
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to



Commission file number 000-56132

GREEN THUMB INDUSTRIES INC.

(Exact name of registrant as specified in its charter)

British Columbia
(State or other jurisdiction of
incorporation or organization)

98-1437430
(I.R.S. employer
identification no.)

**325 West Huron Street,
Suite 700 Chicago, Illinois**
(Address of principal executive offices)

60654
(zip code)

Registrant's telephone number, including area code - (312) 471-6720

Securities registered pursuant to Section 12(g) of the Act:

Subordinate Voting Shares

Multiple Voting Shares

Super Voting Shares

(Title of each Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of November 1, 2025 there were 207,360,930 shares of the registrant's Subordinate Voting Shares, 37,472 shares of the registrant's Multiple Voting Shares and 206,690 shares of the registrant's Super Voting Shares outstanding.

GREEN THUMB INDUSTRIES INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025

TABLE OF CONTENTS

**FINANCIAL
INFORMATION**

Part I

	Page
<u>ITEM 1:</u> Unaudited Interim Condensed Consolidated Balance Sheets as of September 30, 2025 and December 31, 2024	4
Unaudited Interim Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024	5
Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity for the three and nine months ended September 30, 2025 and 2024	6
Unaudited Interim Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and 2024	8
Notes to Unaudited Interim Condensed Consolidated Financial Statements	10
<u>ITEM 2:</u> Management's Discussion and Analysis of Financial Condition and Results of Operations	28
<u>ITEM 3:</u> Quantitative and Qualitative Disclosure About Market Risk	37
<u>ITEM 4:</u> Controls and Procedures	37

**OTHER
INFORMATION**

<u>ITEM 1:</u> Legal Proceedings	38
<u>ITEM 1A:</u> Risk Factors	38
<u>ITEM 2:</u> Unregistered Sales of Equity Securities and Use of Proceeds	38
<u>ITEM 3:</u> Defaults Upon Senior Securities	39
<u>ITEM 4:</u> Mine Safety Disclosures	40
<u>ITEM 5:</u> Other Information	40
<u>ITEM 6:</u> Exhibits	41
<u>Signatures</u>	42

Use of Names

In this Quarterly Report on Form 10-Q, unless the context otherwise requires, the terms “we,” “us,” “our,” “Company,” “Corporation” or “Green Thumb” refer to Green Thumb Industries Inc. together with its wholly-owned subsidiaries.

Currency

Unless otherwise indicated, all references to “\$” or “US\$” in this document refer to United States dollars, and all references to “C\$” refer to Canadian dollars.

Disclosure Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains statements that we believe are, or may be considered to be, “forward-looking statements.” All statements other than statements of historical fact included in this document regarding the prospects of our industry or our prospects, plans, financial position or business strategy may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking words such as “may,” “will,” “expect,” “intend,” “estimate,” “foresee,” “project,” “anticipate,” “believe,” “plan,” “forecast,” “continue” or “could” or the negative of these terms or variations of them or similar terms or expressions of similar meaning. Furthermore, forward-looking statements may be included in various filings that we make with the Securities and Exchange Commission (the “SEC”), and in press releases or oral statements made by or with the approval of one of our authorized executive officers. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will prove to be correct. These forward-looking statements are subject to certain known and unknown risks and uncertainties, as well as assumptions that could cause actual results to differ materially from those reflected in these forward-looking statements. These known and unknown risks include, without limitation: cannabis remains illegal under U.S. federal law, and enforcement of cannabis laws could change; state regulation of cannabis is uncertain; the Company may not be able to obtain or maintain necessary permits and authorizations; the Company may face limitations on ownership of cannabis licenses; the Company may become subject to U.S. Food and Drug Administration or the U.S. Bureau of Alcohol, Tobacco Firearms and Explosives regulation; as a cannabis business, the Company is subject to applicable anti-money laundering laws and regulations and has restricted access to banking and other financial services; the Company may face difficulties acquiring additional financing; the Company operates in a highly regulated sector and may not always succeed in complying fully with application regulatory requirements in all jurisdictions where the Company carries on business; the Company faces intense competition; the Company faces competition from the illicit market as well as actual or purported Farm Bill compliant hemp products; the Company is dependent upon the popularity and consumer acceptance of its brand portfolio; the Company has limited trademark protection; as a cannabis business, the Company is subject to unfavorable U.S. tax treatment and may incur significant tax liability; the Company is subject to proceeds of crime statutes; the Company faces exposure to fraudulent or illegal activity; the Company faces risks due to industry immaturity or limited comparable, competitive or established industry best practices; the Company faces risks related to its products; the Company’s business is subject to the risks inherent in agricultural operations; the Company faces an inherent risk of product liability or similar claims; the Company’s products may be subject to product recalls; the Company may face unfavorable publicity or consumer perception; the Company may adversely be impacted by rising or volatile energy costs and availability; the Company faces risks related to its information technology systems and potential cyber-attacks and security breaches; the Company relies on third-party software providers for numerous capabilities that it depends upon to operate, and a disruption of one or more systems could adversely affect the business; the Company relies on the expertise of the Company management team and other employees experienced in the cannabis industry, and the loss of key personnel could negatively affect the Company’s business, financial condition and results of operations; the Company’s voting control is concentrated; the Company’s capital structure and voting control may cause unpredictability; sales of substantial amounts of Subordinate Voting Shares by our shareholders in the public market may have an adverse effect on the market price of our Subordinate Voting Shares and could affect the Company’s business and financial condition and the results of operations. These and other risks and uncertainties are described further in the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, and elsewhere in the Company’s filings with the SEC, which are available on the SEC’s website or at <https://investors.gtigrows.com>. Readers are cautioned not to place undue reliance on any forward-looking statements contained in this document, which reflect management’s opinions only as of the date hereof. Except as required by law, we undertake no obligation to revise or publicly release the results of any revision to any forward-looking statements. You are advised, however, to consult any additional disclosures we make in our reports to the SEC. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this document.

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Balance Sheets
As of September 30, 2025 and December 31, 2024
(Amounts Expressed in United States Dollars)

	September 30, 2025	December 31, 2024
		<i>(Audited)</i>
	(in thousands)	
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 226,211	\$ 171,687
Restricted Cash and Cash Equivalents	9,202	—
Accounts Receivable, Net	51,386	52,831
Income Tax Receivable	—	688
Convertible Note Receivable from Related Party	10,000	10,000
Inventories, Net	156,529	147,162
Prepaid Expenses	13,833	16,856
Other Current Assets	10,301	4,676
Total Current Assets	477,462	403,900
Property and Equipment, Net	720,911	716,014
Right of Use Assets, Net	237,602	246,281
Investments	43,736	43,578
Investments in Associates	36,542	40,305
Note Receivable	8,949	4,270
Convertible Note Receivable from Related Party	72,000	—
Intangible Assets, Net	442,734	488,287
Goodwill	594,439	589,691
Deferred Tax Assets	2,519	2,519
Deposits and Other Assets	2,291	2,167
TOTAL ASSETS	\$ 2,639,185	\$ 2,537,012
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 24,537	\$ 24,767
Accrued Liabilities	82,760	86,162
Compensation Payable	18,701	25,350
Current Portion of Notes Payable	17,264	12,062
Current Portion of Lease Liabilities	16,693	14,296
Income Tax Payable	81,598	2,332
Total Current Liabilities	241,553	164,969
Long-Term Liabilities:		
Lease Liabilities, Net of Current Portion	253,916	261,446
Notes Payable, Net of Current Portion and Debt Discount	230,185	242,896
Deferred Income Taxes	78,621	78,621
TOTAL LIABILITIES	804,275	747,932
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Subordinate Voting Shares (Shares Authorized, Issued and Outstanding at September 30, 2025: Unlimited, 207,294,093, and 207,294,093, respectively, at December 31, 2024: Unlimited, 211,128,045, and 211,128,045, respectively)		
	—	—
Multiple Voting Shares (Shares Authorized, Issued and Outstanding at September 30, 2025: Unlimited, 37,623 and 37,623, respectively, at December 31, 2024: Unlimited, 37,623 and 37,623, respectively)		
	—	—
Super Voting Shares (Shares Authorized, Issued and Outstanding at September 30, 2025: Unlimited, 206,690 and 206,690, respectively, at December 31, 2024: Unlimited, 206,690 and 206,690, respectively)		
	—	—
Share Capital	1,775,041	1,758,504
Contributed Deficit	(28,869)	(26,854)
Deferred Share Issuances	—	6,362
Accumulated Earnings	82,214	51,265
Equity of Green Thumb Industries Inc.	1,828,386	1,789,277
Noncontrolling interests	6,524	(197)
TOTAL SHAREHOLDERS' EQUITY	1,834,910	1,789,080
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,639,185	\$ 2,537,012

