UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

o REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

or

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

For the fiscal year ended December 31, 2024

Commission File Number 333-249081

CURALEAF HOLDINGS, INC.
(Exact name of Registrant as specified in its charter)

British Columbia, Canada
(Province or other jurisdiction of incorporation or organization)

2833
(Primary Standard Industrial Classification Code Number)

98-1461045
(I.R.S. Employer Identification Number)

666 Burrard Street, Suite 1700

Vancouver, British Columbia V6C 2XB

(781) 451-0351

(Address and telephone number of Registrant's principal executive offices)

Curaleaf, Inc.

290 Harbor Drive

Stamford, CT 06902

(917) 717-5875

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered

Securities registered or to be registered pursuant to Section 12(g) of the Act: Not applicable

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: Subordinate Voting Shares

For annual reports, indicate by check mark the information filed with this Form:

x Annual information form x Audited annual financial statements

Number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2024: 656,088,216 Subordinate Voting Shares

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 x No o

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 x No o

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act. Emerging growth company o

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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. o

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. x

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. o [1]

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). o [1]

---

[1] Not applicable.

FORWARD LOOKING STATEMENTS

This annual report on Form 40-F (this " **Annual Report**"), including any documents incorporated by reference herein, contains "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws and United States ("**U.S.**") securities laws (together, "**forward-looking statements**"). Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on management's current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of Curaleaf Holdings, Inc. (the "**Company**" or "**Registrant**"). In addition, the Company may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Company that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words and includes, among others, information regarding: expectations for the effects and potential benefits of any transactions; statements relating to the business and future activities of, and developments related to, the Company after the date of this Annual Report, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations and plans; expectations that planned acquisitions will be completed; expectations that licenses applied for will be obtained; potential future legalization of adult use and/or medical cannabis under U.S. federal law; expectations of market size and growth in the U.S. and the states in which the Company operates; expectations for other economic, business, regulatory and/or competitive factors related to the Company or the cannabis industry generally; the ability for U.S. holders of securities of the Company to sell them on the Toronto Stock Exchange ("**TSX**"); and other events or conditions that may occur in the future. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as of and at the date they are made and are based on information currently available and on the then current expectations.

Holders of securities of the Company are cautioned that forward-looking statements are not based on historical facts but instead are based on reasonable assumptions and estimates of management of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: the legality of cannabis in the U.S., including the fact that cannabis is a controlled substance under the U.S. Federal Controlled Substances Act; risks relating to anti-money laundering laws and regulations; risks relating to the lack of access to U.S. bankruptcy protections; risks related to additional financing and restricted access to banking; general regulatory and legal risks, including the potential constraints on the Company's ability to expand its business in the U.S. by virtue of the restrictions of the TSX following the TSX Listing; risk of legal, regulatory or political change; general regulatory and licensing risks; limitation on ownership of licenses; risks relating to regulatory action and approvals from the U.S. Food and Drug Administration (the "**FDA**"); the fact that cannabis may become subject to increased regulation by the FDA; potential heightened scrutiny by regulatory authorities following the TSX Listing; loss of foreign private issuer status; risks related to internal controls over financial reporting; litigation risks; increased costs as a result of being a public company in Canada and the U.S.; recent and proposed legislation in respect of U.S. cannabis licensing; environmental risks, including risk related to environmental regulation and unknown environmental risks; general business risks, including the risks related to the Company's expansion into foreign jurisdictions; future acquisitions or dispositions; service providers; enforceability of contracts; the ability of our shareholders to resell their subordinate voting shares ("**SVS**") on the TSX; the Company's reliance on senior management and key personnel, and the Company's ability to recruit and retain such senior management and key personnel; competition risks; risks inherent in an agricultural business; unfavorable publicity or consumer perception; product liability; product recalls; the results of future clinical research; dependence on suppliers; reliance on inputs; risks related to limited market data and difficulty to forecast; intellectual property risks; constraints on marketing products; fraudulent or illegal activity by employees, consultants and contractors; increased labor costs based on union activity, information technology systems and cyber-attacks; security breaches; the Company's reliance on management services agreements with companies in which it holds a controlling interest and affiliates; website accessibility; high bonding and insurance coverage; risks of leverage; management of the Company's growth; the fact that past performance may not be indicative of future results and that financial projections may prove materially inaccurate or incorrect; risks related to conflicts of interests; challenging global economic conditions; currency fluctuations; risks related to the Company's business structure and securities, including the status of the Company as a holding company; no dividend record; risks related to the Company's indebtedness; concentrated voting control; risks

relating to sales of a substantial amount of the Company's SVS; the volatility of the market price for the SVS; liquidity risks associated with an investment in the SVS; risks associated with securities or industry analysts not publishing or ceasing to publish research or reports or publishing misleading information about the Company, the potentially limited market for the SVS for holders of the Company's securities who live in the U.S., shareholders having little to no rights to participate in the Company's business affairs, enforcement against directors and officers outside of Canada may prove difficult; and tax risks; as well as those risk factors discussed under the heading "*Risk Factors*" in the annual management discussion and analysis for the years ended December 31, 2024 and 2023 ("**Annual MD&A**"), which is incorporated by reference herein, and as described from time to time in documents filed by the Company with U.S. and Canadian securities regulatory authorities.

The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. In particular, but without limiting the foregoing, disclosure in this Annual Report as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Certain of the forward-looking statements and other information contained herein concerning the cannabis industry, its medical-use, adult use and hemp-based cannabidiol markets, the general expectations of the Company concerning the industry and the Company's business and operations are based on estimates prepared by the Company using data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While the Company is not aware of any misstatement regarding any industry or government data presented herein, the cannabis industry involves risks and uncertainties that are subject to change based on various factors.

A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. You should not place undue reliance on forward-looking statements contained in this Annual Report. Such forward-looking statements are made as of the date of this Annual Report. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

NOTE TO UNITED STATES READERS – DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Company is permitted, under a multijurisdictional disclosure system adopted by the U.S. Securities and Exchange Commission (the " **SEC**"), to prepare this Annual Report in accordance with Canadian disclosure requirements, which are different from those of the U.S.

ANNUAL INFORMATION FORM

The annual information form for the fiscal year ended December 31, 2024 is filed as Exhibit 99.1 to this Annual Report and is incorporated by reference herein.

AUDITED ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the years ended December 31, 2024 and 2023 (the "Consolidated Financial Statements"), including the reports of the independent auditors thereon, are filed as Exhibit 99.2 to this Annual Report and are incorporated by reference herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's Annual MD&A is filed within Exhibit 99.2 to this Annual Report and is incorporated by reference herein.

TAX MATTERS

Purchasing, holding or disposing of the Company's securities may have tax consequences under the laws of the U.S. and Canada that are not described in this Annual Report.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company's disclosure and controls and procedures, as such term is defined in Rule 13a-15(e) under the Exchange Act, is a process designed by, or under the supervision of, the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and is effected by the Company's Board of Directors, management and other personnel, for the purpose of providing reasonable assurance regarding the reliability of the Company's financial reporting process and preparation of Consolidated Financial Statements in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP"). The Company's disclosure controls and procedures include policies and procedures that (i) relate to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the Company; (ii) provide reasonable assurance of the recording of all transactions necessary to permit the preparation of the Company's Consolidated Financial Statements in accordance with U.S. GAAP and the proper authorization of receipts and expenditures in accordance with the Company's delegation of authority policies and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's Consolidated Financial Statements. Management, including the CEO and CFO, have evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2024 and have concluded that said disclosure controls and procedures were effective as of December 31, 2024.

Limitations on Effectiveness of Controls and Procedures

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that controls may become inadequate due to changing conditions or the degree of compliance with policies and procedures may deteriorate.

