



VERANOTM

INVESTOR PRESENTATION

3Q22
FINANCIALS

(CSE:VRNO)
(OTCQX:VRNOF)

Geographic footprint data as of 01.19.2023.

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.

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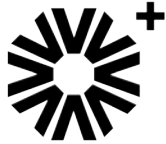
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VERANO AT A GLANCE



VERANO™

EST.
2014



**6
BRANDS**



**4K+
EMPLOYEES**



**13 ACTIVE
STATES**



**121 OPERATING
RETAIL LOCATIONS**



14 FACILITIES
CULTIVATION &
PRODUCTION FACILITIES
SPANNING 1M+ FT²



**100M+
ADDRESSABLE
POPULATION**



**~500 ACTIVE
WHOLESALE
ACCOUNTS**

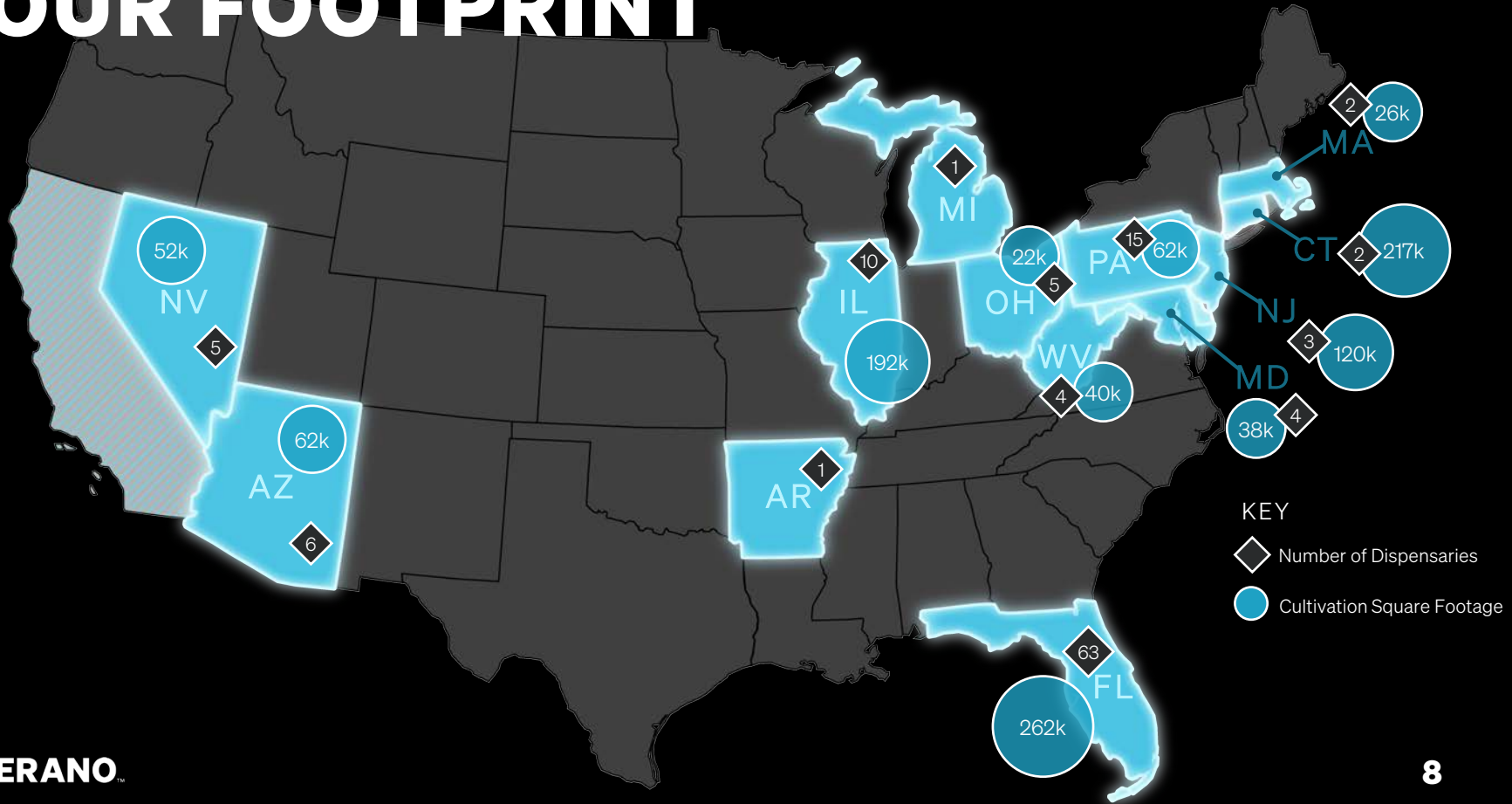


**>130
PLANNED RETAIL
LOCATIONS**

OUR FOOTPRINT



OUR FOOTPRINT



SCALABLE PLATFORM

													
State	IL	FL	AZ	NJ	PA	NV	MD	CT	OH	MA	MI	WV	AR
Population	12.7M	21.5M	7.3M	8.9M	12.8M	3.1M	6.1M	3.5M	11.7M	6.9M	10.0M	1.8M	3.0M
Medical?	X	X	X	X	X	X	X	X	X	X	X	X	X
Adult Use?	X		X	X		X				X	X		
# Operating Dispensaries	10	63 <i>With Additional Openings Planned</i>	6	3	15 <i>With 3 Additional Openings Planned</i>	5	4	2	5	2	1	4 <i>With Option to Open 3 More</i>	1
Facility Size	192k ft ²	262k ft ²	62k ft ²	120k ft ²	62k ft ²	52k ft ²	38k ft ²	216k ft ²	22k ft ²	26k ft ²	n/a	40k ft ²	n/a
Cultivation?	X	X	X	X	X	X	X	X	X	X		X	
Processing?	X	X	X	X	X	X	X	X	X	X		X	
Location(s)	Albion	Apollo Beach & Palatka	Coolidge & Winslow	Branchburg	Chester & Upland	North Las Vegas	Jessup	Rocky Hill	Canton	Sharon	n/a	Beaver	n/a

THE CASE FOR VERANO



THE CASE FOR VERANO

People

- Entrepreneurial spirit
- Culture of diversity & inclusion