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Statements of Operations
Three and Nine Months Ended September 30, 2025 and 2024
(Amounts Expressed in United States Dollars, Except Share Amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Revenues, Net of Discounts	\$ 291,369	\$ 286,865	\$ 864,166	\$ 842,818
Cost of Goods Sold	(147,342)	(139,274)	(430,608)	(399,778)
Gross Profit	144,027	147,591	433,558	443,040
Expenses:				
Selling, General, and Administrative	107,286	104,967	314,902	275,725
Total Expenses	107,286	104,967	314,902	275,725
Income From Operations	36,741	42,624	118,656	167,315
Other Income (Expense):				
Other Income (Expense), Net	38,110	(290)	24,097	411
Interest Income	3,300	2,665	7,333	7,082
Interest Expense, Net	(5,228)	(5,296)	(15,139)	(18,791)
Total Other Income (Expense)	36,182	(2,921)	16,291	(11,298)
Income Before Provision for Income Taxes And Non-Controlling Interest	72,923	39,703	134,947	156,017
Provision For Income Taxes	49,122	30,922	102,013	94,970
Net Income Before Non-Controlling Interest	23,801	8,781	32,934	61,047
Net Income Attributable to Non-Controlling Interest	513	165	1,985	643
Net Income Attributable To Green Thumb Industries Inc.	\$ 23,288	\$ 8,616	\$ 30,949	\$ 60,404
Net Income Per Share - Basic	\$ 0.10	\$ 0.04	\$ 0.13	\$ 0.26
Net Income Per Share - Diluted	\$ 0.10	\$ 0.04	\$ 0.13	\$ 0.26
Weighted Average Number of Shares Outstanding - Basic	231,652,595	236,303,348	234,524,146	236,821,181
Weighted average Number of Shares Outstanding - Diluted	233,535,805	238,295,887	237,218,778	239,934,521

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
Three and Nine Months Ended September 30, 2025 and 2024
(Amounts Expressed in United States Dollars)

	<u>Share Capital</u>	<u>Contributed Deficit</u>	<u>Deferred Share Issuance</u>	<u>Accumulated Earnings</u>	<u>Non-Controlling Interest</u>	<u>Total</u>
	(in thousands)					
Balance, July 1, 2024	\$ 1,742,784	\$ (31,865)	\$ 12,973	\$ 29,970	\$ 94	\$ 1,753,956
Exercise of options and RSUs	6,028	(2,004)	—	—	—	4,024
Options exercised through net share settlement	(24)	—	—	—	—	(24)
Stock-based compensation	—	8,349	—	—	—	8,349
Distributions to non-controlling interest holders	—	—	—	—	(365)	(365)
Net income	—	—	—	8,616	165	8,781
Balance, September 30, 2024	<u>\$ 1,748,788</u>	<u>\$ (25,520)</u>	<u>\$ 12,973</u>	<u>\$ 38,586</u>	<u>\$ (106)</u>	<u>\$ 1,774,721</u>
Balance, January 1, 2024	\$ 1,703,852	\$ 7,871	\$ 12,973	\$ (21,818)	\$ 378	\$ 1,703,256
Distribution of contingent consideration	17,259	—	—	—	—	17,259
Exercise of options and RSUs	16,818	(6,856)	—	—	—	9,962
Options exercised through net share settlement	10,859	(16,792)	—	—	—	(5,933)
Stock-based compensation	—	23,705	—	—	—	23,705
Distributions to non-controlling interest holders	—	—	—	—	(1,127)	(1,127)
Repurchase of Subordinate Voting Shares	—	(33,448)	—	—	—	(33,448)
Net income	—	—	—	60,404	643	61,047
Balance, September 30, 2024	<u>\$ 1,748,788</u>	<u>\$ (25,520)</u>	<u>\$ 12,973</u>	<u>\$ 38,586</u>	<u>\$ (106)</u>	<u>\$ 1,774,721</u>

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
Three and Nine Months Ended September 30, 2025 and 2024
(Amounts Expressed in United States Dollars)

	<u>Share Capital</u>	<u>Contributed Deficit</u>	<u>Deferred Share Issuance</u>	<u>Accumulated Earnings</u>	<u>Non-Controlling Interest</u>	<u>Total</u>
	(in thousands)					
Balance, July 1, 2025	\$ 1,774,139	\$ (39,866)	\$ —	\$ 58,926	\$ 6,200	\$ 1,799,399
Exercise of options and RSUs	877	(657)	—	—	—	220
Stock-based compensation	—	11,654	—	—	—	11,654
Issuance of shares to non-employee contractors	25	—	—	—	—	25
Distributions to non-controlling interest holders	—	—	—	—	(189)	(189)
Net income	—	—	—	23,288	513	23,801
Balance, September 30, 2025	<u>\$ 1,775,041</u>	<u>\$ (28,869)</u>	<u>\$ —</u>	<u>\$ 82,214</u>	<u>\$ 6,524</u>	<u>\$ 1,834,910</u>
Balance, January 1, 2025	\$ 1,758,504	\$ (26,854)	\$ 6,362	\$ 51,265	\$ (197)	\$ 1,789,080
Contributions from limited liability company unit holders	—	—	—	—	5,800	5,800
Issuance of shares associated with investment interests	630	—	—	—	—	630
Distribution of deferred shares	6,362	—	(6,362)	—	—	—
Exercise of options and RSUs	3,255	(1,685)	—	—	—	1,570
Options exercised through net share settlement	6,120	(9,448)	—	—	—	(3,328)
Stock-based compensation	—	33,929	—	—	—	33,929
Issuance of shares to non-employee contractors	170	—	—	—	—	170
Distributions to non-controlling interest holders	—	—	—	—	(1,064)	(1,064)
Repurchase of Subordinate Voting Shares	—	(24,811)	—	—	—	(24,811)
Net income	—	—	—	30,949	1,985	32,934
Balance, September 30, 2025	<u>\$ 1,775,041</u>	<u>\$ (28,869)</u>	<u>\$ —</u>	<u>\$ 82,214</u>	<u>\$ 6,524</u>	<u>\$ 1,834,910</u>

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
Nine Months Ended September 30, 2025 and 2024
(Amounts Expressed in United States Dollars)

