ITEM 2. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

This management discussion and analysis ("MD&A") of the financial condition and results of operations of Green Thumb Industries Inc. (the "Company" or "Green Thumb") is for the three months ended March 31, 2020 and 2019. It is supplemental to, and should be read in conjunction with, the Company's Unaudited Interim Condensed Consolidated Financial Statements as of March 31, 2020 and the consolidated financial statements for the year ended December 31, 2019 included in our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the U.S. Securities Exchange Commission on April 15, 2019 (the "2019 Form 10-K") and the accompanying notes for each respective periods. The Company's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Financial information presented in this MD&A is presented in United States dollars ("$" or "US$"), unless otherwise indicated.

This MD&A contains certain "forward-looking statements" and certain "forward-looking information" as defined under applicable United States securities laws. Please refer to the discussion of forward-looking statements and information set out under the heading "Cautionary Note Regarding Forward-Looking Information," identified in the ''Risks and Uncertainties'' section of this MD&A and in Part II, Item 1A, "Risk Factors." As a result of many factors, the Company's actual results may differ materially from those anticipated in these forward-looking statements and information.

In March 2020, the World Health Organization categorized coronavirus disease 2019 ("COVID-19") as a pandemic. COVID-19 continues to spread throughout the U.S. and other countries across the world, and the duration and severity of its effects are currently unknown. The Company is implementing and evaluating actions to strengthen its financial position and support the continuity of its business and operations.

COVID-19 Considerations

The Company's priorities during the COVID-19 pandemic are protecting the health and safety of its employees and its customers, following the recommended actions of government and health authorities. In the future, the pandemic may cause reduced demand for our products and services if, for example, the pandemic results in a recessionary economic environment. However, given the Company's operations have been deemed essential services, the Company believes that there will continue to be strong demand for our products.

Operations of the Company are currently ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by all states in which the Company operates with respect to all customers (except in Massachusetts where only medical use cannabis has been deemed essential). Our ability to continue to operate without any significant negative operational impact from the COVID-19 pandemic will in part depend on our ability to protect our employees, customers and supply chain.

The pandemic has not materially impacted our business operations or liquidity position to date. The Company continues to generate operating cash flows to meet our short-term liquidity needs. In all locations where applicable regulations have been enacted by governmental authorities, the Company has expanded consumer delivery options and curbside pickup to help further protect the health and safety of our employees and customers.

While during the first quarter of 2020 our revenue, gross profit and operating income were not impacted and we maintained the consistency of our operations, the uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners.

For additional information on risk factors related to the pandemic or other risks that could impact our results, please refer to "Risk Factors" in Part II, Item 1A of this Quarterly Report on Form 10-Q.

The following table sets forth the Company's selected consolidated financial data for the periods, and as of the dates, indicated. The (i) consolidated statements of operations and comprehensive loss data for the three months ended March 31, 2020 and 2019 and (ii) consolidated balance sheet data as of March 31, 2020 and December 31, 2019 have been derived from the Unaudited Interim Condensed Consolidated Financial Statements of the Company and its subsidiaries, which are included elsewhere in this Quarterly Report on Form 10-Q.

The data set forth below should be read in conjunction with the Unaudited Interim Condensed Consolidated Financial Statements and accompanying notes presented in Item 1 of this Report. The Company's Consolidated Financial Statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") and on a going-concern basis that contemplates continuity of operations and realization of assets and liquidation of liabilities in the ordinary course of business.

	Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Total Revenues, net of discounts	$ 102,603	$ 27,913
Cost of Goods Sold	$ 49,615	$ 15,124
Gross Profit	$ 52,987	$ 12,789
Total Expenses	$ 45,435	$ 26,419
Other Income (Expense)	$ 1,833	$ 5,162
Net Income (Loss) Attributable to Green Thumb Industries Inc.	$ (4,206)	$ (9,563)

	As of	
	March 31, 2020	December 31, 2019
Total Assets	$ 1,223,014	$ 1,167,537
Long-Term Liabilities	$ 241,958	$ 212,961

OVERVIEW OF THE COMPANY

Established in 2014 and headquartered in Chicago, Illinois, Green Thumb is promoting well-being through the power of cannabis, while being committed to community and sustainable profitable growth. As of March 31, 2020, Green Thumb has operations across 12 U.S. markets, employs over 1,700 people and serves hundreds of thousands of patients and customers annually.