Management Report on Internal Controls over Financial Reporting

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of

the Treadway Commission ("COSO") in Internal Control Integrated Framework (2013). Based on its assessment, management determined that the Company's internal control over financial reporting was effective as of December 31, 2024. PKF O'Connor Davies, LLP, an independent registered public accounting firm, has audited the effectiveness of the Company's internal control over financial reporting, as indicated in their report which is incorporated by reference herein.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Attestation Report of the Registered Public Accounting Firm

The disclosure provided in the section entitled "Report of the Independent Registered Public Accounting Firm" contained in the Company's Audited Annual Consolidated Financial Statements for the years ended December 31, 2024 and 2023, filed as Exhibit 99.2 to this Annual Report, is incorporated by reference herein.

AUDIT COMMITTEE FINANCIAL EXPERT

The Board of Directors has determined Karl Johansson qualifies as a financial expert (as defined in Item 407(d)(5)(ii) of Regulation S-K under the Exchange Act), has financial management expertise (pursuant to Rule 5605(c)(2)(A) of the NASDAQ Stock Market Rules) and is independent (as determined under Exchange Act Rule 10A-3 and Rule 5605(a)(2) of the NASDAQ Stock Market Rules).

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT AUDITOR

The Audit Committee Charter sets out responsibilities regarding the provision of audit, audit-related, tax and other permissible non-audit services by the Company's external auditors. The Audit Committee has the authority to approve all audit, audit-related and non-audit services in accordance with applicable law and the Company's Audit Committee Charter. All audit and audit-related fees paid to PKF O'Connor Davies, LLP for the financial years ended December 31, 2024 and 2023 and all audit fees paid to Antares Professional Corp for the financial year ended December 31, 2023 were pre-approved by the Audit Committee and none were approved on the basis of the de minimis exemption set forth in Rule 2-01(c)(7)(i)(C) of Regulation S-X under the Exchange Act.

PRINCIPAL ACCOUNTANT FEES AND SERVICES – INDEPENDENT AUDITORS

The following table sets forth the aggregate fees billed to the Company by PKF O'Connor Davies, LLP, New York, NY and PKF Antares Professional Corporation, Chartered Professional Accountants, the Company's independent auditors for the associated fiscal years ending 2024 and 2023, respectively:

($ in thousands)	**2024**	**2023**
Audit Fees - PKF O'Connor Davies, LLP [(1)]	$ 2,720	$ 2,850
Audit Fees - Antares Professional Corp [(1)]	—	395
Audit Fees - PKF Littlejohn, LLP [(1)]	—	195
Audit-Related Fees [(2)]	—	108
Tax Fees [(3)]	—	—
All Other Fees [(4)]	65	—
Total	$ 2,785	$ 3,548

(1) "Audit Fees" refers to fees necessary to perform the annual audit or quarterly review of our consolidated financial statements.
(2) "Audit-Related Fees" refers to fees for assurance and related services that are reasonably related to the performance of the audit and review of the Company's financial statements other than those included in "Audit Fees".
(3) "Tax Fees" refers to fees for tax compliance, tax advice and planning, for example in the context of internal reorganizations or acquisitions.
(4) "All Other Fees" refers to all other fees not included above.

CODE OF ETHICS

The Board of Directions has adopted a Code of Business Conduct for directors, officers and employees (the "Code of Conduct"). A copy of the Code of Conduct is available on SEDAR+ under the Company's profile at www.sedarplus.ca and on the Company's website at www.curaleaf.com. The Company will, upon written request to Investor Relations at 290 Harbor Drive, Stamford, Connecticut 06902, provide a copy of the Code of Conduct to any shareholder without charge. The Code of Conduct meets the requirements for a "code of ethics" within the meaning of that term in General Instruction 9(b) of the Form 40-F.

Any waivers from the Code of Conduct that are granted for the benefit of a director or executive officer may be granted only by the Audit Committee of the Board of Directors and will be promptly disclosed as required by applicable securities rules and regulations. No waiver was granted under the Code of Conduct during the fiscal year ended December 31, 2024.

NOTICES PURSUANT TO REGULATION BTR

Regulation BTR, promulgated by the SEC under Item 306(a) of the Sarbanes-Oxley Act of 2002, prohibits directors and executive officers from engaging in transactions involving the Company's equity securities during a blackout period affecting a significant portion of the Company's retirement plan participants.

MINE SAFETY DISCLOSURE

Not applicable.

DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

Not applicable.

UNDERTAKING

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Company has previously filed with the SEC a written consent to service of process on Form F-X. Any change to the name or address of the Company's agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing the file number of the Company.

EXHIBIT INDEX

The following documents are being filed with the SEC as Exhibits to this Annual Report:

Exhibit	Description
99.1	Annual Information Form dated March 3, 2025
99.2	Audited Annual Consolidated Financial Statements and notes thereto as of and for the years ended December 31, 2024 and 2023, together with the report thereon of the Independent Auditor (PCAOB ID 127) and Management's Discussion and Analysis for the years ended December 31, 2024 and 2023
99.3	Certificate of Chief Executive Officer Pursuant to Rule 13a-14(a) of the Exchange Act
99.4	Certificate of Chief Financial Officer Pursuant to Rule 13a-14(a) of the Exchange Act
99.5	Certificate of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.6	Certificate of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Consent of PKF O'Connor Davies, LLP
101	Interactive Data File (formatted as Inline XBRL)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

CURALEAF HOLDINGS, INC.

Date: March 3, 2025

By: /s/ Ed Kremer
Name: Ed Kremer
Title: Chief Financial Officer

Exhibit 99.1



CURALEAF HOLDINGS, INC.

ANNUAL INFORMATION FORM

Year ended December 31, 2024

March 3, 2025

TABLE OF CONTENTS

EXPLANATORY NOTES	1
CORPORATE STRUCTURE	3
BUSINESS OF THE COMPANY	9
GENERAL DEVELOPMENT OF THE BUSINESS	17
UNITED STATES REGULATORY OVERVIEW	20
RISK FACTORS	29
DIVIDENDS	55
DESCRIPTION OF THE CAPITAL STRUCTURE	56
MARKET FOR SECURITIES AND TRADING PRICE AND VOLUME	58
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER	60
DIRECTORS AND OFFICERS OF THE COMPANY	60
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	65
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	66
INDEPENDENT AUDITOR, TRANSFER AGENT AND REGISTRAR	66
MATERIAL CONTRACTS	66
INTEREST OF EXPERTS	67
AUDIT COMMITTEE	67
ADDITIONAL INFORMATION	68
GLOSSARY OF TERMS	69
APPENDIX A MANDATE OF THE AUDIT COMMITTEE OF CURALEAF HOLDINGS, INC.	A-73

EXPLANATORY NOTES

Introductory Information

Unless otherwise noted or the context otherwise requires, all information provided in this Annual Information Form (the "Annual Information Form") is given as at December 31, 2024, and references to the "Company", "Curaleaf", "Group", "we", "us" or "our" refer to Curaleaf Holdings, Inc., its wholly-owned subsidiaries and majority-owned subsidiaries as well as legal entities in which it, directly or indirectly, holds a controlling financial interest. This Annual Information Form should be read in conjunction with the information contained in the Company's audited financial statements and related notes for the year ended December 31, 2024 and 2023 (the "Consolidated Financial Statements") along with the Company's management discussion and analysis of financial condition and results of operations for the years ended December 31, 2024 and 2023 (the "Annual MD&A").

Certain capitalized terms and phrases used in this Annual Information Form are defined in the " *Glossary of Term*s" beginning on page 69.

Forward-Looking Statements

This Annual Information Form contains "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws and United States (the "U.S.") securities laws (together, "**forward-looking statements**"). Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on management's current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of the Company. In addition, the Company may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Company that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words and includes, among others, information regarding: expectations for the effects and potential benefits of any transactions; statements relating to the business and future activities of, and developments related to, the Company after the date of this Annual Information Form, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations and plans; expectations that planned acquisitions will be completed; expectations that licenses applied for will be obtained; potential future legalization of adult use and/or medical cannabis under U.S. federal law; expectations of market size and growth in the U.S. and the states in which the Company operates; expectations for other economic, business, regulatory and/or competitive factors related to the Company or the cannabis industry generally; the ability for U.S. holders of securities of the Company to sell them on the TSX; and other events or conditions that may occur in the future. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as of and at the date they are made and are based on information currently available and on the then current expectations.

