

PROFITABILITY AND GROWTH FROM THE CORE

FIRST QUARTER 2024
May 15, 2024

CSE: CL
OTC: CRLBF

CRESCOLABS[®]



DISCLAIMER

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning 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 beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the control of Cresco Labs Inc. ("Cresco Labs"), including statements regarding Cresco Labs' expected financial performance, the current and projected market and growth opportunities for the company, and the timing and completion of announced acquisitions, including all required conditions thereto. Often, but not always, 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. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Cresco Labs or its subsidiaries 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 contained in the public filings of Cresco Labs filed with Canadian securities regulators and available under Cresco Labs' profile on SEDAR at www.sedar.com, including the information under the heading "Risk Factors" in Cresco Labs' annual information form for the year ended December 31, 2023, and with the United States Securities and Exchange Commission (the "SEC") through EDGAR at www.sec.gov/edgar, including Cresco Labs' annual report on Form 40-F for the year ended December 31, 2023; and other factors, many of which are beyond the control of Cresco Labs.

In respect of the forward-looking statements, Cresco Labs has provided certain statements and information in reliance on certain assumptions that it believes reasonable at this time. Although Cresco Labs believes that the assumptions and factors used in preparing the forward-looking information or statements in this presentation are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. Should one or more of the foregoing risks or uncertainties materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Cresco Labs has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The forward-looking information and forward-looking statements included in this presentation are made as of the date of this presentation and Cresco Labs does not undertake any obligation to publicly update such forward-looking information or forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

WELL-POSITIONED TO CREATE VALUE

Leading Portfolio of Brands and Dispensaries that Outperform the Market



(1) Based on Q1 2024 BDSA Data
(2) As of March 31st, 2024
(3) Based on internal and state data

REVIEWING THE YEAR OF THE CORE

Setting a New Standard for Ourselves

Q1 2024

Key Takeaways



Maintained Topline Revenue of \$184 Million while divesting assets, growing retail revenue and offsetting price compression through strength in our core products.



Adjusted EBITDA Margin Expansion of >1,300 Basis Points through operational efficiencies, retail performance and strengthening our footprint.



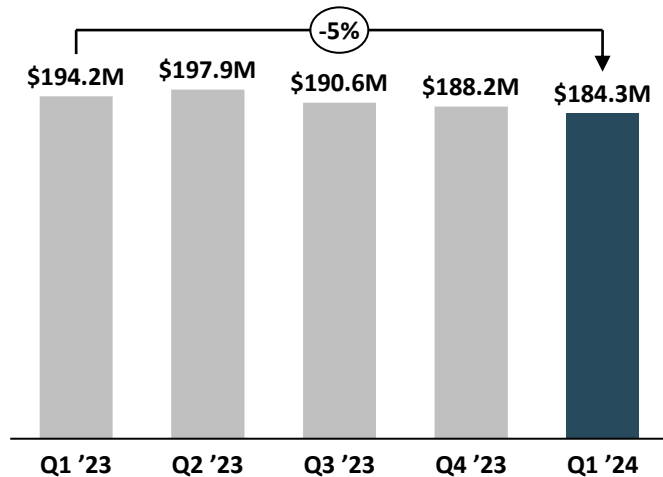
Improved YTD Operating Cash Flows by >10x while continuing to invest in wholesale and retail capabilities and sustained innovation.

REVIEWING THE YEAR OF THE CORE

Maintained Revenue while Driving Increased Profitability, Accelerating Momentum into the Quarters to Come