Green Thumb's core business is manufacturing, distributing and marketing a portfolio of owned cannabis consumer packaged goods brands (which we refer to as our consumer packaged goods business), including Beboe, Dogwalkers, Dr. Solomon's, incredibles, Rythm and The Feel Collection. We distribute and market these products primarily to third-party licensed retail cannabis stores across the United States as well as to Green Thumb-owned retail stores (which we refer to as our Retail business).

The Company's Consumer Packaged Goods portfolio is primarily generated from plant material that Green Thumb grows and processes itself, which we use to produce our consumer packaged goods in 13 manufacturing facilities. This portfolio consists of stock keeping units ("SKUs") across a range of cannabis product categories, including flower, pre-rolls, concentrates, vape, capsules, tinctures, edibles, topicals and other cannabis-related products (none of which product categories are individually material to the Company). These Consumer Packaged Goods products are sold in over 700 retail locations, including Green Thumb's own Rise and Essence dispensaries.

Green Thumb also owns and operates a national cannabis retail chain called Rise, and in the Las Vegas, Nevada area, a chain of stores called Essence, which are relationship-centric retail experiences aimed to deliver a superior level of customer service through high-engagement consumer interaction, a consultative, transparent and education-forward selling approach and a consistently available assortment of cannabis products. In addition, we own stores under other names, primarily where we co-own the stores or naming is subject to licensing or similar restrictions. The income from our retail stores is primarily from the sale of cannabis-related products, which includes the sale of Green Thumb produced products as well as those produced by third parties, with an immaterial (under 10%) portion of this income resulting from the sale of other merchandise (such as t-shirts and accessories for cannabis use). Our Rise stores currently are located in eight of the states in which we operate (including Nevada). Our Essence stores were acquired in connection with the 2019 acquisition of Integral Associates and are located in Nevada. The Essence stores differ from the Rise stores mainly in geographic location. As of March 31, 2020, the Company had 42 open and operating retail locations, with state licensed permission to open a total of 96 stores. The Company's new store opening plans will remain fluid depending on market conditions, obtaining local licensing, construction and other permissions and subject to our capital allocation plans and the evolving situation with respect to the COVID-19 as described above and under the heading "Liquidity, Financing Activities During the Period, and Capital Resources" below.

Revenue Streams

The Company has consolidated financial statements across its operating businesses with revenue from the manufacture, sale and distribution of branded cannabis products to third-party retail customers as well as the sale of finished products to consumers in its retail stores.

As of March 31, 2020, Green Thumb has operating revenue in its 12 markets (California, Colorado, Connecticut, Florida, Illinois, Maryland, Massachusetts, Nevada, New Jersey, New York, Ohio and Pennsylvania).

Results of Operations - Consolidated

Three Months Ended March 31, 2020

Revenue

Revenue for the three months ended March 31, 2020 was $102,602,602, up 268% from $27,913,163 for the three months ended March 31, 2019 driven by contribution from both Consumer Packaged Goods and Retail sales across Illinois, Nevada, Pennsylvania, Massachusetts and Connecticut. Key performance drivers are: the addition of adult use sales in Illinois; the addition of the Essence stores in Nevada; increased distribution of Green Thumb's branded product portfolio to third-party retailers in Illinois, Nevada, Pennsylvania, Massachusetts, and Connecticut; new stores in Pennsylvania, Florida, Illinois, Connecticut, Ohio, New Jersey and New York; and increased store traffic to Green Thumb's open and operating brick and mortar Retail stores. The Company generated revenue from 42 Retail locations during the quarter compared to 15 in the prior year. The following stores were acquired in 2019 and contributed to the increase in Retail revenues: three Essence stores in Nevada, one Illinois store, two Connecticut stores and three New York stores. In addition, 18 new Retail locations were opened in Pennsylvania, Florida, Illinois, Ohio and New Jersey. The key drivers for the Consumer Packaged Goods revenue increase was the addition of two acquired locations from Integral Associates in Nevada and Advanced Grow Labs in Connecticut along with expansion at the Company's existing Consumer Packaged Goods cultivation and processing facilities in Illinois, Pennsylvania and Massachusetts.