Holders of securities of the Company are cautioned that forward-looking statements are not based on historical facts but instead are based on reasonable assumptions and estimates of management of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: the legality of cannabis in the U.S., including the fact that cannabis is a controlled substance under the U.S. Federal Controlled Substances Act; risks relating to anti-money laundering laws and regulations; risks relating to the lack of access to U.S. bankruptcy protections; risks related to additional financing and restricted access to banking; general regulatory and legal risks, including the potential constraints on the Company's ability to expand its business in the U.S. by virtue of the restrictions of the TSX; risk of legal, regulatory or political change; general regulatory and licensing risks; limitation on ownership of licenses; risks relating to regulatory action and approvals from the FDA; the fact that cannabis may become subject to increased regulation by the FDA; potential heightened scrutiny by regulatory authorities; loss of foreign private issuer status; risks related to internal controls over financial reporting; litigation risks; increased costs as a result of being a public company in Canada and the U.S.; recent and proposed legislation in respect of U.S. cannabis licensing; environmental risks, including risk related to environmental regulation and unknown environmental risks; general business risks, including the risks related to the Company's expansion into foreign jurisdictions; future acquisitions or dispositions; service providers; enforceability of contracts; the ability of our

shareholders to resell their SVS on the TSX; the Company's reliance on senior management and key personnel, and the Company's ability to recruit and retain such senior management and key personnel; competition risks; risks inherent in an agricultural business; unfavorable publicity or consumer perception; product liability; product recalls; the results of future clinical research; dependence on suppliers; reliance on inputs; risks related to limited market data and difficulty to forecast; intellectual property risks; constraints on marketing products; fraudulent or illegal activity by employees, consultants and contractors; increased labor costs based on union activity, information technology systems and cyber-attacks; security breaches; the Company's reliance on management services agreements with companies in which it holds a controlling interest and affiliates; website accessibility; high bonding and insurance coverage; risks of leverage; management of the Company's growth; the fact that past performance may not be indicative of future results and that financial projections may prove materially inaccurate or incorrect; risks related to conflicts of interests; challenging global economic conditions; currency fluctuations; risks related to the Company's business structure and securities, including the status of the Company as a holding company; no dividend record; risks related to the Company's indebtedness; concentrated voting control; risks relating to sales of a substantial amount of the Company's SVS; the volatility of the market price for the SVS; liquidity risks associated with an investment in the SVS; risks associated with securities or industry analysts not publishing or ceasing to publish research or reports or publishing misleading information about the Company, the potentially limited market for the SVS for holders of the Company's securities who live in the U.S., shareholders having little to no rights to participate in the Company's business affairs, enforcement against directors and officers outside of Canada may prove difficult; and tax risks; as well as those risk factors discussed under the heading "*Risk Factors*" herein and as described from time to time in documents filed by the Company with Canadian and U.S. securities regulatory authorities.

The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. In particular, but without limiting the foregoing, disclosure in this Annual Information Form as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Certain of the forward-looking statements and other information contained herein concerning the cannabis industry, its medical-use, adult use and hemp-based CBD markets, the general expectations of the Company concerning the industry and the Company's business and operations are based on estimates prepared by the Company using data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While the Company is not aware of any misstatement regarding any industry or government data presented herein, the cannabis industry involves risks and uncertainties that are subject to change based on various factors.

A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. You should not place undue reliance on forward-looking statements contained in this Annual Information Form. Such forward-looking statements are made as of the date of this Annual Information Form. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Presentation of Financial Information

The Consolidated Financial Statements copies of which are available under the Company's profile on SEDAR **+** at www.sedarplus.ca and on EDGAR at www.sec.gov/edgar, are prepared in accordance with U.S. GAAP as issued by the Financial Accounting Standards Board. The financial year end of all entities within Curaleaf's corporate structure is December 31. Financial information presented in this Annual Information Form is presented in U.S. dollars, unless otherwise indicated.

U.S. GAAP differs in some respects from the International Financial Reporting Standards (" **IFRS**") and thus may not be comparable to financial statements of Canadian companies that are prepared in accordance with IFRS. Although the Company has sought to align its accounting treatment and disclosures to align with those required under IFRS and U.S. GAAP so as to minimize the differences, the Consolidated Financial Statements do not include any explanation of the principal differences or any reconciliation between IFRS and U.S. GAAP.

Exchange Rate Data

The following table sets out the high and low rates of exchange for one U.S. dollar expressed in Canadian dollars during each of the periods specified, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods; each based on the rate of exchange published by the Bank of Canada to convert U.S. dollars into Canadian dollars.

	Year Ended December 31,		
	2024	**2023**	**2022**
Highest rate during the period	C$1.4416	C$1.3875	C$1.3856
Lowest rate during the period	C$1.3316	C$1.3128	C$1.2451
Average rate for the period	C$1.3698	C$1.3497	C$1.3013
Rate at the end of the period	C$1.4389	C$1.3226	C$1.3544

CORPORATE STRUCTURE

Incorporation and Office

The Company is incorporated under the laws of the Province of British Columbia, pursuant to the British Columbia *Business Corporations Act* and is a vertically integrated multi-State cannabis operator in the U.S.

On October 25, 2018, the Company and Curaleaf, Inc. (formerly PalliaTech, Inc.) completed the combination of their respective businesses (the "**Business Combination**") that resulted in the reverse take-over of the Company by the securityholders of Curaleaf, Inc. The Business Combination was structured as a series of transactions, including a Canadian three-cornered amalgamation transaction and a series of U.S. merger and reorganization steps. As part of the Business Combination, Curaleaf MergerCo Inc., a wholly-owned subsidiary of the Company, merged with and into Curaleaf, Inc., with Curaleaf, Inc. continuing as the surviving corporation and becoming a wholly owned subsidiary of the Company.

In connection with the Business Combination, Gociter Holdings Ltd., a corporation of which Mr. Boris Jordan, the CEO and Chairman of the Company, is the beneficial owner, made a contribution of 3,734,965 shares of common stock of Curaleaf, Inc. and cash to the Company in exchange for 122,170,705 MVS, representing 100% of the issued and outstanding MVS as of closing of the Business Combination.

The Company's principal business address is 290 Harbor Drive, Stamford, Connecticut, United States of America, 06902. The Company's registered and records office address is 666 Burrard Street, Suite 1700 Vancouver, British Columbia, Canada, V6C 2X8.

TSX Listing and U.S. Reorganization

Since December 14, 2023, the Company's SVS are listed and posted for trading on the TSX under the ticker symbol "CURA". The Company's SVS are also quoted on the OTCQX under the symbol "CURLF".

In order to satisfy one of the conditions precedent to the listing of the SVS on the TSX (the " **TSX Listing**"), the Company proceeded with the necessary internal reorganization of its U.S. operations (the "**Reorganization**") effective as of December 8, 2023. Among other things, Curaleaf, Inc, then a wholly-owned subsidiary of the Company, entered into a subscription agreement (the "**Subscription Agreement**") with a third party investor unaffiliated with the Company, Curaleaf, Inc. or the control person of the Company (the "**Investor**") pursuant to which Curaleaf, Inc. issued the Investor one share of Class A voting and non-participating common stock (the "**Class A Voting Stock**") in consideration for 254,315 of the SVS then-owned by the Investor which had an aggregate market value of $1.1 million (the "**Investment**").

