

CRESCOLABS[®]

CSE: CL.CN | OTC: CRLBF

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TODAY'S DISCUSSION

CRESCOLABS™

CRESCOLABS®

01

Who We Are



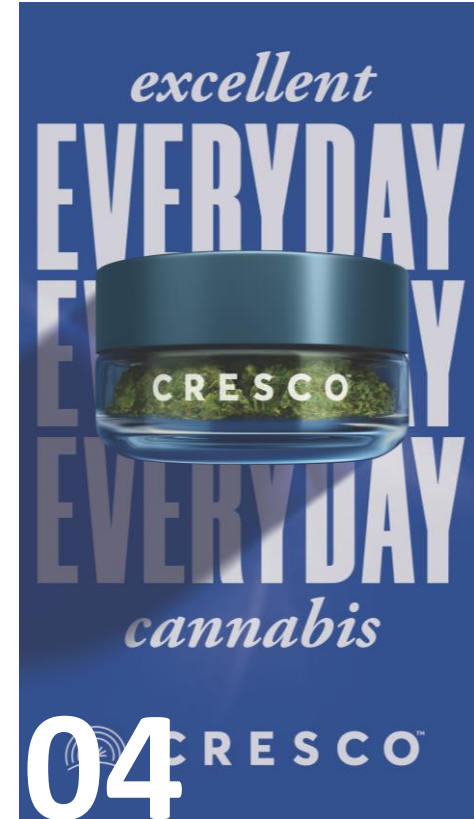
02

Our Approach



03

Delivering Growth



04

Closing Thoughts

GROWING FOR YOU

Who We Are



OUR VISION IS

to build the most important
cannabis company in the U.S.

