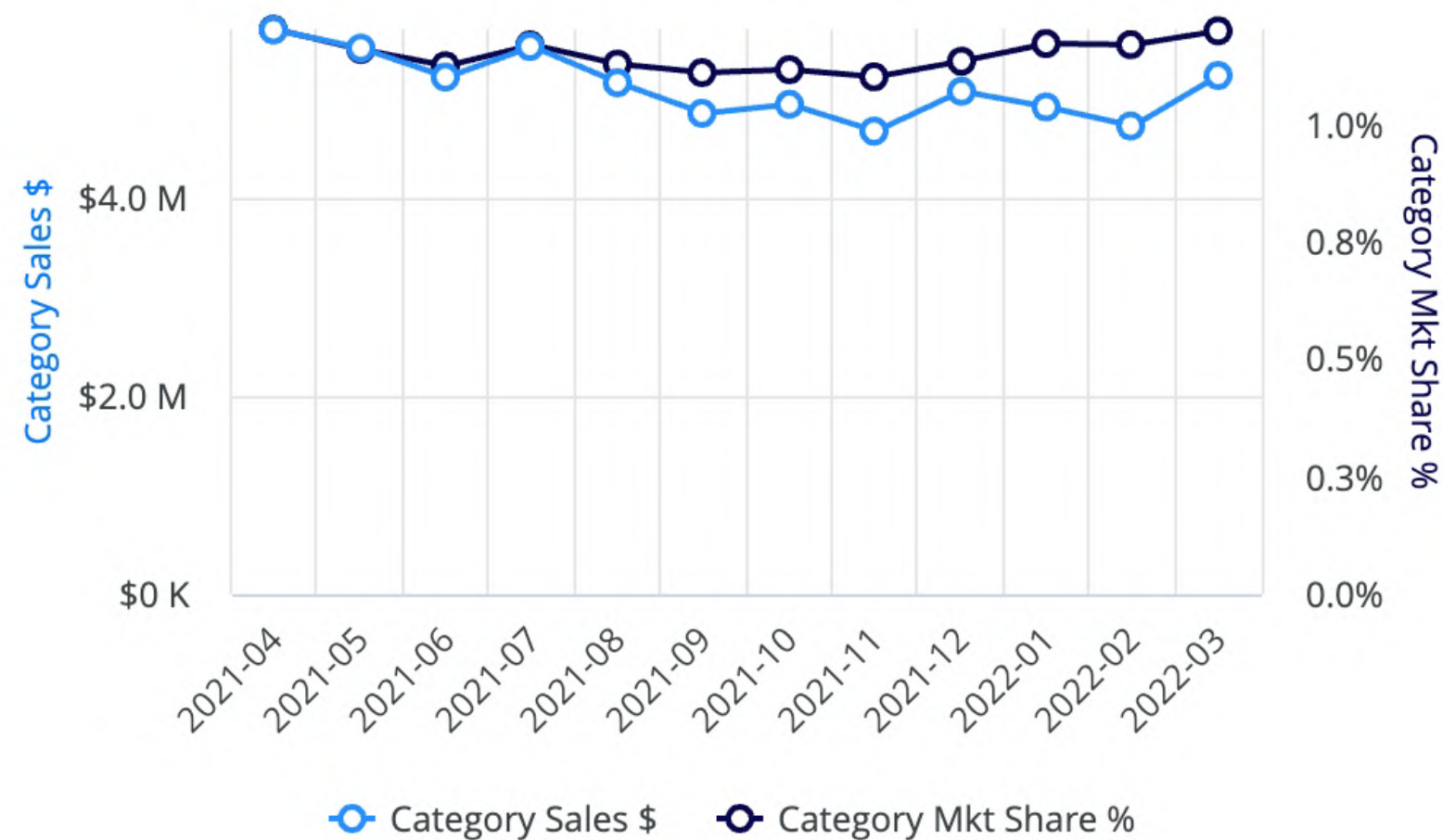
\$61.7 M

Category Sales \$

