



VERANO™

**SHARE Series Conference Live from the
NYSE**

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BEFORE WE BEGIN

Forward-Looking Information

This presentation contains certain "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 "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein include, but are not limited to statements or information with respect to the Company's position in the marketplace, the proposed completion or buildout of Company facilities, the Company's cultivation capacity, the completion of pending acquisitions, the accretive nature of acquisitions, the fortification of the Company's presence in core markets, the possibility of material organic expansion, delivery of shareholder value and the ability to maintain industry-leading margins and add depth to leadership.

Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein, including, without limitation, the risk factors discussed in the Company's filings on EDGAR at www.sec.com/edgar. The forward-looking information and forward-looking statements contained in this presentation are made as of the date of this presentation, and the Company does not undertake to update any forward-looking information or forward-looking statements that are contained or referenced herein, except as may be required in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice regarding forward-looking information and statements.

BEFORE WE BEGIN

Non-GAAP Financial Measures

This presentation refers to certain non-GAAP measures to evaluate the performance of the Company. The terms “EBITDA”, “Adjusted EBITDA” and “Free Cash Flow” do not have any standardized meaning prescribed within International Financial Reporting Standards (“GAAP”) and therefore may not be comparable to similar measures presented by other companies.

Such measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. EBITDA is calculated herein as net earnings from operations before interest expense, tax expense, depreciation, and amortization. The Company presents Adjusted EBITDA on a consistent basis from period to period and gains and losses from one-time non-recurring events are eliminated. Adjusted EBITDA is calculated herein as EBITDA adjusted for one-time expenses related to other expenses, gain from investment in associates and acquisition related costs. Free Cash Flow is calculated herein as Cash Flow from Operations minus Capital Expenditures. Management believes that these non-GAAP financial measures provide useful information to readers as a supplement to reported GAAP financial information. Management reviews these non-GAAP financial measures on a regular basis and uses them to evaluate and manage the performance of the Company’s operations. These measures should be evaluated only in conjunction with the Company’s comparable GAAP financial measures.

