

# DISCIPLINED CAPITAL ALLOCATION, POSITIONED FOR STRATEGIC GROWTH

CSE: CL  
OTC: CRLBF

FIRST QUARTER 2025  
MAY 30, 2025

C R E S C O L A B S<sup>®</sup>



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This presentation reports its financial results in accordance with U.S. GAAP and includes certain non-GAAP financial measures that do not have standardized definitions under U.S. GAAP. The non-GAAP measures include: Earnings before interest, taxes, depreciation and amortization ("EBITDA"); Adjusted EBITDA; Adjusted EBITDA margin; Adjusted gross profit; Adjusted gross profit margin; Adjusted selling, general and administrative expenses ("Adjusted SG&A"), Adjusted SG&A margin; and Free Cash Flow are non-GAAP financial measures and do not have standardized definitions under U.S. GAAP. The Company defines these non-GAAP financial measures as follows: EBITDA as net loss (income) before interest, taxes, depreciation and amortization; Adjusted EBITDA as EBITDA less other (expense) income, net, fair value mark-up for acquired inventory, adjustments for acquisition and non-core costs, impairment and share-based compensation; Adjusted EBITDA Margin as Adjusted EBITDA divided by revenues, net; Adjusted gross profit as gross profit less fair value mark-up for acquired inventory and adjustments for acquisition and non-core costs; Adjusted gross profit margin as Adjusted gross profit divided by revenues, net; Adjusted SG&A as SG&A less adjustments for acquisition and non-core costs; Adjusted SG&A margin as Adjusted SG&A divided by revenues, net; and Free Cash Flow as Net cash provided by operating activities less purchases of property and equipment and proceeds from tenant improvement allowances. The Company has provided the non-GAAP financial measures, which are not calculated or presented in accordance with U.S. GAAP, as supplemental information and in addition to the financial measures that are calculated and presented in accordance with U.S. GAAP and may not be comparable to similar measures presented by other issuers. These supplemental non-GAAP financial measures are presented because management has evaluated the financial results both including and excluding the adjusted items and believe that the supplemental non-GAAP financial measures presented provide additional perspective and insights when analyzing the core operating performance of the business. These supplemental non-GAAP financial measures should not be considered superior to, as a substitute for or as an alternative to, and should only be considered in conjunction with, the U.S. GAAP financial measures presented herein. Accordingly, the Company has included below reconciliations of the supplemental non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

# CRESCO LABS AT-A-GLANCE

Leading Wholesaler of Branded Cannabis Products and Highly Productive Dispensaries

## WHOLESALE

Leading Portfolio of Brands

#1 Market Share in Multiple Billion Dollar Markets

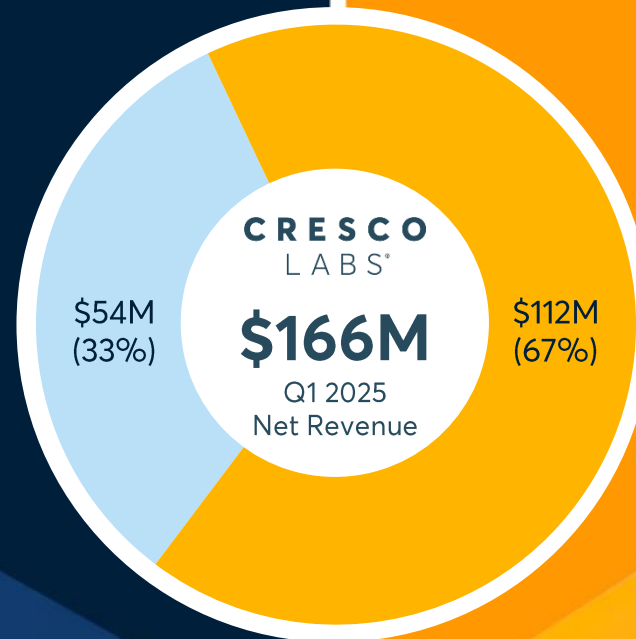
Investing in Exclusive Genetics,  
Technology and Automation