	Nine Months Ended September 30,	
	2025	2024
	(in thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income attributable to Green Thumb Industries Inc.	30,949	60,404
Net income attributable to non-controlling interest	1,985	643
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	89,163	84,252
Amortization of operating lease right of use assets	38,519	41,622
Loss on disposal of property and equipment	2,390	1,163
Impairment of long-lived property and equipment	—	450
Loss on equity method investments	5,843	2,184
Loss from lease modification	—	219
Net gain on divestitures of intellectual property	(29,876)	—
Stock-based compensation	33,929	23,705
Increase in fair value of investments	—	(256)
Interest on notes receivable	(1,497)	—
Gain on settlement of contingent consideration	—	(15,991)
Decrease in fair value of warrants	(68)	(2,389)
Gain on settlement of shares issued in association with investment interests	(20)	—
Interest on related party convertible note receivable	(2,171)	—
Amortization of debt discount	479	2,914
Changes in operating assets and liabilities, net of acquisitions and divestitures:		
Accounts receivable, net	976	(5,987)
Inventories, net	(8,919)	(25,313)
Prepaid expenses and other current assets	(2,087)	1,391
Deposits and other assets	(124)	44
Accounts payable	430	(4,647)
Accrued liabilities	(98)	17,504
Operating lease liabilities	(34,972)	(37,091)
Income tax receivable and payable, net	79,954	7,024
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	204,785	151,845
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(66,388)	(52,992)
Proceeds from disposal of property and equipment	—	345
Investments in securities and associates	(75,627)	(7,803)
Proceeds from equity investments and notes receivable	117	7,015
Acquisitions, net of cash acquired	(24,414)	—
Proceeds from divestiture of intellectual property	55,075	—
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(111,237)	(53,435)
CASH FLOW FROM FINANCING ACTIVITIES		
Contributions from limited liability company unit holders	5,800	—
Distributions to non-controlling interest holders	(1,064)	(1,127)
Repurchase of Subordinate Voting Shares	(24,811)	(33,448)
Payments for taxes related to net share settlement of equity awards	(3,328)	(5,933)
Proceeds from exercise of options	1,570	9,962
Proceeds from issuance of notes payable	—	170,923
Principal repayment of notes payable	(7,989)	(226,780)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(29,822)	(86,403)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:		
NET INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	63,726	12,007
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS BEGINNING OF PERIOD	171,687	161,634
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS END OF PERIOD	\$ 235,413	\$ 173,641

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
Nine Months Ended September 30, 2025 and 2024
(Amounts Expressed in United States Dollars)

	Nine Months Ended September 30,	
	2025	2024
	(in thousands)	
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	\$ 16,468	\$ 16,555
Taxes paid	\$ 22,055	\$ 87,946
NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued capital expenditures	\$ (9,317)	\$ 3,958
Noncash change in right of use asset	\$ 292	\$ (11,937)
Noncash change in lease liability	\$ (292)	\$ 11,937
Issuance of shares associated with investment interests	\$ 630	\$ —
Issuance of shares to non-employee contractors	\$ 170	\$ —
Issuance of shares associated with contingent consideration	\$ —	\$ 17,259
Distribution of deferred shares	\$ (6,362)	\$ —
ACQUISITIONS AND DISPOSITIONS		
Inventories	\$ 447	\$ —
Accounts receivable	(469)	—
Prepaid expenses	256	—
Property and equipment	2,061	—
Right of use assets	2,027	—
Identifiable Intangible assets	(8,235)	—
Goodwill	4,748	—
Liabilities assumed	660	—
Lease liabilities	(2,027)	—
Gain on divestiture of Project Remix assets	(29,876)	—
Cash consideration payable	(253)	—
	\$ (30,661)	\$ —
RECONCILIATION OF CASH, AND CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents	\$ 226,211	\$ 173,641
Restricted cash	9,202	—
TOTAL CASH, AND CASH EQUIVALENTS AND RESTRICTED CASH	\$ 235,413	\$ 173,641

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

1. Overview and Basis of Presentation

(a) Description of Business

Green Thumb Industries Inc. (“Green Thumb,” the “Company,” “we” or “us”), a national cannabis consumer packaged goods company and retailer, promotes well-being through the power of cannabis while being committed to community and sustainable, profitable growth. Green Thumb manufactures, and distributes a portfolio of cannabis consumer packaged goods brands including &Shine, Beboe, Dogwalkers, Doctor Solomon’s, Good Green, incredibles and RYTHM. The Company distributes and markets these products to third-party licensed retail cannabis stores across the United States as well as to Green Thumb’s own Retail stores (which we refer to as our Retail business). The Company also owns and operates retail cannabis stores that include a national chain named RISE, which sell our products and third-party products. As of September 30, 2025, Green Thumb has revenue in fourteen markets (California, Connecticut, Florida, Illinois, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Virginia), employs approximately 4,800 people and serves millions of patients and customers annually.

The Company’s registered office is located at 250 Howe Street, 20th Floor, Vancouver, British Columbia, V6C 3R8. The Company’s U.S. headquarters are at 325 W. Huron St., Suite 700, Chicago, IL 60654.

(b) Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements include the accounts of Green Thumb and have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and in accordance with the rules and regulations of the U.S. Securities & Exchange Commission (“SEC”). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements and, accordingly, certain information, footnotes and disclosures normally included in the annual financial statements, prepared in accordance with GAAP, have been condensed or omitted in accordance with SEC rules and regulations. The financial data presented herein should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 (the “2024 Form 10-K”). In the opinion of management, the financial data presented includes all adjustments necessary to present fairly the financial position, results of operations and cash flows for the interim periods presented. Previously reported amounts have been reclassified between line items where necessary to conform to the current period presentation. Results of interim periods should not be considered indicative of the results for the full year. These unaudited interim condensed consolidated financial statements include estimates and assumptions of management that affect the amounts reported in the unaudited condensed consolidated financial statements. Actual results could differ from these estimates.

(c) Significant Accounting Policies

There have been no changes to the Company’s significant accounting policies as described in Note 2 to the Company’s Consolidated Financial Statements included in the 2024 Form 10-K.

(d) Earnings per Share

Basic earnings per share is calculated using the treasury stock method, by dividing the net earnings attributable to shareholders by the weighted average number of common shares outstanding during each of the periods presented. Contingently issuable shares (including shares held in escrow) are not considered outstanding common shares and consequently are not included in the earnings per share calculation. Diluted earnings per share is calculated using the treasury stock method by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. The Company has three categories of potentially dilutive common share equivalents: restricted stock units, stock options and warrants. As of September 30, 2025, the Company had 7,911,149 options, 10,733,094 restricted stock units and 1,702,347 warrants outstanding. As of September 30, 2024, the Company had 8,491,983 options, 4,561,819 restricted stock units and 2,128,022 warrants outstanding.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

1. Overview and Basis of Presentation (Continued)

In order to determine diluted earnings per share, it is assumed that any proceeds from the vesting of dilutive unvested restricted stock units, or exercise of unvested stock options and warrants would be used to repurchase common shares at the average market price during the period. Under the treasury stock method, the diluted loss per share calculation excludes any potential conversion of stock options and convertible debt that would increase earnings per share or decrease loss per share. For the three months ended September 30, 2025, the computation of diluted earnings per share included 2,389 options and 1,880,822 restricted stock units. There were no dilutive warrants during the three months ended September 30, 2025, as the relevant strike price was greater than the average stock price for the period. For the nine months ended September 30, 2025, the computation of diluted earnings per share included 2,694,632 restricted stock units. There were no dilutive options and warrants during the nine months ended September 30, 2025, as the relevant strike price was greater than the average stock price for the period. For the three months ended September 30, 2024, the computation of diluted earnings per share included 1,001,228 options, 923,686 restricted stock units and 67,625 warrants. For the nine months ended September 30, 2024, the computation of diluted earnings per share included 1,339,591 options, 1,669,708 restricted stock units and 104,041 warrants. For the three and nine months ended September 30, 2025, the weighted average number of anti-dilutive stock options excluded from the computation of diluted earnings per share were 874,088 and 1,390,862, respectively. For the three and nine months ended September 30, 2024, the weighted average number of anti-dilutive stock options excluded from the computation of diluted earnings per share were 869,491 and 918,464, respectively.