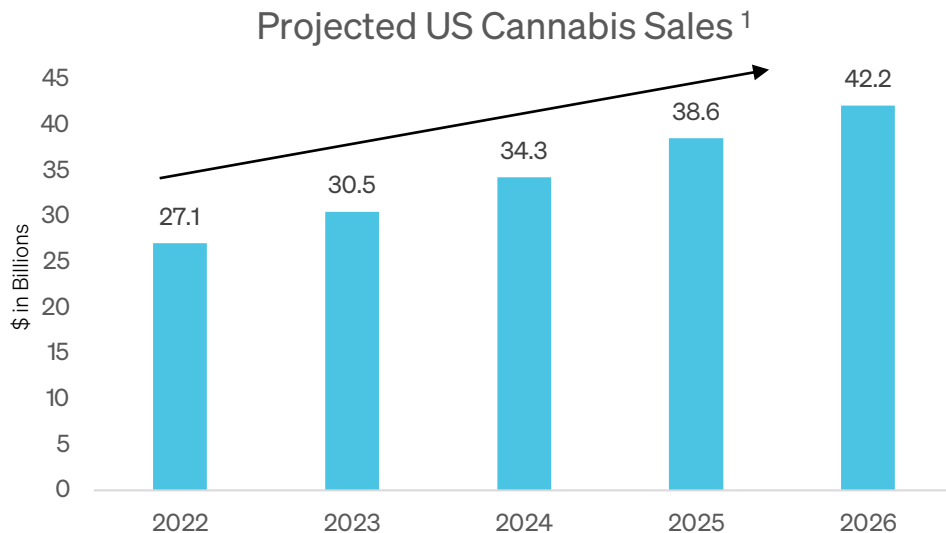
THE US CANNABIS MARKET



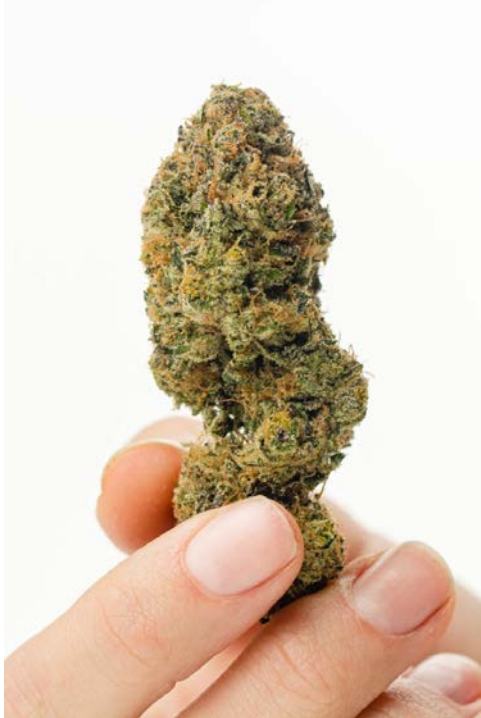
STRONG PROJECTED GROWTH FOR US CANNABIS

POTENTIAL GROWTH DRIVERS INCLUDE

- Additional states adopting medical programs and/or approval of adult-use legislation
- Continued development of state specific programs
- New and expanded adoption of cannabis by consumers
- Transitioning illicit markets to legal
- Potential utilization of cannabis in synergistic industries



LACK OF FEDERAL MOVEMENT OVERSHADOWS POTENTIAL GROWTH CATALYSTS



- Amendments to the Controlled Substance Act being evaluated by regulators – i.e. SAFE ACT
- Rescheduling of cannabis under contemplation
- Federal illegality of the industry restricts access to capital and ability to publicly list stock in the US – leads to higher priced debt and forces security listing in Canada
- Limited institutional participation and potential inclusion in major indexes anticipated driver of depressed multiples
- 280E tax impact remains
- State-specific operations, each with their own regulations limits potential benefit of economies of scale

ENCOURAGING FEDERAL PROGRESS WITH VERANO EFFORTS FOCUSED ON TANGIBLE STATE INITIATIVES

FEDERAL

- White House pardons issued in October evidence of shifting sentiment
- Directive issued to Attorney General and HHS for cannabis' Schedule 1 Drug classification reevaluation
- Bipartisan support for the SAFE Banking Act

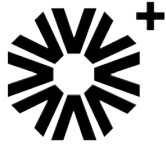
STATE

- Medical program legalizations such as Kentucky announced 3/31
- Adult use legalizations, such as Connecticut and Maryland slated for 2023, provide opportunity for broad consumer reach
- Immediate tax savings if states eliminate 280E tax policy
 - Most recently, New Jersey senate approved 280E elimination