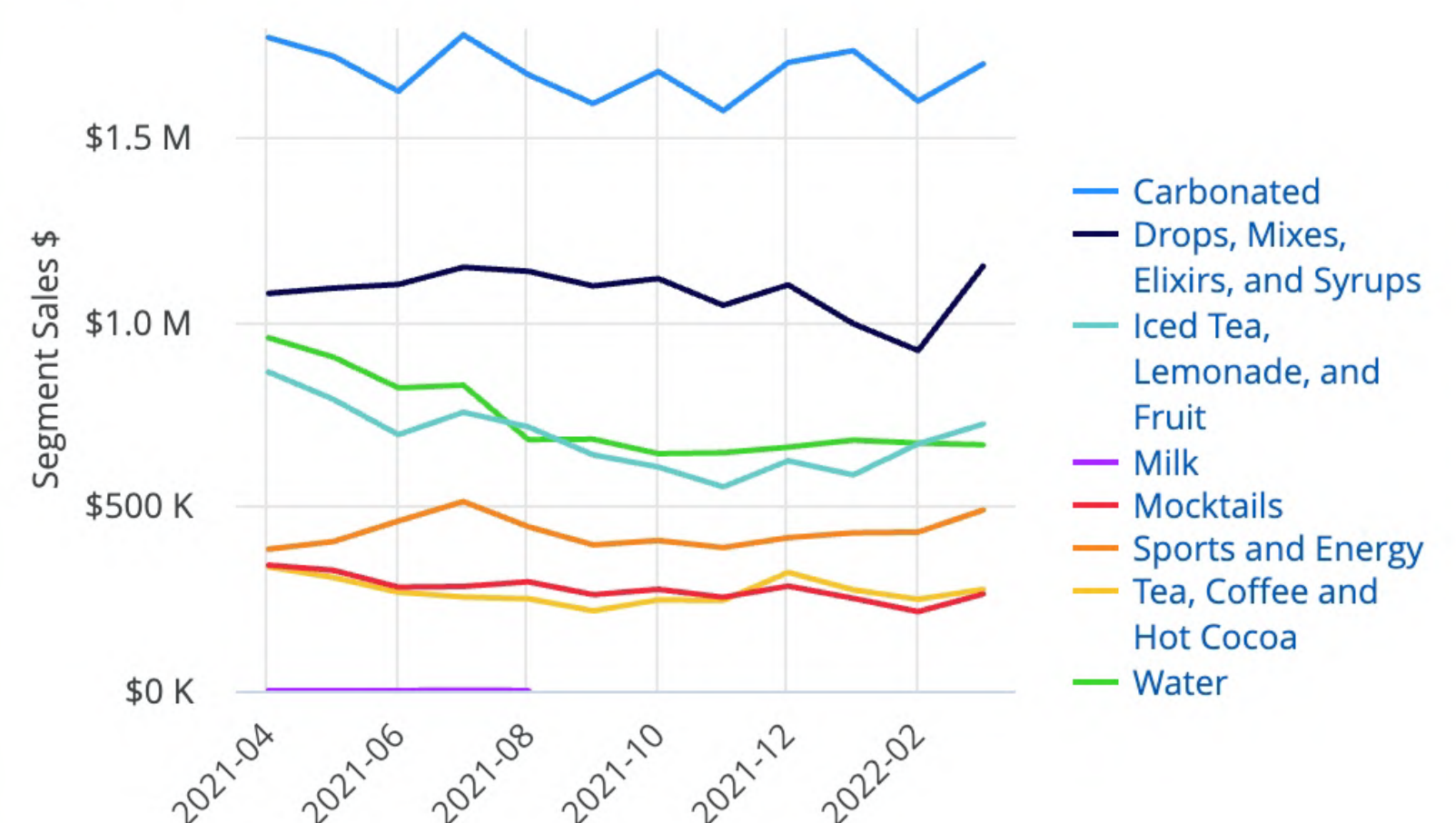
4.5 M

Category Units S...