(e) Recently Issued Accounting Standards

- (i) In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which is intended to provide enhancements to annual income tax disclosures. The standard will require more detailed information in the rate reconciliation table and for income taxes paid, among other enhancements. The standard is effective for years beginning after December 15, 2024 and early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.
- (ii) In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU requires an entity to disclose the amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. It also requires an entity to include certain amounts that are already required to be disclosed under current GAAP in the same disclosure. Additionally, it requires an entity to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and to disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. An entity may apply the amendments prospectively for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

The Company reviews recently issued accounting standards on a quarterly basis and has determined there are no standards yet to be adopted which are relevant to the business for disclosure.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

2. INVENTORIES

The Company's inventories include the following at September 30, 2025 and December 31, 2024:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<u>(in thousands)</u>	
Raw Material	\$ 1,569	\$ 2,501
Packaging and Miscellaneous	13,602	13,616
Work in Process	72,242	57,893
Finished Goods	74,395	76,626
Reserve for Obsolete Inventory	(5,279)	(3,474)
Total Inventories, Net	\$ 156,529	\$ 147,162

3. PROPERTY AND EQUIPMENT

At September 30, 2025 and December 31, 2024, property and equipment consisted of the following:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<u>(in thousands)</u>	
Buildings and Improvements	\$ 361,498	\$ 356,612
Equipment, Computers and Furniture	221,486	196,139
Leasehold Improvements	268,360	241,544
Land	35,551	34,690
Land Improvements	5,588	1,566
Assets Under Construction	30,997	40,325
Capitalized Interest	34,219	32,499
Total Property and Equipment	957,699	903,375
Less: Accumulated Depreciation	(236,788)	(187,361)
Property and Equipment, net	\$ 720,911	\$ 716,014

Assets under construction represent costs associated with construction projects related to cultivation and production facilities and retail stores as well as costs associated with internal-use software not yet placed in service.

Depreciation expense for the three and nine months ended September 30, 2025 totaled \$17,775 thousand and \$51,846 thousand, respectively, of which \$11,215 thousand and \$32,810 thousand, respectively, is included in cost of goods sold. Depreciation expense for the three and nine months ended September 30, 2024 totaled \$15,918 thousand and \$46,434 thousand, respectively, of which \$10,240 thousand and \$29,963 thousand, respectively, is included in cost of goods sold.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

4. INTANGIBLE ASSETS AND GOODWILL

(a) Intangible Assets

Intangible assets are recorded at cost less accumulated amortization and impairment losses. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Amortization of definite life intangibles is provided on a straight-line basis over their estimated useful lives. The estimated useful lives, residual values, and amortization methods are reviewed at each year end, and any changes in estimates are accounted for prospectively.

At September 30, 2025 and December 31, 2024, intangible assets consisted of the following:

	<u>September 30, 2025</u>			<u>December 31, 2024</u>		
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u> <small>(in thousands)</small>	<u>Net Book Value</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u> <small>(in thousands)</small>	<u>Net Book Value</u>
Licenses and Permits	\$ 676,600	\$ 235,268	\$ 441,332	\$ 660,716	\$ 201,862	\$ 458,854
Trademarks	930	930	-	41,511	16,098	25,413
Customer Relationships	24,438	23,036	1,402	24,438	20,418	4,020
Total Intangible Assets	\$ 701,968	\$ 259,234	\$ 442,734	\$ 726,665	\$ 238,378	\$ 488,287

The Company recorded amortization expense for the three and nine months ended September 30, 2025 of \$12,306 thousand and \$37,317 thousand, respectively. The Company recorded amortization expense for the three and nine months ended September 30, 2024 of \$12,574 thousand and \$37,818 thousand, respectively. As of September 30, 2025 and December 31, 2024, intangible assets are carried net of accumulated impairment losses of \$31,131 thousand as of each period then ended.

On June 11, 2025, the Company acquired a permit intangible, allowing the Company to operate three retail dispensaries. The consideration paid was \$10,500 thousand in cash. As substantially all of the assets acquired were concentrated in the permit intangible, the Company accounted for the transaction as an asset acquisition. The weighted average amortization period for the permit intangible was 15 years. Acquisition-related costs associated with the transaction were not material.

The following table outlines the estimated annual amortization expense related to intangible assets as of September 30, 2025:

<u>Year Ending December 31,</u>	<u>Estimated Amortization</u> <small>(in thousands)</small>
Remainder of 2025	\$ 12,162
2026	45,686
2027	45,157
2028	45,157
2029	45,157
2030 and Thereafter	249,415
	\$ 442,734

As of September 30, 2025, the weighted average amortization period remaining for intangible assets was 9.99 years.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

4. INTANGIBLE ASSETS AND GOODWILL *(Continued)*

(b) Goodwill

At September 30, 2025 and December 31, 2024 the balances of goodwill, by segment, consisted of the following:

	September 30, 2025	December 31, 2024
	(in thousands)	
Retail	\$ 279,630	\$ 273,802
Consumer Packaged Goods	314,809	315,889
Total	\$ 594,439	\$ 589,691

Goodwill is recognized net of accumulated impairment losses of \$57,372 thousand as of September 30, 2025 and December 31, 2024. During the three and nine months ended September 30, 2025 and 2024, there were no conditions present that would require consideration as to whether an impairment test was necessary.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

5. INVESTMENTS

As of September 30, 2025 and December 31, 2024, the Company held various equity interests in cannabis-related companies as well as investments in note(s) receivable instruments that had a combined fair value of \$43,736 thousand and \$43,578 thousand, respectively. The Company measures its investments that do not have readily determinable fair value at cost minus impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. The Company performs an assessment on a quarterly basis to determine whether triggering events for impairment exist and to identify any observable price changes.

The following table summarizes the changes in the Company's investments during the nine months ended September 30, 2025 and year ended December 31, 2024:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<u>(in thousands)</u>	
Beginning	\$ 43,578	\$ 64,361
Additions	400	12,029
Proceeds	(100)	(29,824)
Fair value adjustment	—	(2,988)
Transfers and other	(142)	—
Ending	<u>\$ 43,736</u>	<u>\$ 43,578</u>

The following table summarizes the change in fair value associated with the Company's equity investments and notes receivable instruments recorded during the three and nine months ended September 30, 2025 and 2024.

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>(in thousands)</u>			
Equity Investments	\$ (74)	\$ (67)	\$ (74)	\$ 91
Notes Receivable Instruments	—	—	—	9
Accrued Interest on Notes Receivable Instruments	24	(10)	74	156
Net fair value gains (losses)	<u>\$ (50)</u>	<u>\$ (77)</u>	<u>\$ —</u>	<u>\$ 256</u>

(a) Equity Investments

The Company held equity investments in both publicly and privately traded entities. Generally, publicly traded entities have readily determinable fair values and are classified as Level 1 investments. Meanwhile, non-publicly traded entities generally do not have readily determinable fair values and are classified as Level 3 investments. The Company has classified all of its holdings as trading securities and recorded such amounts within investments on the Company's unaudited interim condensed consolidated balance sheets.

