

Cresco Labs Diversifies Edibles & Vape Portfolio Through Good News Brand Expansion

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New products include Counting Sheep, Day Off and Pride mindsets launching in California, Illinois and Michigan

CHICAGO--(BUSINESS WIRE)-- **Cresco Labs** (CSE:CL) (OTCQX:CRLBF) (“Cresco Labs” or “the Company”), a vertically integrated multistate operator and the number one U.S. wholesaler of branded cannabis products, today announced the portfolio expansion of its Good News brand. The Company continues to diversify its wholesale brand portfolio to meet the needs and preferences of all types of cannabis consumers and markets. Under its social occasion-based Good News brand, Cresco is launching Counting Sheep, Day Off and Pride products in edible and vape forms in California, Illinois and Michigan. Counting Sheep represents the Company’s first product made with CBN. Day Off is a product featuring CBD, and Pride, a Sativa-forward product, is available for a limited time during June Pride month in select markets.

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

<https://www.businesswire.com/news/home/20210609005290/en/>

Cresco Labs is diversifying its wholesale portfolio under its Good News brand in California, Illinois and Michigan. In this photo from left to right: Good News Counting Sheep, Me Time, Brunch, Friyay and Vegas disposable vape pens and gummies. (Photo: Business Wire)

“Building on the successful launch of Good News, we’re continuing to differentiate the brand both in our wholesale

portfolio and markets through exciting new edible and vape products that demonstrate cannabis’s many benefits and role in being a part of various social occasions,” said Greg Butler, Chief Commercial Officer at Cresco Labs. “Our strategy is to find the right product and brand mix to appeal to the right consumer segment and market needs, as well as launch innovations at opportune times in our markets. There’s so much opportunity for Good News, and we’re thrilled to bring easy to use, simple to understand and approachable products to our consumers in California,

Illinois and Michigan.”

The edibles category continues to demonstrate growth across all markets*. Per BDS Analytics (“BDSA”) data, edibles saw a 31% increase in sales year-over-year (“YoY”). Gummies showed notable strength, growing 5% quarter-over-quarter, resulting in a new high of \$252M in total gummy retail sales in Q1’21*. Vapes have also seen an increase in market performance. According to BDSA, the vapes category across all markets** has increased sales by 27% YoY. With the launch of Counting Sheep, Day Off and Pride, Cresco continues to diversify its wholesale portfolio and build a strong presence within the edibles and vapes categories.

Counting Sheep

Counting Sheep features Black Cherry-flavored gummies and disposable vape pens with a CBN and THC Indica effect to help achieve better night’s sleep to enjoy life’s best moments with friends the next day.

- Gummy: Black Cherry flavor. 10 gummies per pouch. 50mg CBN/100mg THC Indica (1:2) per pouch. 5 mg CBN/10 mg THC Indica per gummy
- Disposable Vape Pen: Black Cherry flavor. 1 pen per pouch. 75 mg CBN/300 mg THC Indica (1:4) per pen

Day Off

A Hybrid THC effect formulated with CBD, Day Off includes Peach-flavored gummies and disposable vape pens for those who want cannabis to help them relax and recharge.

- Gummy: Peach flavor. 10 gummies per pouch. 100 mg CBD/100 mg THC Hybrid (1:1) per pouch. 10 CBD/10 mg THC Hybrid per gummy
- Disposable Vape Pen: Peach flavor. 1 pen per pouch. 600 mg CBD/300 mg THC Hybrid (2:1) per pen

Pride

A limited time Sativa THC effect-forward offering while supplies last in California and Illinois, Pride represents the Company’s first assorted pack of sour, fruit flavored gummies and Punch flavored disposable vape pens created bring people together for this year’s celebration. Throughout Pride month, Good News will be partnering with LGBTQIA+ community organizations in its markets.

- Gummy: Sour Blue Raspberry, Sour Orange, Sour Watermelon, Sour Sparkling White Grape and Sour Black Cherry flavors. 10 gummies per pouch. 100 mg THC Sativa per pouch/10 mg THC Sativa per gummy
- Disposable Vape Pen: Punch flavor. 1 pen per pouch. 300 mg THC Sativa per pen

Good News products are currently available in three states, including California, Illinois and Michigan. For more information about Good News, visit wearegoodnews.co.

*According to BDSA, total gummy retail sales includes AZ, CA, CO, IL, MD, MA, NV and OR

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About Cresco Labs Inc.

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 national brands including Cresco, High Supply, Mindy's Edibles, Good News, Remedi, Wonder Wellness Co. and FloraCal Farms. 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 www.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 for the year ended December 31, 2020 filed on March 26, 2021, 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 Labs' 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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