WHAT SETS VERANO APART



VERANOTM EST. 2014



**6
BRANDS**



**3,800+
EMPLOYEES**



**13 ACTIVE
STATES**



**126 OPERATING
RETAIL LOCATIONS**



14 FACILITIES
CULTIVATION &
PRODUCTION FACILITIES
SPANNING **1M+ FT²**



**115M+ AMERICAN
ADULT POPULATION**
WITHIN GEOGRAPHIC
FOOTPRINT

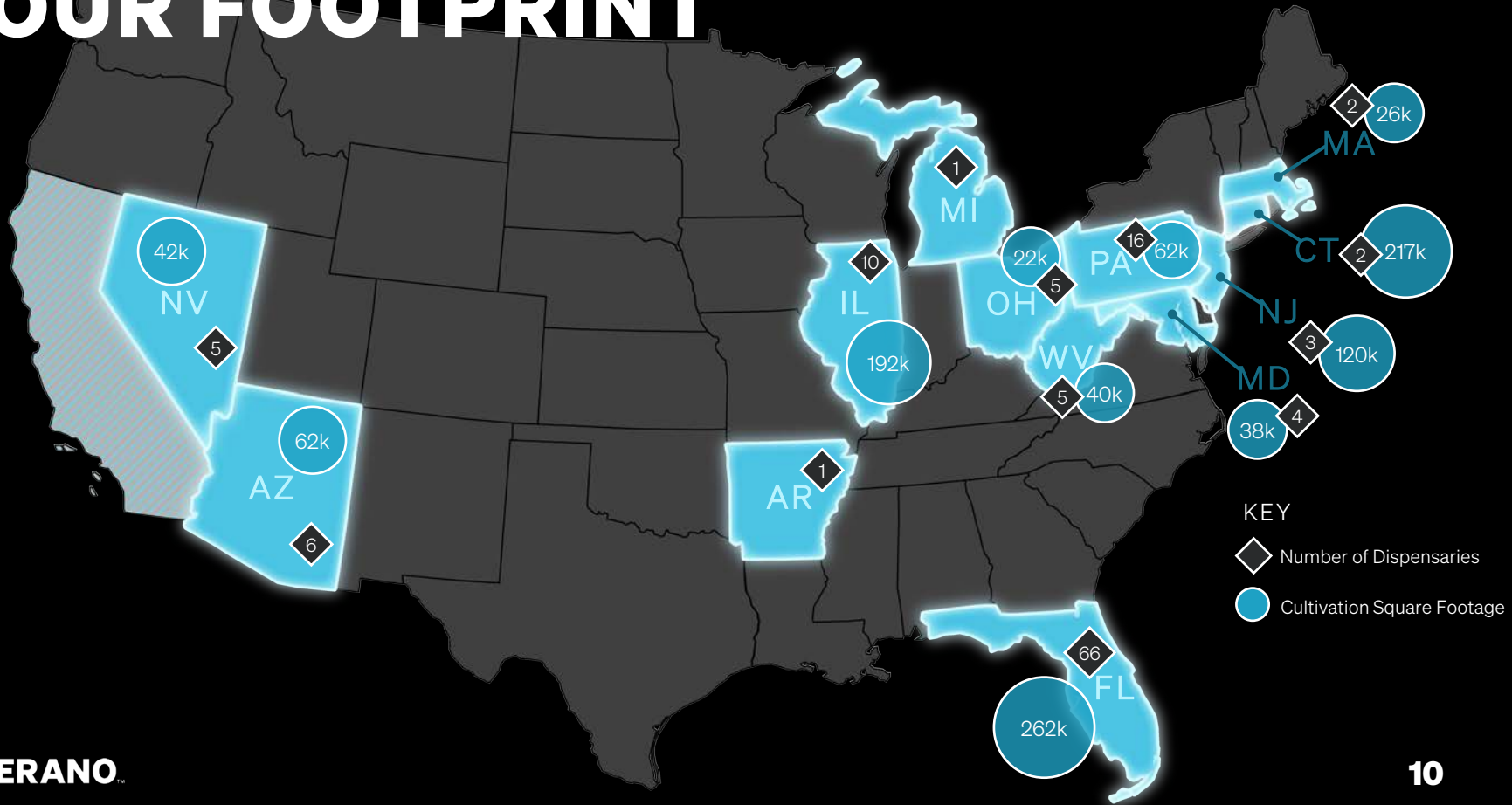


**~700 ACTIVE
WHOLESALE
ACCOUNTS**



**>140
PLANNED RETAIL
LOCATIONS**

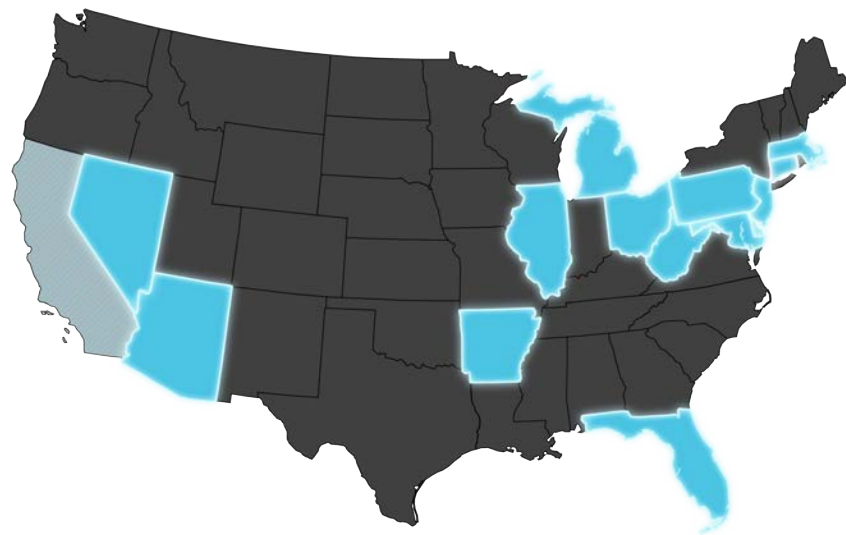
OUR FOOTPRINT



VERANO POISED TO CAPITALIZE ON GROWTH DRIVERS

STRATEGIC PORTFOLIO DRIVERS

- Premium and expansive product lines targeting variety of consumer needs
 - Flower, edibles, topicals, and more
- Scaled operations in five potential adult-use markets
 - CT began 1/10/23. MD approved adult use and is anticipated to begin sales in 2023
- Expanding presence in medical markets viewed as likely near-term adult use markets
- Vertical integration increasing margins
 - Vertical in 11 of 13 markets providing wholesale and retail revenue streams
- Balanced approach reduces over-reliance on any single wholesaler or retailer



OPPORTUNISTIC ENVIRONMENT

Not Reliant on SAFE Passage

We do not run the business on federal legislative assumptions

Business has been built with longevity and durability in mind

Strategic M&A Approach

Difficult environment has created acquisition opportunities

Evaluating new partnerships at attractive multiples

Strength of our Strategy

Methodically crafted geographic exposure requires no forced sales in unattractive market



HOUSE OF BRANDS



müv™





EXPANDING RETAIL PRESENCE



ZEN LEAF



Zen Leaf™ aspires to be the most influential cannabis retail brand, and to command brand loyalty of the high-end cannabis consumer. Inspiring our customers drives our mission to capture people’s imaginations, satisfy deep and important life needs, and offer unparalleled innovative products underpinning our economic success and cultural influence in an increasingly crowded marketplace.

