

Cresco Labs Closes Acquisition of Verdant Creations' Four Dispensaries, Reaches Maximum Retail Licenses in Ohio

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CHICAGO--(BUSINESS WIRE)-- **Cresco Labs** (CSE:CL) (OTCQX:CRLBF) ("Cresco" or "the Company"), one of the largest vertically integrated, multistate cannabis operators in the United States, announced today the closing of its acquisition of Verdant Creations dispensaries in Cincinnati, Chillicothe, Newark and Marion, Ohio (collectively "Verdant"). These acquisitions give Cresco four additional dispensaries, bringing the Company's dispensary presence in Ohio to five – the maximum allowed by the state.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20210216005380/en/>

Cresco Labs closed on its acquisition of four Verdant Creations dispensaries, expanding its dispensary presence in Ohio to five operating stores. (Photo: Business Wire)

The Verdant acquisition is aligned with Cresco's strategy of building meaningful, material

market positions in the states that matter most. As the seventh most populated state in the U.S., Ohio has a registered medical patient count that more than doubled in 2020 from roughly 78,000 patients to 160,000, in addition to 52 operational dispensaries statewide and 2020 annual cannabis sales of nearly \$220 million¹. Cresco Labs is well positioned in the market with the largest type of cultivation license allowing 25,000 sq. ft. of cultivation, a full processing facility currently under expansion, and now the maximum number of retail locations allowed by the state. Additionally, the Company distributes its flower product to 88% of Ohio's dispensaries and is excited to bring its full House of Brands to market following the completion of its processing and manufacturing facility later this year.

"In 2020, we demonstrated the growth and leverage that can be created by focusing only on the most strategic markets, executing high-quality cultivation at scale, distributing our branded products onto every shelf and focusing on targeted, consumer-focused, high-volume retail. In 2021, we're using the same playbook to go deeper in strategic states, including Ohio," said Charlie Bachtell, Cresco Labs' CEO and Co-founder. "The Verdant acquisition significantly deepens our position in Ohio, a market that looks structurally similar to Illinois and Pennsylvania in the early years of those medical markets. We are thrilled to be amplifying our operations in Ohio this year and look forward to bringing our brands to more patients throughout the state."

Cresco Labs' five Ohio dispensaries are located in Cincinnati, Chillicothe, Marion, Newark, and Wintersville. The Company also has a cultivation and processing facility in Yellow Springs.

¹ <https://www.medicalmarijuana.ohio.gov/Documents/ProgramUpdate/program%20update.pdf>

About Cresco Labs

Cresco Labs is one of the largest vertically integrated, multistate cannabis operators in the United States, with a mission to normalize and professionalize the cannabis industry. Employing a consumer-packaged goods ("CPG") approach, Cresco Labs is the largest wholesaler of branded cannabis products in the U.S. Its brands are designed to meet the needs of all consumer segments and comprised of some of the most recognized and trusted brands including Cresco, Remedi, High Supply, Cresco Reserve, Good News, Wonder Wellness, FloraCal Farms and Mindy's Chef Led Artisanal Edibles created by James Beard Award-winning chef Mindy Segal. Sunnyside, Cresco Labs' national dispensary brand, is a wellness-focused retailer created to build trust, education and convenience for both existing and new cannabis consumers. Recognizing that the cannabis industry is poised to become one of the leading job creators in the country, Cresco Labs operates the industry's largest Social Equity and Educational Development initiative, SEED, which was established to ensure that all members of society have the skills, knowledge and opportunity to work and own businesses in the cannabis industry. Learn more about Cresco Labs at CrescoLabs.com.

Forward Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such

forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as, 'may,' 'will,' 'should,' 'could,' 'would,' 'expects,' 'plans,' 'anticipates,' 'believes,' 'estimates,' 'projects,' 'predicts,' 'potential' or 'continue' or the negative of those forms or other comparable terms. The Company's forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to those risks discussed under "Risk Factors" in the company's Annual Information Form dated April 28, 2020, and other documents filed by the Company with Canadian securities regulatory authorities; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Because of these uncertainties, you should not place undue reliance on the Company's forward-looking statements. No assurances are given as to the future trading price or trading volumes of Cresco's shares, nor as to the Company's financial performance in future financial periods. The Company does not intend to update any of these factors or to publicly announce the result of any revisions to any of the Company's forward-looking statements contained herein, whether as a result of new information, any future event or otherwise. Except as otherwise indicated, this press release speaks as of the date hereof. The distribution of this press release does not imply that there has been no change in the affairs of the Company after the date hereof or create any duty or commitment to update or supplement any information provided in this press release or otherwise.

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