Sales x Market Share Over Time



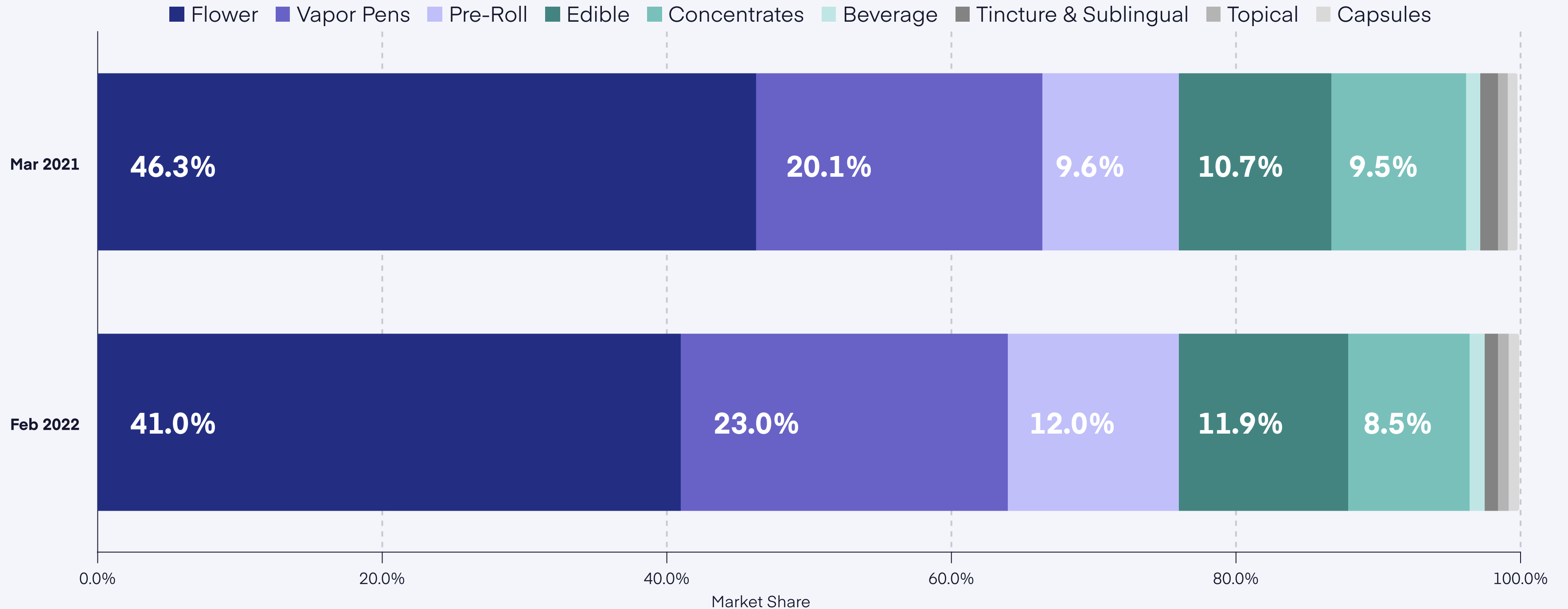
Segment Breakdown