- Custom store designs provide an edge in the market and create an environment that satisfies the myriad of patron needs through reliability, accessibility, and authenticity
- Superior customer service
- Aggressive expansion underway with existing states and across our broader license footprint

MÜV



- 66 operational retail locations in Florida
- State-of-the-art dispensaries offering an extensive selection of award-winning products
- Offers a suite of in-house brands including MÜV, Verano, Reserve, Savvy, and Sweet supply
- One of the widest selections of concentrates for patients needing macro-dosing options
- Knowledgeable and friendly staff dedicated to helping medical patients

FINANCIAL HIGHLIGHTS



RECORD

2022

With Revenue
Surpassing
\$879M



INVESTED IN GROWTH

Added +29 dispensaries in 2022

- +21 in Florida, +2 in Nevada, +2 in Pennsylvania, +4 in West Virginia

Expanded cultivation capabilities in New Jersey and Florida

STRONG MARGINS

Full year 2022 Adjusted EBITDA margin of 37% despite pricing pressures

Vertical strategy allows for additional margin capture

- In-house brand sell through increased to 47% for 4Q 2022

BRAND LAUNCHES

Savvy, value brand of flower and vapes has been extremely well received in the market

- Accounted for 15% of the Company's flower sales in 4Q 2022

Introduced BITS, our low-dose adaptogen edible line.

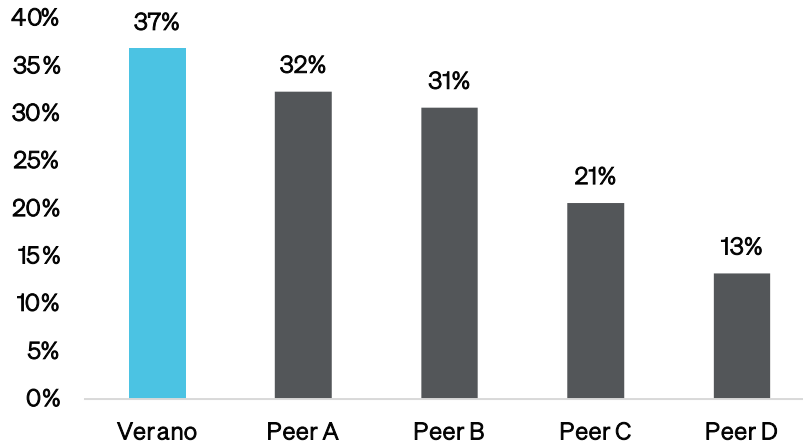
- Complements the Encore line of edibles, without significant cannibalization

A TOP COMPETITOR WITH STRONG GROWTH

- Top 5 MSO by revenue
- Experiencing rapid growth (organically and through M&A)
- Our scale allows for operational efficiencies, more profitable cultivation and the ability to quickly adapt to changing legislation

THE CANNABIS INDUSTRY'S LEADING EBITDA PROFILE

FY2022 Adjusted EBITDA Margin¹



¹Peer set includes the largest MSOs by revenue that have reported FY 2022 earnings as of 3.31.2023.