The following table summarizes the change in the Company's Level 1 equity investments during the three and nine months ended September 30, 2025 and 2024.

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>(in thousands)</u>			
Beginning	\$ —	\$ 507	\$ —	\$ 2,001
Proceeds	—	(440)	—	(2,092)
Fair value adjustment	—	(67)	—	91
Ending	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

On July 17, 2024, the Company sold all remaining Level 1 equity investments. As of September 30, 2025, the Company held no Level 1 equity investments.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

5. INVESTMENTS (Continued)

(a) Equity Investments (Continued)

The following table summarizes the change in the Company's Level 3 equity investments during the three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Beginning	\$ 36,887	\$ 25,953	\$ 36,487	\$ 25,953
Additions	—	852	400	852
Fair value adjustment	(74)	—	(74)	—
Transfers and other	1,712	5,000	1,712	5,000
Ending	\$ 38,525	\$ 31,805	\$ 38,525	\$ 31,805

The following table summarizes unrealized (losses) gains recognized on the Company's equity investments held during the three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Net unrealized losses on equity investments	\$ (74)	\$ —	\$ (74)	\$ —

See Note 13 - Fair Value Measurements for additional details.

(b) Notes Receivable Instruments

The Company invests in both publicly traded and privately held cannabis and cannabis-related companies by providing financing through notes receivable instruments. The fair value of these notes receivable instruments include the initial investment and contractual accrued interest recorded within interest income on the unaudited interim condensed consolidated statements of operations.

All of the Company's notes receivable instruments are classified as trading securities and are included within investments on the Company's unaudited interim condensed consolidated balance sheets.

The following table summarizes the change in the Company's Level 1 note receivable instruments during the three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Beginning	\$ —	\$ 24,188	\$ —	\$ 22,214
Additions	—	—	—	1,965
Fair value adjustment	—	—	—	9
Ending	\$ —	\$ 24,188	\$ —	\$ 24,188

On November 27, 2024, the Company collected the remaining principal balance of the notes receivable instruments along with accrued interest. Consequently, as of September 30, 2025, the Company held no Level 1 notes receivable instruments.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

5. INVESTMENTS *(Continued)*

(b) Notes Receivable Instruments *(Continued)*

The following table summarizes the change in the Company's Level 3 notes receivable instruments during the three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Beginning	\$ 6,949	\$ 10,764	\$ 7,091	\$ 14,193
Additions	—	—	—	1,000
Proceeds	(50)	(325)	(100)	(4,920)
Accrued Interest	24	(10)	74	156
Transfers and other	(1,712)	(5,000)	(1,854)	(5,000)
Ending	<u>\$ 5,211</u>	<u>\$ 5,429</u>	<u>\$ 5,211</u>	<u>\$ 5,429</u>

The Company's Level 3 notes receivable instruments had a stated interest rate of 10% and terms between twelve months and five years.

On January 9, 2024, one of the Company's privately held notes receivable instruments matured and the Company collected the principal balance of \$4,000 thousand and accrued interest of \$605 thousand. Proceeds associated with other Level 3 notes receivable instruments made up the balance of the activity.

On August 6, 2025, a separate privately held convertible note receivable instrument in the amount of \$1,712 thousand was exchanged for shares of preferred stock of the investee. As a result, the investment was transferred from Level 3 note receivable instruments to Level 3 equity investments.

See Note 13 - Fair Value Measurements for additional details.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

6. ACQUISITIONS

(a) Business Combinations:

The Company determined that the below described acquisition is a business combination under Accounting Standards Codification (“ASC”) 805, *Business Combinations*. It was accounted for by applying the acquisition method whereby the assets acquired, and the liabilities assumed were recorded at their fair values with any excess consideration over the fair value of the identifiable net assets was allocated to goodwill. Operating results have been included in these consolidated financial statements from the date of the acquisition. Supplemental pro forma financial information has not been presented as the impact was not material to the Company's consolidated financial statements. The goodwill recorded primarily includes the expected synergies resulting from combining the operations of the acquired entity with those of the Company.

The Company completed preliminary allocations of the purchase price of the assets acquired and liabilities assumed in association with three retail stores. The preliminary valuation was based on management’s estimates and assumptions which are subject to change within the measurement period (generally one year from the acquisition date). The details of the transaction are discussed below. The primary areas of the purchase price allocation that are not yet finalized relate to the valuation of the tangible and intangible assets acquired and the residual goodwill. The following table summarizes the initial accounting estimates:

	Retail Stores
	(in thousands)
Cash	\$ 36
Inventory	614
Prepaid expenses	279
Property and equipment, net	1,495
Right-of-use asset, net	1,864
Intangible assets, net:	
Licenses and permits	5,950
Liabilities assumed:	
Lease liabilities	(1,864)
Total identifiable net assets	8,374
Goodwill (non-tax deductible)	5,828
Net assets	\$ 14,202

On June 2, 2025, a subsidiary of the Company acquired 100% of the membership interest held in three retail licenses for the purposes of expanding Green Thumb's national presence. The Company paid approximately \$14,202 thousand in cash. As part of the initial purchase accounting, the Company recorded an intangible asset of \$5,950 thousand, all of which was associated with licenses and permits that allows for the retail sale of cannabis. The weighted-average amortization period for the license intangible is 15 years. Acquisition-related costs associated with the transaction were not material.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

7. LEASES

(a) Operating Leases

The Company has operating leases for its retail stores, processing and cultivation facilities and corporate office space. Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date.

The Company records material real estate and equipment leases with an initial term of twelve months or more on the balance sheet. Lease agreements for some locations provide for rent escalations and renewal options. Certain real estate leases require payment for fixed and variable non-lease components, such as taxes, insurance and maintenance, as part of base rent. In those circumstances, the Company elected the practical expedient to not separate the lease components from non-lease components.

The Company determines if an arrangement is a lease at inception. The Company must consider whether the contract conveys the right to control the use of an identified asset. Certain arrangements require significant judgment to determine if an asset is specified in the contract and if the Company directs how and for what purpose the asset is used during the term of the contract. For three and nine months ended September 30, 2025, the Company recorded operating lease expense of \$12,947 thousand and \$38,519 thousand, respectively compared to operating lease expense of \$16,946 thousand and \$41,622 thousand for three and nine months ended September 30, 2024, respectively.

Other information related to operating leases as of September 30, 2025 and December 31, 2024 were as follows:

	September 30, 2025	December 31, 2024
Weighted average remaining lease term (years)	10.07	10.74
Weighted average discount rate	12.21%	12.23%

Maturities of lease liabilities for operating leases as of September 30, 2025 were as follows:

Year Ending December 31,	Maturities of Lease Liability		
	Third-Party	Related Party	Total
	(in thousands)		
Remainder of 2025	\$ 12,064	\$ 130	\$ 12,194
2026	48,431	524	48,955
2027	48,698	491	49,189
2028	47,283	282	47,565
2029	44,037	287	44,324
2030 and Thereafter	294,830	768	295,598
Total Lease Payments	495,343	2,482	497,825
Less: Interest	(226,521)	(695)	(227,216)
Present Value of Lease Liability	\$ 268,822	\$ 1,787	\$ 270,609

(b) Related Party Operating Leases

Mosaic Real Estate, LLC owns certain facilities leased by the Company and is owned in part by Benjamin Kovler, the Chairman and Chief Executive Officer of the Company (through KP Capital, LLC), and Anthony Georgiadis, the President and a director of the Company (through Three One Four Holdings, LLC). For the three and nine months ended September 30, 2025, the Company recorded lease expense of \$126 thousand and \$378 thousand, respectively, compared to lease expense of \$145 thousand and \$450 thousand for the three and nine months ended September 30, 2024, respectively, associated with these leasing arrangements.

