

Aloha Green Cannabis Collection



**JHA House Information Session
Room 325
January 29, 2025**

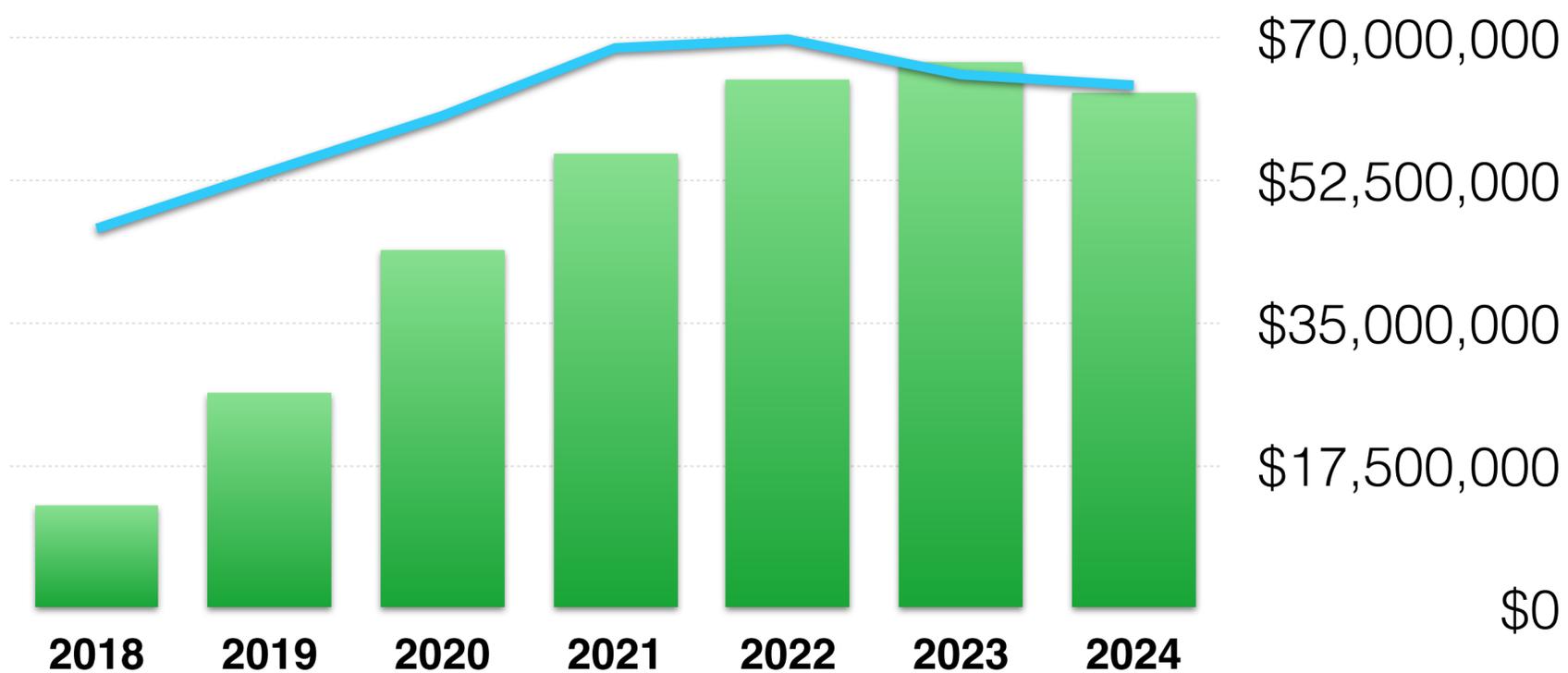


Regulate Educate Tax



Hawaii MedCan Highlights

- State announced the selection of 8 vertical licensees in April 2017
- Dispensaries first opened in August 2018
- 24 retail dispensaries operating in Hawaii today (1 lost in Lahaina)
- Hawaii MedCan program generated 759 FTE jobs (2023)
- No criminal complaints and no serious adverse health cases
- 86% of Hawaii Voters SUPPORT cannabis legalization (KITV, 2023)
- 88% of Americans FAVOR legalization (Pew, 2024)