Cost of Goods Sold

Cost of goods sold are derived from cost related to the internal cultivation and our branded Consumer Packaged Goods and production of cannabis and from retail purchases made from other licensed producers operating within our state markets. Cost of goods sold for the three months ended March 31, 2020 was $49,615,188, up 228% from $15,123,942 for the three months ended March 31, 2019, driven by the addition new Retail stores in Illinois and Pennsylvania and increased volume in open and operating Retail stores; and expansion of the consumer products sales in Illinois, Nevada, Pennsylvania, Massachusetts, and Connecticut as described above.

Gross Profit

Gross profit for the three months ended March 31, 2020 was $52,987,414, representing a gross margin on the sale of branded cannabis flower and processed and packaged products including concentrates, edibles, topicals and other cannabis products, of 52%. This is compared to gross profit for the three months ended March 31, 2019 of $12,789,221 or a 46% gross margin. The Company's increase in gross margin percentage was mainly attributed to improved margins in Retail as well as operating leverage experienced at the Company's Consumer Packaged Goods cultivation and processing facilities. The increase in gross profit was directly attributable to the revenue increase as further described above.

Total Expenses

Total expenses for the three months ended March 31, 2020 were $45,434,757 or 44% of total revenues, net of discounts, an increase of $19,015,876. Total expenses for the three months ended March 31, 2019 were $26,418,881 or 95% of total revenues, net of discounts.

The increase in total expenses was attributable to an increase in intangible amortization expense, and Retail and corporate staff salaries and benefits in addition to other operational expenses mainly as a result of the Company's new and acquired Retail facilities further described above under "Revenue" as compared to last year. The decrease in expenses as a percent of revenue was attributable to measures deployed to control variable expenses as well as inherent operating leverage caused by the significant increase in revenue.

Total Other Income (Expense)

Total other income (expense) for three months ended March 31, 2020 was $1,832,783, a decrease of $3,328,822 compared to 2019, mainly due to interest expense in the current year as a result of the May 2019 debt issuance.

Provision for Income Taxes

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end. For the three months ended March 31, 2020, Federal and State income tax expense totaled $13,149,000 compared to expense of $1,236,000 for the three months ended March 31, 2019.

The effective tax rate for the three months ended March 31, 2020 varies widely from the three months ended March 31, 2019 primarily due to the change in pre-tax loss in 2019 to pre-tax income in 2020. The large amount of nondeductible expenses incurred by the Company being subjected to IRC Section 280E, was the driver for income tax expense being incurred in a pre-tax loss quarter for 2019.

Income (Loss) From Operations

Net operating income before other income, provision for income taxes and non-controlling interest for three months ended March 31, 2020 was $9,385,440 an increase of $17,853,495 compared to the three months ended March 31, 2019.

As presented under the heading “Non-GAAP Measures” below, after adjusting for non-cash equity incentive compensation, as well as other nonoperating items, earnings before interest, taxes, depreciation, and amortization, other income, and one-time transaction related expenses, (“Adjusted Operating EBITDA”) was $25,544,924 and ($2,116,045) for the three months ended March 31, 2020 and 2019, respectively.

The increase in pretax income and Adjusted Operating EBITDA was attributed to contributions from new and acquired locations along with the Company’s focus on sustainable growth while deploying measures to control variable expenses.

Three Months Ended March 31, 2019

Revenue

Revenue for the three months ended March 31, 2019 was $27,913,163, up 155% from $10,925,898 for the three months ended March 31, 2018 driven by contribution from both Consumer Packaged Goods and Retail sales across Illinois, Nevada, Maryland, Pennsylvania, Massachusetts and Connecticut. Key performance drivers are: distribution expansion of Green Thumb’s branded product portfolio to third-party retailers in Illinois, Maryland, Pennsylvania, and Massachusetts; addition of Advanced Grow Labs in Connecticut; and increased store traffic to Green Thumb’s 15 open and operating brick and mortar retail stores, particularly in Illinois, Pennsylvania and Florida.