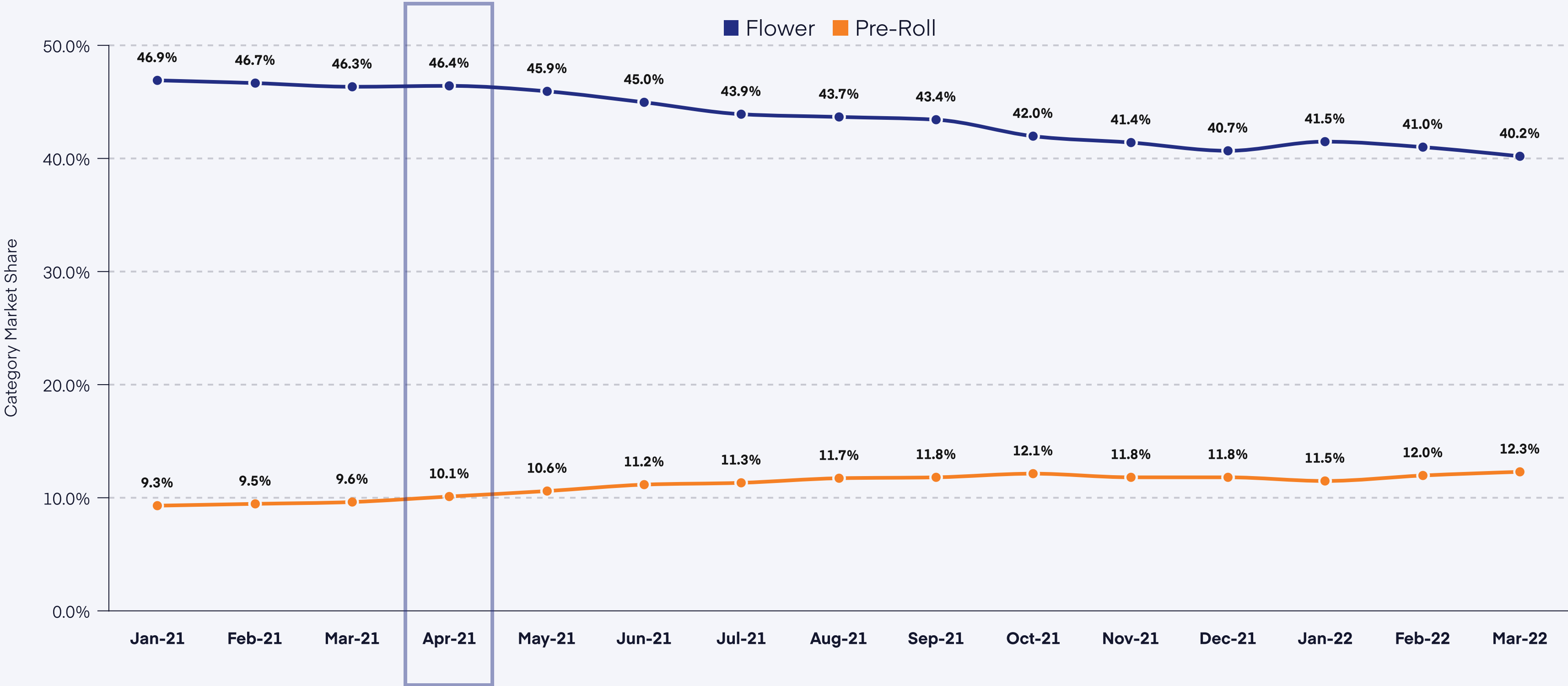


4/20 is coming!
A few things for Retailers and Brands to consider...