Prior to the Investment, the Company held common stock of Curaleaf, Inc., representing 100% of the issued and outstanding shares of Curaleaf, Inc (the "**Common Stock**"). As such, the Company held or exercised control over all or substantially all of its U.S. cannabis assets through Curaleaf, Inc. and its subsidiaries. Concurrently with the closing of the Investment, and in accordance with the seventh amended and restated certificate of incorporation of Curaleaf, Inc. filed concurrently with the execution of the Subscription Agreement, the Common Stock was automatically exchanged for 999 shares of Class B non-voting and participating common stock (the "**Class B Non-Voting Stock**"). Following the closing of the Investment, the Investor now holds all of the issued and outstanding Class A Voting Stock and voting rights of

Curaleaf, Inc. The Company now holds all of the issued and outstanding Class B Non-Voting Stock, which represent 99.9% of the economic ownership of Curaleaf, Inc., on an as-converted basis. As a result of the Reorganization, considering the Class B Non-Voting Stock does not provide for voting rights, the Company no longer has legal control over Curaleaf, Inc. and only retains an economic interest in the Company's U.S. cannabis operations. The Company continues to have legal and economic control over Curaleaf International Holdings Limited ("**Curaleaf International**") and its subsidiaries, through which the Company operates its international operations.

The Class B Non-Voting Stock is exchangeable by the Company into shares of Class C voting and participating common stock (the "**Class C Voting Stock**") of Curaleaf, Inc. at any time. In connection with the TSX Listing, the Company executed an undertaking to the TSX prohibiting it from exchanging the Class B Non-Voting Stock into Class C Voting Stock, for so long as the SVS are listed on the TSX or such exchange is permitted in accordance with the rules and policies of the TSX. As a result of the limited rights associated with the Class B Non-Voting Stock, concurrently with the closing of the Investment, (A) Curaleaf Holdings, Inc. and the Investor, as shareholders of Curaleaf, Inc., entered into a shareholders' agreement (the "**Shareholders Agreement**") to establish, among other things, the rights and obligations arising out of or in connection with the ownership of the Class A Voting Stock and the Class B Non-Voting Stock, and (B) Curaleaf Holdings, Inc. and Curaleaf, Inc. entered into, a protection agreement (the "**Protection Agreement**") providing for certain negative covenants in order to preserve the value of the Class B Non-Voting Stock held by the Company until such time as the Class B Non-Voting Stock is converted into Class C Voting Stock by the Company, including, among others, prohibitions on Curaleaf, Inc.'s organizational documents amendments, changes to the authorized share capital of Curaleaf, Inc., changes to the Curaleaf, Inc.'s board of directors, material changes to the business conducted by Curaleaf, Inc. and the making of loans or capital expenditures above certain specified thresholds, the whole except with the prior written consent of Curaleaf or as required by applicable laws. Under the Shareholders' Agreement, Curaleaf, Inc. holds a call right to repurchase all of the Class A Voting Stock issuable to the Investor at any time, and the Investor has the right to appoint a director to the Curaleaf, Inc.'s board of directors and a put right exercisable following the occurrence of certain stated events or after the five (5) year anniversary of the Shareholders' Agreement, subject to certain parameters to ensure the maintenance of the TSX Listing. The Shareholders Agreement and Protection Agreement are more fully described below.

Concurrently with the Investment, the Company implemented certain amendments to the Company's articles (the " **Articles Amendments**") in order to: (i) create a new class of non-voting and non-participating shares in the capital of the Company exchangeable at the holder's option into SVS (the "**Exchangeable Shares**") and authorize the issuance of an unlimited number of Exchangeable Shares and (ii) restate the rights of the SVS to provide for a conversion feature whereby each SVS may at any time, at the holder's option, be converted into one (1) Exchangeable Share. The Exchangeable Shares do not carry voting rights, rights to receive dividends or other rights upon dissolution of the Company and are considered "restricted securities" within the meaning of such term under applicable Canadian securities laws. The Articles Amendments aim to provide Company's shareholders with the option to convert their SVS into Exchangeable Shares, if such shareholders prefer to hold non-voting and non-participating shares as a result of the uncertainty and complexity of cannabis regulations in the U.S.

Following completion of the TSX Listing, the Company is now subject to the TSX Requirements (as defined herein) and accordingly is prohibited from owning or investing, either directly or indirectly, in entities engaging in activities related to the cultivation, distribution or possession of cannabis in the U.S. that could be deemed to violate applicable federal laws relating to cannabis. As a result of the TSX Listing, Curaleaf, Inc. and the Company is subject to certain restrictions on the transfer of cash or cash equivalents, whereby, amongst other things, (i) Curaleaf Holdings, Inc. is prohibited from flowing any cash to Curaleaf, Inc. and any of its operations engages in ongoing business activities that violate U.S. federal law regarding cannabis, and (ii) Curaleaf, Inc. (including its subsidiaries and legal entities in which it has a controlling financial interest) are prohibited from flowing any cash to the Company, whether by way of dividend or otherwise. Such restrictions may restrict the ability of the Company to make and finance acquisitions of its U.S. cannabis related assets or businesses, which in turn, could have a material adverse effect on the Company's business, financial condition and results of operations. See "*Risk Factors – General Regulatory and Legal Risks – Certain Restrictions of the TSX May Constrain the Company's Ability to Expand its Business in the U.S.*".

Although the Company believes it is in compliance with the TSX Requirements, there is a risk that the Company's interpretation may differ from the TSX and failure to comply with the TSX Requirements could result in the denial of an application for certain approvals, such as to have additional securities listed on the TSX, and could even lead to a delisting of the SVS from the TSX, which could have a material adverse effect on the trading price and liquidity of the SVS and could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's Reorganization, and the entering into of the Shareholders' Agreement and the Protection Agreement, were aimed at alleviating such concerns and ensuring compliance by the Company with the TSX Requirements following completion of the TSX Listing. Copies of the Subscription Agreement, the Shareholders Agreement and the

Protection Agreement have all been filed under the Company's profile on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov/edgar).

Shareholders' Agreement

The following summarizes the terms of the Shareholders' Agreement, which summary is qualified in its entirety by reference to the full text of the Shareholders' Agreement, a copy of which has been filed under Curaleaf's profile on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov/edgar).

Director Nominee Rights

Under the Shareholders' Agreement, the Investor is entitled to nominate one (1) out of four (4) directors on the board of directors of Curaleaf, Inc. ("**Curaleaf, Inc. Board**"); provided that such director is acceptable to the Company and nominated in accordance with the terms of the Shareholders' Agreement. The Company is entitled to nominate two (2) out of four (4) directors on the Curaleaf, Inc. Board and a fourth director is nominated unanimously by the Company and the Investor, the whole subject to the terms of the Shareholders' Agreement.

Additionally, the Company has the right to nominate any and all of the members of the Company's board of directors who are not otherwise directors of Curaleaf, Inc. as non-voting observers to the Curaleaf, Inc. Board.

Restrictions on Transfers and Encumbrances of Shares

During the term of the Shareholders' Agreement, the Investor shall not, directly or indirectly, voluntarily or involuntarily, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, or enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any of its Class A Voting Shares or any interest (including beneficial interest) in any Class A Voting Shares without the Company's prior written consent, which consent may be withheld or conditioned in its sole and absolute discretion.

Limitation on Distributions

During the term of the Shareholders' Agreement, Curaleaf, Inc. shall not make any distribution to its shareholders, whether in cash, property or securities of the Company and whether by dividend, liquidating distribution or otherwise, if such distribution would violate the Protection Agreement, the organizational documents of Curaleaf, Inc. or applicable law.

Conversion

At any time and from time to time, subject to the Company's undertaking with the TSX, the Company has the right by written election to Curaleaf, Inc. to convert all or any portion of its Class B Non-Voting Stock (including any fraction of a share) into Class C Voting Stock, on a one-for-one basis (a "**Conversion**"), along with the aggregate accrued or accumulated and unpaid dividends thereon, without the payment of additional consideration. The Conversion shall result in the deemed exercise of the call right and put rights described below.

Call Right

During the term of the Shareholders' Agreement, at any time by delivering a call right exercise notice to the Investor and the Company, Curaleaf, Inc. has the right (but not the obligation) to acquire and redeem from the Investor and to require the Investor to sell, assign and transfer to Curaleaf, Inc. all (but not less than all) of the shares of Curaleaf, Inc. held by the Investor, in consideration for the issuance by the Company of a certain number of SVS (the "**Roll-Up Shares**"), as determined in accordance with and subject to the Shareholders' Agreement and, in all respects, in compliance with applicable laws and the rules of the TSX or any other stock exchange on which the SVS are then listed for trading.