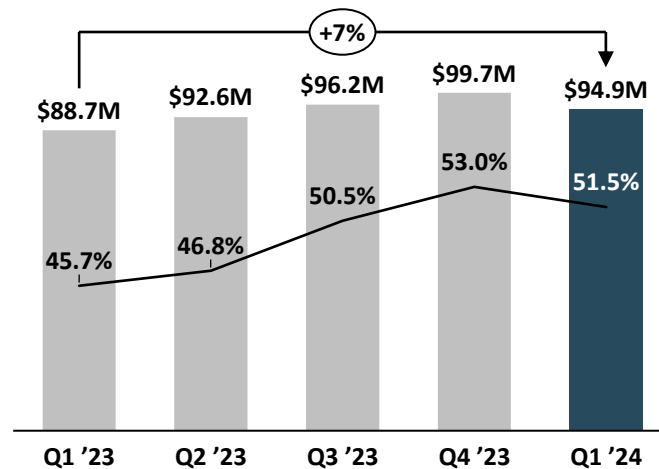
REVENUE

\$10M Million-dollar Quarterly Impact from Exiting MD, AZ and Downsizing CA



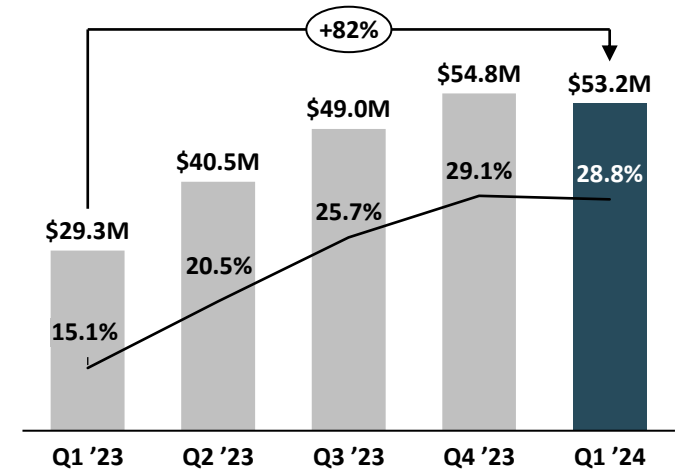
ADJ. GROSS PROFIT

\$6M Increase in Adj. Gross Profit on \$10M Less of Revenue



ADJ. EBITDA

\$16M Adj. SG&A Reduction, Equating to ~\$65M in Annualized Savings

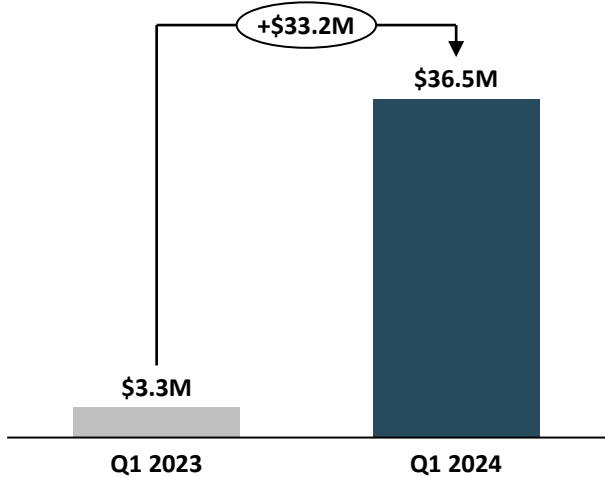


STRENGTHENING OUR BALANCE SHEET

Improving Efficiency and Cashflow, Redeploying Capital with Better Paybacks and Higher Returns

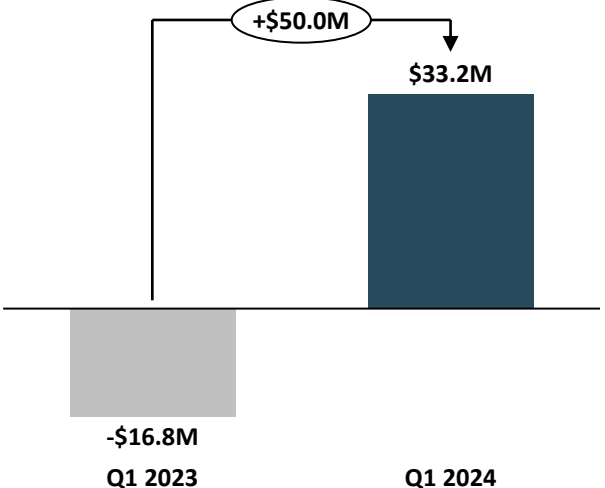
OPERATING CASH FLOW

Prioritizing Profitability and Cash Flow Conversion With Over 10x Increase in Operating Cash Flow



