

Ascend Wellness Holdings

Investor Roadshow Presentation
June 2022



CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS



This presentation includes forward-looking information and statements (together, "forward-looking statements"), which may include, but are not limited to, the plans, intentions, expectations, estimates, and beliefs of the Ascend Wellness Holdings, Inc ("AWH" or the "Company"). Words such as "expects", "continue", "will", "anticipates" and "intends" or similar expressions are intended to identify forward-looking statements. Without limiting the generality of the preceding statement, all statements in this presentation relating to estimated and projected revenue, expectations regarding production capacity, anticipated capital expenditures, proceeds from sale-leasebacks, expansion, profit, product demand, margins, costs, cash flows, sources of capital, growth rates and future financial and operating results are forward-looking statements. We caution investors that any such forward-looking statements are based on the Company's current projections and expectations about future events and financial trends, the receipt of all required regulatory approvals, and on certain assumptions and analysis made by the Company in light of the experience of the Company and perception of historical trends, current conditions and expected future developments and other factors management believes are appropriate. Forward-looking 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 statements herein. Such factors include, among other, the risks and uncertainties identified in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and in the Company's other reports and filings with the applicable Canadian securities regulators on its profile on SEDAR at www.sedar.com and the United States Securities and Exchange Commission ("SEC") at www.sec.gov. Although the Company believes that any forward-looking statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such statements, there can be no assurance that any such forward-looking statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking statements. Any forward-looking statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws. The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this presentation.

CANNABIS MARKET BY THE NUMBERS



Unprecedented growth across the emerging industry with room for continued expansion

SALES

\$25Bn

US LEGAL SALES¹
IN 2021

\$46Bn

US LEGAL SALES
BY 2026²

\$62Bn

GLOBAL LEGAL
MEDICAL SALES
BY 2024⁴

STATES

18

STATES PLUS DC
RECREATIONAL PROGRAMS

38

STATES HAVE
MEDICAL PROGRAMS

70%

OF US STATES LEGAL
MEDICAL OR RECREATIONAL

SUPPORT

68%

US CITIZENS
SUPPORT LEGALIZATION³

4

BILLS IN-PLAY

> 50%

CONGRESS
SUPPORTS LEGALIZATION³

1. "How Cannabis pricing differs from other consumer goods". Deloitte with HIFYRE and BDSA.
2. "US Cannabis Collective: Ahead of the Curve". Vivien Azer @ Cowen Research.
3. "Welcome to Cannabis High..." Wolfe Research.
4. <https://www.dlaniper.com/da/global/news/2020/02/dla-niper-launches-global-cannabis-practice/>

OVERVIEW



Vertically integrated operator with assets in Illinois, Michigan, Ohio, Massachusetts, New Jersey, and Pennsylvania.

Owns and operates state-of-the-art cultivation facilities; grows award-winning strains and produces a curated selection of products.

Tickers	CSE: AAWH.U; OTCQX: AAWH	EV¹	\$631M
Founded	2018	Market Cap¹	\$541M
Headquarters	New York	Revenue / YoY Growth	2020 \$144M / +1100% 2021 \$332M / +131%
Employees	~1,500	Adj. EBITDA / Margin	2020 \$31M / 21.5% 2021 \$79M / 23.9%
States of Operation	NJ, MI, OH, IL, MA, PA	EV / 2022E Revenue⁽²⁾	1.9x
Dispensaries	21 open	EV / 2022E Adj. EBITDA⁽²⁾	5.9x
Cultivation	5 open	Total Debt / Cash	\$234M / \$144M

1. Market Cap: 181.1M of fully diluted shares outstanding times \$2.99 share price (CSE) on 5/30/22 equals \$536M market cap. Market cap plus \$90M of net debt equals \$631M enterprise value

2. 2022 estimates based on consensus and stock price as of 5/9/22.