Consumers &
Patients

Customers &
Partners

Regulators &
Advocates

Community
Stakeholders

Investor
Community

OUR COMPANY

BUILDING THE MOST IMPORTANT COMPANY IN CANNABIS



2013
Year Founded



19
Operating Retail Locations



\$5.42B
Market Cap (\$CAD)
As-of 1/8/20



2,000
Employees



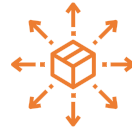
29
Retail Licenses



\$153M
3Q20 Revenue



9
States



830+
Dispensaries
with our Products



63%
3Q20 QoQ Revenue
Growth



16
Cultivation & Production Facilities



161M / 60%
US Addressable
Market / %



53%
3Q20 Operational Gross
Profit Margin



604K
Total Cultivation Square Footage



5,000+
SKU's in Production



\$46.4M
3Q20 Adj EBITDA

OUR TEAM

TOP TIER MANAGEMENT WITH CPG EXPERIENCE



abbvie



Johnson & Johnson



pandora



MOLSON Coors



Walgreens

Lifeway

Note: Headcount as of 9/30/20



2,000+ EMPLOYEES

CRESCOLABS

GROWING FOR YOU



SOCIAL EQUITY & EDUCATIONAL DEVELOPMENT



COMMUNITY BUSINESS INCUBATOR
EDUCATION AND WORKFORCE DEVELOPMENT
RESTORATIVE JUSTICE

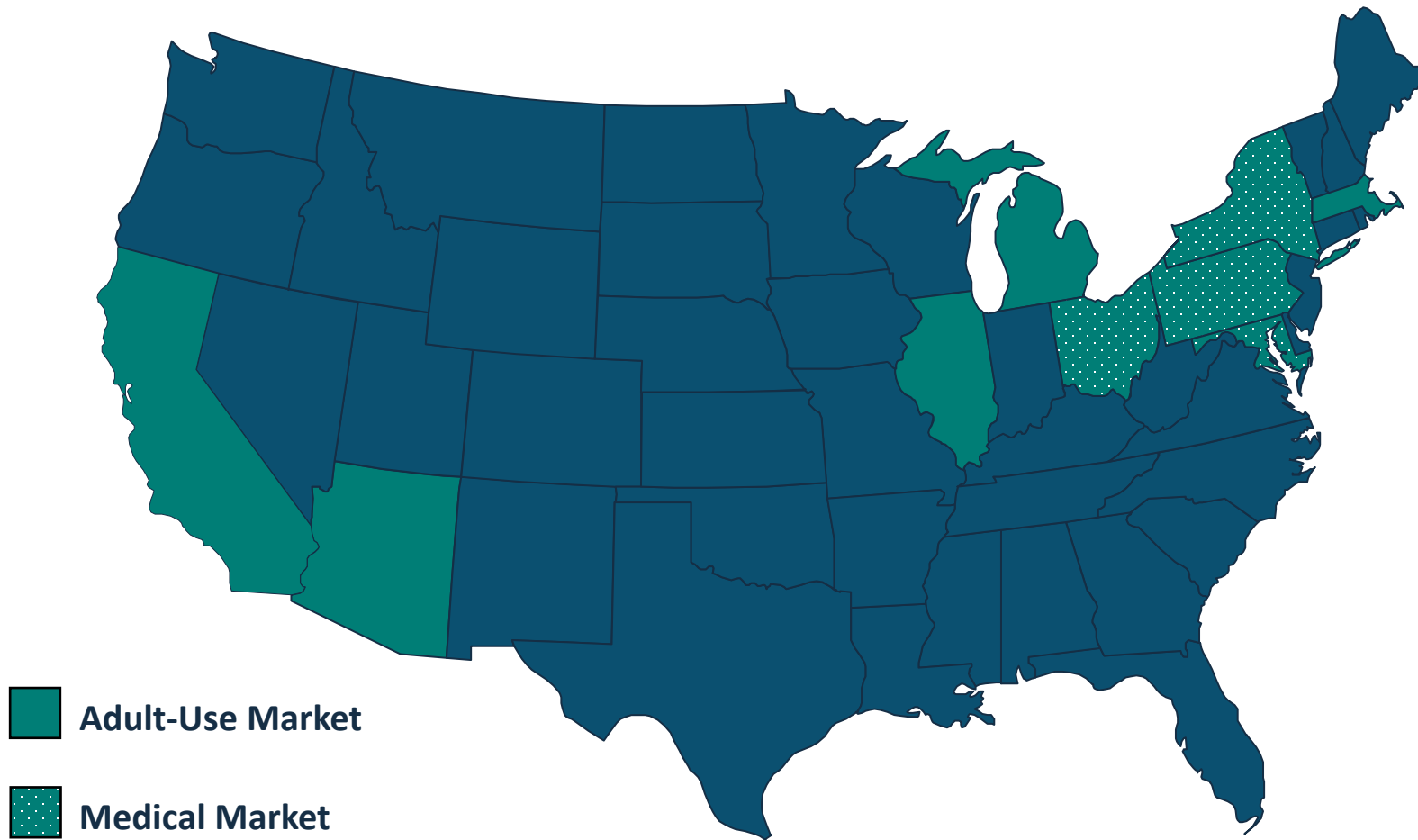
GROWING FOR YOU

Our Approach



STRATEGIC GEOGRAPHIC FOOTPRINT

MARKETS WITH APPROPRIATE REGULATIONS & STRONG CONSUMER DEMAND



60%

OF ADDRESSABLE
MARKET

6 / 10

MOST POPULOUS
STATES IN U.S.

7 / 10

MOST POPULOUS
CITIES IN U.S.