- Long average tenure
- Cannabis advocacy

Process

- Operator's mindset. Stringent SOPs. All about efficiency.
- Hospitality-driven
- Extensive R&D
- Leverage leading-edge production automation

Product

- Leading genetics
- Premium flower & proprietary strains
- Comprehensive CPG brand offering
- Products cover nearly all formats & formulas

OPERATIONAL EXCELLENCE THROUGH VERTICAL INTEGRATION

Balanced approach reduces over-reliance on any single wholesaler or retailer.

Vertically integrated in **11 of 13** active markets.



GEOGRAPHIC OVERVIEW

CULTIVATION & PRODUCTION

14

Cultivation &
production facilities

RETAIL SPACES

121

Operational locations
across 13 active states

M&A STRATEGY

A DELIBERATE APPROACH

- **Grow within states** identified to have high likelihood to pass recreational use
- **Seek well-performing stores** with potential for continued enhancement from integration
- **Look for teams** that are willing to stay on board and continue as strong operators
- **Target attractive mid-single digit** 2023 EBITDA multiples



TERRITORY



NSE



AK | AGRI-KIND

AGRONOMED
BIOLOGICS



HOUSE OF BRANDS





BRANDS TO SUIT EVERY LIFESTYLE

- Extensive portfolio of trusted consumer brands
- Indoor nature allows for consistency across state lines





VERANO™

RESERVE TOP OF THE LINE



PREEMINENT
GENETICS

LIMITED
SUPPLY

HAND-TRIMMED
& HAND-PACKED

30-DAY
EXTENDED CURE

ESSENCE THE CLASSICS



ICONIC
STRAINS

PRIME INDOOR
QUALITY

ALWAYS
ACCESSIBLE

MID-TIER PRICE
POSITIONING

ENG
ORE
E D I B L E S



Satisfy your cravings.