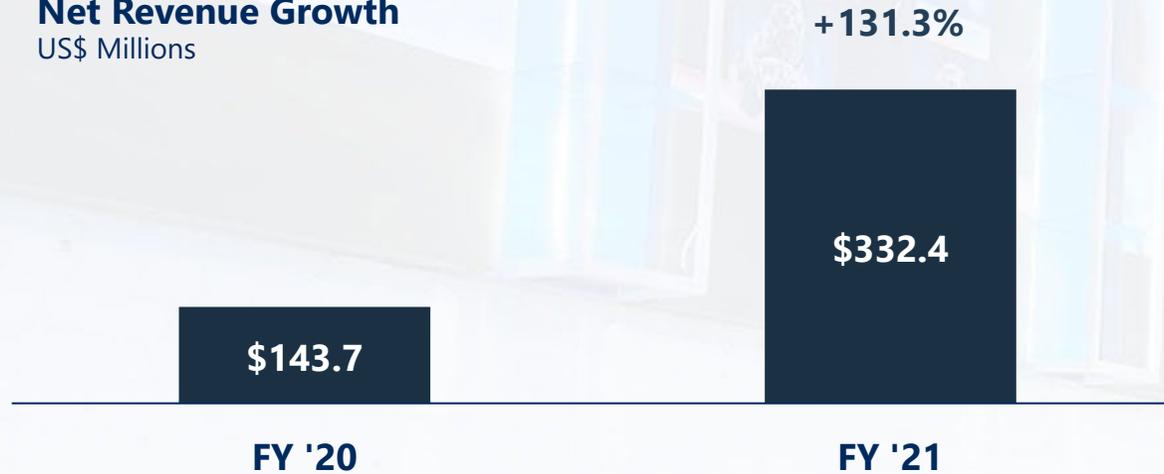
FY FINANCIAL HIGHLIGHTS (US\$ MILLIONS)



FY'20 VS. FY'21

Net Revenue Growth

US\$ Millions



- Y/Y revenue growth driven by 6 new store openings and 100,000 sq. ft of canopy expansions
- Y/Y 245 bps of margin expansion driven by expanded utilization of wholesale footprint and leveraged G&A

Adj. EBITDA / Margin¹

US\$ Millions



1. Adjusted Gross Profit / Margin and Adjusted EBITDA / Margin are non-GAAP financial measures. Please see the "GAAP Reconciliations" at the end of this presentation for a reconciliation of non-GAAP to GAAP measures.

ASCEND INVESTMENT THESIS



FOCUS: ACHIEVE SCALE IN SELECT LIMITED LICENSE MARKETS

KEY FLAGSHIP LOCATIONS WITH HIGH BARRIERS TO ENTRY

DISCIPLINED CAPITAL ALLOCATION; SUCCESSFUL EXECUTION OF M&A

MANAGEMENT WITH PROVEN TRACK RECORD OF EXECUTION IN IL

CONTINUED MARGIN IMPROVEMENT AS MORE ASSETS ARE "TURNED ON"

STRONG FINANCIALS AND REVENUE GROWTH

2022 OUTLOOK



Continue to scale our asset base of premier retail locations and state-of-the art cultivation facilities

MEET IMPENDING RECREATIONAL DEMAND IN NJ, SOLIDIFY POSITION AS TOP PLAYER IN THE STATE

DRAMATIC INCREASES IN PRODUCTION IN IL, MA, NJ, & PA

CONTINUE EXPANSION INTO EXISTING MARKETS, PARTICULARLY ILLINOIS & MASSACHUSETTS

IMPROVE BOTH RETAIL & WHOLESALE OPERATIONAL EXCELLENCE

EXPAND & ELEVATE CURRENT BRAND PORTFOLIO

EXPANDING FOOTPRINT

5 → 7 states^(1,2)

21 → 34 dispensaries^(1,2)



