

certain remedies being limited and the difficulty of enforcing judgments and effecting service outside of Canada; risks related to completed, pending or future acquisitions or dispositions, including potential future impairment of goodwill or intangibles acquired and/or post-closing disputes; sales of a significant amount of shares by existing shareholders; the limited market for securities of the Company; risks related to the continued performance of existing operations in California, Illinois, Massachusetts, Nevada, Ohio, Pennsylvania, and Virginia; risks related to the anticipated openings of additional dispensaries or relocation of existing dispensaries; risks relating to the expansion and optimization of the grower-processor in Pennsylvania, the vertically integrated facilities in Virginia and Massachusetts and the facility in Nevada; risks related to opening new facilities, which is subject to licensing approval; limited research and data relating to cannabis; risks related to challenges from governmental authorities of positions the Company has taken with respect to tax credits; and risks related to the Company's critical accounting policies and estimates; and these and other risks identified under the "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" sections of our most recent Annual Report on Form 10-K and otherwise identified from time to time in our reports and other filings with the U.S. Securities and Exchange Commission and Canadian securities regulators.

Although Jushi has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on the forward-looking information contained in this press release or other forward-looking statements made by Jushi. Forward-looking information is provided and made as of the date of this press release and Jushi does not undertake any obligation to revise or update any forward-looking information or statements other than as required by applicable law.

Unless the context requires otherwise, references in this press release to "Jushi," "Company," "we," "us" and "our" refer to Jushi Holdings Inc. and our subsidiaries.

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JUSHI HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands of U.S. dollars, except share and per share amounts)
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
REVENUE, NET	\$ 67,770	\$ 76,822	\$ 269,445	\$ 284,284
COST OF GOODS SOLD	(40,551)	(54,866)	(153,217)	(188,806)
GROSS PROFIT	27,219	21,956	116,228	95,478
OPERATING EXPENSES				
Selling, general and administrative	25,178	39,118	110,472	156,166
Asset impairments	8,574	122,045	8,574	159,645
Total operating expenses	33,752	161,163	119,046	315,811
LOSS FROM OPERATIONS	(6,533)	(139,207)	(2,818)	(220,333)
OTHER INCOME (EXPENSE):				
Interest expense, net	(9,311)	(11,417)	(36,966)	(45,591)
Fair value gains on derivatives	7,929	28,654	9,589	91,887
Other, net	(4,988)	(19,478)	(3,101)	(19,839)
Total other income (expense), net	(6,370)	(2,241)	(30,478)	26,457
LOSS BEFORE INCOME TAX	(12,903)	(141,448)	(33,296)	(193,876)
Income tax benefit (expense)	(5,101)	1,511	(31,806)	(8,448)
NET LOSS AND COMPREHENSIVE LOSS	(18,004)	(139,937)	(65,102)	(202,324)
Net loss attributable to non-controlling interests	—	—	—	—
NET LOSS AND COMPREHENSIVE LOSS ATTRIBUTABLE TO JUSHI SHAREHOLDERS	\$ (18,004)	\$ (139,937)	\$ (65,102)	\$ (202,324)
LOSS PER SHARE - BASIC	\$ (0.09)	\$ (0.71)	\$ (0.33)	\$ (1.06)

Weighted average shares outstanding - basic	195,129,737	196,220,220	194,770,212	190,021,550
LOSS PER SHARE - DILUTED	\$ (0.09)	\$ (0.83)	\$ (0.33)	\$ (1.44)
Weighted average shares outstanding - diluted	195,129,737	203,346,826	194,770,212	204,235,432

JUSHI HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars, except share amounts)
(Unaudited)