CRESCOLABS

GROWING FOR YOU

OUR STRATEGY

DISTINGUISHING OURSELVES THROUGH FOCUS ON BRANDS AND DISTRIBUTION

CRESCO LABS ADVANTAGE:
VERTICAL INTEGRATION

LONG-TERM VALUE



CULTIVATE &
MANUFACTURE



BRANDS &
PRODUCTS



WHOLESALE
DISTRIBUTION



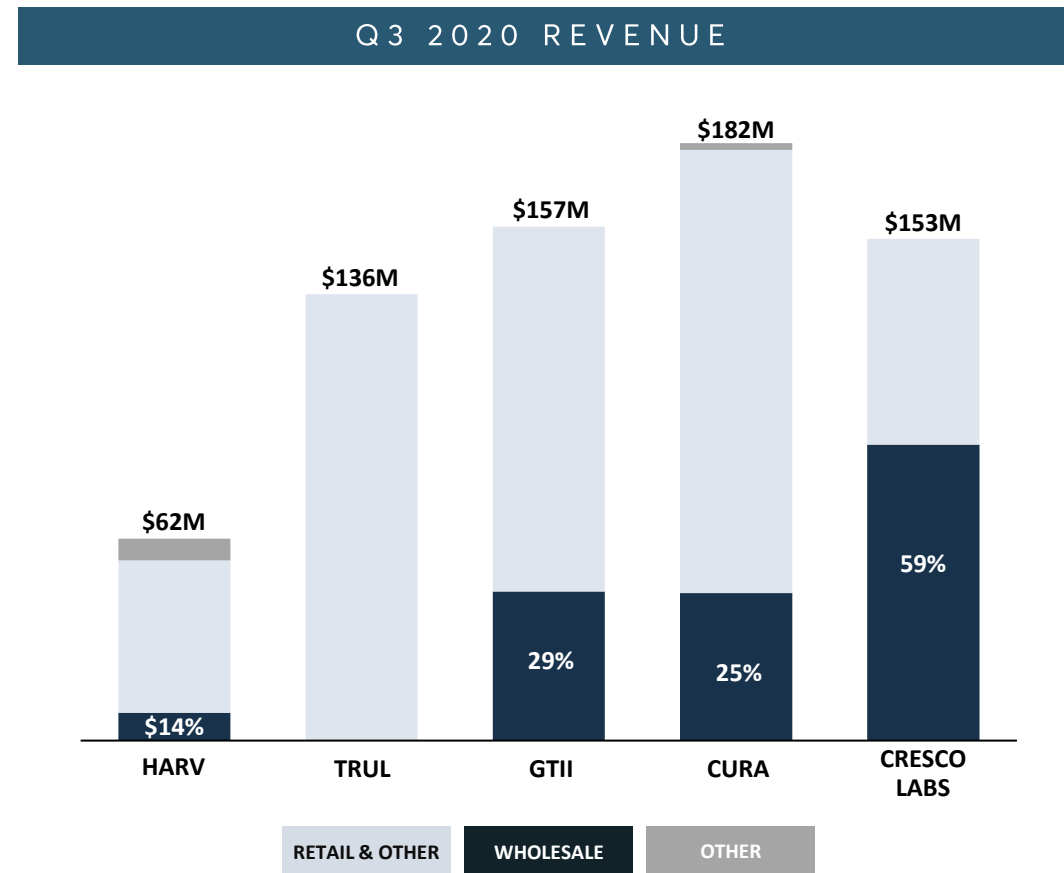
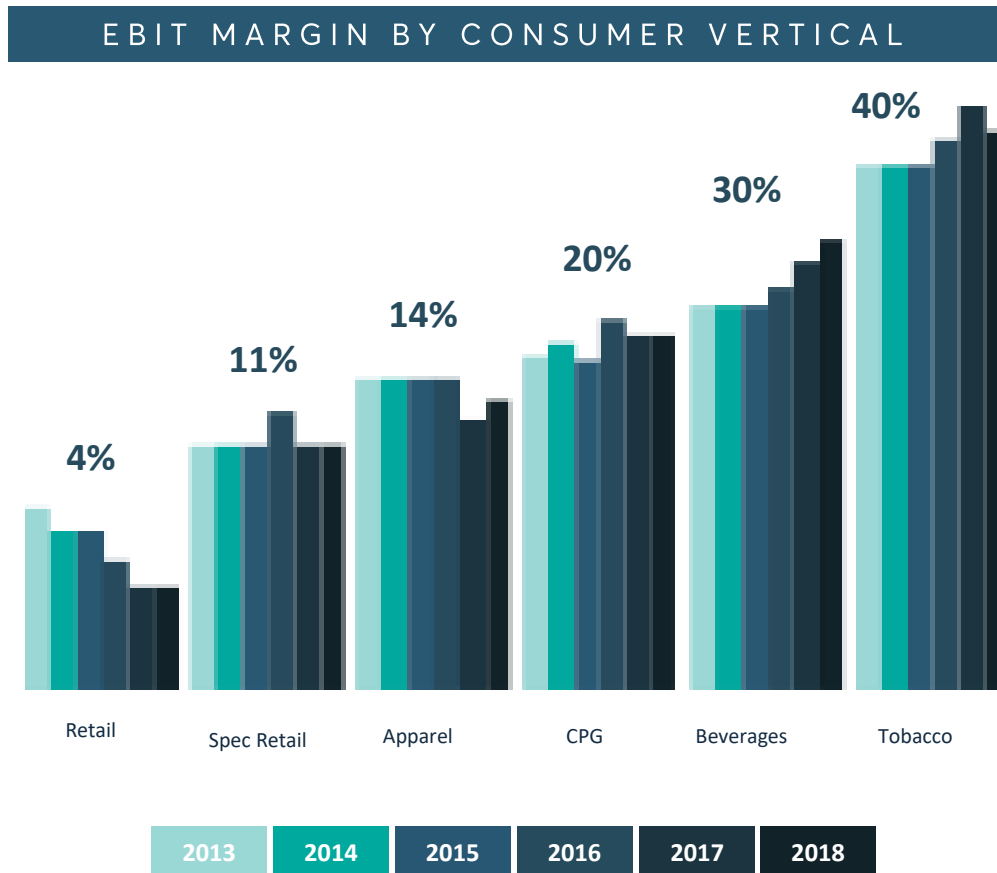
OWNED
RETAIL