On December 17, 2024, the Company purchased the land and building located at 169 Meadow St. Amherst, Massachusetts for \$654 thousand, excluding transaction costs, from Mosaic Real Estate Amherst, LLC. This transaction resulted in the termination of the Massachusetts related party leasing agreement.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

8. NOTES PAYABLE

At September 30, 2025 and December 31, 2024, notes payable consisted of the following:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<u>(in thousands)</u>	
Syndicated credit facility dated September 11, 2024 ¹	\$ 142,677	\$ 147,979
Mortgage notes ²	104,772	106,979
Total notes payable	247,449	254,958
Less: current portion of notes payable	(17,264)	(12,062)
Notes payable, net of current portion	\$ 230,185	\$ 242,896

¹ The Credit Facility (as defined below in Section (a) of this Note 8) was issued in an aggregate amount of \$150,000 thousand, and will bear interest at the Secured Overnight Financing Rate (“SOFR”) + 500 basis points, payable monthly. As of September 30, 2025 and December 31, 2024, the Credit Facility's outstanding principal balance was \$144,375 thousand and \$150,000 thousand, respectively. The Credit Facility was issued at a discount, the carrying value of which was \$1,698 thousand and \$2,021 thousand as of September 30, 2025 and December 31, 2024, respectively. The Credit Facility matures on September 11, 2029.

² The Company has issued mortgage notes in connection with various operating properties at an aggregate value of \$112,285 thousand as of September 30, 2025 and December 31, 2024. The mortgage notes were issued at a discount, the carrying value of which was \$852 thousand and \$1,007 thousand, and are presented net of principal payments of \$6,661 thousand and \$4,299 thousand as of September 30, 2025 and December 31, 2024, respectively. These mortgage notes mature between December 6, 2025 and June 5, 2035 with interest rates ranging between 5.00% and 7.77%.

(a) Syndicated Credit Facility

On September 11, 2024, the Company entered into a \$150,000 thousand syndicated credit facility (the “Credit Facility”) led by Valley National Bank. The Credit Facility has a maturity date of September 11, 2029 and bears interest from the date of issuance at the SOFR + 500 basis points, payable quarterly. As of September 30, 2025, the floating interest rate on the Credit Facility was 9.18%.

The Credit Facility includes certain covenants which require the Company to maintain a debt service coverage ratio of 1.5 to 1.0, a funded debt to Adjusted Earnings Before Interest Depreciation and Amortization (“Adjusted EBITDA”) (see “Non-GAAP Measure” below for additional information on Adjusted EBITDA) ratio no greater than 3.5 to 1.0, and a tangible net worth of at least \$500 thousand. As of September 30, 2025, the Company was in compliance with all covenants associated with the Credit Facility.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

9. SHARE CAPITAL

Common shares, which include the Company's Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares, are classified as equity. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity. The proceeds from the exercise of stock options or warrants together with amounts previously recorded in reserves over the applicable vesting periods are recorded as share capital. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with ASC 740, *Income Taxes*.

(a) Authorized

The Company has the following classes of share capital, with each class having no par value:

(i) Subordinate Voting Shares

The holders of the Subordinate Voting Shares are entitled to receive dividends which may be declared from time to time and are entitled to one vote per share at meetings of the Company's shareholders. All Subordinate Voting Shares are ranked equally with regard to the Company's residual assets. The Company is authorized to issue an unlimited number of no par value Subordinate Voting Shares.

(ii) Multiple Voting Shares

Each Multiple Voting Share is entitled to 100 votes per share at shareholder meetings of the Company and is exchangeable for 100 Subordinate Voting Shares. The Company is authorized to issue an unlimited number of Multiple Voting Shares.

(iii) Super Voting Shares

Each Super Voting Share is entitled to 1,000 votes per share at shareholder meetings of the Company and is exchangeable for 100 Subordinate Voting Shares or one Multiple Voting Share. The Company is authorized to issue an unlimited number of Super Voting Shares.

(b) Issued and Outstanding

A reconciliation of the beginning and ending amounts of the issued and outstanding shares by class is as follows:

	Issued and Outstanding		
	Subordinate Voting Shares	Multiple Voting Shares	Super Voting Shares
As at January 1, 2025	211,128,045	37,623	206,690
Issuance of shares associated with investment interests	77,525	—	—
Distribution of deferred shares	244,986	—	—
Issuance of shares upon exercise of options	232,891	—	—
Issuances of shares upon vesting of RSUs	1,297,484	—	—
Issuance of shares to non-employee contractors	31,162	—	—
Repurchase of Subordinate Voting Shares	(5,718,000)	—	—
As at September 30, 2025	207,294,093	37,623	206,690

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

9. SHARE CAPITAL *(Continued)*

(i) Distribution of Deferred Shares

As part of the consideration exchanged for acquisitions completed in previous periods, the Company deferred the distribution of Subordinate Voting Shares to secure the Company's indemnification rights associated with post-acquisition costs.

The following table summarizes the activity during the nine months ended September 30, 2025:

	Related Acquisition		Total
	Mobley Pain Management and Wellness Center, LLC and Canwell Processing, LLC	LeafLine Industries, LLC	
As at January 1, 2025	168,333	76,665	244,998
Distributed Shares	(168,333)	(76,653)	(244,986)
Cancelled Shares	—	(12)	(12)
As at September 30, 2025	—	—	—

(ii) Repurchase of Subordinate Voting Shares

The Company's Board of Directors authorized a new share repurchase program that commenced on September 23, 2025, immediately following the expiration of the Company's prior share repurchase program on September 22, 2025. The new program authorizes the Company to repurchase up to 10,364,640 of its Subordinate Voting Shares over a 12-month period at an aggregate cost of up to \$50,000 thousand.

Under the Company's previous share repurchase program, a total of 6,965,000 Subordinate Voting Shares were purchased for \$34,441 thousand of which 5,718,000 Subordinate Voting Shares for \$24,811 thousand were repurchased during the nine months ended September 30, 2025.

The Company has returned \$107,100 thousand to shareholders in the form of share repurchases from the commencement of its share repurchase programs on September 11, 2023 through September 30, 2025.

(c) Stock-Based Compensation

The Company operates equity settled stock-based remuneration plans for its eligible directors, officers, employees and consultants. All goods and services received in exchange for the grant of any stock-based payments are measured at their fair value unless the fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods and services received, the Company measures their value indirectly by reference to the fair value of the equity instruments granted. For transactions with employees and others providing similar services, the Company measures the fair value of the services by reference to the fair value of the equity instruments granted. Equity settled stock-based payments under stock-based payment plans are ultimately recognized as an expense in profit or loss with a corresponding credit to equity.

In June 2018, the Company established the Green Thumb Industries Inc. 2018 Stock and Incentive Plan, which was amended by Amendment No. 1, Amendment No. 2, Amendment No. 3 and Amendment No. 4 thereto (as amended, the "Plan"). The maximum number of RSUs and options outstanding under the Plan at any time shall not exceed 15% of the then issued and outstanding shares on an as-converted basis.