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 26,027	\$ 26,196
Restricted cash - current	3,128	—
Accounts receivable, net	3,380	4,809
Inventories, net	33,586	35,089
Prepaid expenses and other current assets	15,514	3,957
Total current assets	<u>81,635</u>	<u>70,051</u>
NON-CURRENT ASSETS:		
Property, plant and equipment, net	159,268	177,755
Right-of-use assets - finance leases	63,107	114,021
Other intangible assets, net	95,967	100,082
Goodwill	30,910	38,239
Other non-current assets	30,358	28,243
Restricted cash - non-current	2,150	950
Total non-current assets	<u>381,760</u>	<u>459,290</u>
Total assets	<u>\$ 463,395</u>	<u>\$ 529,341</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 15,383	\$ 21,313
Accrued expenses and other current liabilities	44,070	46,329
Income tax payable	5,190	19,921
Debt, net - current portion (including related party principal amounts of \$3,298 and \$3,189 as of December 31, 2023, and 2022, respectively)	86,514	8,704
Finance lease obligations - current	8,885	11,361
Derivative liabilities - current	2,418	—
Total current liabilities	<u>162,460</u>	<u>107,628</u>
NON-CURRENT LIABILITIES:		
Debt, net - non-current (including related party principal amounts of \$19,788 and \$17,491 as of December 31, 2023, and 2022, respectively)	126,041	180,558
Finance lease obligations - non-current	52,839	102,375
Derivative liabilities - non-current	220	14,134
Unrecognized tax benefits	100,343	57,200
Other liabilities - non-current	29,111	21,555
Total non-current liabilities	<u>308,554</u>	<u>375,822</u>
Total liabilities	<u>471,014</u>	<u>483,450</u>
COMMITMENTS AND CONTINGENCIES		
EQUITY:		
Common stock, no par value; authorized shares - unlimited; issued and outstanding shares - 196,631,598 and 196,686,372 Subordinate Voting Shares as of December 31, 2023, and 2022, respectively	—	—
Paid-in capital	503,612	492,020
Accumulated deficit	(509,844)	(444,742)
Total Jushi shareholders' (deficit) equity	<u>(6,232)</u>	<u>47,278</u>
Non-controlling interests	(1,387)	(1,387)
Total (deficit) equity	<u>(7,619)</u>	<u>45,891</u>

EBITDA (Non-GAAP)	3,216	(119,202)	30,258	(121,793)
Non-cash share-based compensation	2,362	5,959	8,092	23,073
Inventory charge adjustments ⁽³⁾	34	5,510	285	7,792
Indefinite-lived intangible asset impairment	845	73,915	845	111,515
Goodwill impairment	7,329	39,643	7,329	39,643
Tangible long-lived asset impairment	400	8,487	400	8,487
Fair value changes in derivatives	(7,929)	(28,654)	(9,589)	(91,887)
Losses on debt redemptions/extinguishments/modifications	—	18,858	—	18,858
Other, net ⁽⁴⁾⁽⁷⁾	5,081	851	3,129	2,021
Start-up costs ⁽⁵⁾	—	319	—	4,143
Transaction costs ⁽⁶⁾	—	344	19	5,221
Adjusted EBITDA (Non-GAAP) ⁽⁷⁾	<u>\$ 11,338</u>	<u>\$ 6,030</u>	<u>\$ 40,768</u>	<u>\$ 7,073</u>

(1) Net income (loss) includes amounts attributable to non-controlling interests.

(2) Includes amounts that are included in cost of goods sold and in operating expenses.

(3) Includes: (i) inventory step-up on business combinations; (ii) inventory recall reserves; and (iii) reserves for discontinued products. The inventory step-up on business combinations relates to the fair value write-up on inventory acquired on the business acquisition date and then sold subsequent to the acquisition date. The inventory recall reserves relate to the estimated impact of the Pennsylvania Department of Health recall and ban of vape products containing certain cannabis concentrates. The ban was lifted in June 2022.

(4) Includes: (i) remeasurement of contingent consideration related to acquisitions; (ii) losses (gains) on investments and financial assets; (iii) losses (gains) on legal settlements; (iv) severance costs; (v) foreign exchange losses (gains); and (vi) indemnification asset adjustments related to acquisitions.

(5) Expansion and start-up costs incurred in order to prepare a location for its intended use. Start-up costs are expensed as incurred and are not indicative of ongoing operations of each new location.

(6) Transaction costs include: (i) registration statement costs such as professional fees and other costs relating to our SEC registration; and (ii) acquisition and deal costs.

(7) The sum of the four quarters in 2023 will not add to the year to date amounts due to an overstatement of \$503 add back relating to net foreign exchange losses.

Calculation of Adjusted EBITDA Margin
(In thousands of U.S. Dollars, unless otherwise stated)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Total revenue, net	\$ 67,770	\$ 76,822	\$ 269,445	\$ 284,284
Adjusted EBITDA (Non-GAAP)	\$ 11,338	\$ 6,030	\$ 40,768	\$ 7,073
Adjusted EBITDA Margin (Non-GAAP)	16.7%	7.8%	15.1%	2.5%