For purposes of the Shareholders' Agreement, subject to compliance with the rules of the TSX, the number of Roll-Up Shares issuable to the Investor pursuant to the call right or the put right, as applicable, shall be determined based on the following: the amount of the Investment, plus an amount equal to 10% per annum on the Investment for the period between the date of the Shareholders' Agreement and the date of issuance of the Roll-Up Shares, the whole divided by weighted average trading price of the SVS on the TSX for the five days prior to the issuance of the Roll-Up Shares. Notwithstanding the foregoing, in no circumstances shall the exercise of the call right or the put right under the Shareholders' Agreement result in the Investor receiving SVS in excess of 19.99% of the SVS outstanding, immediately after giving effect to the issuance of the SVS issuable thereunder.

Put Right

Subject to the terms and conditions of the Shareholders' Agreement, upon delivering a put right exercise notice to Curaleaf, Inc. and the Company, from the earliest of: (i) the effective date of a Conversion by the Company; (ii) the announcement by the Company of (x) any change in control of Curaleaf, (y) any transaction that would result in the Investor no longer owning all of the Voting Stock in Curaleaf, Inc., or (z) the securities of the Company becoming subject to a take-over bid or equivalent; (iii) any insolvency, bankruptcy or similar event involving the Company or Curaleaf, Inc. that has not been vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; (iv) the issuance of any financial statements by the Company containing a going concern qualification for two (2) consecutive quarters; (v) the date that the Company becomes listed on any nationally recognized stock exchange in the U.S., which listing is not contingent on maintaining the corporate structure of Curaleaf, Inc.; or (vi) the five (5)-year anniversary of the Shareholders' Agreement, the Investor shall have the right (but not the obligation) to require Curaleaf, Inc. to purchase and redeem from the Investor all (but not less than all) of its shares in Curaleaf, Inc. in consideration for the issuance of Roll-Up Shares by the Company, as determined in accordance with and subject to the Shareholders' Agreement and, in all respects, in compliance with the applicable laws and the rules of the TSX or any other stock exchange on which the SVS are then listed for trading (a "**Put Transaction**").

Compliance Put Right

Without limiting and in addition to any right of the Investor to effect a Put Transaction, upon delivering a compliance put right exercise notice to Curaleaf, Inc. and the Company, in the event the Investor receives a bona fide written order, writ, injunction, directive, judgment or decree of a governmental authority applicable to the Investor (collectively, an "**Order**"), and such Order prohibits the Investor from holding shares in Curaleaf, Inc. or would otherwise cause the Investor to be in violation of applicable Laws as a result of the Investor holding shares in Curaleaf, Inc., (i) the Investor shall promptly provide the Company with a copy of such Order, and (ii) the Investor shall have the right to require the Company to purchase and redeem from the Investor all (but not less than all) of its shares in Curaleaf, Inc. in consideration for the issuance by Curaleaf Holdings to the Investor of the Roll-Up Shares (a "**Compliance Put Transaction**"). Solely in the event that the Investor receives an Order that prohibits the Investor from receiving or holding the Roll-Up Shares or would otherwise cause the Investor to be in violation of applicable Law as a result of the Investor holding the Roll-Up Shares, Curaleaf, Inc. shall have the right to pay such value in cash or by issuing the Investor a promissory note, with all principal due at the maturity date of three (3) years from the issuance thereof, with simple interest equal to the prime interest rate then in effect, as reported by the Wall Street Journal, plus five percent (5%).

Upon receipt of a compliance put right exercise notice, the Company and Curaleaf, Inc. shall have the right to delay the closing of the Compliance Put Transaction in order to identify and obtain regulatory approval of a replacement investor, subject to and in compliance with applicable Law. In such event, Curaleaf, Inc. shall use commercially reasonable efforts to identify a replacement investor (the "**Replacement Investor**") candidate and to file an application or applications with the applicable governmental authorities (as determined by Curaleaf, Inc.) for regulatory approval of such Replacement Investor candidate within sixty (60) days of the Curaleaf, Inc.'s receipt of the compliance put right exercise notice.

Notwithstanding anything to the contrary in the Shareholders' Agreement, in the event that the completion of a Put Transaction or a Compliance Put Transaction would jeopardize the listing of the SVS on the TSX or another nationally recognize exchange in the U.S., Curaleaf, Inc. shall be entitled, in its sole and absolute discretion, to further delay the closing date of such Put Transaction or Compliance Put Transaction until such time as it receives (a) a confirmation by the TSX or such other nationally recognized exchange in the U.S. to the effect that the listing of the SVS on the TSX or such other nationally recognized exchange in the U.S. would not be affected by such Put Transaction or Compliance Put Transaction, and (b) a confirmation by the auditors of Curaleaf, Inc. that it would not affect the consolidation of Curaleaf, Inc. by the Company as a variable interest entity for the purposes of the Company's consolidated financial statements.

Protection Agreement

The following summarizes the terms of the Protection Agreement, which summary is qualified in its entirety by reference to the full text of the Protection Agreement, a copy of which has been filed under Curaleaf's profile on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov/edgar).

The Protection Agreement requires Curaleaf, Inc. to maintain and preserve its business organizations, properties, assets, rights, employees, goodwill and business relationships with customers, suppliers, partners and other persons with which Curaleaf, Inc. has material business relations (provided that the foregoing shall not limit Curaleaf, Inc.'s and its subsidiaries' rights to modify or terminate business relationships, terminate employees, transfer properties, assets and rights and to take similar actions, in each case in the ordinary course of business).

The Protection Agreement further provides the Company with the ability to restrict the operations of Curaleaf, Inc. and its subsidiaries. Among other things, except: (i) with the prior consent of the Company, (ii) as expressly required or permitted by the Protection Agreement, the Shareholders' Agreement or the organizational documents of Curaleaf, Inc. or applicable subsidiaries, (iii) as required by applicable laws or (iv) as required for Curaleaf, Inc. or any of its subsidiaries to obtain or maintain any U.S. state and/or local cannabis license, Curaleaf, Inc. shall not, and, as applicable, shall not permit any of its subsidiaries to, directly or indirectly (subject to the limitations and exceptions provided in the Protection Agreement), among other things:

a. amend Curaleaf, Inc.'s or its subsidiaries' constating or similar organizational documents;
b. change the size of the Curaleaf, Inc. Board from four (4) members;
c. make any material change in the nature of the business of Curaleaf, Inc. or any of its subsidiaries;
d. declare, set aside or pay any dividend or other distribution of any kind or nature;
e. redeem, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any securities of Curaleaf, Inc. or its subsidiaries;
f. issue additional securities to any person other than the Company;
g. appoint, change or remove the auditors of the Company, Curaleaf, Inc. and its subsidiaries;
h. reorganize, amalgamate or merge Curaleaf, Inc. or any subsidiary with a third-party;
i. undertake any voluntary dissolution, liquidation or winding-up or any other distribution of assets for the purpose of winding-up its affairs;
j. incur or commit to incur, or enter into a contract which provides for, capital expenditures in excess of a specified threshold during any fiscal year, individually or in the aggregate;
k. make any loan or advance to any person other than to any of its wholly-owned subsidiaries;
l. assume or guarantee in any way the payment or performance (or payment of damages in the event of non-performance) of any indebtedness or other liability or obligation of any other person other than obligations of wholly-owned subsidiaries;
m. sell, transfer, lease, exchange or otherwise dispose of any material equipment, business or asset of Curaleaf, Inc. or any subsidiary, other than in the ordinary course of business;
n. grant or permit the existence of any lien on the assets of Curaleaf, Inc. or any of its subsidiaries, subject to certain exceptions;
o. enter into any agreement for the acquisition of, or investment in, a business (whether by purchase of shares or assets, or otherwise) if the purchase price or subscription price, as applicable, in connection with such agreement would exceed a specified threshold;
p. enter into any related party transaction, unless such transaction is on arm's length basis with fair market value terms;
q. take any action, refrain from taking any action or permit any action to be taken or not taken, which could reasonably be expected to prevent, materially delay or otherwise impede the ability to convert the Class B Non-Voting Stock into Class C Voting Stock;
r. abandon or fail to diligently pursue any renewal application for any authorizations necessary to conduct the business of Curaleaf, Inc. or any of its subsidiaries as now conducted;
s. commence any action, suit or proceeding, including a defense to a claim or counterclaim, or compromise or settle any action, suit or proceeding, where the amount in dispute is over a specified threshold and
t. authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