The Company recognizes compensation expense for RSUs and options on a straight-line basis over the requisite service period of the award. Non-market vesting conditions are included in the assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of options expected to vest differs from the previous estimate. Any cumulative adjustment prior to vesting is recognized in the current period with no adjustment to prior periods for expense previously recognized. Option and RSU awards generally vest over three years, and options typically have a life of seven to ten years. Option grants under the Plan are determined by the Compensation Committee of the Company's Board of Directors with the option price set at no less than 100% of the fair market value of a share on the date of grant.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

9. SHARE CAPITAL *(Continued)*

(c) Stock-Based Compensation *(Continued)*

Stock option activity is summarized as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Balance as of December 31, 2024	8,238,472	\$10.10	4.07
Granted	956,520	5.95	
Exercised	(232,891)	6.74	
Forfeited	(1,050,952)	9.77	
Balance as of September 30, 2025	7,911,149	\$10.98	4.31
Exercisable as of September 30, 2025	5,767,790	\$7.82	2.04

The Company used the Black-Scholes option pricing model to estimate the fair value of the options granted during the nine months ended September 30, 2025 and the year ended December 31, 2024, using the following ranges of assumptions:

	September 30, 2025	December 31, 2024
Risk-free interest rate	3.63% - 4.33%	2.72% - 3.92%
Expected dividend yield	0%	0%
Expected volatility	62% - 64%	62% - 64%
Expected option life	3.76 - 4.68 years	4.46 - 4.5 years

As permitted under ASC 718, the Company has made an accounting policy choice to prospectively account for forfeitures when they occur.

The following table summarizes the number of unvested RSU awards as of September 30, 2025 and December 31, 2024 and the changes during the nine months ended September 30, 2025:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested Shares at December 31, 2024	7,678,310	\$ 11.14
Granted	5,583,206	5.82
Forfeited	(1,230,938)	8.27
Vested	(1,297,484)	11.42
Unvested Shares at September 30, 2025	10,733,094	\$ 8.52

The stock-based compensation expense for the three and nine months ended September 30, 2025 and 2024 was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Stock options expense	\$ 1,742	\$ 2,387	\$ 5,601	\$ 8,081
Restricted Stock Units	9,912	5,962	28,328	15,624
Total Stock Based Compensation Expense	\$ 11,654	\$ 8,349	\$ 33,929	\$ 23,705

As of September 30, 2025, \$72,489 thousand of total unrecognized expense related to stock-based compensation awards is expected to be recognized over a weighted-average period of 1.94 years.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

10. INCOME TAX EXPENSE

The following table summarizes the Company's income tax expense and effective tax rates for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Income before Income Taxes	\$ 72,923	\$ 39,703	\$ 134,947	\$ 156,017
Income Tax Expense	49,122	30,922	102,013	94,970
Effective Tax Rate	67.4%	77.9%	75.6%	60.9%

The effective tax rates for the three months ended September 30, 2025 and 2024 were based on the Company's forecasted annualized effective tax rates and were adjusted for discrete items that occurred within the periods presented.

The IRS has taken the position that cannabis companies are subject to the limitations of the U.S. Internal Revenue Code of 1986, as amended ("IRC") Section 280E under which cannabis companies are only allowed to deduct expenses directly related to sales of product. This results in permanent differences between ordinary and necessary business expenses deemed non-allowable under IRC Section 280E. Therefore, the effective tax rate can be highly variable and may not necessarily correlate with pre-tax income and provides for effective tax rates that are well in excess of statutory tax rates.

Taxes paid during the nine months ended September 30, 2025 and 2024 were \$22,055 thousand and \$87,946 thousand, respectively.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

11. OTHER INCOME (EXPENSE)

For the three and nine months ended September 30, 2025 and 2024 other income (expense) was comprised of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Fair value adjustments on equity investments	\$ (74)	\$ (67)	\$ (74)	\$ 100
Net gain on divestitures of intellectual property	41,554	—	29,876	—
Fair value adjustments on warrants liability	—	855	68	2,389
Loss from equity method investments	(3,408)	(1,084)	(5,843)	(2,184)
Other	38	6	70	106
Total Other Income (Expense)	\$ 38,110	\$ (290)	\$ 24,097	\$ 411

12. COMMITMENTS AND CONTINGENCIES

The Company is subject to lawsuits, investigations and other claims related to employment, commercial and other matters that arise out of operations in the normal course of business. Periodically, the Company reviews the status of each significant matter and assesses the potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable, and the amount can be reliably estimated, such amount is recognized in other liabilities.

Contingent liabilities are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material. The Company performs evaluations to identify contingent liabilities for contracts. Contingent consideration is measured upon acquisition and is estimated using probability weighting of potential payouts. Subsequent changes in the estimated contingent consideration from the final purchase price allocation are recognized in the Company's unaudited interim condensed consolidated statements of operations.

(a) Contingencies

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of those regulations could result in fines, sanctions, restrictions on its operations, or losses of permits that could result in the Company ceasing operations in that specific state or local jurisdiction. The Company may be subject to regulatory fines, penalties, or restrictions in the future as cannabis and other regulations continue to evolve and are subject to differing interpretations.

(b) Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. The following is an update to the status of the previously disclosed matters as of September 30, 2025:

In July 2024, the Company received Findings of Fact and Conclusions of Law regarding an October 30, 2019 complaint filed against the Company alleging the Company breached a commercial property lease with ineffective termination. On June 25, 2025, the Company received the Final Judgment from the court ruling in favor of plaintiff landlord in the amount of \$7,307 thousand, representing unpaid rent. In addition, the court found the Company liable for interest and attorney fees in the amount of \$912 thousand. As a result, the Company accrued the amount of probable loss that can reasonably be estimated within accrued liabilities on the unaudited interim condensed consolidated balance sheets.

In August 2025, the Company appealed the Final Judgment with a Notice of Appeal. Under the Rules of Court, the Company was provided a stay on the enforcement of the Final Judgment upon posting a supersedeas bond in the amount of the Final Judgment plus interest and costs through the appeal period. As of September 30, 2025, the Company held the bond in the amount of \$9,202 thousand within restricted cash and cash equivalents on the Company's unaudited interim condensed consolidated balance sheets.

At September 30, 2025 and December 31, 2024, other than as discussed above, there were no pending or threatened lawsuits considered probable or reasonably possible to result in an unfavorable outcome with an exposure expected to merit disclosure. There are also no proceedings in which any of the Company's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

13. FAIR VALUE MEASUREMENTS

The Company applies fair value accounting for all financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities that are required to be recorded at fair value, the Company considers all related factors of the asset by market participants in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions, and credit risk.

The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels, and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs for the asset or liability that are not based on observable market data.

(a) Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, notes payable, warrant liability, and contingent consideration payable.

It was not practicable to estimate the fair value of the Company's long-term notes payable, which consist of the Credit Facility and mortgage notes, since there were no quoted market prices or active trading markets. The carrying amount of notes payable at September 30, 2025 and December 31, 2024 was \$247,449 thousand and \$254,958 thousand, respectively, which includes \$17,264 thousand and \$12,062 thousand, respectively, of short-term debt due within one year.

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements. The fair values of the Company's financial instruments associated with each of the three levels of the hierarchy are:

	As of September 30, 2025			
	(in thousands)			
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 226,211	\$ —	\$ —	226,211
Restricted Cash and Cash Equivalents	9,202	—	—	9,202
Investments	—	—	43,736	43,736
	\$ 235,413	\$ —	\$ 43,736	\$ 279,149

	As of December 31, 2024			
	(in thousands)			
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 171,687	\$ —	\$ —	171,687
Investments	—	—	43,578	43,578
Warrant Liability	—	—	(68)	(68)
	\$ 171,687	\$ —	\$ 43,510	\$ 215,197

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

14. RELATED PARTY

On November 5, 2024, the Company acquired a noncontrolling financial interest in Agrify Corporation (now known as RYTHM and referred to herein as "RYTHM"), in exchange for \$15,000 thousand in cash and \$3,280 thousand in Subordinate Voting Shares of Green Thumb. As part of the transaction, the Company also acquired warrants that would allow the Company to extend its ownership stake if exercised, subject to certain beneficial ownership limitations - all of which remain outstanding as of September 30, 2025 and December 31, 2024, respectively. In addition, on November 5, 2024, the Company extended a convertible secured note to RYTHM (the "Original Notes"), the carrying value of which was \$10,000 thousand as of September 30, 2025 and December 31, 2024. The Original Notes, bear interest at an annualized rate of 10%. On November 5, 2025, the Original Notes matured and were exchanged for 3,222,997 pre-funded warrants representing the principal amount plus accrued interest due on such date.

