



Ratings

Store Insights Report

A-

Store Rating: A-

Portfolio Health: High Grade

Inventory Exposure: \$47,739

Area of concern: Overstocking

Portfolio Information:

Retailer: KANNA Dispensary

Legal Name: KANNA INC

Address: 2019 MacArthur Blvd, Oakland, CA 94602

Publication Date: 07/01/2026

Analyst: Peter Abrams

Phone: 949-730-0986

Email: peter@zratings.net



Category Risk Opinions

PRE-ROLLS (brand ct: 64)

Rating: A-

Outlook: Negative

Inventory Exposure: \$-6,432

You are currently overstocked by \$6,432 in the Pre-Roll category.

Flower (brand ct: 42)

Rating: A-

Outlook: Negative

Inventory Exposure: \$-7,370

You are currently overstocked by \$7,370 in the Flower category.

EDIBLES (brand ct: 41)

Rating: BB-

Outlook: Negative

Inventory Exposure: \$-16,926

You are currently overstocked by \$16,926 in the Edibles category, severely exceeding recommended inventory levels.

TINCTURES (brand ct: 9)

Rating: A

Outlook: Negative

Inventory Exposure: \$-1,258

You are currently overstocked by \$1,258 in the Tincture category, resulting in excess inventory exposure.

WAX (brand ct: 13)

Rating: B+

Outlook: Negative

Inventory Exposure: \$-2,259

You are currently overstocked by \$2,259 in the Wax category, slightly exceeding recommended inventory levels.

Vape (brand ct: 42)

Rating: A

Outlook: Negative

Inventory Exposure: \$-8,241

You are currently overstocked by \$8,241 in the Vape category.



Category Risk Opinions - cont.

TOPICALS (brand ct: 11)

Rating: A

Outlook: Negative

Inventory Opportunity: \$-5,253

You are currently overstocked by \$5,253 in the Topicals category.

Analyst Opinion:

The inventory portfolio demonstrates certain areas that needs significant improvement from a stocking perspective. The current rating reflects a selection of brands with steady profit margins but a need for improvement in which brands we stock and how much.



Executive Summary & Portfolio Health

ANALYST OPINION

The A- Risk Rating reflects a portfolio that requires improvement in stocking the appropriate amounts of inventory in relation to the stability and overall financial risk of those brands. **Inventory risk is fairly spread across all categories, this exposure represents the risk of aging inventory, expiration, and the constricted cash flow from paying vendors while waiting for the product to sell.**

The outlook remains Fair. Management has the opportunity to improve portfolio quality through inventory rationalization and targeted reductions within overstocked categories. Successful execution of these initiatives may improve cash flow efficiency, reduce inventory exposure, and support future rating upgrades.

Z Ratings believes the portfolio maintains adequate overall inventory quality despite elevated exposure within select categories. Continued inventory optimization efforts may improve cash flow efficiency, reduce portfolio risk, and support future rating upgrades.

Glossary

Grade	Risk Classification
AAA	High-Grade
AA+	High-Grade
AA	High-Grade
AA-	High-Grade
A+	High-Grade
A	High-Grade
A-	High-Grade
BBB	High-Grade
BB+	High-Grade
BB	High-Grade
BB-	High-Grade
B+	High-Grade
B	High-Grade
B-	High-Grade
CCC	Speculative
CC+	Speculative
CC	Speculative
CC-	Speculative
C+	Speculative
C	Speculative
C-	Speculative