Always gluten-free, non-GMO, and exceptionally delicious — Encore edibles prove that, yes, efficacy and exceptional taste can go hand in hand. Our handcrafted cannabis gummies, hard candies, mints, caramels and chocolates will elevate your palate, delight your senses, and exceed your expectations. Life is short: Get the good stuff.





AvexiaTM
of the elements

Savvy



GET MORE FOR LESS WITH SAVVY

✓ PORTABLE BUDS

✓ PENS & CARTRIDGES

In a world full of filters, be authentic... be Savvy.

Savvy is full of passion, shaped by culture, and unafraid of change. With its large-format product line, Savvy reflects a new age of cannabis, catering to the aficionados who want more for less.

Sesh creatively with our portable buds, stashed in 7G or 14G bags, 300mg pens and 1G cartridges.





BITS

Do more with less.

Bits are the everyday cannabis consumable intended to enhance, not overtake. A gentle alternative to indulging without overdoing it. Each bit contains 5mg of THC and a dash of adaptogens, with tailored varieties that add CBD, CBN, or CBG so that you can do more with less.





müv™

Expect the highest standards.

MÜV makes cannabis-based medicine. In awe of the healing powers of this plant, we tapped top cannabinoid scientists and researchers to develop the MÜV medicinal cannabis line. Fueled by expertise, ingenuity, and a relentless dedication to quality, MÜV offers cannabis flower, vapes, extracts, topicals, concentrates, distillates, inhalers, patches and tinctures to help you feel better.





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



- Locations in Florida and Arizona, two high-growth states
- 63 operational retail locations in Florida
- State-of-the-art dispensaries offering an extensive selection of award-winning products
- One of the widest selections of concentrates for patients needing macro-dosing options
- Won five Best of Arizona medical cannabis awards
- Knowledgeable and friendly staff dedicated to helping medical patients

3Q22 FINANCIALS

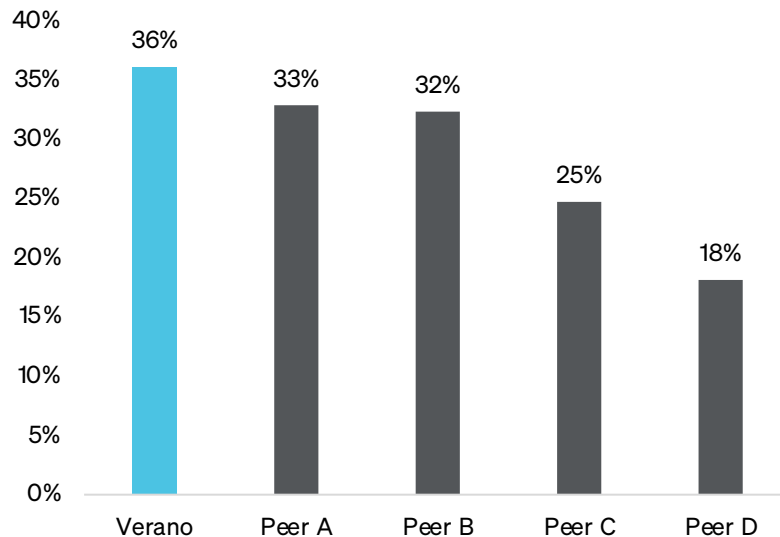


A TOP COMPETITOR WITH STRONG GROWTH

- 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

3Q2022 Adjusted EBITDA Margins¹



¹Peer set includes the largest MSOs by revenue.