Year Over Year US Category Market Share



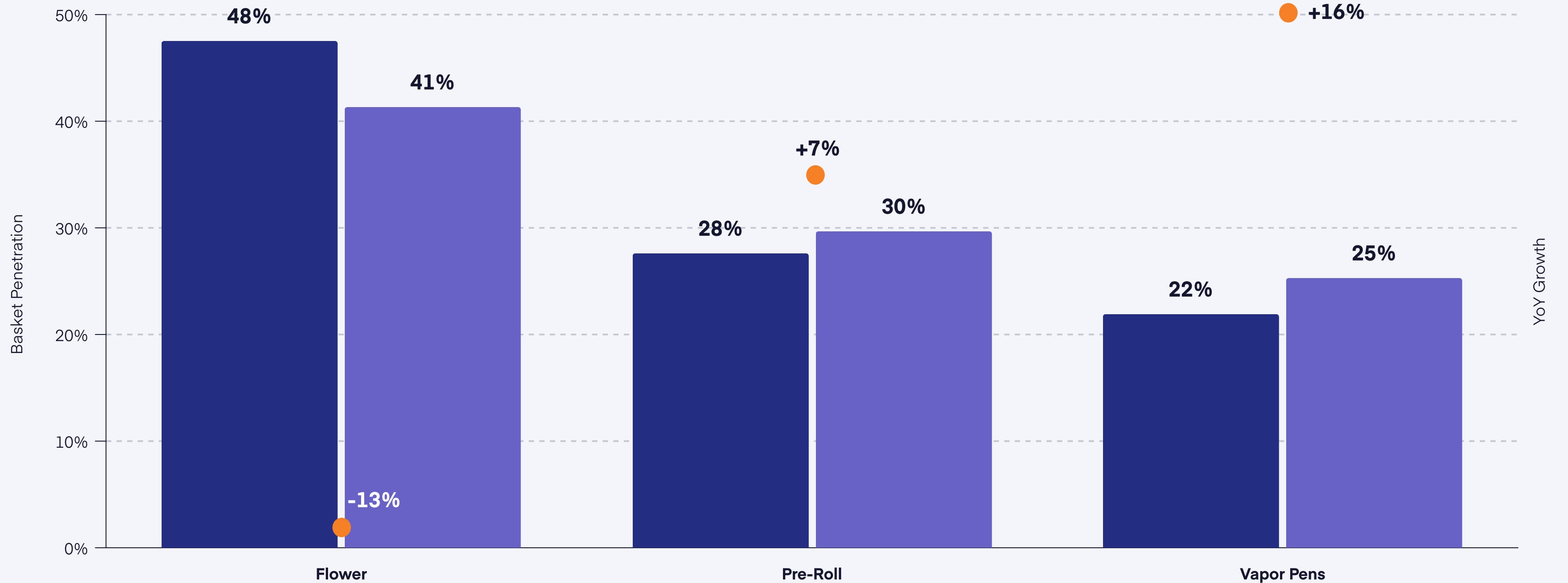
US Flower and Pre-Roll Market Share by Month



Year Over Year Category Basket Penetration

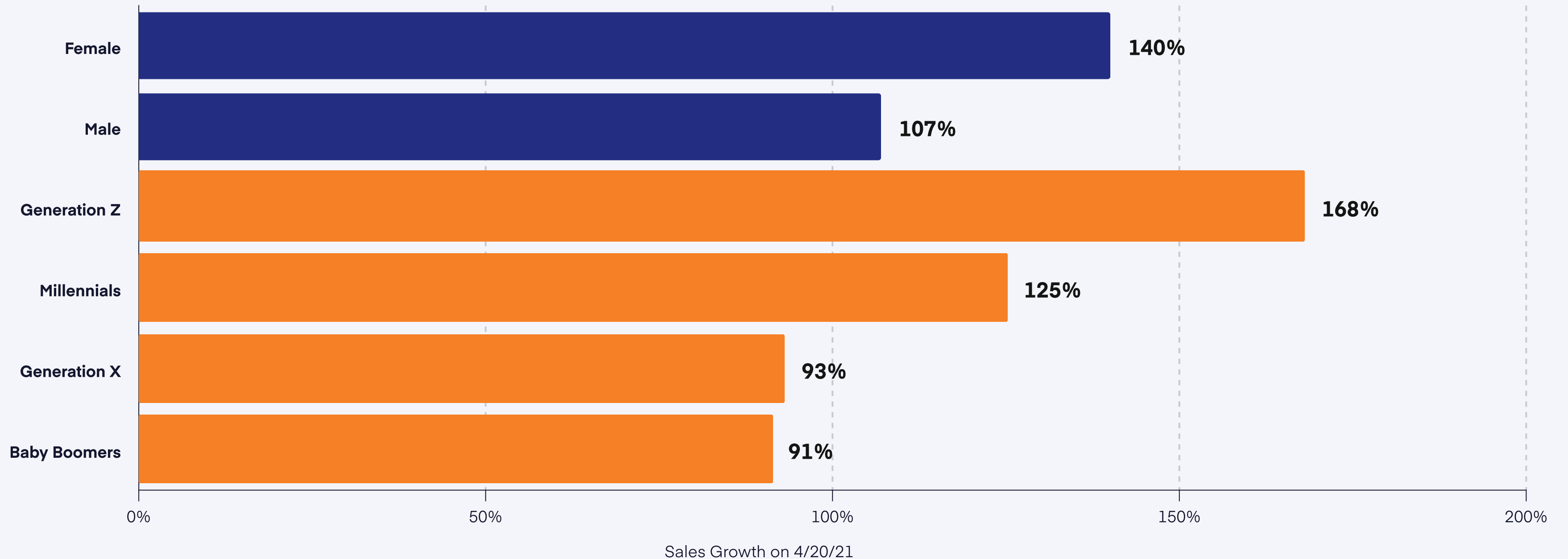
(CA, CO, MI, NV, OR, WA)