## RETAIL

72 Operating Stores<sup>2</sup>

Retail Network Outperforms Fair Share<sup>3</sup>

Proprietary Retail E-comm Platform and  
Loyalty Program Delivering Growth



(1) Based on Q1 2025 Hoodie Data  
(2) As of March 31<sup>st</sup>, 2025  
(3) Based on internal and state data

# 2025 GROWTH PRIORITIES

Creating the **Strongest and Most Valuable** Cresco Labs

STRATEGIC  
FOOTPRINT GROWTH

**Maximize core  
& new market  
opportunities**

HIGHLY  
PRODUCTIVE RETAIL

**Expand  
retail network  
& efficiency**

EXPANSION  
BEYOND THE CORE

**Expand into  
new growth  
platforms**

# KEY METRICS, Q1 2025

(\$ in millions)

<b>Total Revenue</b>	<b>\$165.8</b>
<i>QoQ % Growth / (Decline)</i>	<i>(5.8%)</i>
<b>Adj. Gross Profit</b>	<b>\$81.8</b>
<i>Adj. Gross Margin</i>	<i>49.3%</i>
<b>Adj. EBITDA</b>	<b>\$36.2</b>
<i>Adj. EBITDA Margin</i>	<i>21.9%</i>
<b>Operating Cash Flow</b>	<b>\$30.5</b>
<b>Free Cash Flow</b>	<b>\$24.7</b>
<b>Leverage</b> <i>Annualized Debt to Adj. EBITDA</i>	<b>3.36x</b>

# Q1 2025 RESULTS

**Flexibility and financial strength** needed to navigate market volatility as we prepare **to invest thoughtfully for long-term growth**



**Topline Revenue of \$166 Million**, strong brand performance and retail productivity helping to offset price compression



**Reduced Accounts Receivables by 15%** since the end of 2024, committed to profitable sales that convert to cash, rather than chasing topline revenue



**YTD Free Cash Flows of \$25 Million** while continuing to invest in wholesale and retail capabilities and sustained innovation.