MedCan Net Sales Revenue and
of Registered 329 Patients





Dual-Use Tax Revenue Projections

- MedCan Program sales peaked in 2023 with a total of \$66.9m and \$3.1m GET
- Flower prices have dropped from initial high of \$550 to as low as \$99 per ounce (illicit price \$150 per oz)
- In accordance with other States, estimate a 3-4x dual-use market vs. medical sales only initial bump
- HICIA estimates Hawaii dual-use market between \$170m to \$430m annually
- Massachusetts cannabis tax revenue \$272.5m (2024) with an initial regulatory budget of \$7.5m

Table 1 - Projected State Tax Revenue by Year, Adult-Use Cannabis

	YEAR 1	Year 2	Year 3	Year 4
Factor of Current MedCan Sales	2.58X	3.63X	5.10X	6.51X
Adult Use Gross Sales Volume	\$170,112,495	\$239,418,630	\$336,961,023	\$429,476,205
Total State Tax Collections*	\$39,600,169	\$61,228,830	\$86,174,285	\$109,664,875

*14% Cannabis Tax + GET + Corporate/Income Tax

\$39.6M
YEAR 1

UPDATED Tax Revenue*

HB1246

*14% Cannabis Tax + GET + Income/Corporate Tax

\$109.7M
MATURE MARKET

References

State annual cannabis revenue: <https://www.fool.com/research/marijuana-tax-revenue-by-state/>



New Jobs

- Marijuana Policy Project projects an additional 6,446 jobs for Hawaii's proposed dual-use program based on NV market
- HICIA projects an additional 3,375 new jobs (2023)
- Aloha Green Apoth operates 60,000 square feet modern state-of-the-art production center on converted Dole lands
- Aloha Green Apoth employs 80 FTE employees
 - 30 Cultivators (including UH Bachelors and Master graduates soil science, agriculture and botany graduates)
 - 5 Lab technicians (PhD and Master degrees)
 - 45 Dispensary Staff (4 locations)



Returning Hawaii Residents

- A wahine-owned and operated cannabis brand from California by two Hawaii residents who left Hawaii to pursue cannabis
- One owner has since returned to Hawaii with her young family
- <https://www.auntiealoha.com/>