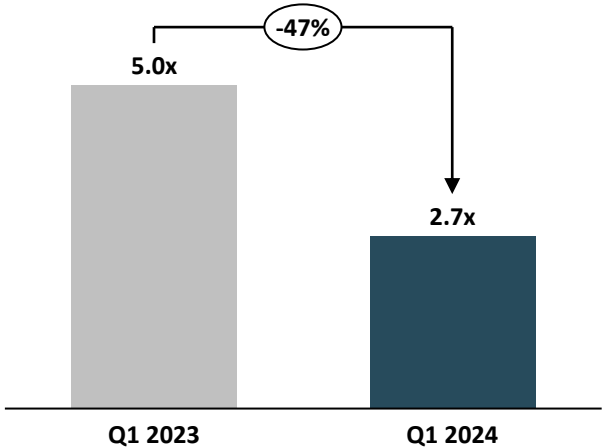
FREE CASH FLOW

Making Smart Investments Focused on Improving Profitability and Operating Leverage, with Near-Term Paybacks



LEVERAGE

Materially Improving Leverage (Net Debt to Q1 Annualized Adjusted EBITDA)



2024 CORE GROWTH PRIORITIES

Creating the Strongest and Most Valuable Cresco Labs

RETAIL

Sunnyside*

C R E S C O

GOOD NEWS

HIGH SUPPLY

MINDY'S
— WORLD'S BEST TASTING EDIBLES —

FLORACAL

Remedi

wonder

STRATEGIC FOOTPRINT

Maximize Adult-Use Conversions

INDUSTRY LEADING BRANDS

Win with Independent Dispensaries

HIGHLY PRODUCTIVE RETAIL

Expand Retail Network & Efficiency

WHOLESALE BRAND PORTFOLIO

MAXIMIZING ADULT-USE CONVERSIONS

Well-Positioned to Capture Outsized Share of the \$2-4 Billion Opportunity in the Next Few Years¹