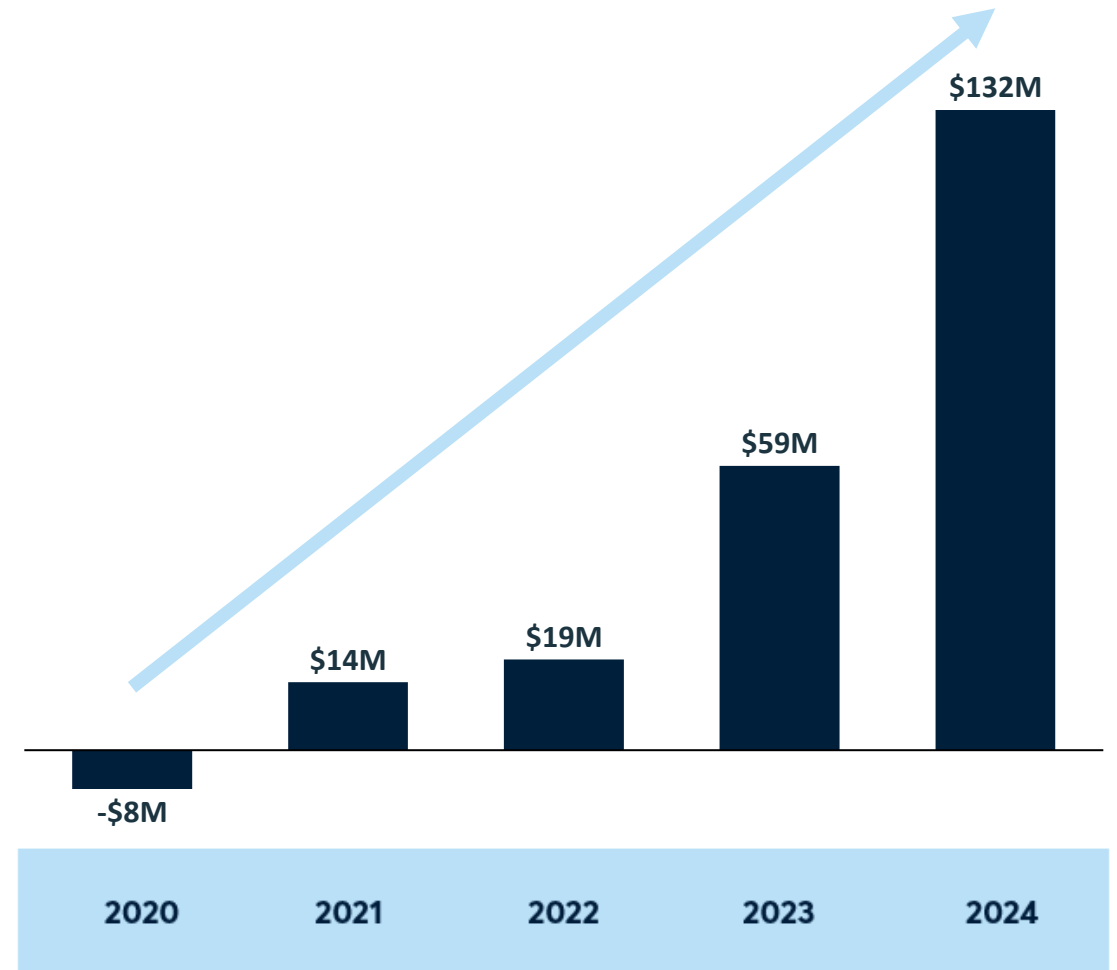
# PRIORITIZING CASH GENERATION

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

Generated ~\$30 million in operating cash flow in Q1 and ended the quarter with ~\$162 million in cash and cash equivalents, our highest balance in the past three years.

Prioritizing balance sheet health with \$40 million of Sr. Debt repaid in October 2024, as well as the 2<sup>nd</sup> lowest 280e balance among Top 5 MSOs.

# ANNUAL OPERATING CASH FLOW



# WHOLESALE & DISTRIBUTOR OF AMERICA'S LEADING CANNABIS BRANDS



## 13 Production Sites

1 million total cultivation facility square footage




## #1 Market Share

in multiple \$1 billion+ markets

# PROVEN DEPTH IN WHOLESALE

Winning with **Quality Products** and **Innovative Infusion**

	FLOWER	VAPES	CONCENTRATES	EDIBLES	MEDICINALS
BEST	<div><div> FLORACAL™</div><div> FLORACAL™</div><div> FLORACAL™</div><div> FLORACAL™ <b>MINDY'S</b> <small>— WORLD'S BEST TASTING EDIBLES —</small></div></div>				
BETTER	<div><div>CRESKO</div><div>CRESKO</div><div>CRESKO</div><div> GOOD NEWS™</div></div>				<div> Remedi™</div>
GOOD	<div> HIGH SUPPLY™</div>	<div> GOOD NEWS™  HIGH SUPPLY™</div>	<div> HIGH SUPPLY™</div>	<div> wonder™</div>	