In addition, the Protection Agreement requires Curaleaf, Inc. to, among other things: (a) preserve and maintain the existence of the Company and its subsidiaries; (b) take all actions reasonably necessary or desirable to maintain Curaleaf, Inc.'s and its subsidiaries' good standing and qualification to conduct business in its jurisdiction of formation and in any other jurisdiction in which it is required to be so qualified; (c) prepare and file when due all tax returns required to be filed by Curaleaf, Inc. and its subsidiaries, and pay or cause to be paid all taxes due on such tax returns; (d) take all reasonable steps and actions that are within its power and control to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are reasonably required in order to (i) conduct its and its subsidiaries' business as now conducted or as proposed to be conducted in all material respects, (ii) maintain its and its subsidiaries' material contracts in full force and effect, without limiting the right or ability of Curaleaf, Inc. or any subsidiary to amend or terminate any contract when such amendment or termination is in Curaleaf, Inc. or such subsidiary's, as the case may be, best interest and (iii) permit the conversion of the Class B Non-Voting Shares into Class C

Voting Shares in accordance with the terms of the Protection Agreement; and (e) maintain, or cause to be maintained, public liability and casualty insurance, all in such form, coverages and amounts as are reasonably consistent with industry practices.

The Protection Agreement also includes various information rights that require Curaleaf, Inc. to notify the Company of certain specified developments and provide ongoing monthly and annual financial information. Curaleaf, Inc. is also required to prepare and operate in accordance with an approved annual budget prepared in accordance with U.S. GAAP and other requirements as set forth in the Protection Agreement.

Following the closing of the Investment, the Company does not have the ability to unilaterally make decisions with respect to the business, operations or activities of Curaleaf, Inc. as the Company only has the right to appoint two (2) directors of the Curaleaf, Inc. board of directors, and the Protection Agreement provides mostly for negative covenants and limited positive obligations.

For a description of the risk factors relating to the TSX Listing, see "Risk Factors— *Certain Restrictions of the TSX May Constrain the Company's Ability to Expand its Business in the U.S; —Potential Heightened Security by Regulatory Authorities Following the TSX Listing".*

Intercorporate Relationships

The table below lists the wholly-owned and majority-owned subsidiaries of the Company as well as entities over which the Company held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	**Jurisdiction of Incorporation/Formation**	**Ownership %[1]**	
Curaleaf International Holdings Limited	Guernsey	68.5%	68.5%
Curaleaf, Inc.*	DE	—	—
Northern Green Canada Inc.	Canada	100%	*— (2)*
Bloom Fungibles, LLC	AZ	100%	100%
Focused Employer, Inc.	DE	100%	100%

[1] Based on % of voting interests held by the Company.

[2] The Company acquired Northern Green Canada Inc. ("NGC") in 2024. See *Note 4 — Acquisitions* of the Company's Consolidated Financial Statements for further details.

* Consolidated by the Company as a variable interest entity. See *Note 3 - Significant accounting policies* and *Note 29 - Variable interest entities* of the Company's Consolidated Financial Statements for further details.

The following table presents the wholly-owned subsidiaries of Curaleaf International as well as the entities in which Curaleaf International, directly or indirectly, held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	**Jurisdiction of Incorporation/Formation**	**Ownership %[1]**	
Curaleaf International Limited	UK	100%	100%
Four20 Pharma GmbH[2]	Germany	55%	55%

[1] Based on % of voting interests held by the Company.

[2] The remaining 45% non-controlling interest is held by the sellers of Four20 Pharma GmbH. See *'Non-controlling interests'* within *Note 2 - Basis of presentation and consolidation* and *Note 17 — Redeemable non-controlling interest* of the Company's Consolidated Financial Statements for further details.

The following table presents the wholly-owned subsidiaries of Curaleaf, Inc. as well as the entities over which Curaleaf, Inc. had a controlling financial interest as of December 31, 2024 and 2023:

Entity name	Jurisdiction of Incorporation/Formation	As of December 31, 2024	As of December 31, 2023
		Ownership %[1]	
CLF AZ, Inc.	DE	100%	100%
CLF NY, Inc.	DE	100%	100%
Curaleaf CA, Inc.	DE	100%	100%
Curaleaf KY, Inc.	DE	100%	100%
Curaleaf Massachusetts, Inc.	MA	100%	100%
Curaleaf MD, LLC	MD	100%	100%
Curaleaf OGT, Inc.	DE	100%	100%
Curaleaf PA, LLC	DE	100%	100%
Focused Investment Partners, LLC	DE	100%	100%
CLF Maine, Inc.	DE	100%	100%
PalliaTech CT, Inc.	DE	100%	100%
CLF Oregon, LLC (formerly PalliaTech OR, LLC)	DE	100%	100%
PalliaTech Florida, Inc.	DE	100%	100%
PT Nevada, Inc.	DE	100%	100%
CLF Sapphire Holdings, Inc.	DE	100%	100%
Curaleaf NJ II, Inc.	DE	100%	100%
GR Companies, Inc.	DE	100%	100%
CLF MD Employer, LLC	MD	100%	100%
Curaleaf Columbia, LLC (formerly HMS Sales, LLC)	MD	100%	100%
MI Health, LLC	MD	100%	100%
Curaleaf Compassionate Care VA, LLC	VA	100%	100%
Curaleaf UT, LLC	DE	100%	100%
Curaleaf Processing, Inc	DE	100%	100%
Virginia's Kitchen, LLC	CO	100%	100%
Cura CO LLC	CO	100%	100%
Curaleaf DH, Inc.	DE	100%	100
Curaleaf Stamford, Inc.	CT	100%	100%
CLF Holdings Alabama, Inc.	DE	100%	100%
Curaleaf Hemp, Inc.	DE	100%	—
Windy City Holding Company, LLC*	IL	—	—
Broad Horizon Holdings, LLC*	MA	—	—

[1] Based on % of voting interests held by Curaleaf, Inc. with the exception of the entities which Curaleaf, Inc. consolidates as variable interest entities.

* Consolidated by Curaleaf, Inc. as a variable interest entity. See *Note 3 — Significant accounting policies* and *Note 29 — Variable interest entities* of the Company's Consolidated Financial Statements for further details.

BUSINESS OF THE COMPANY

About Curaleaf

The Company is a leading producer and distributor of consumer products in cannabis, with a mission to improve lives by providing clarity around cannabis and confidence around consumption. As a vertically integrated, high-growth cannabis operator known for quality, expertise and reliability, the Company and its brands, including Curaleaf, Find,

JAMS, Grassroots, Select and its line of Zero Proof seltzers, provide industry-leading services, product selection and accessibility across the medical and adult use markets in the U.S., and its principal business address is in Stamford, Connecticut. As of December 31, 2024, in the U.S., the Company had consolidated operations in 17 states and operated 151 dispensaries, 19 cultivation sites and 20 processing sites, through which the Company sells cannabis through wholesale channels. The Company places a premium on highly populated, limited license states, including Arizona, Connecticut, Florida, Illinois, Maryland, Massachusetts, Missouri, Nevada, New York, New Jersey, North Dakota, Ohio, Pennsylvania and Utah. Internationally, the Company has a cannabis business with licensed cultivation in Portugal and Canada, pharma grade cannabis processing and manufacturing facilities in Germany, Spain, Canada, Portugal and the United Kingdom ("U.K.") and licensed distribution of cannabis in Germany, Poland, Canada, Switzerland and the U.K. In the U.K., the Company also operates a medical cannabis clinic and holds a pharmacy license, enabling the retail supply of medical cannabis directly to patients. Finally, the Company supplies cannabis on a wholesale basis to Australia, New Zealand, U.K. and across Europe, including Germany, Italy, Poland, Czech Republic, Switzerland, Sweden and Norway.