FINANCIAL RESULTS

- Retail / wholesale revenue split of 70% / 30% for the third quarter¹
- \$23 million of 3Q22 capex fully funded by operating cash flow
 - Expecting ~\$25-50 million of capex in FY23
- SG&A expenses for the third quarter were 38% of revenues, a ~700+ bps decrease from the second quarter's 45% of revenues

Third Quarter 2022 Results	
\$USD thousands	
Revenue	\$227,588
Gross Profit	\$122,994
Income Loss from Operations	\$37,075
Net Loss	\$(42,993)

FINANCIAL FLEXIBILITY

- Refinanced debt with new maturity in October 2026
 - Goal to leverage real estate in effort to bring blended cost of capital to 10.5%
- Acquisition Consideration Payable has decreased from \$67 million in 2Q22 to \$54 million in 3Q22
 - Up to ~\$30 million is due in cash with the remainder due in equity

As of September 30, 2022	
\$USD thousands	
Cash	\$76,418
Total Assets	\$2,623,027
Debt	\$392,135
Total Liabilities	\$1,082,733

LEGISLATIVE OUTLOOK



Encouraged by Biden's Directive

On October 6, 2022, the White House issued a pardon for simple cannabis possession along with the request that the Attorney General and HHS reevaluate cannabis' Schedule 1 drug classification

- Do not anticipate a scheduling decision in the short-term but encouraged by any progress
- Recent Maryland and Missouri legalization underscores Americans' support for the issue¹
- Continuing our work to ensure we are well positioned for the possibility of entering the US capital markets
- In the interim, we will do what we do best- keep our heads down and efficiently operate the business

THANK YOU

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VERANO[™]



APPENDIX





CORE MARKETS

ILLINOIS, FLORIDA, ARIZONA, NEW JERSEY,
PENNSYLVANIA, NEVADA, MARYLAND, CONNECTICUT,
OHIO



IL



Market Overview

- Adult-use and medical
- 12.7M population
- Adult-use sales began in January 2020
- 150k medical patients; 1.2% penetration
- Total market expected to grow from \$1.8B (2021) to \$2.6B (2026E)

Verano Operations

- 10 operational dispensaries
- 192k sq. ft. cultivation and manufacturing facility in Albion

FL



Market Overview

- Medical
- 21.5M population
- Medical sales began in December 2017
- 457k medical patients; 2.1% penetration
- Total market expected to grow from \$1.6B (2021) to \$3.0B (2026E)

Verano Operations

- 63 operational dispensaries
- 220k sq. ft. cultivation and manufacturing facility in Apollo Beach
- 42k sq. ft. cultivation and manufacturing facility in Palatka with additional construction underway

Market size forecasts based on BDSA estimates. Patient counts based on BDSA estimates. Includes the contribution from the following: (1) licenses directly owned, managed, or operated; (2) those licenses with which Verano has executed management agreements or other commercial agreements

AZ



Market Overview

- Adult-use and medical
- 7.3M population
- Adult-use sales began in January 2021
- 295k medical patients; 4.0% penetration
- Total market expected to grow from \$1.4B (2021) to \$1.9B (2026E)

Verano Operations

- 6 operational dispensaries
- 42k sq. ft. cultivation and manufacturing facility in Coolidge
- 20K sq. ft. cultivation and manufacturing facility in Winslow

NJ



Market Overview

- Adult-Use and medical
- 8.9M population
- Adult-use sales began in April 2022
- 99k medical patients; 1.1% penetration
- Total market expected to grow from \$249M (2021) to \$2.3B (2026E)

Verano Operations

- 3 operational dispensaries
- 120k sq. ft. cultivation and manufacturing facility in Branchburg

PA



Market Overview

- Medical
- 12.8M population
- Medical sales began in February 2018
- 380k medical patients; 3.0% penetration
- Total market expected to grow from \$1.3B (2021) to \$2.3B (2026E)

Verano Operations

- 15 operational dispensaries; 3 additional openings planned
- 62k sq. ft. cultivation and manufacturing facility in Chester
- Additional cultivation and manufacturing facility under construction in Upland

NV



Market Overview

- Adult-use and medical
- 2.9M population
- Adult-use sales began in July 2017
- 9.8k medical patients; 0.3% penetration
- Total market expected to grow from \$1.1B (2021) to \$2.0B (2026E)