HIGH SUPPLY Q1 INNOVATION  
New hardware, new formats





# HIGHLY PRODUCTIVE RETAILER

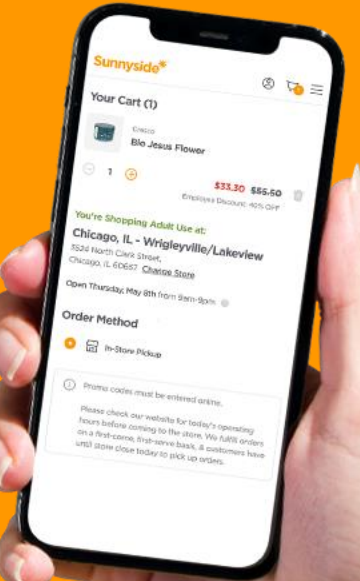


**72 Operating Retail Locations**  
As of March 31, 2025



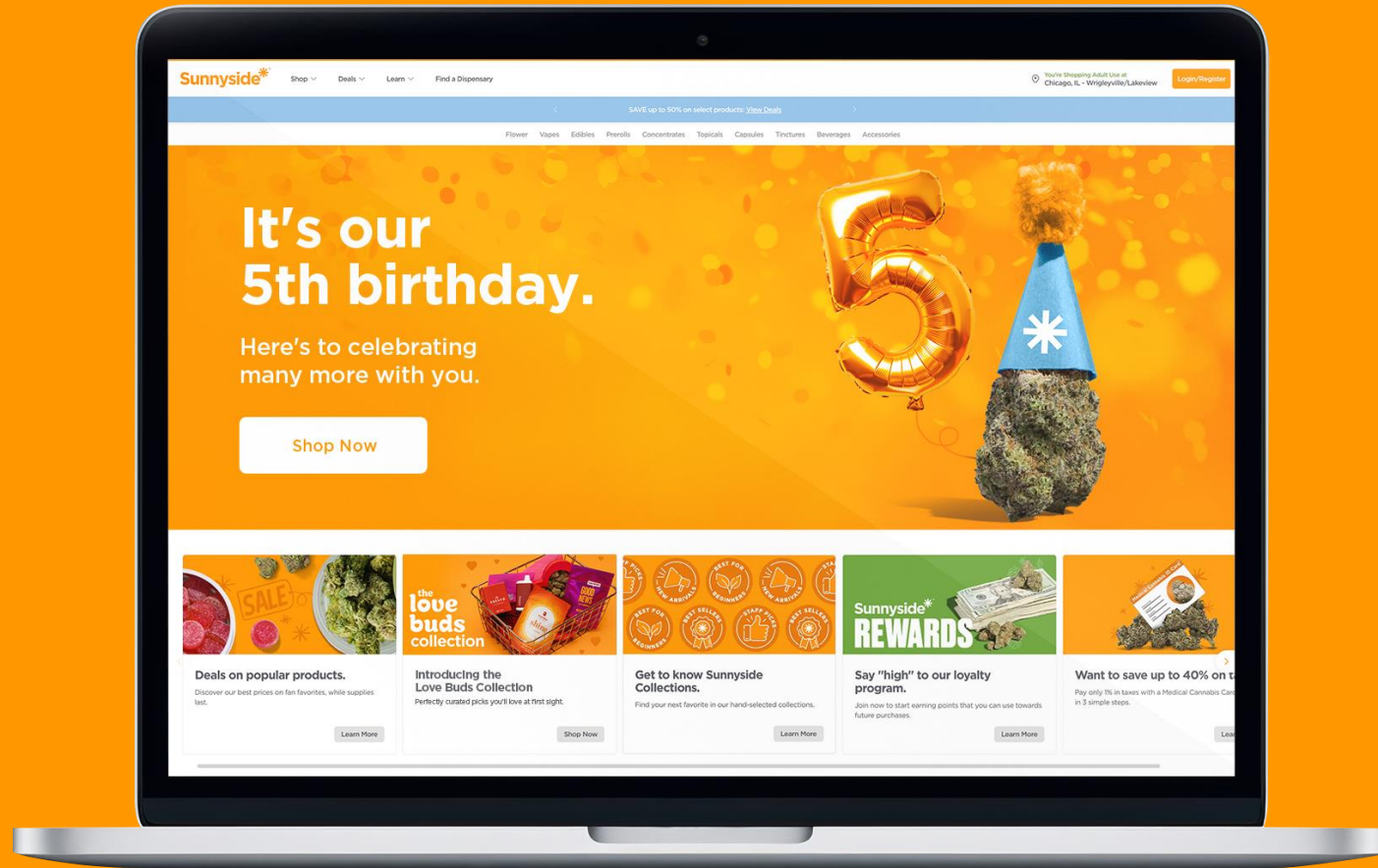
**Outperforming Fair Share**  
25% more productive than the average store  
across our footprint

**Sunnyside\***



# SUNNYSIDE.SHOP

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



## DIGITAL SHOPPER

**79%**

*of Q1 2025 Customers  
Were Digital Shoppers*

## CUSTOMER RETENTION

**65%**

*of Q4 2024 Customers  
Returned in Q1 2025*

# STATE-BY-STATE ASSET SUMMARY

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

As of March 31, 2025		CA	FL	IL	KY	MA	MI	NY	OH	PA	TOTAL
Population	#MM	39.5	21.5	12.8	4.5	7.0	10.1	20.2	11.8	13.0	140.4
Legal Status	AU / M	Both	M	Both	M	Both	Both	Both <sup>1</sup>	Both	M	6   AU+M 3   M
2025E Market Size	\$B	\$4.7	\$2.7	\$2.1	\$0.0	\$1.9	\$3.6	\$1.6	\$1.0	\$1.3	\$18.9
2028E Market Size	\$B	\$5.1	\$2.8	\$2.3	\$0.0	\$1.9	\$3.9	\$2.5	\$2.0	\$2.4	\$22.9
Operational Dispensaries	#	--	33	10	--	4	--	3	5	17	72
Dispensary Licenses	#	--	33+ <sup>2</sup>	10	--	4	--	4	8 <sup>3</sup>	18	77+