OHIO

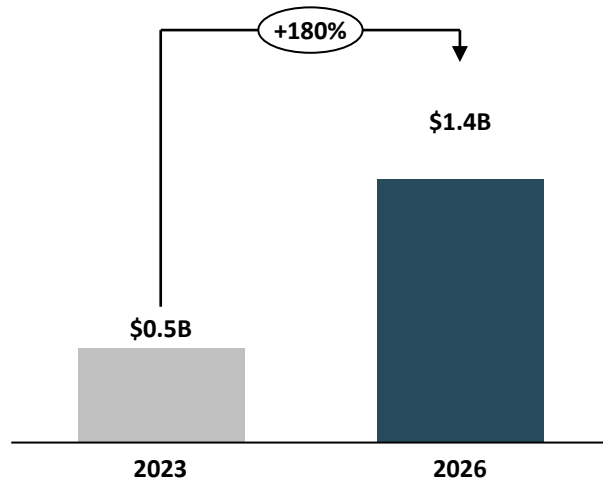
Leading MSO Brand Share

~4% Branded Market Share²

5 Stores

2.0x Retail Fair Share²

Adding 3 Retail Licenses in Adult-Use



PENNSYLVANIA

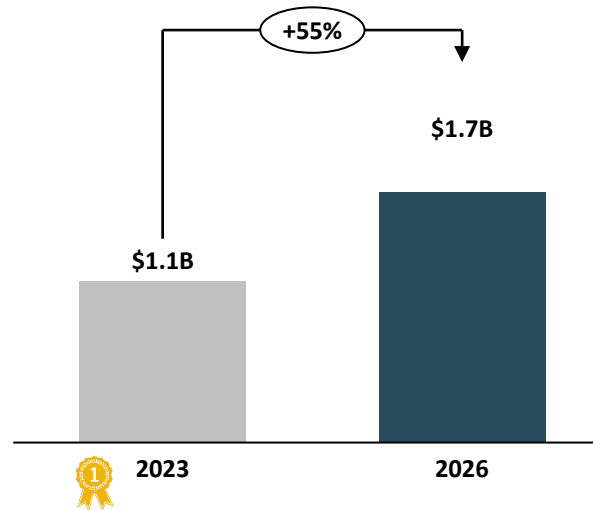
#1 Overall Brand Share

~18% Branded Market Share³

15 Stores

1.1x Retail Fair Share,

While Adding 4 New Doors Over TTM²



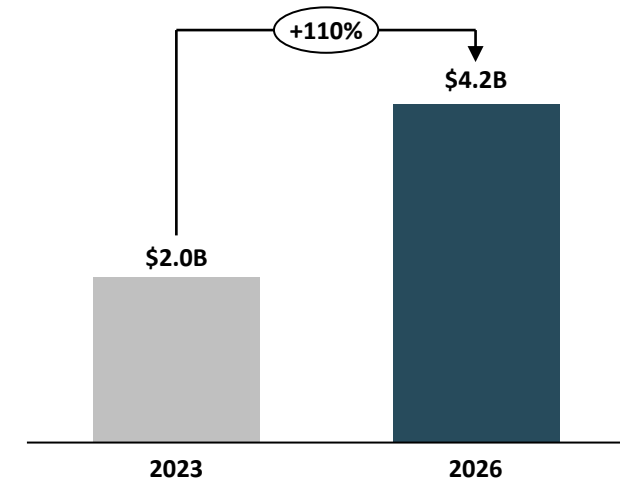
FLORIDA

~5% Flower Market Share⁴

~175% Increase in OMMU Flower
Volume Over TTM

33 Stores

Growing Revenue Per Dispensary Faster Than the
State Average, With 25% Growth QoQ



(1) Based on BDSA market forecast

(2) Based on internal and state data; top 3 MSO branded portfolio

(3) Based on Q1 2024 BDSA Data

(4) Based on OMMU Q1 volumes

AMERICA'S LEADING CANNABIS BRANDS



PROVEN DEPTH IN WHOLESALE

Leading Wholesaler with the Most Popular Cannabis Brands in America

LEADING PORTFOLIO OF BRANDS¹

BEST BETTER GOOD	 FLORACAL™	 FLORACAL™	 FLORACAL™ MINDY'S™ <small>— CHEF LED ARTISANAL EDIBLES —</small>	 FLORACAL™	 Remedi™	#1	Market Leader in IL, PA & MA
	 CRESCO™	 CRESCO™	 GOOD NEWS™	 CRESCO™		#1	Selling Concentrates Portfolio
	 HIGH SUPPLY™	 GOOD NEWS™ HIGH SUPPLY™	 wonder <small>WELLNESS CO.™</small>	 HIGH SUPPLY™		#2	Selling Flower Portfolio
	FLOWER	VAPE	EDIBLES	CONCENTRATES	MEDICINALS	#4	Selling Vapes Portfolio
						#4	Selling Edibles Portfolio

(1) According to BDSA branded sales data for Q1 2024.
 Brands & Partnerships Not Included: Remedi; One Plant (FL);
 Kiva (IL)

PREMIER CULTIVATION

Investing in Leading Cultivation Techniques, Technology & Genetics

LEADING CAPABILITIES & EXCLUSIVE GENETICS

Investing In Technology and Equipment

1.5 Million More Grams of Flower Produced on 7% Less of Canopy, a 13% Increase in Grams Per Sq Ft. ⁽¹⁾

In Ohio, Grams Per Sq Ft. Increased More Than 50% ⁽¹⁾

Investing In Proprietary Genetics Library

In Ohio, Average Potency Increased 5% QoQ, Driven by Cultivation Investments and New Flower Varieties ⁽²⁾

Ongoing In-House Breeding Program With Goal of 50% of Menus To Be Exclusive Cresco Genetics By 2025

Cresco Exclusive Genetics

*Morning Dew • Gas Station Candy • Blue Bomb Pop
Baby Blue • London Space Shuttle • ... & More!*



(1) Based on Internal Data Q1 2024 Compared to Q1 2023

(2) Based on Internal Data Q1 2024 Compared to Q4 2023

SUPERIOR MANUFACTURING

Winning with Quality Products and Innovative Infusion – Delivering Efficiency Through Automation