CRESCOLABS®

OUR STRATEGY

WHOLESALE HAS BEEN PROVEN TO MAXIMIZE MARGINS LONG-TERM

CRESCOLABS



GROWING FOR YOU

Sources: Left Chart, Cowen & Company; Right Chart, Company public filings, as of 30 June 2020.

Delivering Growth

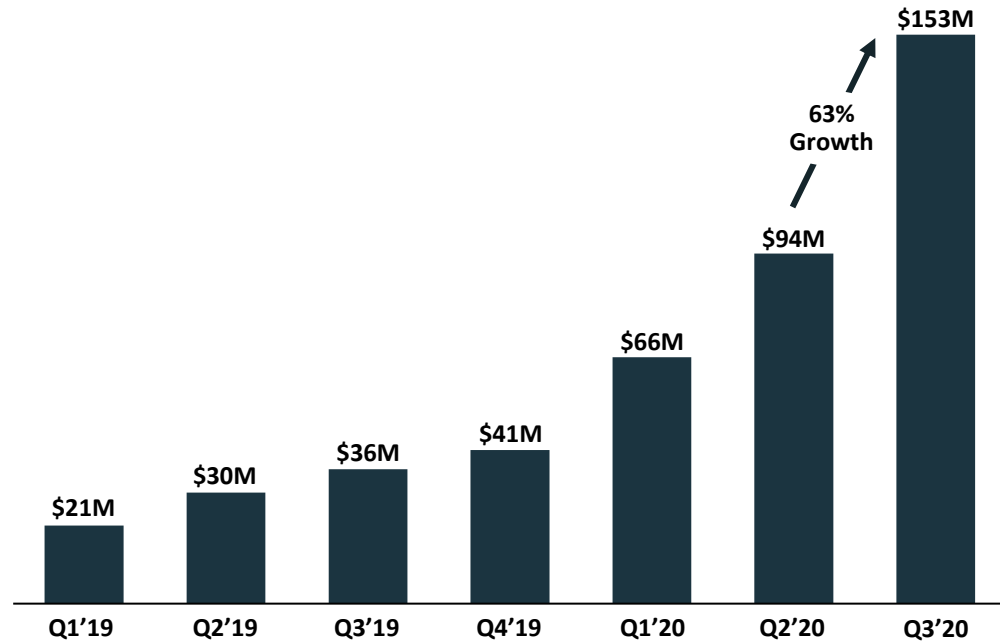


FINANCIAL HIGHLIGHTS

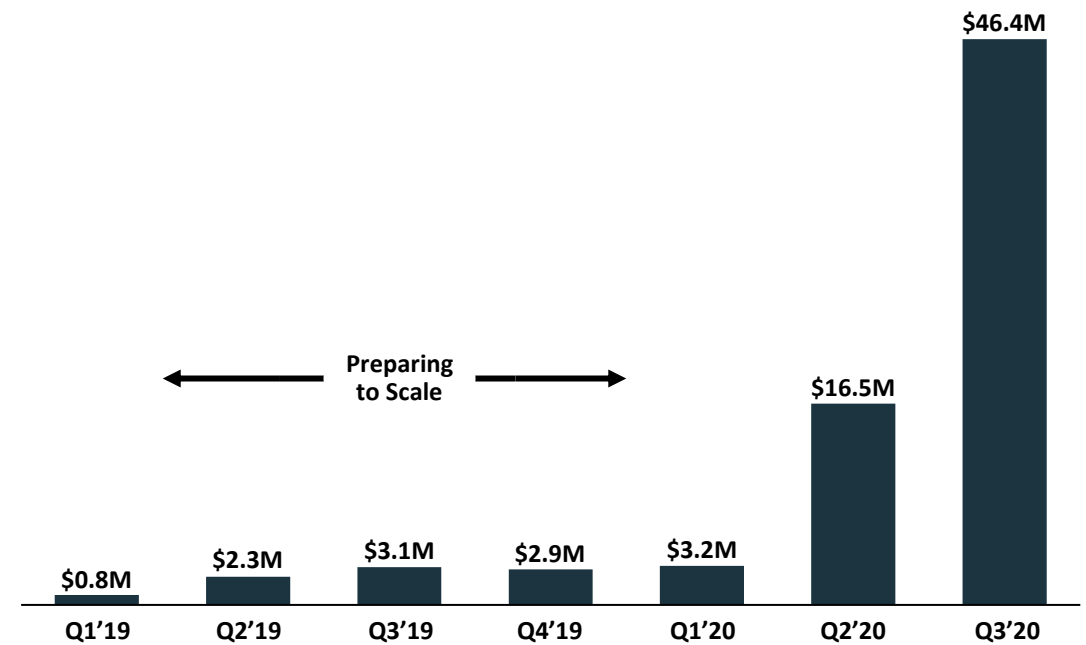
ENTERED Q3 FIRING ON ALL CYLINDERS

REVENUE, AS REPORTED & PRO-FORMA

- Consolidated Revenue
- Pro Forma Revenue



ADJUSTED EBITDA, AS REPORTED



CRESCOLABS

GROWING FOR YOU

EXPANDING WHOLESALE CAPACITY IN KEY MARKETS

ESTABLISHING MEANINGFUL, MATERIAL MARKET POSITIONS

LEADING MARKET SHARE & 100% WHOLESALE PENETRATION

ILLINOIS



35,000 ft²

Cultivation as of Q1 2020

215,000 ft²

Cultivation as of Q3 2020

630,000 ft²

Potential Canopy Space
(Largest of any IL operator)

PENNSYLVANIA



22,000 ft²

Cultivation as of Q1 2020

88,000 ft²

Cultivation as of Q3 2020

EXECUTING IN CALIFORNIA

TAKING SHARE IN THE LARGEST, MOST COMPETITIVE CANNABIS MARKET IN THE WORLD



Taking Share

- California state retail sales increased 21% in Q3
- *Cresco Labs California revenue increased 56% in Q3*
- By no means a mature market: projected to reach \$7B by 2025

Earning More

- Increasing wholesale penetration (up 15% in Q3)
- Driving velocity by adding new partner brands to the distribution portfolio
- Average revenue per wholesale account grew 25% in Q3