Source: Company Reports, BDSA, U.S. Census  
<sup>1</sup>Adult-Use Cannabis Approved; However, Company AU Sales Have Not Commenced  
<sup>2</sup>Unlimited Licenses  
<sup>3</sup>Allowable Under Adult-use program

# FINANCIAL RESULTS

CRESCOLABS®



# FINANCIAL HIGHLIGHTS

## Capitalization Summary

### SHARES OUTSTANDING

Share Class (# in millions)	as of 03/31/2025
Super Voting Shares	0.5
Redeemable Units	90.9
Subordinated Voting Shares	335.6
Proportionate Voting Shares (as converted)	16.9
Dilutive Securities (including all Options, RSUs)	39.8
<b>Total Fully Diluted Shares Outstanding</b>	<b>483.7</b>

### NET DEBT

Balance (\$ in Millions)	as of 03/31/2025
Debt Outstanding (ST)	\$20.8
Debt Outstanding (LT)	460.9
Long-term Leases	152.1
<b>Total Debt</b>	<b>\$633.7</b>
Cash and Equivalents (incl. restricted cash)	162.1
<b>Net Debt</b>	<b>\$471.6</b>

Tables may not add due to rounding

# FINANCIAL HIGHLIGHTS

## Reconciliation of Non-GAAP Measures

### ADJUSTED GROSS PROFIT

For the Three Months Ending March 31 (\$ in Millions)	Q1 2025	Q1 2024
<b>Revenue, net</b>	<b>\$165.8</b>	<b>\$184.3</b>
Cost of goods sold (COGS)	87.1	92.1
<b>Gross profit</b>	<b>78.6</b>	<b>92.2</b>
COGS adjustments for acquisition and other non-core costs	3.1	2.7
<b>Adjusted gross profit (Non-GAAP)</b>	<b>\$81.8</b>	<b>\$94.9</b>
Adjusted gross profit % (Non-GAAP)	49%	51%

### ADJUSTED EBITDA

For the Three Months Ending March 31 (\$ in Millions)	Q1 2025	Q1 2024
Net income (loss)	(\$15.2)	(\$2.1)
Depreciation and amortization	12.9	15.3
Interest expense, net	14.8	14.1
Income tax expense	14.3	18.0
<b>EBITDA (Non-GAAP)</b>	<b>\$26.8</b>	<b>\$45.3</b>
Other expense (income), net	(0.3)	(0.9)
Adj. for acquisitions other non-core costs	7.0	4.5
Share-based compensation	2.7	4.2
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$36.2</b>	<b>\$53.2</b>
Adjusted EBITDA %	22%	29%

Tables may not add due to rounding



# FINANCIAL HIGHLIGHTS

## Reconciliation of Non-GAAP Measures

### ADJUSTED SG&A

For the Three Months Ending March 31 (\$ in Millions)	Q1 2025	Q1 2024
Selling, general and administrative	\$57.8	\$54.0
Adjustments for acquisition and other non-core costs	4.8	2.3
<b>Adjusted SG&amp;A (Non-GAAP)</b>	<b>\$53.0</b>	<b>\$51.7</b>
Adjusted SG&A % (Non-GAAP)	32%	28%

### FREE CASH FLOW

For the Three Months Ending March 31 (\$ in Millions)	Q1 2025	Q1 2024
Net cash provided by (used in) operating activities	\$30.5	\$36.5
Purchases of property and equipment	(5.8)	(3.8)
Proceeds from tenant improvement allowances	0.0	0.5
<b>Free Cash Flow (Non-GAAP)</b>	<b>\$24.7</b>	<b>\$33.2</b>

Tables may not add due to rounding



# THANK YOU

INVESTORS

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LABS™