INNOVATIVE INFUSION + LEADING AUTOMATION

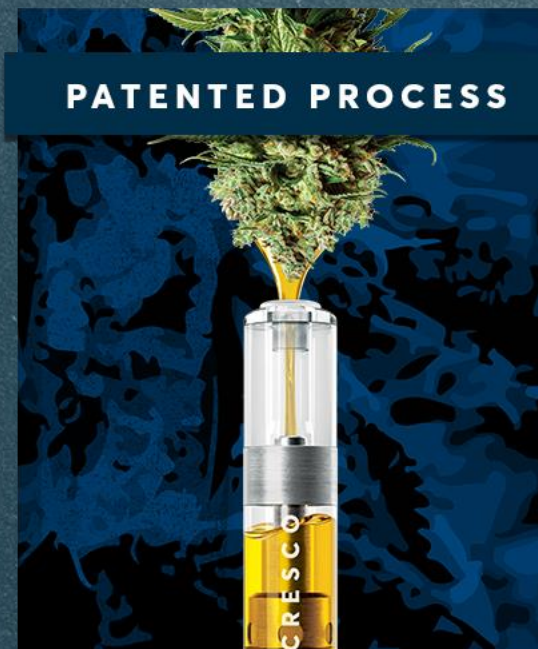
LIVE ROSIN INFUSION



BOTANICAL INFUSION



PATENTED PROCESS



FAST ACTING TECH



Featuring Floracal Live Rosin Gummies, Wonder Laugh Minis and Gummies Infused with Turmeric, Cresco Liquid Live Resin, Good News Celebrate Fast Acting Gummies