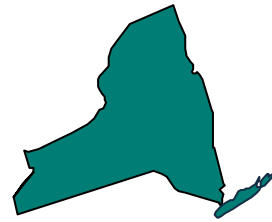
Leveraging California to Grow Cresco Brands

GOING DEEPER ACROSS OUR FOOTPRINT

6 OF OUR 9 MARKETS ARE ON >\$1 BILLION ANNUALIZED RUN-RATES



- Facility undergoing expansion, funded by sale-and-leaseback
- Obtained processing license to round out vertical operations
- Option to purchase 4 dispensaries in Q4'20 bringing total to 5 stores

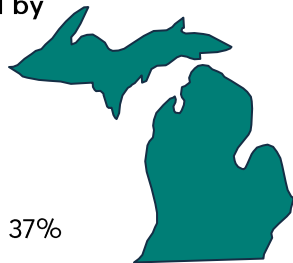


- Converted all four NY dispensaries to Sunnyside* retail brand
- Launched medical cannabis delivery program
- Constructive commentary from Governor Cuomo on adult use legislation in 2021

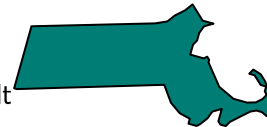


- Penetrating over 90% of all state retail stores with Cresco brands
- State market grew another 10% in Q3 on top of 21% in Q2
- Large growth potential in med market as patient accessibility expands

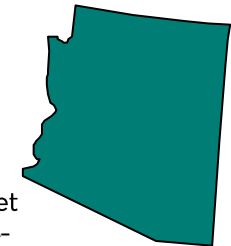
- Cultivation facility undergoing expansion in 2021, funded by sale-and-leaseback
- Current operations include manufacturing branded products for wholesale
- State retail sales increased 37% sequentially in Q3



- Cultivation facility undergoing expansion in 2021, funded by sale-and-leaseback
- Market showing accelerated growth following adult use halt
- Licensed for 2 additional dispensaries in MA



- Adult Use passed via ballot initiative
- Fully vertical with 30K+ sqft cultivation and 1 Sunnyside*
- Recently expanded High Supply brand into AZ to meet huge demand for flower/pre-rolls (50%+ total market sales)