ILLINOIS

8 retail
1 cultivation / processing

MASSACHUSETTS

2 retail
1 planned retail¹
1 cultivation / processing

MICHIGAN

7 retail
1 planned retail¹
1 cultivation / processing

NEW JERSEY

2 retail
1 planned retail¹
1 cultivation / processing

OHIO

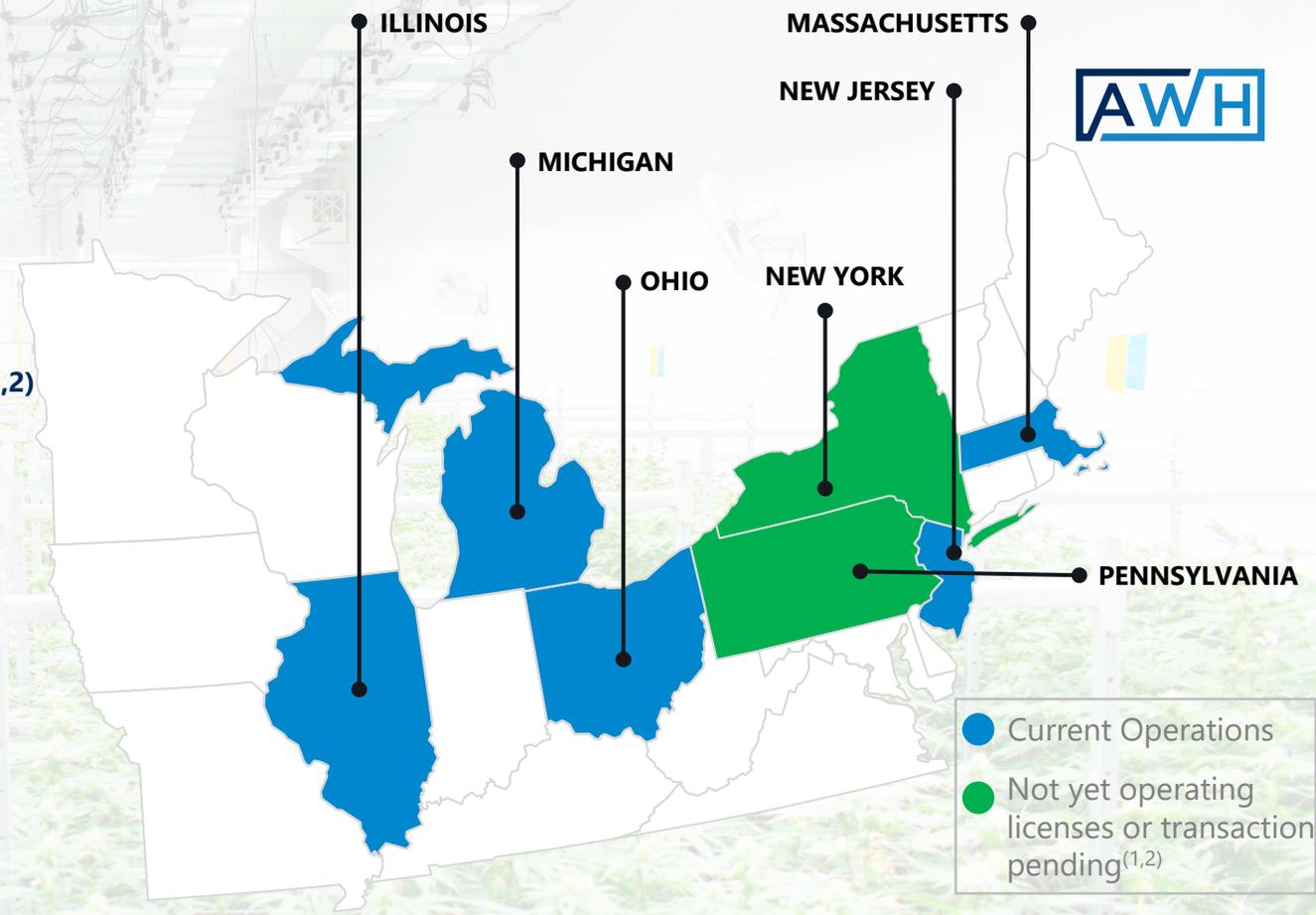
2 medical retail
1 cultivation / processing

PENNSYLVANIA¹

6 planned medical retail licenses
1 planned cultivation / processing

NEW YORK²

4 medical retail licenses
1 cultivation / processing



● Current Operations
● Not yet operating licenses or transaction pending^(1,2)



1. License is owned by AWH, but the site is not yet operational and/or under construction.
2. Includes NY transaction which is expected to close in the coming weeks. The transaction would include 4 operating dispensaries and 1 cultivation facility.

4 OF TOP REC MARKETS AND 2 OF TOP MEDICAL MARKETS



State	Population (2021 in Millions) ⁽¹⁾	Total Number of Dispensaries (2021) ^(2,3)	Population Per Dispensary	State Rank ⁽⁴⁾	2020E Legal plus Illicit Sales (\$U.S. Billions) ⁽⁴⁾
RECREATIONAL					
Illinois	12.7	111	115,000	4	\$3.2
Michigan	10.1	448	22,500	5	\$2.8
New Jersey	9.3	23	620,000	7	\$2.2
Massachusetts	7.0	130	54,000	9	\$1.9
New York ⁽⁵⁾	19.5	38	513,000	2	\$5.4
MEDICAL					
Ohio	11.8	53	223,000	3	\$2.7
Pennsylvania	13.0	136	103,000	2	\$2.9

1. 2021 Census. U.S. Census Bureau's Vintage 2021 national and state population estimates.