BEST-IN-CLASS BRAND PERFORMANCE

Newly Revamped Pre-Roll Portfolio, With Leading Infusion Capabilities

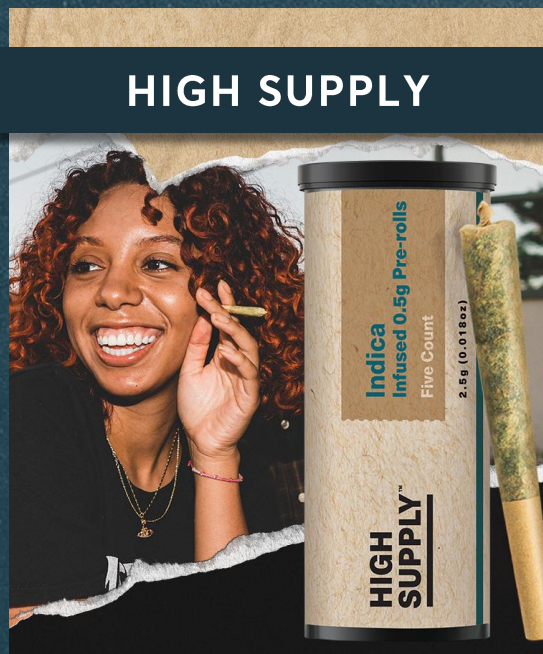
IN ILLINOIS, PRE-ROLL MARKET SHARE IMPROVEMENT OF 800 BPS ⁽¹⁾

CRESCO



Ground Whole Flower From
Our Distinct Strain Library

HIGH SUPPLY



Blend of Flower and Sand of the
Same Dominance

GOOD NEWS



Flower Infused with Extra
Botanical Terpenes and Live Sand

FLORACAL



Whole Flower Hand-Infused
with Solventless Rosin

(1) Q1 2024 year-over-year market share improvement per BDSA

Hey, High
Hello

HIGHLY PRODUCTIVE RETAILER



Sunnyside Palm Harbor, FL

CRESCOLABS®

PROVEN DEPTH IN RETAIL

Driving Best-In-Class Retail Productivity to Deliver Sustained Growth at Scale



STORE COUNT

70

As of March 31, 2024

OUTPERFORMING INDUSTRY

1.29x

Average Index-to-Fair-Share in Market

OUTPERFORMING IN OUR MARKETS

Delivering Growth and Delighting Shoppers through Premier Retail Capabilities

RETAIL MARKETING



DRIVING CUSTOMERS IN
MORE FREQUENTLY

4%

*Increase in Trips per Customer,
Q1 2024 YoY*

RETAIL OPERATIONS



SELLING MORE
PER CUSTOMER

11%

*Grams Per Ticket Sold,
Q1 2024 YoY*

NON-CANNABIS PRODUCTS



GROWING BASKETS WITH
BETTER ASSORTMENT

22%

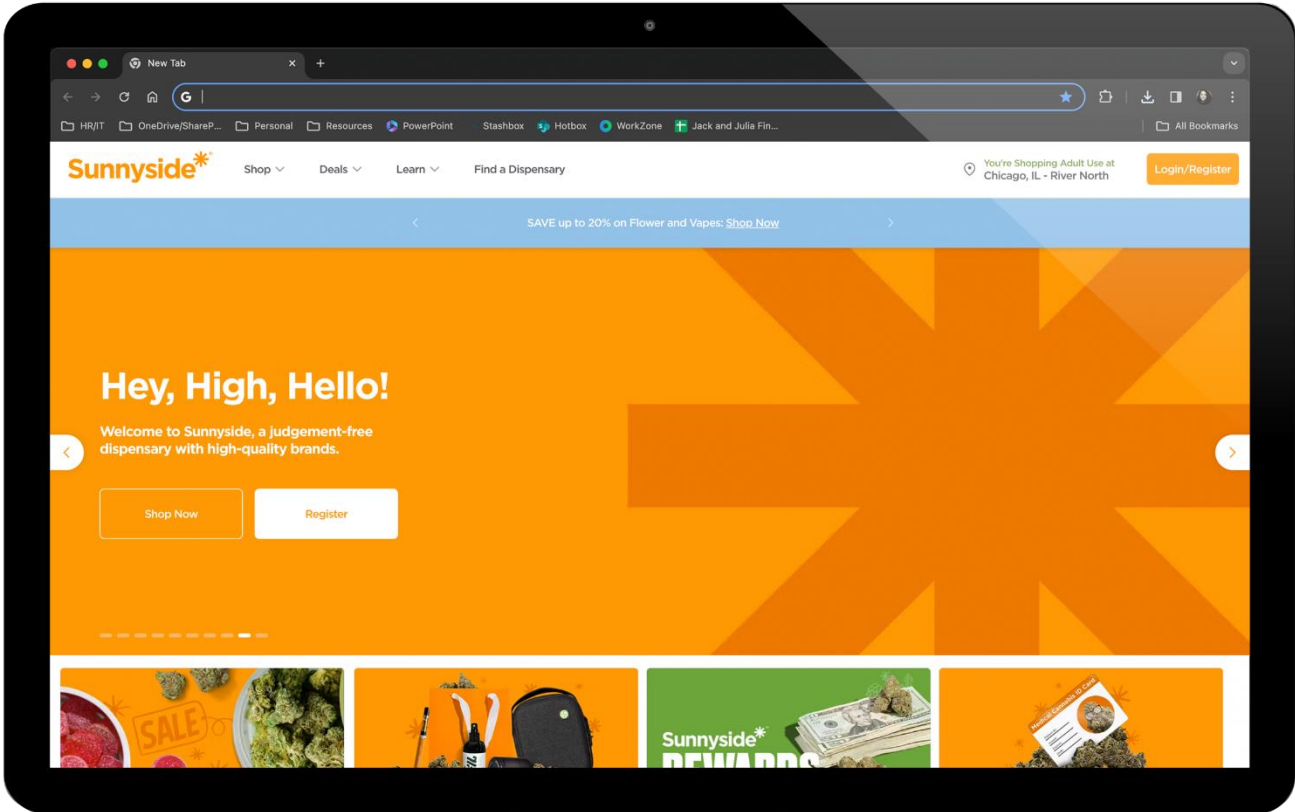
*Non-cannabis Product Revenue
Growth, Q1 2024 YoY*

SUNNYSIDE.SHOP

An E-Commerce Platform Unlike Any Other – Unparalleled Proprietary Capabilities, Insights and Experience

ONLINE ADOPTION
80%
of Transactions Placed Online

LOYAL SHOPPERS
305k+
Sunnyside Rewards Members



CUSTOMER RETENTION
63%
of Q4 2023 Customers Returned in Q1 2024

DELIGHTING SHOPPERS
80%
Increase in Review Volume YoY, While Increasing Average Review Rating

As of March 31, 2024, based on internal and state data.

A RECORD BREAKING 420!

Sunnyside Tech Advantage Enabled the Largest Volume of Online Orders in a Single Day



420 ONLINE ORDERS

19k

A Single Day Record of 25 Orders Per Minute

420 GRAMS SOLD




218k

Highest Ever, +6% to Prior Year

As of March 31, 2024, based on internal and state data.

