

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Cresco Labs Inc. (the "Company" or "Cresco Labs")
2500 Park Place, 666 Burrard Street
Vancouver, British Columbia
V6C 2X8 Canada

Item 2. Date of Material Change

September 12, 2024

Item 3. News Release

A news release with respect to the material change was disseminated by the Company on September 12, 2024 through Business Wire and subsequently filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

Item 4. Summary of Material Change

On September 12, 2024, the Company announced that Dennis Olis, Chief Financial Officer, will retire from Cresco Labs after a planned transition to Sharon Schuler, an experienced financial and strategy executive.

Item 5.1 Full Description of Material Change

Dennis Olis, Chief Financial Officer, will retire from Cresco Labs after a planned transition to Sharon Schuler, an experienced financial and strategy executive.

Schuler joined Cresco Labs while preparing to take the role of Chief Financial Officer upon Olis's departure. Schuler brings an extensive corporate finance background in publicly traded wholesalers and retailers, most recently as an executive leadership team member at BJ's Wholesale Club, a membership warehouse club spanning 244 clubs and 178 gas stations, across 20 states with \$20 billion in annual revenue.

Olis has served as the Chief Financial Officer of Cresco Labs since July 2020. During his tenure, Cresco Labs grew from \$125 million in annual revenue to more than \$735 millionⁱ today. The Company also saw significant profitability improvements with Adjusted EBITDA margin improving by 2,900 basis points and annual operating cashflow improving by over \$100 million annuallyⁱⁱ. He successfully prepared the Company for future U.S. listings through conversion to US GAAP and SOX compliance readiness.

For the last three years, Schuler was responsible for planning and analysis of BJ's Wholesale Club's short and long-term financial outlook. Prior to that, she spent over 20 years in senior financial management roles for large public and private national retailers including The TJX Companies, Clarks America, and Caleres. Schuler holds an MBA in Integrated Management and a bachelor's in economics from Michigan State University.

Item 5.2. Disclosure of Restructuring Arrangements

Not applicable.

Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For further information, please contact:

John Schetz, General Counsel
Phone: (312) 929-0993
Email: info@crescolabs.com

Item 9. Date of Report

September 18, 2024

ⁱ Based on full year 2020 revenue of \$128 million and annualized Q2 2024 revenue of \$735 million.

ⁱⁱ Based on H1 2024 cash from operating activities of \$53 million and annual cash used in operating activities of \$25 million in 2020.