2. Grown In Cannabis fact Sheet, January 2022; medical and recreational dispensaries.

3. Pennsylvania DOH, Medical Marijuana Dispensaries in Pennsylvania, as of February 2022.

4. "Initiate on US Cannabis: Generational Wealth Opportunity, Avg. Upside >100%", Jefferies, July 7, 2021. Rank based on 2020E legal and illicit sales by the state in each respective categories (medical vs recreational).

5. Adult use legislation passed but recreational sales have not yet started.

HIGHLY DESIRABLE FLAGSHIP LOCATIONS



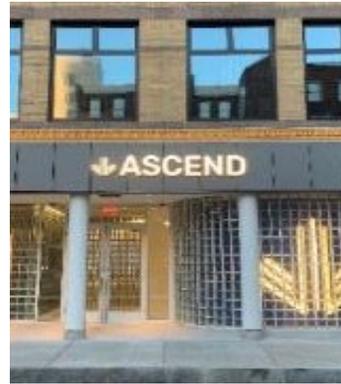
ST. LOUIS AREA COLLINSVILLE

Strategically located
in the retail corridor
near St. Louis



CHICAGO RIVER NORTH

Located just outside
Chicago Loop, the
central shopping
and business district



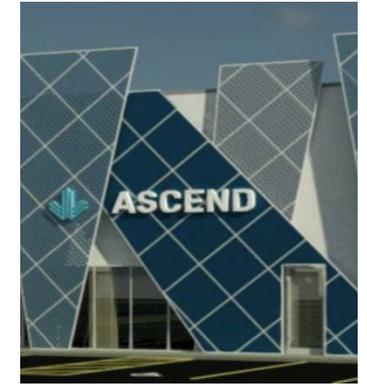
BOSTON BOSTON GARDEN / FANEUIL HALL

Downtown Boston
located between
TD Garden and
Faneuil Hall



NEW JERSEY PARAMUS AREA

On Rt. 17 and a
mile from Garden
State Plaza in
Northern NJ



NEW JERSEY FORT LEE

Minutes to the
George Washington
Bridge, NJ Turnpike,
and NJ Rt. 46

CULTIVATION UPDATE

State	Canopy at YE21 (ft ²)	Current May 2022
IL	113,000	113,000
MI	28,000	28,000
MA	17,000	54,000
NJ	16,000	16,000
OH	2,000	2,000
Total	176,000	213,000

- NJ canopy expansion underway; expect 42,000 sq. ft total by year-end
- First harvest of the expanded canopy in Illinois is expected to benefit Q2
- Completed 37,000 sq. ft of the canopy expansion in Massachusetts; the first harvest is expected before summer



RETAIL UPDATE

43%

AWH OR PARTNER
PRODUCTS

\$12.7M

AVERAGE REVENUE
PER DISPENSARY

- Continue to increase AWH products as % of retail sales
- Highest revenue per dispensary of US multi-state operators
- Opened 2nd floor Boston as immersive cannabis experience
- Opened East Lansing, MI on Friday May 27th



PIPELINE OF ASSETS



Significant upside from assets "turning on" in 2022 and 2023



LAUNCHING A NEW VALUE BRAND

Value brands comprise 25% of sales¹ in Simply Herb markets

I SIMPLY HERB



LAUNCHING NOW IL, MA, MI

FORM FACTORS Flower, pre-rolls

POTENCY Flower THC 18-22%

CONSUMER The price conscious consumer

PRICE \$\$\$\$\$

OZONE



AVAILABLE IL, MA, MI, NJ

FORM FACTORS Edibles, vapes, flower, glass joints, pre-rolls

POTENCY Flower THC 22-25%

CONSUMER Cannabis consumer looking for a quality, trusted, everyday brand

PRICE \$\$\$\$\$

OZONE RESERVE



AVAILABLE IL, MA, MI

FORM FACTORS Edibles, vape, flower, infused pre-rolls, concentrates

QUALITY Flower THC 25%+; broad terpene profiles, higher quality buds, etc

CONSUMER Provides the most exceptional cannabis experience to the 'canna-connoisseur'

PRICE \$\$\$\$\$



(1) BDSA bottom 25th percentile ARP in MA, IL, and MI Q3-Q4 2021

Q1 2022 BALANCE SHEET AND CASH FLOW



(\$ in millions)