STATE-BY-STATE ASSET SUMMARY

Strong Positions in Markets That Matter – Driving Share Leadership Today and Capturing Growth of Tomorrow

As of March 31, 2024		Today's Top AU Markets				AU in '24		AU in '25		TOTAL
		CA	MI	 IL	 MA	NY	OH	FL	 PA	
Population	#MM	39.5	10.1	12.8	7.0	20.2	11.8	21.5	13.0	135.9
Legal Status	AU/M	Both	Both	Both	Both	Both ¹	Both ¹	M	M	6 AU+M 2 M
2025E Market Size	\$B	\$5.1	\$3.7	\$2.1	\$1.8	\$1.8	\$1.1	\$3.7	\$1.5	\$20.8
Operational Dispensaries	#	--	--	10	4	3	5	33	15	70
Dispensary Licenses	#	--	--	10	4	4	8 ³	35+ ²	15	76+

Source: Company Reports, BDSA, U.S. Census

¹Adult-Use Cannabis Approved; However Sales Have Not Commenced

²Unlimited Licenses

³Anticipated under Adult-use program

OUR COMMITMENTS

Unwavering In Our Mission to Normalize and Professionalize Cannabis

COMMITTED TO OUR EMPLOYEES



In 2023, 62% of our Employees Onboarded were Female or Minority.

COMMITTED TO OUR COMMUNITIES



In 2023, 25% of our Employees Volunteered More than 5,600 Hours to our Communities.

COMMITTED TO LEGISLATION REFORM



In 2023, our Team Members Successfully Led 280e State Tax Removal in IL and NY

FINANCIAL RESULTS



CRESCOLABS®

FINANCIAL HIGHLIGHTS

Capitalization Summary

SHARES OUTSTANDING

Share Class (# in millions)	as of 03/31/2024
Super Voting Shares	0.5
Redeemable Units	95.5
Subordinated Voting Shares	324.4
Proportionate Voting Shares (as converted)	17.8
Dilutive Securities (including all Options, RSUs)	37.1
Total Fully Diluted Shares Outstanding as of 03/31/2024	475.3

NET DEBT

Balance (\$Millions)	as of 03/31/2024
Debt Outstanding (ST)	\$21.7
Debt Outstanding (LT)	498.0
Long-term Leases	163.2
Total Debt	\$682.9
Cash and Equivalents (incl. restricted cash)	124.9
Net Debt	\$558.0

FINANCIAL HIGHLIGHTS

Reconciliation of Non-GAAP Measures

ADJUSTED GROSS PROFIT

For the Three Months Ending 03/31/2024	Q1'2024	Q1'2023
Revenue, net	\$184.3	194.2
Cost of goods sold (COGS)	92.1	108.3
Gross profit	92.2	85.9
COGS adjustments for acquisition and other non-core costs	2.6	2.8
Adjusted gross profit (Non-GAAP)	\$94.9	\$88.7
Adjusted gross profit % (Non- GAAP) ¹	51.5%	45.7%

ADJUSTED EBITDA

For the Three Months Ending 03/31/2024	Q1'2024	Q1'2023
Net (loss)	(\$2.1)	(\$27.8)
Depreciation and amortization	15.3	13.0
Interest expense, net	14.1	15.5
Income tax expense	18.0	16.8
EBITDA (Non-GAAP)	\$45.3	\$17.5
Other (income) expense, net	(0.8)	(0.9)
Adj. for acquisitions other non-core costs	4.5	5.7
Share-based compensation	4.2	7.1
Adjusted EBITDA (Non-GAAP)	\$53.2	\$29.3
Adjusted EBITDA %	28.9%	15.1%

FINANCIAL HIGHLIGHTS

Reconciliation of Non-GAAP Measures

Adjusted SG&A

For the Three Months Ending 03/31/2024	Q1'2024	Q1'2023
Selling, general and administrative	\$54.0	71.9
Adjustments for acquisition and other non-core costs	2.3	4.0
Adjusted SG&A (Non-GAAP)	51.7	67.9
Adjusted SG&A % (Non-GAAP)	28.1%	34.9%

Free Cash Flow

For the Three Months Ending 03/31/2024	Q1'2024	Q1'2023
Net cash provided by (used in) operating activities	\$36.5	3.3
Purchases of property and equipment	(3.8)	(20.5)
Proceeds from tenant improvement allowances	0.5	0.4
Free Cash Flow (Non-GAAP)	33.2	(16.8)

THANK YOU

INVESTORS

TJ Cole – SVP, Corporate Development & Investor Relations
investors@crescolabs.com

MEDIA

Jason Erkes – Chief Communications Officer
press@crescolabs.com

FOR GENERAL INQUIRIES

312-929-0993
info@crescolabs.com