Verano Operations

- 5 operational dispensaries
- 42k sq. ft. cultivation and manufacturing facility in North Las Vegas
- 10k sq. ft. cultivation and manufacturing facility in North Las Vegas

Market size forecasts based on BDSA estimates. Patient counts based on BDSA estimates. Includes the contribution from the following: (1) licenses directly owned, managed, or operated; (2) those licenses with which Verano has executed management agreements or other commercial agreements

MD



Market Overview

- Medical
- 6.1M population
- Medical sales began in December 2017
- 123k medical patients; 2.0% penetration
- Total market expected to grow from \$586M (2021) to \$1.3B (2026E)

Verano Operations

- 4 operational dispensaries
- 39k sq. ft. cultivation and manufacturing facility in Jessup with additional construction underway

CT



Market Overview

- Medical
- 3.5M population
- Adult-use sales began in June 2012
- 60k medical patients; 1.6% penetration
- Total market expected to grow from \$149M (2021) to \$515M (2026E)

Verano Operations

- 2 operational dispensaries
- 216k sq. ft. cultivation and manufacturing facility in Rocky Hill

OH



Market Overview

- Medical
- 11.7M population
- Medical sales began in January 2019
- 160k medical patients; 1.4% penetration
- Total market expected to grow from \$369M (2021) to \$1.4B (2026E)

Verano Operations

- 5 operational dispensaries
- 22k sq. ft. cultivation and manufacturing facility in Canton



Market size forecasts based on BDSA estimates. Patient counts based on BDSA estimates. Includes the contribution from the following: (1) licenses directly owned, managed, or operated; (2) those licenses with which Verano has executed management agreements or other commercial agreements



DEVELOPING MARKETS

MASSACHUSETTS, MICHIGAN, WEST VIRGINIA,
ARKANSAS



MA



Market Overview

- Adult-use and medical
- 6.9M population
- Adult-use sales began in November 2018
- 100k medical patients; 1.4% penetration
- Total market expected to grow from \$1.6B (2021) to \$2.3B (2026E)

Verano Operations

- 2 operational dispensaries
- 26k sq. ft. cultivation and manufacturing facility in Sharon

MI



Market Overview

- Adult-use and medical
- 10.0M population
- Adult-use sales began in December 2019
- 247k medical patients; 2.5% penetration
- Total market expected to grow from \$1.8B (2021) to \$2.8B (2026E)

Verano Operations

- 1 operational dispensary

WV



Market Overview

- Medical
- 1.8M population
- Medical sales began in November 2021
- 7k medical patients; 0.5% penetration
- Total market expected to grow from \$1.3M (2021) to \$32.8M (2026E)

Verano Operations

- 4 operational dispensaries; option to open 3 more
- 40k sq. ft. cultivation and manufacturing facility in Beaver

AR



Market Overview

- Medical
- 3.0M population
- Adult-use sales began in May 2019
- 66.6k medical patients; 2.2% penetration
- Total market expected to grow from \$281M (2021) to 623M (2026E)

Verano Operations

- 1 operational dispensary

FINANCIAL APPENDIX



VERANO HOLDINGS CORP.
Highlights from Unaudited Consolidated Statements of Operations
(\$ in Thousands except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue	\$ 227,588	\$ 206,469	\$ 653,485	\$ 526,430
Cost of Sales	104,594	108,268	333,759	304,729
Gross Profit	122,994	98,201	319,726	221,701
Gross Profit %	54.0 %	47.6 %	48.9 %	42.1 %
Expenses:				
Selling, General, and Administrative	85,710	76,477	275,531	189,155
Total Expenses	85,710	76,477	275,531	189,155
Income (Loss) from Investments in Associates	(209)	1,289	1,651	2,737
Income (Loss) from Operations	37,075	23,013	45,846	35,283
Other Income (Expense):				
Loss on Disposal of Property, Plant and Equipment	1,443	(9)	251	(438)
Gain (Loss) on Deconsolidation	75	—	9,560	—
Gain (Loss) on Previously Held Equity Interest	175	—	14,103	—
Interest Expense, net	(595)	233	17,557	(764)
Other Income (Expense), net	(11,785)	(8,113)	(34,082)	(15,314)
Total Other Income (Expense)	(10,687)	(7,889)	7,389	(16,516)
Net Income (Loss) Before Provision for Income Taxes and Non-Controlling Interest	26,388	15,124	53,235	18,767
Provision For Income Taxes	(69,381)	(27,086)	(105,998)	(66,939)
Net Income Attributable To Non-Controlling Interest	—	551	291	1,915
Net Loss Attributable to Verano Holdings Corp.	(42,993)	(12,513)	(53,054)	(50,087)
Net Loss per share - basic	(0.03)	(0.10)	(0.03)	(0.14)
Net Loss per share - diluted	(0.03)	(0.10)	(0.03)	(0.14)
Weighted average number of shares outstanding - basic	332,872,464	313,674,044	329,240,200	281,961,659
Weighted average number of shares outstanding - diluted	332,872,464	313,674,044	329,240,200	281,961,659

VERANO HOLDINGS CORP.
Highlights from Condensed Consolidated Balance Sheets
(\$ in Thousands)

	September 30,	December 31,
	2022	2021
	<i>(Unaudited)</i>	<i>(As Restated)</i>
Cash and Cash Equivalents	\$ 76,418	\$ 99,118
Other Current Assets	218,652	177,926
Property and Equipment, Net	533,753	452,232
Intangible Assets, Net	1,326,601	1,379,913
Goodwill	380,408	368,130
Other Long-Term Assets	87,195	71,336
Total Assets	\$ 2,623,027	\$ 2,548,655
Total Current Liabilities	\$ 384,197	\$ 470,516
Total Long-Term Liabilities	698,536	596,333
Total Shareholders' Equity	1,540,294	1,480,530
Non-controlling Interest	\$ —	1,276
Total Liabilities and Shareholders' Equity	\$ 2,623,027	\$ 2,548,655

VERANO HOLDINGS CORP.
Unaudited Reconciliation of Net Loss to EBITDA (Non-GAAP)

<i>(\$ in thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Loss Attributable to Verano Holdings Corp.	\$ (42,993)	\$ (12,513)	\$ (53,054)	\$ (50,087)
Interest Expense, net	11,785	8,113	34,082	15,314
Income Tax Expense	69,381	27,086	105,998	66,939
Depreciation and Amortization - COGS	20,727	16,083	59,540	38,365
Depreciation and Amortization - SG&A	15,592	13,481	46,690	27,255
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	74,492	52,250	193,256	97,786

VERANO HOLDINGS CORP.
Unaudited Reconciliation of Net Loss to EBIT (Non-GAAP) and Adjusted EBITDA (Non-GAAP)

<i>(\$ in thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Loss Attributable to Verano Holdings Corp.	\$ (42,993)	\$ (12,513)	\$ (53,054)	\$ (50,087)
Interest Expense, Net	11,785	8,113	34,082	15,314
Income Tax Expense	69,381	27,086	105,998	66,939
Earnings Before Interest and Taxes (EBIT)	\$ 38,173	\$ 22,686	\$ 87,026	\$ 32,166
COGS Add-backs:				
Depreciation and Amortization	20,727	16,083	59,540	38,365
Acquisition, Transaction and Other Non-operating Costs	111	30,419	20,108	84,223
Employee Stock Compensation	1,745	1,486	5,772	1,486
SG&A Add-backs:				
Depreciation and Amortization	15,592	13,481	46,690	27,255
Acquisition, Transaction and Other Non-operating Costs	(1,791)	4,671	21,181	27,987
Employee Stock Compensation	8,075	11,903	28,452	30,236
Acquisition Adjustments and Other Income (Expense), net	\$ (508)	\$ 209	\$ (23,916)	\$ 630
Adjusted EBITDA	\$ 82,124	\$ 100,938	\$ 244,853	\$ 242,348