	3/31/22
Cash & Equivalents	143.8
Fully Diluted Shares Outstanding Basic & Diluted⁽¹⁾	181.1
Total Debt, net⁽²⁾	233.7
Net Debt⁽³⁾	89.9



- \$10M cash used for operations
- \$1M cash used for investing (proceeds from NJ sale-leaseback nearly offsetting payments made for acquisitions in prior quarters and capital investments)
- \$1M cash used for debt payment

(1) Includes 174.4M Class A Common Shares, 65k Class B shares, 6.6M of unvested Restricted Stock Units or Restricted Stock Awards, and 17.6k in the money warrants. There are 3.5M warrants outstanding at an exercise price of \$4. Dilution was calculated using the treasury stock method and a 3/31/21 share price of US\$4.02 on the CSE.

(2) Total Debt, net is equal to Total debt less unamortized deferred financing costs.

(3) Net debt is equal to Total Debt, net less Cash & Equivalents.

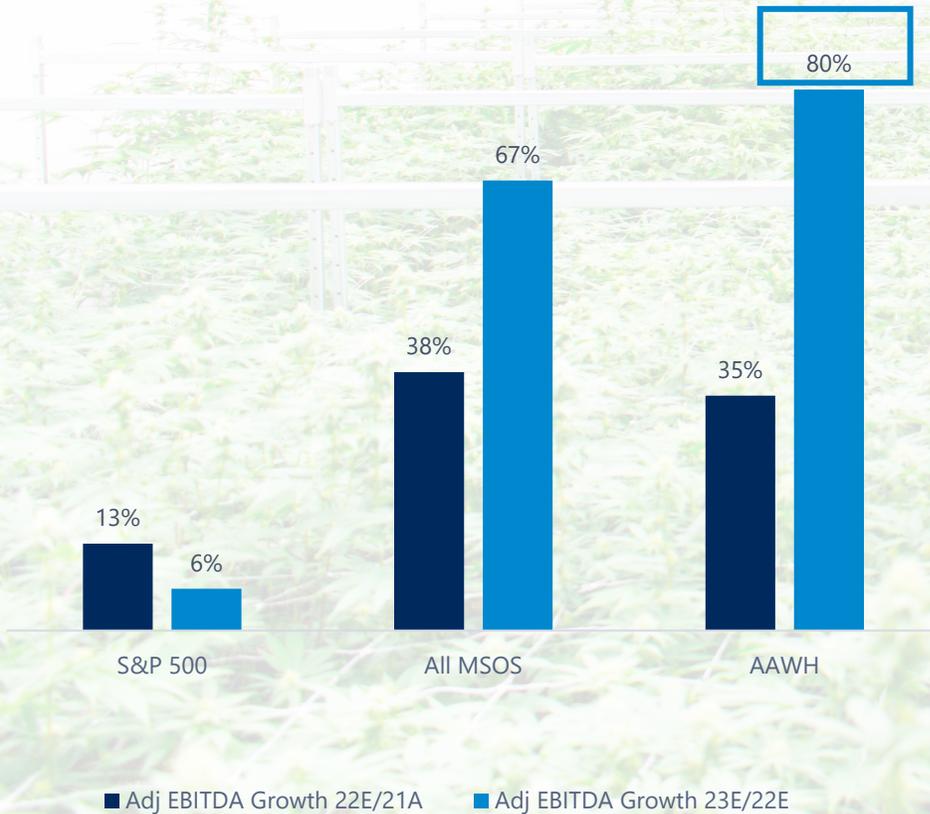
Note: waterfall may not foot due to rounding.