The Company leverages its extensive research and development capabilities to distribute cannabis products with the highest standard for safety, effectiveness, consistent quality and customer care. The Company is committed to leading the industry in education and advancement through research and advocacy. The Company markets to medical and adult use customers through brand strategies intended to build trust and loyalty.

The Company was an early entrant into the U.S. state-legal cannabis industry, which remains one of the fastest growing industries in the U.S. Currently, the Company is a diversified holding company dedicated to delivering market-leading products and services while building trusted national brands within the legal cannabis industry. Through its team of physicians, pharmacists, medical experts and industry innovators, the Company has developed a portfolio of branded cannabis-based therapeutic offerings in multiple formats and a strategic network of branded retail dispensaries.

The Company is operated by an executive team that has significant experience in the cannabis industry and a robust operational and acquisition track-record as to all facets of the Company's operations, which has executed its business plan to rapidly scale its business.

Operating Segments

The Company determines its operating segments according to how the business activities are managed and evaluated by the Company's chief operating decision maker ("CODM").

As of December 31, 2024, the Company has two operating segments: (i) Domestic operations and (ii) International operations. These two segments reflect the manner in which the Company's operations are managed, how the CODM allocates resources and evaluates performance and how the Company's internal management of financial reporting is structured.

Domestic operations

As of December 31, 2024, Curaleaf, Inc. derives the majority of its revenues from the cannabis industry in certain U.S. states, which industry is illegal under U.S. Federal Law. As of December 31, 2024, over 92% of the Company's operations are in the U.S. Through Curaleaf, Inc. and its subsidiaries and other financially controlled entities, the Company is involved in both the adult use and medical cannabis industry in the states of Arizona, Connecticut, Florida, Illinois, Maine, Maryland, Massachusetts, Missouri, Nevada, New Jersey, New York, North Dakota, Ohio, Pennsylvania and Utah; and has partnered with an accredited medical school and obtained a "clinical registrant" license in Pennsylvania. See the "*Regulatory Environment: Issuers with U.S. Cannabis-Related Activities*" section of this Annual Information Form for further details of the operations of Curaleaf, Inc.

All of the states in which the Company operates have adopted legislation to permit the use of cannabis products for certain qualifying conditions and diseases, when recommended by a medical doctor, including Kentucky which recently allowed the use and possession of medical cannabis legally purchased from neighboring states by patients with qualifying medical conditions. Recreational marijuana, otherwise referred to as adult use cannabis, is cannabis sold legally in licensed dispensaries to adults ages 21 and older. Kentucky's hemp program, which was introduced in 2013, currently only allows for wholesale sales of hemp-derived products, including cannabinoids such as CBD and cannabigerol.

The following table summarizes the domestic operations of Curaleaf, Inc. as of December 31, 2024 :

Curaleaf Domestic Operations Overview

			Continuing operations								
State[9]	Medicinal legalization*	Adult use legalization*	Dispensaries	Manufacturing facilities	Cultivation sites	Square feet	Permitted products				
							Oil	Edibles	Flower	Delivery	Wholesale
AZ	2010	2020	16	1	3	178,750	X[1]	X	X	X[4]	X
CT	2012	2021	4	1	1	24,510	X[1]	X	X	—	X
FL	2014	—	66	2	2	386,110	X[1]	X	X	X	X
IL	2013	2019	10	1	1	104,418	X[2]	X	X	—	X[3]
MA	2012	2016	4	1	1	59,474	X[2]	X	X	X[5]	X
MD	2013	2022	4	1	1	30,982	X[1]	X	X	X	X
ME	1999	2019	4	1	1	79,926	X	X	X	—	X
MO	2018	2022	—	1	—	—	—	—	X	—	—
ND	2016	—	4	1	1	16,500	X[2]	X	X	X[5]	X
NJ	2010	2020	3	1	2	88,700	X[1]	X	X	X	X
NV	2013	2016	6	2	1	33,866	—	—	X	—	—
NY	2014	2021	6	1	1	110,496	X[1]	X	X	X[5]	X[3]
OH	2016	2023	2	1	1 Level 1	20,100	X	—	X	X[3]	X
PA	2016	—	18	2	2	131,500	X[1]	X[8]	X	X	X
UT	2018	—	4	2	1	67,500	X[2]	—	X	—	—
KY	—	—	—	1[6]	—	—	—	X[7]	—	—	—
			151	**20**	**19**	**1,332,832**					

* Legalization dates outlined above indicate when legislation was passed to legalize the use of cannabis products.

(1) Extracted oils only

(2) Oil-based formulations only

(3) Permitted with approval

(4) Medical only

(5) Permitted, but the Company's dispensaries are not yet participating in home delivery.

(6) In 2024, the Company repurposed its existing leased facility in Lexington, Kentucky, to support its entrance into the hemp market.

(7) In Kentucky, edibles include hemp-derived edibles and beverages.

(8) Edibles are explicitly prohibited in the Pennsylvania market. Troches (sublingual) are allowed and commercialized. Note the Company has a brand licensing agreement in the state of Oregon that is not included in this chart.

International Operations

On September 16, 2022, Curaleaf International completed the acquisition of 55% of the outstanding equity interests of Four20, a leading German distributor and manufacturer of medical cannabis. See "*Three Year History – 2022 – Acquisitions – Four20 Pharma GmbH*" for more information regarding the Four20 transaction.

On July 5, 2023, Curaleaf Portugal, LDA, a subsidiary of Curaleaf International, acquired the assets, including all equipment and lease rights, of Clever Leaves' EU-GMP certified cannabis processing and warehousing facility in Setubal, Portugal.

On February 2, 2024, the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. ("Curaleaf Poland"). Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company's international footprint.

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of NGC for total consideration of approximately $23.8 million, paid in cash and equity consideration. NGC is a Canadian licensed cannabis

producer and distributor focused primarily on expanding in the international market through its European Union Good Manufacturing Practice ("EU-GMP") certified product offering. The acquisition of NGC has equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower supply, which the Company considers essential to maintaining a leading position in Germany, Poland and the U.K. as well as supporting the Company's expansion into new international markets.

The Company derives its retail cannabis revenues in the U.K., where it holds a pharmacy license that enables it to fulfil cannabis prescriptions directly to the patient through its online pharmacy. In Germany, the Company supplies cannabis on a wholesale basis to pharmacies and to other distributors. All product that is supplied to Israel is sold to a wholesaler who imports the Company's flower. Non cannabis revenues are all derived from wholesale operations in Spain, the U.K. and Germany. Refer to the heading "*Risk Factors – General Business Risks – Expansion into Foreign Jurisdictions*" of this Annual Information Form.

Principal Products and Services

The Company and affiliates operate in highly regulated markets that require expertise in cultivation, manufacturing, retail operations and logistics. The Company leverages its internal R&D capabilities to assist its state-licensed entities to manufacture cannabis products in multiple formats with high standards for safety, effectiveness, consistent quality and customer care. Currently, the Company cultivates, processes, markets and/or dispenses a wide-range of permitted cannabis products across its operating markets, including: flower, pre-rolls and flower pots, dry-herb vaporizer cartridges, concentrates for vaporizing such as pre-filled vaporizer cartridges and disposable vaporizer pens, concentrates for dabbing such as distillate droppers, mints, topical balms and lotions, tinctures, lozenges, capsules, edibles and beverages.

In most of the U.S. markets in which the Company operates, its licensed entities are vertically integrated, meaning the Company manages the entire cannabis product lifecycle, from seed to sale: cultivating cannabis flower, processing the flower into manufactured products and selling the product to registered patients and/or adult consumers in jurisdictions where adult use is legalized. The Company's products are sold under its brands, including Curaleaf, Find, JAMS, Grassroots, Select and its line of Zero Proof seltzers. The Company remains focused on developing a trusted global brand.