FY 2022 FINANCIAL RESULTS

- Retail / wholesale revenue split of 72% / 28% for the year¹
- \$119M of FY 2022 CAPEX fully funded by operating cash flow
- Loss from Operations driven by impairments of \$229M in the fourth quarter

\$USD thousands	FY 2022 Results
Revenue	\$879,412
Gross Profit	\$423,062
Loss from Operations	\$(161,131)
Net Loss	\$(269,164)

4Q 2022 FINANCIAL RESULTS

- Retail / wholesale revenue split of 71% / 29% for the quarter¹
- \$9M of 4Q 2022 CAPEX fully funded by operating cash flow
- SG&A expenses for the fourth quarter were 36% of revenues, a 180+ bps decrease from the third quarter driven by headcount optimization
- Loss from Operations driven by impairments of \$229M in the fourth quarter

\$USD thousands	4Q 2022 Results
Revenue	\$225,927
Gross Profit	\$103,335
Loss from Operations	\$(206,976)
Net Loss	\$(216,109)

FORTIFYING THE BALANCE SHEET

- Refinanced credit facility with new maturity of October 2026
 - Goal to leverage real estate in effort to decrease blended cost of capital
- Acquisition Consideration Payable has decreased from \$54M in 3Q 2022 to \$18M in 4Q 2022
 - ~\$16M due in cash in 1Q 2023 with the remainder due in equity

\$USD thousands	As of December 31, 2022
Cash	\$84,851
Total Assets	\$2,396,055
Debt	\$413,004
Total Liabilities	\$1,054,505

NEAR-TERM GROWTH DRIVERS



BUILDING ON MOMENTUM

Connecticut Adult Use Market

Launched in January 2023

- Verano presence of 2 dispensaries, 1 medical only and 1 hybrid, and significant wholesale distribution

Approved for 6 JVs with social equity dispensary owners

- Expected to open throughout 2023

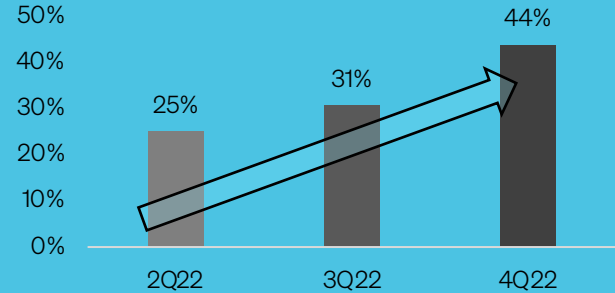
126% sales lift upon adult use commencement¹

Maryland Adult Use Market

Strengthening positioning in advance of anticipated 2H 2023 launch

- Legacy position with 4 dispensaries and strong wholesale distribution
- Increased wholesale sales sequentially by 6%
- ~10% market share by sales in January 2023²

Maryland Sell Through



¹ Figures calculated from first 4 weeks of adult use sales in the Company's only adult use location in Meriden, CT. ² According to BDSA data.

PRESERVING CASH TO WEATHER THE STORM

Focused on maintaining a strong balance sheet in light of macroeconomic and industry-specific pressures.

- \$119M 2022 CAPEX → \$25-50M 2023 CAPEX guidance
- \$117M acquisition consideration paid in cash in 2022 → \$16M expected for 2023
- Leveraged unencumbered real estate for loans at mid-single digits → plans to execute additional deals
- Cost savings initiatives targeting a reduction in SG&A expense as a percentage of revenue for 2023 vs 2022



GUIDING TO \$50-75 MILLION OF FREE CASH FLOW¹ IN 2023

Anticipate putting excess cash towards to work with an eye towards cost of capital

Reiterating CAPEX guidance of \$25-50M for 2023

Expecting typical 1Q seasonality of softer sales relative to 4Q and continued margin pressure



THANK YOU

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THANK YOU