VALUATION DISPARITY

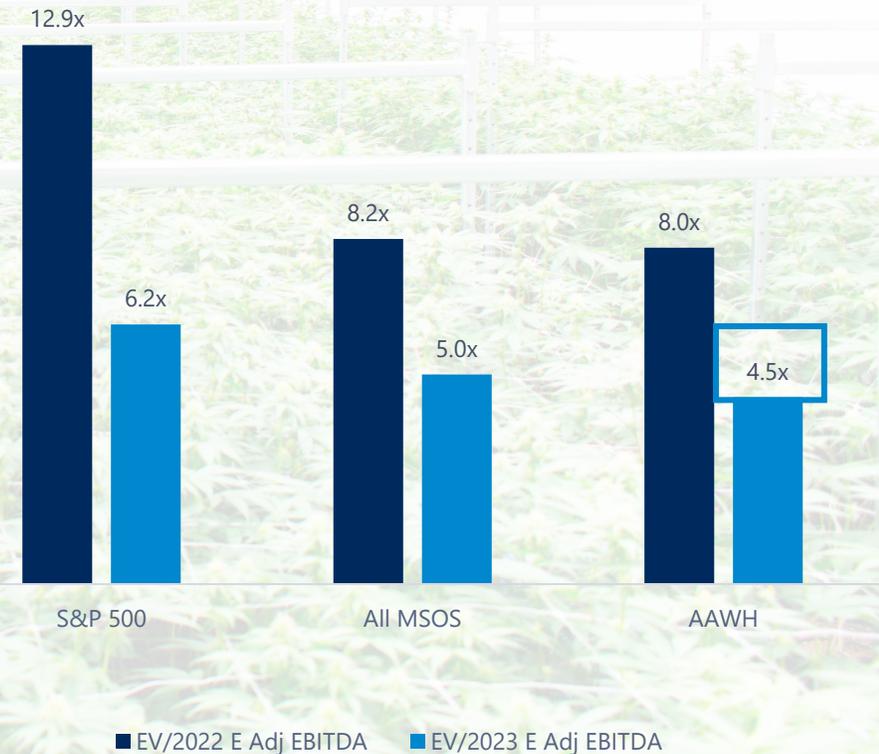
Company and Industry poised for re-rate



Consensus Adjusted EBITDA Growth



EV/ Adjusted EBITDA Multiples



All MSOs includes Tier 1 and Tier 2. Tier 1 includes Curaleaf, Green Thumb, Cresco, Trulieve. Tier 2 includes AWH, Ayr, Jushi, Terrascend, Verano, and Columbia Care. Multiples based on factset data as of 5/4/2022.

COMMITTED TO PEOPLE AND THE PLANET



Environmental, Social, and Governance (ESG) initiatives; AWH has pledged to several United Nations Sustainable Development Goals (several of which are highlighted below) and is disclosing data aligned with the Sustainable Accounting Standards Board (SASB) in the Company's 2021 annual report

1 NO POVERTY



Job Creation

AWH has created strong jobs in areas with high unemployment e.g. AWH has created 400 jobs in Pike county, IL and is the county's largest employer.

Strong Wages

Depending on state, job position, and labor markets, all field employees are paid an average of \$4.70 to \$14.50 per hour more than minimum wage.

3 GOOD HEALTH AND WELL-BEING



Benefits

AWH provides employees with a 401k plan, FSA plan, Long-Term and Short-Term Incentive plan, and comprehensive core and voluntary benefits.

COVID

AWH provided numerous COVID related benefits to employees including 36 hours of PTO and gift cards to incentivize vaccination rates.

5 GENDER EQUALITY



Employee Resource Groups (ERGs)

AWH has over 100 employees participating in 3 ERGs (Women in Leadership, LGBTQIA+, and Black) to promote an inclusive culture and environment.

Data Example

37% of leadership positions (supervisor and up) are held by females; 26% of leadership positions held by ethnic minorities. Working to increase both stats to improve parity.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Expungement Clinics

AWH has contributed funds to the Continuing Legal Education (CLE) institute, which seeks to educate attorneys interested in learning the ins and outs of the expungement process.

Incubation Nonprofit

In January 2022, AWH established the Ascend Foundation, a 501(c)(4) with a commitment to support individuals who qualify as social equity applicants.



APPENDIX

USE OF NON-GAAP FINANCIAL METRICS AND ADDITIONAL INFORMATION



This presentation includes certain non-GAAP financial measures as defined by the SEC including Adjusted Gross Profit, Adjusted Gross Margin, Adjusted EBITDA, and Adjusted EBITDA margin. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are included in the appendix. This information should be considered as supplemental in nature and not as a substitute for, or superior to, any measure of performance prepared in accordance with GAAP.

