

April 12, 2022



Akerna Flash Report: 420 is predicted to bring in over \$130 million in legal cannabis sales, becoming the largest sales day in history

The US cannabis industry is expected to gross the same amount in a six-day period that Iowa's liquor industry made in just one record-breaking year

DENVER, April 12, 2022 /PRNewswire/ -- Akerna (Nasdaq: KERN), a leading enterprise software company and the developer of one of the most comprehensive technology infrastructures, ecosystems, and compliance engine powering the global cannabis industry, predicts that U.S. cannabis shoppers will spend nearly \$130 million on legal cannabis on April 20th, known as "420", an unofficial but widely celebrated cannabis consumption holiday, which would become the largest sales day in legal cannabis history.



Compared to last year's 420, which brought in nearly [\\$112 million](#) and became the industry's largest sales day to date, this year's 420 would be a 16% growth over last year's sales. As more markets legalize cannabis and more Americans become comfortable with the legal cannabis industry, these year-over-year increases are expected to continue.

With 420 landing on a Wednesday this year, expect traffic to start increasing on April 15th, the Friday ahead of 420. In total, the Friday to Wednesday period is expected to see cannabis sales figures above the \$400 million range.

To put that into perspective, the Iowa Alcoholic Beverages Division recently [reported](#) the state's largest year of liquor sales ever – which surpassed \$400 million for the first time. This means that the U.S. cannabis retail industry is predicted to bring in more sales in just six

days than Iowa did for liquor sales in a record-breaking year.

While there is no federal tax due to the lack of legalization, if you were to compare that \$400 million in sales to [Colorado's taxes](#), one of the first legal adult-use markets and where Akerna is headquartered, the sales taxes resulting from consumer spending in those six days would be nearly \$90 million.

"We are approaching the biggest day for our industry, making it critical for dispensaries to plan promotions, staff, and space for these large upticks in traffic," said James Ahrendt, Business Intelligence Architect at Akerna. "To help alleviate some of the traffic, cannabis retailers using Akerna's MJ Retail POS solution can leverage the platform's kiosk mode. In kiosk mode, the budtender gives the MJ Retail tablet to the customer, who can then shop the store's offerings on the device, similar to how they would in an online order, allowing stores to serve more customers and ultimately complete more sales per hour."

Other predicted values for the long "holiday" weekend (4/15 - 4/20)

- Category Sales:
 - Flower – 49%
 - Cartridge/Pens – 31%
 - Concentrates – 11%
 - Infused Edibles – 8%
 - Other – 1%
- Sales by demographic:
 - 61% men
 - 39% women
- Sales by age groups:
 - Under 30 – 30%
 - 30-40 – 31%
 - 40-50 – 20%
 - 50-60 – 11%
 - Over 60 – 8%

About the Akerna Flash Report:

Flash Report looks at buying trends in the cannabis market as captured by Akerna's flagship solution, MJ Platform. MJ Platform includes MJ Analytics, allowing operators, investors, and regulators to access the industry's largest and most statistically relevant database to drive data-driven business decisions.

MJ Analytics provides:

- The most significant statistical relevance across countries
- Normalized data (not farmed from various disparate POS platforms)
- Complete cannabis supply chain data
- Business insights founded in category management methodology

MJ Analytics can eliminate the guesswork and provide answers to questions like:

- What is the gross margin return on inventory?

- What SKUs should be carried?
- How do basket adjacencies influence discounting and retention strategies?
- What does a medical market look like a year or five years after decriminalizing cannabis?

[Click here](#) for more information about MJ Platform and MJ Analytics.

Some instances of the flash report may include business intelligence derived from Akerna's family of companies, including Ample Organics, Leaf Data Systems, solo sciences, Trellis, Viridian Sciences, and 365 Cannabis. Sales projections are based on market adjustment calculations and aggregate the entire US market.

Akerna has one of the largest seed-to-sale footprints in the cannabis industry, operating in 15 countries and 23 US states, including Pennsylvania, Oklahoma, Puerto Rico, Arizona, California, Utah, Michigan, Colorado, Montana, Nevada, Maine, Vermont, New Mexico, Missouri, Texas, Ohio, Maryland, Washington DC, Kansas, Arkansas, New York.

Increases are relative to the prior period. Additional business intelligence data sources may include proprietary tools used by Akerna's family of companies.

About Akerna:

Akerna (Nasdaq: KERN) is an enterprise software company focused on compliantly serving the cannabis, hemp, and CBD industry. First launched in 2010, Akerna has tracked more than \$30 billion in cannabis sales to date and is the first cannabis software company listed on Nasdaq. Using connected data and information to propel the cannabis industry forward, Akerna empowers businesses, governments, patients, and consumers to make smart decisions.

The Company's cornerstone technology, MJ Platform, one of the world's leading cannabis infrastructure as a service platform, powers retailers, manufacturers, brands, distributors, and cultivators. Akerna also offers a complete suite of professional consulting services and data analytics for businesses as well as solo sciences, Leaf Data Systems, Trellis, Ample Organics, Viridian Sciences and 365 Cannabis.

For more information, visit <https://www.akerna.com/>.

Forward-Looking Statements:

Certain statements made in this release are "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such terms or expressions) are intended to identify forward-looking statements. Such forward-looking statements include but are not limited to statements regarding the ability of the MJ Platform team to help operators make decisions through analytics and reporting. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of significant known and unknown risks, uncertainties, assumptions, and other important factors, many of which are outside Akerna's

control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others that may affect actual results or outcomes, include (i) Akerna's ability to maintain relationships with customers and suppliers and retain its management and key employees, (ii) changes in applicable laws or regulations, (iii) changes in the market place due to the coronavirus pandemic or other market factors, (iv) and other risks and uncertainties disclosed from time to time in Akerna's filings with the U.S. Securities and Exchange Commission, including those under "Risk Factors" therein. You are cautioned not to place undue reliance on forward-looking statements. All information herein speaks only as of the date hereof, in the case of information about Akerna, or the date of such information, in the case of information from persons other than Akerna. Akerna undertakes no duty to update or revise the information contained herein. Forecasts and estimates regarding Akerna's industry and end markets are based on sources believed to be reliable; however, there can be no assurance these forecasts and estimates will prove accurate in whole or in part.



View original content to download multimedia:<https://www.prnewswire.com/news-releases/akerna-flash-report-420-is-predicted-to-bring-in-over-130-million-in-legal-cannabis-sales-becoming-the-largest-sales-day-in-history-301523770.html>

SOURCE Akerna