OUR BRAND PORTFOLIO

BUILDING DISTINCT BRANDS THAT SCALE

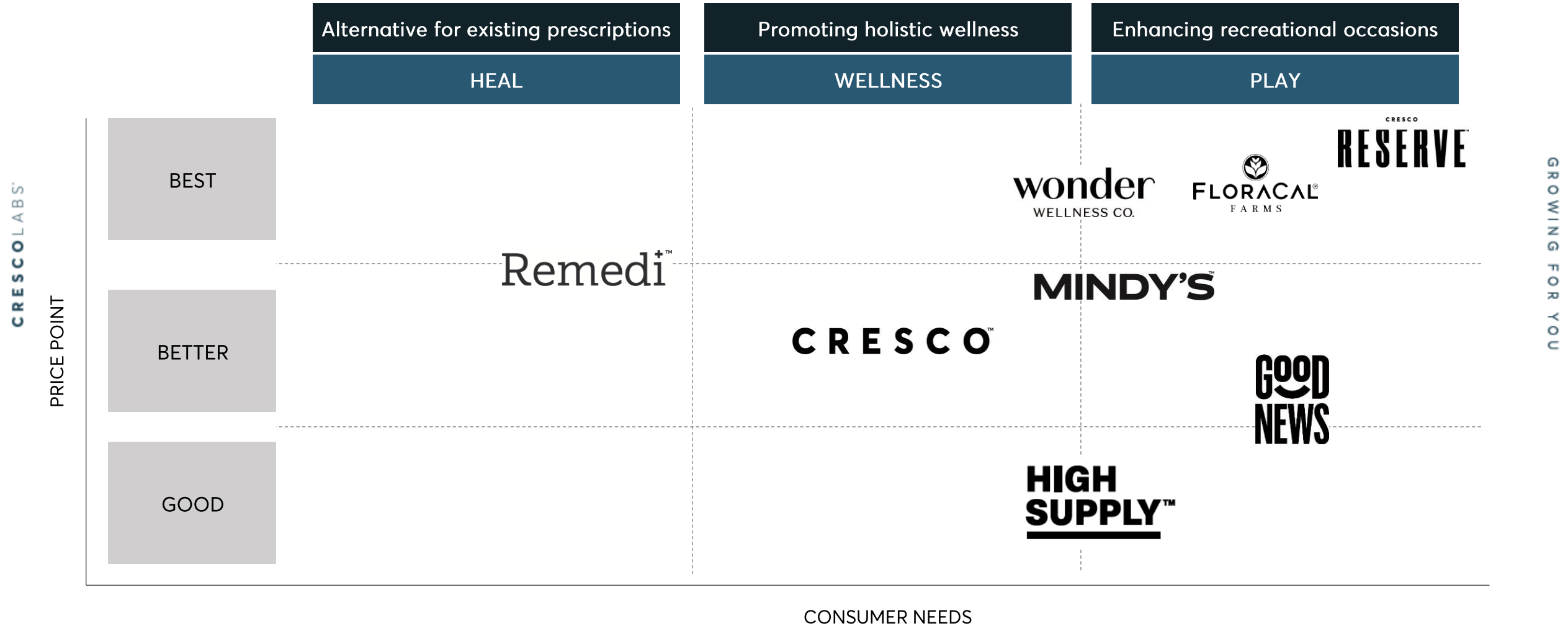


CRESCOLABS™

GROWING FOR YOU

OUR BRAND PORTFOLIO

BUILDING DISTINCT BRANDS THAT SCALE



SUNNYSIDE*

BUILDING A NATIONAL RETAIL BRAND



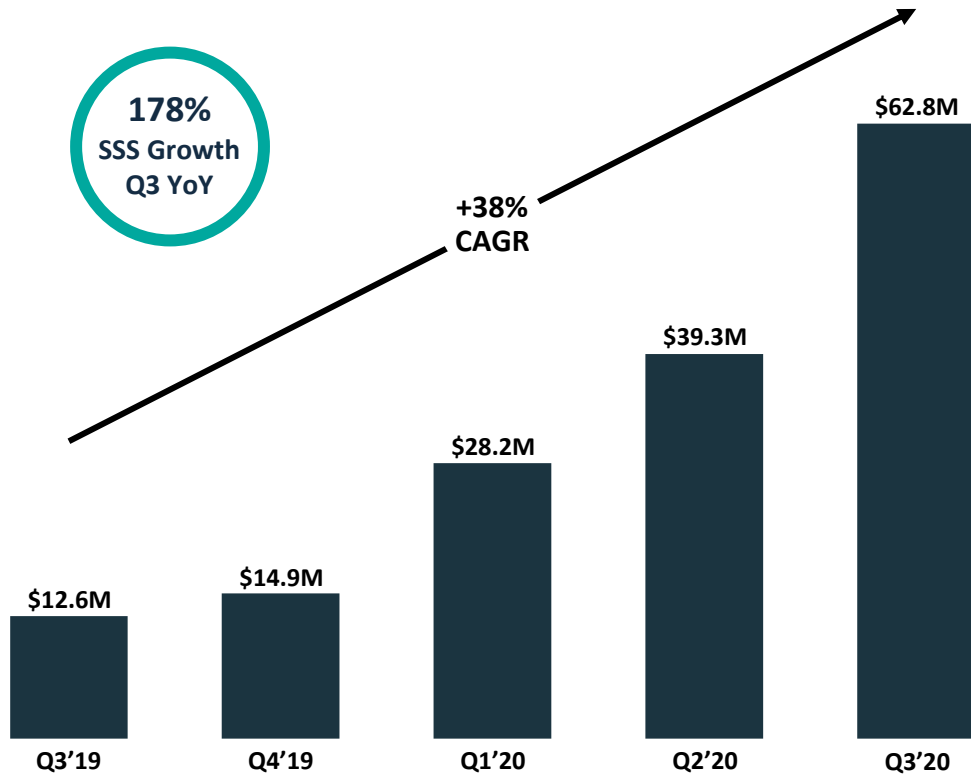
CRESCOLABS

GROWING FOR YOU

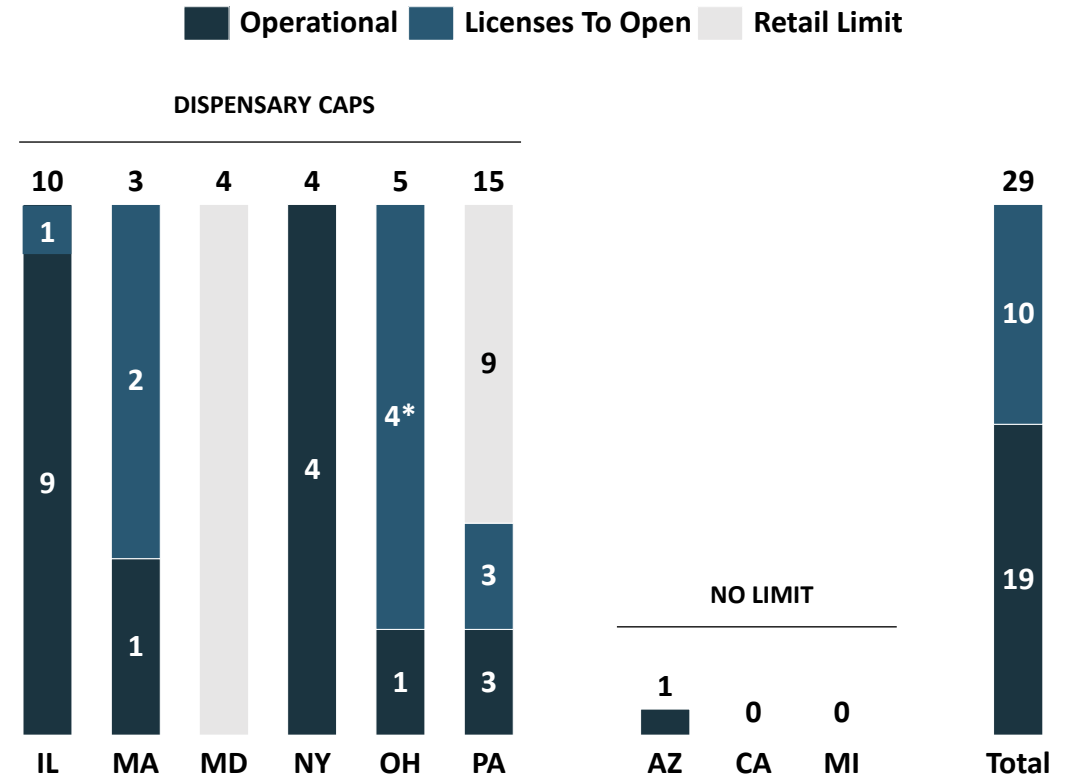
OUR RETAIL PLATFORM IS OUTPERFORMING

GROWING REVENUE THROUGH SAME STORE SALES AND NEW STORE OPENINGS

QoQ RETAIL REVENUE



DISPENSARY LICENSES AND LIMITS BY STATE



Right Chart: 4 Ohio retail licenses are operational and pending close of the Verdant acquisition.

SUMMARY

CRESCO LABS IS WELL POSITIONED TO DELIVER SUSTAINED PROFITABLE GROWTH

EARN MORE

- Brand Penetration & Market Share
- Access to Doors / Wholesale Distribution
- Access to Market / Retail Expansion

USE LESS

- Scale Operations
- COGS Efficiencies
- SG&A Efficiencies



INVEST WISELY

- Disciplined Capital Allocation
- Expand Cultivation in Key Markets
- Strategic M&A

THANK YOU

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