We define "Adjusted Gross Profit" as gross profit excluding non-cash inventory costs, which include depreciation and amortization included in cost of goods sold, equity-based compensation included in cost of goods sold, start-up costs included in cost of goods sold, and other non-cash inventory adjustments. We define "Adjusted Gross Margin" as Adjusted Gross Profit as a percentage of net revenue. Our "Adjusted EBITDA" is a non-GAAP measure used by management that is not defined by U.S. GAAP and may not be comparable to similar measures presented by other companies. We define "Adjusted EBITDA Margin" as Adjusted EBITDA as a percentage of net revenue. Management calculates Adjusted EBITDA as the reported net loss, adjusted to exclude: income tax expense; other (income) expense; interest expense; depreciation and amortization; depreciation and amortization included in cost of goods sold; non-cash inventory adjustments; equity-based compensation; equity-based compensation included in cost of goods sold; start-up costs; start-up costs included in cost of goods sold; transaction-related and other non-recurring expenses; litigation settlement; and loss on sale of assets. Accordingly, management believes that Adjusted EBITDA provides meaningful and useful financial information, as this measure demonstrates the operating performance of the business. Non-GAAP financial measures may be considered in addition to the results prepared in accordance with U.S. GAAP, but they should not be considered a substitute for, or superior to, U.S. GAAP results.

GAAP RECONCILIATIONS (\$000S)

	FY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2022
Adjusted Gross Profit							
Gross Profit	\$ 60,914	\$ 29,667	\$ 34,516	\$ 40,954	\$ 30,835	\$ 135,972	\$ 23,447
<i>Gross Margin</i>	42.4%	44.9%	41.4%	43.4%	34.8%	40.9%	27.6%
Depreciation and amortization included in cost of goods sold	3,696	2,162	2,387	2,063	3,000	9,612	2,943
Equity-based compensation included in cost of goods sold	-	-	-	349	2,580	2,929	3,995
Start-up costs ⁽¹⁾ included in cost of goods sold	-	-	-	-	-	-	3,923
Non-cash inventory adjustments ⁽²⁾	146	750	2,714	335	1,115	4,914	2,204
Adjusted Gross Profit	\$ 64,756	\$ 32,579	\$ 39,617	\$ 43,701	\$ 37,530	\$ 153,427	\$ 36,512
Adjusted Gross Margin	45.1%	49.3%	47.5%	46.3%	42.4%	46.2%	42.9%

	FY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2022
Adjusted EBITDA							
Net Income / (Loss)	\$ (23,841)	\$ (48,223)	\$ (44,897)	\$ (13,026)	\$ (16,511)	\$ (122,657)	\$ (27,815)
Income tax expense	18,702	8,976	11,995	12,307	8,442	41,720	7,107
Other (income) expense	(7)	(80)	(82)	(44)	(50)	(256)	(103)
Interest expense	12,993	7,337	36,888	12,376	7,388	63,989	6,031
Depreciation and amortization	7,914	2,419	2,470	2,520	2,628	10,037	2,732
Depreciation and amortization included in cost of goods sold	3,696	2,162	2,387	2,063	3,000	9,612	2,943
Non-cash inventory adjustments	146	750	2,714	335	1,115	4,914	2,204
Equity-based compensation	680	2,487	1,711	2,587	8,565	15,350	2,504
Equity-based compensation included in cost of goods sold	-	-	-	349	2,580	2,929	3,995
Start-up costs ⁽³⁾	8,097	1,311	1,716	1,227	1,211	5,465	837
Start-up costs ⁽¹⁾ included in cost of goods sold	-	-	-	-	-	-	3,923
Transaction-related and other non-recurring expenses ⁽⁴⁾	2,164	2,178	5,406	2,191	1,434	11,209	6,194
(Gain) / Loss on the sale of assets	286	-	-	649	(44)	605	818
Litigation settlement	-	36,511	-	-	-	36,511	5,000
Adjusted EBITDA	\$ 30,830	\$ 15,828	\$ 20,308	\$ 23,534	\$ 19,758	\$ 79,428	\$ 16,370
Adjusted EBITDA Margin	21.4%	23.9%	24.4%	24.9%	22.3%	23.9%	19.2%

(1) Incremental expenses associated with the expansion of activities at our cultivation facilities that are not yet operating at scale, including excess overhead expenses resulting in delays from regulatory approvals at certain cultivation facilities.

(2) Primarily consists of write-offs of expired products and obsolete packaging.

(3) One-time costs associated with acquiring real estate, obtaining licenses and permits, and other costs incurred before commencement of operations at certain locations.

(4) Legal and professional fees associated with litigation matters, potential acquisitions, and other regulatory matters and other non-recurring expenses. The prior year includes expenses related to the Company's Initial Public Offering.



ASCEND WELLNESS HOLDINGS

<https://awholdings.com/investors>

Investor Contact: Rebecca Koar

IR@awholdings.com