■ Basket Penetration March 2021 ■ Basket Penetration March 2022 (to date) ● YoY Growth

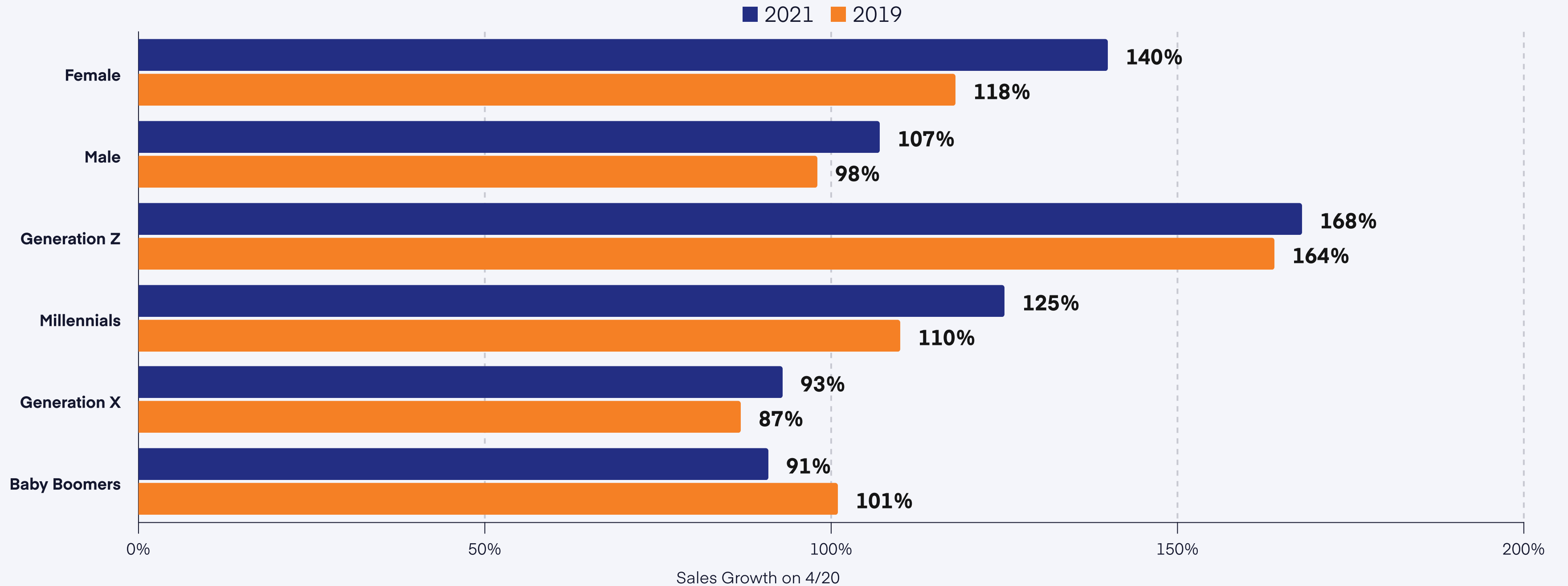


4/20 2021 Sales Growth by Customer Gender and Age Group

(CA, CO, MI, NV, OR, WA)



4/20 Sales Growth by Customer Gender and Age Group 2019 vs 2021



US Category Index by Generation Feb 2022