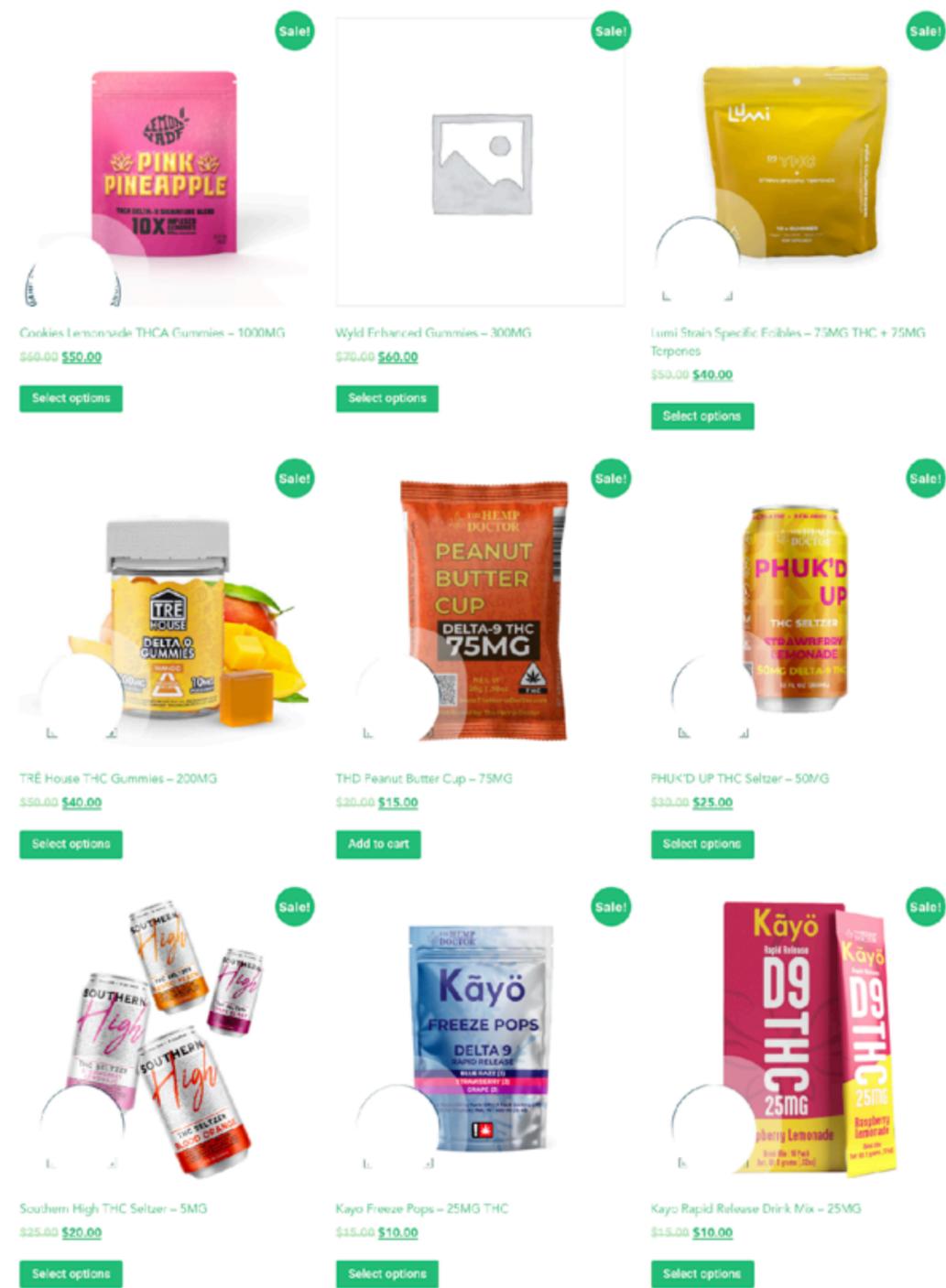
Illicit Cannabis in Hawaii?





Illicit Cannabis Available in Hawaii

- Public health threat to children and visitors but not a law enforcement priority
- Allegedly derived from hemp (<0.3% THC, Farm Bill) but manufactured to concentrate THC levels or synthetically alter cannabinoids to get around current laws in order to sell intoxicating products
- In 2023, there were less than ten (10) storefronts illegally selling cannabis labeled as hemp on the island of Oahu
- In 2024, there are now over forty (40) identifiable storefronts on Oahu
- #1 dispensary on Google Reviews is an illegal dispensary and has been for most of 2024 into 2025 and offers delivery to your school or hotel room
- Illegal Dispensaries and Grey Market Hemp stores sell:
 - EDIBLES with up to 100mg THC per piece and 1000mg THC per package vs medcan dispensary limit of 10mg per piece and 100mg per package
 - DRINKS with up to 25mg of THC vs medcan dispensary limit of 10mg
 - Products are not properly lab tested; not properly labelled or packaged; no age gating at retail or online stores with delivery; untaxed
- Farm Bill loopholes allow sale of DELTA-8 THC and THC-A, but local lab testing shows illicit sales of DELTA-9 THC found in cannabis





Mahalo

TY Cheng, Founder and Chairman
TY@agapoth.com

Please visit our site at: agapoth.com

Aloha Green Cannabis Collection

1350 S King Street, Unit 230

Honolulu, Hawaii 96814

USA



Dual-Use is Timely Adult Access to **Safer, Lab-Tested and Regulated Product** vs. **Illicit Market**



- 4 out of 10 MedCan patients wait 3 or more days to receive their 329 Card from the State after being qualified by a physician
- DOH Registry is not open on weekends
- DOH Registry is open government office hours only
- 83% of 329 Patients qualify for Severe Pain (Dec 2024)

References

<https://health.hawaii.gov/medicalcannabisregistry/submenu/program-statistics/>

Instagram polls January 28, 2025