Benjamin Kovler, Chairman and Chief Executive Officer of Green Thumb, and Armon Vakali, Vice President, Strategic Initiatives and Partnerships of Green Thumb, were appointed by RYTHM's Board of Directors to serve as RYTHM's Chairman and Interim Chief Executive Officer and member of RYTHM's Board, respectively.

Green Thumb's investment in RYTHM had a carrying value of \$15,648 thousand and \$18,873 thousand as of September 30, 2025 and December 31, 2024, respectively. Such amounts were included within investment in associates on the Company's unaudited interim condensed consolidated balance sheets. As of September 30, 2025 and December 31, 2024, the Company held a 34% ownership interest in RYTHM and accounted for its investment using the equity method due to the significant influence Green Thumb has the ability to exert over RYTHM.

On May 20, 2025, Green Thumb entered into an agreement with RYTHM whereby Green Thumb agreed to sell its intellectual property in its incredibles brand as well as its farm bill compliant hemp business, operated in its former subsidiary, Core Growth LLC for \$5,075 thousand in cash. As part of the transaction, RYTHM agreed to license the intellectual property back to Green Thumb allowing the Company to continue production and sale of incredibles branded products. Separately, Green Thumb agreed to license its intellectual property in Beboe and RYTHM branded products to RYTHM (the "May Licensing Agreement"). As a result of the transaction, Green Thumb recorded a loss on the sale of \$11,678 thousand within other income (expense) on the unaudited interim condensed consolidated statement of operations.

On May 22, 2025, RYTHM and Green Thumb amended the Original Notes to allow Green Thumb to receive pre-funded warrants in lieu of shares of RYTHM upon conversion of the Original Notes. No other terms of the Original Notes were amended. In addition, Green Thumb extended an additional \$27,000 thousand in convertible notes (the "May 2025 Notes") to RYTHM, due November 22, 2026. Other than the amount and maturity date, all of the terms of the May 2025 Notes are consistent with the Original Notes, as amended.

On August 25, 2025, Green Thumb extended another Convertible Note in the amount of \$45,000 thousand (the "August 2025 Notes") to RYTHM. The August 2025 Notes are a secured obligation of RYTHM and rank senior to all indebtedness of RYTHM except for the Original Notes and May 2025 Notes (collectively the "Existing Notes"), which rank on parity with the August 2025 Notes. The August 2025 Notes mature on February 25, 2027 and bear interest at an annualized rate of 10%. The August 2025 Notes may be converted into shares of RYTHM or, at the election of the holder, into pre-funded warrants, with a beneficial ownership limitation of 49.99%, subject to applicable Nasdaq listing rules. If converted into common shares of RYTHM, the conversion price per share will be \$29.475.

As of September 30, 2025 and December 31, 2024, the Company recorded accrued interest of \$2,326 thousand and \$156 thousand, respectively, on the notes receivable.

On August 27, 2025, Green Thumb agreed to sell its intellectual property rights in brands including RYTHM, Beboe, Dogwalkers, Doctor Solomon's, & Shine and Good Green for \$50,000 thousand in cash. As part of the transaction, RYTHM agreed to license the intellectual property back to Green Thumb and to cancel the May Licensing Agreement between RYTHM and the Company. Further, upon closing, Agrify Corporation formally changed its name to RYTHM, Inc. As a result of the transaction, Green Thumb recorded a gain on the sale of \$41,554 thousand within other income (expense) on the unaudited interim condensed consolidated statement of operations.

As of September 30, 2025 and December 31, 2024, Green Thumb performed various services for RYTHM, pursuant to the shared services agreement, for which the Company was owed \$4,269 thousand and \$319 thousand, respectively.

Green Thumb Industries Inc.
Notes to Unaudited Interim Condensed Consolidated Financial Statements
(Amounts Expressed in United States Dollars, Except Where Stated Otherwise)

15. SEGMENT REPORTING

The Company operates in two segments: the cultivation, production and sale of cannabis products to retail stores (“Consumer Packaged Goods”) and retailing of cannabis to patients and consumers (“Retail”). The Company does not allocate operating expenses to these business units, nor does it allocate specific assets. Additionally, the Chief Operating Decision Maker, Benjamin Kovler, Chairman and Chief Executive Officer of the Company, does not review total assets or net income by segments; therefore, such information is not presented below.

The below table presents revenues by type for the three and nine months ended September 30, 2025 and 2024:

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>(in thousands)</u>		<u>(in thousands)</u>	
<i>Revenues, Net of Discounts</i>				
Retail	\$ 204,056	\$ 206,124	\$ 608,012	\$ 614,558
Consumer Packaged Goods	163,292	165,500	503,013	471,735
Intersegment Eliminations	(75,979)	(84,759)	(246,859)	(243,475)
Total Revenues, Net of Discounts	\$ 291,369	\$ 286,865	\$ 864,166	\$ 842,818
<i>Cost of Goods Sold</i>				
Retail	\$ 125,990	\$ 137,586	\$ 395,821	\$ 398,267
Consumer Packaged Goods	107,011	96,948	311,597	272,351
Intersegment Eliminations	(85,659)	(95,260)	(276,810)	(270,840)
Total Cost of Goods Sold	\$ 147,342	\$ 139,274	\$ 430,608	\$ 399,778
<i>Gross Profit</i>				
Retail	\$ 78,066	\$ 68,538	\$ 212,191	\$ 216,291
Consumer Packaged Goods	56,281	68,552	191,416	199,384
Intersegment Eliminations	9,680	10,501	29,951	27,365
Total Gross Profit	\$ 144,027	\$ 147,591	\$ 433,558	\$ 443,040
<i>Depreciation and Amortization</i>				
Retail	\$ 11,800	\$ 10,657	\$ 34,330	\$ 31,339
Consumer Packaged Goods	18,281	17,835	54,833	52,913
Intersegment Eliminations	—	—	—	—
Total Depreciation and Amortization	\$ 30,081	\$ 28,492	\$ 89,163	\$ 84,252

Goodwill assigned to the Retail segment as of September 30, 2025 and December 31, 2024 was \$279,630 thousand and \$273,802 thousand, respectively. Intangible assets, net assigned to the Retail segment as of September 30, 2025 and December 31, 2024 was \$251,812 thousand and \$254,358 thousand, respectively.

Goodwill assigned to the Consumer Packaged Goods segment as of September 30, 2025 and December 31, 2024 was \$314,809 thousand and \$315,889 thousand, respectively. Intangible assets, net assigned to the Consumer Packaged Goods segment as of September 30, 2025 and December 31, 2024 was \$190,922 thousand and \$233,929 thousand, respectively.

The Company’s assets are aggregated into two reportable segments (Retail and Consumer Packaged Goods). For the purposes of testing goodwill, Green Thumb has identified two reporting units which align with our reportable segments (Retail and Consumer Packaged Goods). All revenues are derived from customers domiciled in the United States and all assets are located in the United States.