Cost of Goods Sold

Cost of goods sold are derived from cost related to the internal cultivation and production of cannabis and from retail purchases made from other licensed producers operating within our state markets. Cost of goods sold for the three months ended March 31, 2019 was $15,123,942, up 186% from $5,292,958 for the three months ended March 31, 2018, driven by expansion of the consumer products sales in Maryland, Pennsylvania and Massachusetts, the addition of Retail stores in Pennsylvania along with the addition of Advanced Grow Labs in Connecticut.

Gross Profit

Gross profit for the three months ended March 31, 2019 was $12,789,221, representing a gross margin on the sale of branded cannabis flower and processed and packaged products including concentrates, edibles, topicals and other cannabis products, of 46%. This is compared to gross profit for the three months ended March 31, 2018 of $5,632,940 or a 52% gross margin.

Total Expenses

Total expenses for the three months ended March 31, 2019 were $26,418,881 or 95% of total revenues, net of discounts, an increase of $20,163,243. Total expenses for the three months ended March 31, 2018 were $6,255,638 or 57% of total revenues, net of discounts.

Increase in total expenses was attributable to an increase in general and administrative expenses, mainly due to non-cash charges related to equity incentive compensation of $5,844,800, with no comparable expense for the three months ended March 31, 2018. Salaries and benefits also contributed to the increase as a result of new headcount from the Company's Retail facilities in Illinois, Nevada, Maryland, Pennsylvania Massachusetts and Florida along with corporate staff development.

Additionally, the Company had professional fees of $3,587,558 which represented an increase of $2,566,699 over the 2018 amount of $1,020,859, primarily attributable to acquisition related support, and other regulatory and growth-related activities.

Total Other Income (Expense)

Total other income (expense) for three months ended March 31, 2019 was $5,161,605, an increase of $4,699,366 compared to 2018, mainly due to a favorable adjustment to the fair values of the Company's investments recorded in 2018, as further described in the Liquidity, Financing Activities During the Period, and Capital Resources section of this MD&A.

Provision for Income Taxes

Income tax expense is recognized based on the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end. For the three months ended March 31, 2019, Federal and State income tax expense totaled $1,236,000 compared to expense of $235,000 for the three months ended March 31, 2018.

Income (Loss) From Operations

Net operating loss before other income, provision for income taxes and non-controlling interest for the three months ended March 31, 2019 was $(8,468,055) a decrease of $8,307,596 compared to the three months ended March 31, 2018.

As presented under the heading "Non-GAAP Measures" below, after adjusting for non-cash equity incentive compensation, as well as other nonoperating items, adjusted operating EBITDA was ($2,116,045) for the three months ended March 31, 2019.

Results of Operation by Segment

The following table summarizes revenues net of sales discounts by segment for the three months ended March 31, 2020 and 2019:

	Three Months Ended March 31,			
	2020	2019	$ Change	% Change
Consumer Packaged Goods	$ 46,322,028	$13,494,740	$ 32,827,288	243.3%
Retail	75,961,450	16,117,365	59,844,085	371.3%
Intersegment Eliminations	(19,680,876)	(1,698,942)	(17,981,934)	n.m.
Total Revenues, Net of Discounts	**$102,602,602**	**$27,913,163**	**$ 74,689,439**	**267.6%**

n.m. - not meaningful.

Three Months Ended March 31, 2020

Revenues, net of discounts for the Consumer Packaged Goods Segment were $46,322,028, an increase of $32,827,288 or 243%, compared to the three months ended March 31, 2019. The increase in Consumer Packaged Goods revenues, net of discounts, was primarily driven by the legalization of adult-use of cannabis in Illinois on January 1, 2020, increased sales volume in established markets such as Massachusetts, Maryland and Pennsylvania, a full quarter of operations for Advanced Grow Labs, LLC's cultivation and processing facility in Connecticut and the acquisition of Integral Associates, LLC's Desert Grown Farms cultivation and processing facility in Nevada in June 2019.

Due to the vertically integrated nature of the business, the Company reviews its revenue at the Retail and CPG level while reviewing its operating results on a consolidated basis.

Revenues, net of discounts for the Retail Segment were $75,961,450, an increase of $59,844,085 or 371%, compared to the three months ended March 31, 2019. The increase in Retail revenues, net of discounts, was primarily driven by legalization of adult-use in Illinois on January 1, 2020 as well as new store openings, the acquisition of Integral Associates, LLC's Essence branded dispensaries in June 2019 and increased sales volume in existing stores.

Drivers of Results of Operations

Revenue

The Company derives its revenue from two revenue streams: a Consumer Packaged Goods business in which it manufactures, sells and distributes its portfolio of finished consumer packaged goods, including brands Rythm, Dogwalkers, The Feel Collection and Beboe, among others, primarily to third-party retail customers; and a Retail business in which it sells finished goods sourced primarily from third-party cannabis manufacturers in addition to the Company's own Consumer Packaged Goods products direct to the end consumer in its brick and mortar retail stores, as well as direct-to-consumer delivery where applicable by state law.

For the three months ended March 31, 2020, revenue was contributed from Consumer Packaged Goods and Retail sales across California, Colorado, Connecticut, Florida, Illinois, Maryland, Massachusetts, Nevada, New Jersey, New York, Ohio and Pennsylvania.

Gross Profit

Gross profit is revenue less cost of goods sold. Cost of goods sold includes the costs directly attributable to product sales and includes amounts paid for finished goods, such as flower, edibles, and concentrates, as well as packaging and other supplies, fees for services and processing, and allocated overhead which includes allocations of rent, utilities and related costs. Cannabis costs are affected by various state regulations that limit the sourcing and procurement of cannabis product, which may create fluctuations in gross profit over comparative periods as the regulatory environment changes. Gross margin measures our gross profit as a percentage of revenue.

Over the three months ended March 31, 2020, the Company continued to be focused on executing sustainable, profitable growth of the Company's base business while pursuing expansion. Green Thumb expects to continue its growth strategy for the foreseeable future as the Company expands its Consumer Packaged Goods and Retail footprint within its current markets.

Total Expenses

Total expenses other than the cost of goods sold consist of selling costs to support customer relationships and marketing and branding activities. It also includes a significant investment in the corporate infrastructure required to support the Company's ongoing business.

Selling costs generally correlate to revenue. As a percentage of sales, the Company expects selling costs to remain relatively flat in the more established operational markets (Connecticut, Illinois, Nevada, Maryland, Massachusetts and Pennsylvania) and increase in the up and coming markets as business continues to grow (Florida, New Jersey, New York and Ohio). The increase is expected to be driven primarily by the growth of our Retail channels and the ramp up from pre-revenue to sustainable market share.

General and administrative expenses also include costs incurred at the corporate offices, primarily related to personnel costs, including salaries, incentive compensation, benefits, stock-based compensation and other professional service costs. The Company expects to continue to invest considerably in this area to support aggressive expansion plans and to support the business by attracting and retaining top-tier talent. Furthermore, the Company expects to continue to incur acquisition and transaction costs related to these expansion plans and anticipates an increase in stock compensation expenses related to recruiting and hiring talent, along with legal and professional fees associated with being a publicly traded company.

Provision for Income Taxes

The Company is subject to income taxes in the jurisdictions in which it operates and, consequently, income tax expense is a function of the allocation of taxable income by jurisdiction and the various activities that impact the timing of taxable events. As the Company operates in the federally illegal cannabis industry, it is subject to the limitations of IRC Section 280E under which taxpayers are only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E and a higher effective tax rate than most industries. Therefore, the effective tax rate can be highly variable and may not necessarily correlate to pre-tax income or loss.

Non-GAAP Measures

EBITDA, Adjusted Operating EBITDA, and Adjusted EBITDA are non-GAAP measures and do not have standardized definitions under GAAP. The following information provides reconciliations of the supplemental non-GAAP financial measures, presented herein to the most directly comparable financial measures calculated and presented in accordance with GAAP. The Company has provided the non-GAAP financial measures, which are not calculated or presented in accordance with GAAP, as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. These supplemental non-GAAP financial measures are presented because management has evaluated the financial results both including and excluding the adjusted items and believe that the supplemental non-GAAP financial measures presented provide additional perspective and insights when analyzing the core operating performance of the business. These supplemental non-GAAP financial measures should not be considered superior to, as a substitute for or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented.

	Three Months Ended March 31,	
	2020	2019
	(in thousands)	
Net Income (Loss) Before Non-Controlling Interest	$ (3,764)	$ (9,704)
Interest Income	(88)	(357)
Interest Expense	5,041	452
Provision For Income Taxes	13,149	1,236
Other Income	(6,786)	(5,257)
Depreciation and amortization	12,706	3,262
Earnings before interest, taxes, depreciation and amortization (EBITDA) (non-GAAP measure)	**$ 20,258**	**$ (10,368)**
Stock-based compensation, non-cash	5,074	5,845
Acquisition, transaction and other non-operating costs	213	2,407
Adjusted Operating EBITDA (non-GAAP measure)	**$ 25,545**	**$ (2,116)**

Liquidity, Financing Activities During the Period, and Capital Resources

As of March 31, 2020 and December 31, 2019 the Company had total current liabilities of $128,250,270 and $111,367,255, respectively, and cash and cash equivalents of $71,521,924 and $46,667,334, respectively to meet its current obligations. The Company had working capital of $12,565,876 as of March 31, 2020, an increase of $14,870,520 as compared to December 31, 2019. This increase in working capital was primarily driven by the $26,800,844 increase in revenue experienced in the first quarter of 2020 over the fourth quarter of 2019 and the corresponding working capital impact from this increase. The Company's quarterly results were driven by organic growth across the Company's Consumer Packaged Goods and Retail businesses, particularly in Illinois following the commencement of adult use sales on January 1, 2020, and in Pennsylvania along with the settlement of certain contingent consideration during the quarter.

In the first quarter 2020, Green Thumb generated revenue from all 12 of its markets: California, Colorado, Connecticut, Florida, Illinois, Maryland, Massachusetts, Nevada, New Jersey, New York, Ohio and Pennsylvania. The Company's Consumer Packaged Goods gross revenue grew approximately 21% (net 13%) during the three months ended March 31, 2020 as compared to the quarter ended December 31, 2019. As of March 31, 2020, Green Thumb's branded products were sold in over 700 retail stores, including the Company's Rise™ and Essence retail stores. The Company's Retail revenue increased 45% during the three months ended March 31, 2020 as compared to the quarter ended December 31, 2019, primarily driven by increased transaction activity across the Company's 42 store Retail footprint, as well as the two new Retail stores it opened in Illinois and the one new Retail store it opened in Pennsylvania during the quarter.

The Company is an early-stage growth company, which is generating cash from revenues and is deploying its capital reserves to acquire and develop assets capable of producing additional revenues and earnings over both the immediate and near term. Capital reserves are primarily being utilized for capital expenditures, facility improvements, product development and marketing, as well as customer, supplier and investor and industry relations.

While our revenue, gross profit and operating income were not materially impacted by COVID-19 and we maintained the consistency of our operations during the first quarter of 2020, the uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners. The Company takes a cautious approach in allocating its capital to maximize its returns while ensuring appropriate liquidity. Given the current uncertainty of the future economic environment, the Company has taken additional measures in monitoring and deploying its capital to minimize the negative impact on its current operations and expansion plans.

Cash Flows

Cash Used in Operating Activities

Net cash used in operating activities for the three months ended March 31, 2020 and 2019, were as follows:

	Three Months Ended March 31,	
(in thousands)	**2020**	**2019**
Net Cash provided by (used in) Operating Activities	$ 27,048	($ 4,299)

Cash Flow from Investing Activities

Net cash used in investing activities for the three months ended March 31, 2020 and 2019, were as follows:

	Three Months Ended March 31,	
(in thousands)	**2020**	**2019**
Net Cash Used in Investing Activities	($ 1,447)	($ 25,237)

Cash Flow from Financing Activities

Net cash provided by financing activities for the three months ended March 31, 2020 and 2019, were as follows:

	Three Months Ended March 31,	
(in thousands)	**2020**	**2019**
Net Cash (used in) provided by Financing Activities	($ 746)	$ 632

Contractual Cash Obligations and Other Commitments and Contingencies

The following table quantifies the Company’s future contractual obligations as of March 31, 2020:

	Total	2020	2021	2022	2023	2024	Thereafter
Notes Payable[(a)]	$105,466,429	$ —	$ —	$105,466,429	$ —	$ —	$ —
Charitable Contributions	911,723	182,926	186,928	191,018	194,144	156,707	—
Interest Due on Notes Payable	27,149,659	9,500,647	12,655,971	4,993,041	—	—	—
Operating Leases - Third Party	270,600,973	12,039,451	20,432,259	20,053,541	20,030,831	18,980,307	179,064,584
Operating Leases - Related Parties	18,332,456	1,048,267	1,424,851	1,458,247	1,492,437	1,384,035	11,524,619
Contingent Consideration	50,344,502	41,581,975	8,762,527	—	—	—	—
Construction Commitments	5,131,995	5,131,995	—	—	—	—	—
Total as of March 31, 2020	**$477,937,737**	**$69,485,261**	**$43,462,538**	**$132,162,275**	**$21,717,412**	**$20,521,049**	**$190,589,203**

(a) - The amount excludes $13,505,195 of unamortized debt discount as of March 31, 2020. See Note 6 - Notes Payable for details.

Off-Balance Sheet Arrangements

As of March 31, 2020, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Changes in or Adoption of Accounting Practices

None.

Critical Accounting Policies and Significant Judgements and Estimates

There were no material changes to our critical accounting policies and estimates from the information provided in "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in our 2019 Form 10-K.

Emerging Growth Company Status

The Company is an "emerging growth company" as defined in the Section 2(a) of the Exchange Act, as modified by the Jumpstart Our Business Start-ups Act of 2012, or the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 13(a) of the Exchange Act for complying with new or revised accounting standards applicable to public companies. The Company has elected to take advantage of this extended transition period and as a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates.

ITEM 3. QUANTITAVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our market risk disclosures as set forth in Part II Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2019 except as described below.

COVID-19

The Company is monitoring COVID-19 closely, and although operations have not been materially affected by the COVID-19 outbreak to date, the ultimate severity of the outbreak and its impact on the economic environment is uncertain. Operations of the Company are currently ongoing as the cultivation, processing and sale of cannabis products is currently considered an essential business by the States in which we operate with respect to all customers (except for Massachusetts, where cannabis has been deemed essential only for medical patients). In all locations where regulations have been enabled by governmental authorities, the Company has expanded consumer delivery options and curbside pickup to help protect the health and safety of our employees and customers.

The pandemic has not materially impacted our business operations or liquidity position to date. We continue to generate operating cash flows to meet our short-term liquidity needs. The uncertain nature of the spread of COVID-19 may impact our business operations for reasons including the potential quarantine of our employees or those of our supply chain partners.

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

The Company evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2020. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. The Company recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives. Management, including the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(b) and Rule 15d-15(e) of the Exchange Act) as of March 31, 2020. As of December 31, 2019, Green Thumb, as an emerging growth company, was not required to include management's assessment of Internal Controls over Financial Reporting ("ICFR") or an attestation report of the Company's registered public accounting firm in our 2019 Form 10-K. However, management has developed and is in the process of enhancing the Company's ICFR and its disclosure controls and procedures in preparation for the annual audit of the Company for the 2020 fiscal year. Green Thumb expects to be required to include both management's assessment of ICFR and the attestation of the Company's registered public accounting firm regarding the Company's ICFR in our 2020 annual report on Form 10-K. Management, including the Chief Executive Officer and Chief Financial Officer, have carefully considered the Company's progress in the development of the disclosure controls and procedures to date and determined that they were reasonably effective at the assurance level as of March 31, 2020.