The Company believes that it has developed the in-house resources to ensure its licensed entities maintain best practices in cannabis cultivation, processing and dispensing, and the Company is dedicated to staying at the forefront of technology in the industry. The Company continues to invest strategically in infrastructure to ensure its licensed entities maintain low overall production costs and adaptability in product mix to ensure timely response to the rapidly evolving cannabis markets. The Company intends to use its footprint to leverage know-how and technology throughout its operations.

- **Cultivation:** The Company's U.S. cultivation facilities have 179 unique cultivars in the production phase that have been tested and characterized for yield, cannabinoid content along with certain other properties. The Company cultivates cannabis using a variety of methods, including greenhouse, outdoor, indoor and two-tier indoor cultivation. The Company's international cultivation facilities have 23 unique cultivars in the production phase or final stages of research & development.

- **Extraction and Purification:** The Company's extraction facilities use proprietary processes for cannabis and terpene purification. The Company believes its manufacturers are industry leaders in achieving the desired composition of cannabinoids and terpenes in finished products through processing and purification; thereby enabling timely response to trends in medical product formulation.

- **Formulation and Quality Control:** The Company's processing facilities produce a wide spectrum of solid, liquid and inhaled products. By combining expert cultivation, manufacturing and analytical laboratory operations, the Company has developed a completely in-house quality assurance and quality control program. In-house quality assurance enables rapid product development cycles and production of higher quality consumer products.

Research and Development

The Company's research and development activities primarily focus on (i) optimizing cannabis cultivation and manufacturing techniques, (ii) developing new manufactured cannabis products and (iii) understanding the potential

medical benefits of cannabis. The Company's research and development activities operate on an on-going basis, as the Company continually seeks to improve current methods for its licensed businesses.

The Company collects data on the number of grams of cannabis flower produced per watt of light, per square foot and per plant. This allows the Company's cultivators to gain insights on optimal cultivation methods by adjusting certain variables, such as strain variety and plant spacing. The Company's cultivators institute pest management techniques and document successes and failures, sharing this knowledge across its cultivation operations. The Company also researches new methods of cannabis extraction for the development of new manufactured products.

The Company's acquisition of Dark Heart Nursery ("Dark Heart"), in the first quarter of 2024, was a pivotal step towards improving the Company's genetics and cultivation operations, including by (i) refinement of its cultivation practices, (ii) optimization of yield efficiency and (iii) exploration of new avenues for product innovation.

Internationally, the Company continues to develop its clinical research program. In 2021, the Company established the first bench-to-bedside medicinal cannabis research and drug development pipeline, with basic science and clinical research collaborations across leading universities, including Imperial College London and The Institute for Cancer Research. As of December 31, 2024, the Company has published 59 peer-reviewed research papers and 73 research conference presentations. In vitro experiments have been conducted via this bench-to-bedside medical research program, which resulted in the discovery of the mechanism of action of cannabinoids and terpenes in blocking pain signals and which have yielded the optimum ratios of cannabinoids and terpenes in pain treatment. These experiments have been published across four studies in the Journal of Pain Research and the International Journal of Molecular Sciences between 2021 and 2023.

The portfolio of preclinical research is supplemented by additional research collaborations to examine the effects of cannabinoids and other active cannabis-derived pharmaceutical ingredients on cancer, migraine and neuroprotection. In May 2024, in collaboration with researchers from Imperial College London, the Company published a peer-reviewed study, which examined the impact of cannabidiol on pancreatic cancer utilizing in vitro cell lines models. The Company also published a peer-reviewed study, in the Journal of Cannabis Research, that utilized a mouse model to study the impact of cannabidiol on pancreatic cancer, which in turn helped establish a novel mechanism by which cannabidiol causes pancreatic cell death in preclinical models.

In addition, the Company established the U.K. Medical Cannabis Registry (the "U.K. Registry"), the largest European real-world patient registry designed to collate outcomes on medical cannabis prescribing. The U.K. Registry has published five analyses of the Company's own branded and manufactured cannabis medicines for the treatment of chronic conditions in patients within the U.K., the most recent of which occurred in October 2024. These analyses revealed positive findings in patients' use of prescribed oils, dried flower and a combination of the Company's products to treat generalized anxiety disorder, chronic pain, fibromyalgia, headache disorders and attention-deficit/hyperactivity disorder ("ADHD"). The results of the four analyses have been presented at international scientific conferences and published in peer reviewed journals. In addition, the Company has published 17 further peer-reviewed research articles that demonstrate the value patients place in the Company's own research performed using the U.K. Registry and provide commentary from subject matter experts on the use of medical cannabis for the treatment of neurological disorders, inflammatory bowel disease, depression and ADHD.

As of December 31, 2024, 30 research publications have arisen from the U.K. Registry, covering chronic pain, anxiety, insomnia, fibromyalgia, autism spectrum disorder, ADHD, PTSD, depression, inflammatory bowel disease, headache disorders, multiple sclerosis, arthritis and childhood epilepsy. This collective research has received five awards to date from the Japanese Society of Neuropsychopharmacology and the journal 'Neuropsychopharmacology Reports'. The Company has published leading opinion pieces on the status of medical cannabis research and has conducted fundamental research on the perceived stigma of medical cannabis patients in the U.K. and the prevalence of illicit cannabis use for health reasons. The Company considers such research to be strategically important in the future education of patients, public and healthcare professionals.

As of December 31, 2024, the Company published 15 research papers in the U.K., with additional research papers accepted for publication in the near future. As of December 31, 2024, the Company has submitted nine studies for peer review, with the majority of these studies expected to be published during the first half of 2025.

Production and Sales

As of December 31, 2024, the Company had 19 cultivation facilities in the U.S. totaling approximately 1.3 million square feet, as well as 20 U.S. processing facilities. Each new manufacturing site is built to ISO 8 clean room specifications and employs advanced nutritional and pharmaceutical formulations technology for optimal delivery methods. Each production facility (cultivation and processing) primarily focuses on the commercialization of cannabis products, with a strict focus on quality control and patient care. As illustration, the Company's Florida operations were the first in the cannabis industry to receive the Safe Quality Food certification under the Global Food Safety Initiative.

The Company's primary method of sales in the U.S. is via its licensed dispensaries across the U.S. Certain of the Company's dispensaries offer home delivery services across several U.S. states, in compliance in all material respects with all regulations applicable in those U.S. states. In Nevada, Utah and Florida, the Company offers drive-thru service at select dispensaries. In multiple states, the Company's dispensaries offer customers the option to order online for pick-up in store.

In Europe, the Company has a medical cannabis business with licensed cultivation in Portugal, three pharma grade cannabis processing and manufacturing facilities in Spain, the U.K. and Germany and licensed medical cannabis distribution in the U.K., Germany and Switzerland. In the U.K., the Company also holds a pharmacy license and operates medical cannabis clinics in England and Scotland, enabling the supply of medical cannabis directly to the patient. Additionally, the Company supplies medical cannabis on a wholesale basis across the region, including into Italy and Germany.

The Company aims to expand dispensary e-commerce operations and delivery operations, where permitted, to offer convenient access for its customers and meet the demands of an evolving retail landscape.

Seasonality

The Company's business and operations do not experience marked seasonality. However, in certain regions (especially the west coast of the U.S.), the cannabis industry can be subject to seasonality in some states that allow home grow. Because homegrown plants are typically harvested in the late summer or early fall, there can be some deceleration in retail and wholesale sales trends during these months as these private supplies are consumed.

Intellectual Property

Curaleaf has spent considerable time and resources to establish premium and recognizable brands amongst consumers and retailers in the cannabis industry. Curaleaf has developed multiple proprietary product formats, technologies and processes to ensure the high quality of its premium cannabis products. These proprietary technologies and processes include its cultivation and extraction techniques, product formulations and cannabis delivery and monitoring systems. While actively determining and pursuing the patentability of these processes and materials, Curaleaf ensures confidentiality through the use of non-disclosure and/confidentiality agreements.

In addition to its patent and pending trademarks (listed below), as of December 31, 2024, