

VERANO™

2Q 2024 EARNINGS

8/7/24

VERANO™

BEFORE WE BEGIN

Forward-Looking Information

This presentation contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and also contains 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 Verano Holding Corp.'s (the "Company") 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", "strategies", "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, proposed budgets and guidance, the proposed completion or buildout of Company facilities, the Company's cultivation capacity, 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 forward-looking statements herein, including, without limitation, the risk factors discussed in the Company's filings with the U.S. Securities and Exchange Commission at www.sec.com/edgar, including, without limitation, the risk factors described in the Company's annual report on Form 10-K for the year ended December 31, 2023 and subsequent quarterly reports on Form 10-Q for 2024. 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 behalfs expressly qualified in its entirety by this notice regarding forward-looking information and statements.

Non-GAAP Financial Measures

This presentation refers to certain non-GAAP measures to evaluate the performance of the Company. The terms "EBITDA", "Adjusted EBITDA", "Adjusted EBITDA Margin" and "Operating Cash Flow" do not have any standardized meaning prescribed within U.S. Generally Accepted Accounting Principles ("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 Income (Loss) before interest expense, income tax expense, depreciation, and amortization. The Company presents EBITDA on a consistent basis from period to period. Adjusted EBITDA is calculated herein as Net Income (Loss) attributable to the Company plus net interest expense, income tax expense, depreciation and amortization, and also excludes certain extraordinary one-time items. Adjusted EBITDA Margin is calculated herein as Adjusted EBITDA divided by Revenue. Operating Cash Flow is calculated herein as Net Income (Loss) minus Depreciation and Amortization and Non-Cash Adjustments. Management believes that these non-GAAP financial measures provide useful information to readers as a supplement to reported GAAP financial information because these measures provide consistency and comparability with past financial performance and assist in comparisons with other companies, some of which use similar non-GAAP information to supplement their GAAP results. 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 and reconciliations of each non-GAAP measure to its most directly comparable GAAP measure can be found on our website at investors.verano.com and in the appendix of this presentation.

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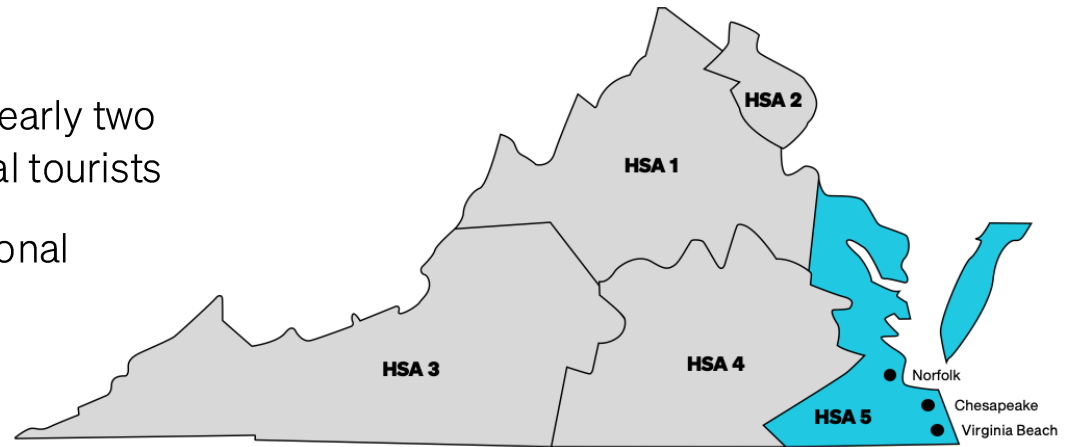


RECENT M&A UPDATES

VERANO POISED TO BECOME SOLE OPERATOR/RETAILER IN EASTERN VIRGINIA¹

VIRGINIA TO BE THE FOURTH PRE-ADULT USE CATALYST IN PORTFOLIO¹

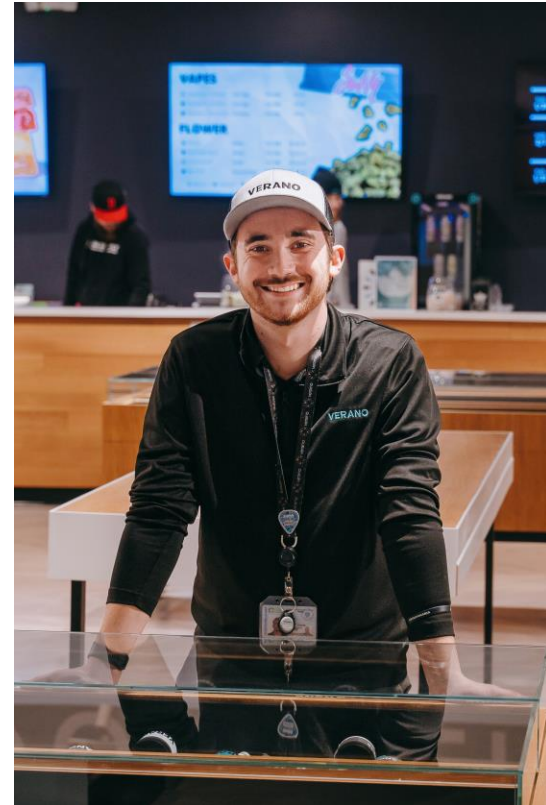
- To acquire 66k ft² cultivation and production facility as well as six dispensaries
- Verano's HSA 5 territory is home to nearly two million residents and 14 million annual tourists
- Verano to be one of only four operational producers in the state



DEEPENING PRESENCE INTO THE MATURE ARIZONA MARKET

VERANO EXPANDING IN ARIZONA¹

- To acquire 22k ft² cultivation facility and two dispensaries
 - One dispensary in Tempe and one in Prescott
- Verano to have 90k ft² across three cultivation facilities as well as eight dispensaries upon closing¹



FOCUSED DIVERSIFICATION EFFORTS TARGETING LIMITED-LICENSE STATES



M&A STRATEGY EMPHASIZING PATIENCE AND PRICE DISCIPLINE AT WORK

Verano's diverse portfolio will grow to 14 states and 150 dispensaries¹



Going forward, continued capital allocation strategy evaluating growth-driven CAPEX, strengthening the balance sheet, and M&A

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2Q 2024 HIGHLIGHTS



CONSISTENT MARGIN PROFILE

\$222M Revenue

\$114M Gross Profit
+221bps Margin Expansion YoY

\$71M Adj. EBITDA¹
32% Margin

- **Continued growth in net wholesale revenue**
 - Offsetting expected sequential declines in retail

Proactively and aggressively pursuing smart growth and expansion

- Ohio adult use program launched August 6, 2024
- New adult use program potential from Florida, Pennsylvania, and Virginia²

MAJOR MARKETS UPDATES

Florida Retains Tremendous Adult Use Potential

Temporarily incurred short-term reduction in output as additional capacity is built out

We believe output bottomed in July due to this construction and expect output to continue to grow over the coming months

New Jersey Market Share Remains in Top Two

Relative price stability for maturing adult use program

Craft growers gained some market share, but we **remain committed to our wholesale presence as a market leader**

Illinois Net Wholesale Revenue Growth Continues

Net wholesale revenue increased 25% sequentially and versus the prior year period

Modestly grew market share in 2Q 2024 versus the prior year period¹

¹According to BDSA.

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UPCOMING CATALYSTS

FRESH ADULT USE LAUNCH IN OHIO

EXPECTING 2H 2024 REVENUE TAILWINDS

- Program commencement during August 2024, across all five Zen Leaf dispensaries
- Ohio is projected to generate total sales of over \$1 Billion in 2025¹
- Sixth location, in Antwerp, expected to open within the next couple of months
 - Near Indiana border



Verano's Zen Leaf Canton team hosted a ribbon cutting ceremony to welcome adult use consumers on August 6, 2024.

THREE ADDITIONAL ADULT USE CATALYSTS ON THE HORIZON

Florida

See Florida as becoming one of the largest markets in the US

Educating voter base on economic, health, and wellness benefits of cannabis

Pennsylvania

Recently decoupled 280E from state tax code, which should lead to a slight incremental lift to the bottom line

Remain optimistic the state nears a 2025 program

Virginia¹

Offers newest opportunity to implement our steadfast strategy in building robust operations and goodwill in medical market

Laying the groundwork for adult use transition and accompanying growth



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FINANCIAL REVIEW



2Q 2024 FINANCIAL RESULTS

- Retail / wholesale revenue split of 64% / 36% for the quarter¹
 - Steady increase in proportion of sales from wholesale business is a welcomed evolution
- Gross profit margin of 51% increased over 220bps versus the prior year period
 - Increased gross profit margin driven by higher third-party wholesale sales

\$USD thousands	2Q 2024 Results
Revenue	\$222,390
Gross Profit	\$114,340
Income from Operations	\$27,266
(Net Loss)	\$(21,764)
Adjusted EBITDA	\$70,599
Adjusted EBITDA Margin	32%

LEVERAGING THE BALANCE SHEET FOR THE FUTURE

- Raising 2024 CAPEX guidance to 90-130 million
 - Preparing for possible adult use program in Florida and for some investments in to be acquired Arizona and Virginia operations¹

\$USD thousands	As of June 30, 2024
Cash	\$130,052
Total Assets	\$2,239,053
Debt	\$395,778
Total Liabilities	\$1,017,661

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Q&A



THANK YOU

VERANO™

THANK YOU

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APPENDIX



VERANO HOLDINGS CORP.
Highlights from Unaudited Interim Condensed Consolidated Statements of Operations (Unaudited)
(\$ in Thousands)

	For the Three Months Ended,		
	June 30, 2024	March 31, 2024	June 30, 2023
Revenues, net of Discounts	\$ 222,390	\$ 221,306	\$ 234,115
Cost of Goods Sold, net	108,050	108,346	118,924
Gross Profit	114,340	112,960	115,191
Gross Profit %	51 %	51 %	49 %
Operating Expenses			
Selling, General and Administrative	87,074	90,289	84,660
Total Operating Expenses	87,074	90,289	84,660
Loss from Investments in Associates	—	—	(101)
Income from Operations	27,266	22,671	30,430
Other Income (Expense), net:			
Loss on Disposal of Property, Plant and Equipment	—	(143)	(388)
Loss on Debt Extinguishment	(3,068)	—	—
Interest Expense, net	(14,237)	(15,114)	(14,013)
Other Expense, net	(1,195)	(759)	(1,411)
Total Other Income (Expense), Net	(18,500)	(16,016)	(15,812)
Income Before Provision for Income Taxes	8,766	6,655	14,618
Provision for Income Taxes	(30,530)	(11,477)	(27,679)
Net Loss Attributable to Verano Holdings Corp. & Subsidiaries	(21,764)	(4,822)	(13,061)

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

	June 30, 2024	December 31, 2023
	<i>(Unaudited)</i>	
Cash and Cash Equivalents	\$ 130,052	\$ 174,760
Other Current Assets	227,511	219,436
Property, Plant and Equipment, net	507,447	501,304
Intangible Assets, net	1,040,572	1,086,146
Goodwill	231,291	231,291
Other Long-Term Assets	102,180	105,808
Total Assets	\$ 2,239,053	\$ 2,318,745
Total Current Liabilities	360,591	412,188
Total Long-Term Liabilities	657,070	666,477
Total Shareholders' Equity	1,221,392	1,240,080
Total Liabilities and Shareholders' Equity	\$ 2,239,053	\$ 2,318,745

VERANO HOLDINGS CORP.
Segmented Revenues, net of Discounts, By State (Unaudited)

Net Retail Revenues, net of Discounts	For the Three Months Ended,		For the Six Months Ended,	
	June 30, 2024		June 30, 2024	
<i>(\$ in thousands)</i>				
Florida	\$	49,183	\$	99,500
Illinois		26,331		53,676
New Jersey		20,910		43,692
Arizona		14,472		29,445
Pennsylvania		11,711		23,777
Maryland		11,064		21,317
Connecticut		10,186		20,209
Nevada		7,187		14,353
Ohio		5,471		10,933
Massachusetts		2,985		5,891
West Virginia		1,851		3,566
Other		3,332		6,912
Total Net Retail Revenues, net of Discounts	\$	164,683	\$	333,271

Wholesale Revenues, net of Discounts	For the Three Months Ended,		For the Six Months Ended,	
	June 30, 2024		June 30, 2024	
	Gross	Net¹	Gross	Net¹
<i>(\$ in thousands)</i>				
New Jersey	\$ 23,712	\$ 17,506	\$ 47,876	\$ 35,204
Illinois	22,046	13,736	40,250	24,754
Connecticut	14,873	10,338	27,726	19,104
Maryland	8,923	5,352	16,928	10,182
Pennsylvania	6,094	3,396	12,771	7,027
Arizona	6,454	2,562	13,138	4,927
Nevada	3,223	918	6,473	2,076
Ohio	2,771	1,341	4,950	2,501
Massachusetts	2,100	1,225	4,066	2,403
West Virginia	2,277	1,333	4,201	2,247
Total Wholesale Revenues, net of Discounts	\$ 92,473	\$ 57,707	\$ 178,379	\$ 110,425

¹Net of intercompany eliminations

VERANO HOLDINGS CORP.
Reconciliation of Net Loss to Operating Cash Flow (Non-U.S. GAAP)

	For the Six Months Ended,	
	June 30, 2024	June 30, 2023
<i>(\$ in thousands)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net Loss Attributable to Verano Holdings Corp. & Subsidiaries	\$ (26,586)	\$ (22,298)
Depreciation and Amortization	71,285	70,293
Other Non-cash Adjustments	23,070	10,270
Operating Cash Flow	\$ 67,769	\$ 58,265

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

	For the Three Months Ended,		For the Six Months Ended,	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<i>(\$ in thousands)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net Loss Attributable to Verano Holdings Corp. & Subsidiaries	\$ (21,764)	\$ (13,061)	\$ (26,586)	\$ (22,298)
Interest Expense, net	14,237	14,013	29,351	29,918
Income Tax Expense	30,530	27,679	42,007	55,999
Depreciation and Amortization - COGS	18,749	18,529	37,392	37,050
Depreciation and Amortization - SG&A	16,984	16,708	33,893	33,243
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	\$ 58,736	\$ 63,868	\$ 116,057	\$ 133,912

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

	For the Three Months Ended,		
	June 30, 2024	March 31, 2024	June 30, 2023
<i>(\$ in thousands)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net Loss Attributable to Verano Holdings Corp. & Subsidiaries	(21,764)	(4,822)	(13,061)
Interest Expense, Net	14,237	15,114	14,013
Income Tax Expense	30,530	11,477	27,679
Earnings Before Interest, Taxes (EBIT)	\$ 23,003	\$ 21,769	\$ 28,631
COGS Add-backs:			
Depreciation and Amortization - COGS	18,749	18,643	18,529
Acquisition, Transaction and Other Non-operating Costs	—	—	—
Employee Stock Compensation	680	474	488
SG&A Add-backs:			
Depreciation and Amortization - SG&A	16,984	16,909	16,708
Acquisition, Transaction and Other Non-operating Costs	2,570	3,476	472
Employee Stock Compensation	3,636	3,454	3,260
Acquisition Adjustments and Other Income (Expense), net	4,977	1,822	3,424
Adjusted EBITDA	\$ 70,599	\$ 66,547	\$ 71,512
Net Loss Margin	(10)%	(2)%	(6)%
Adjusted EBITDA Margin	32 %	30 %	31 %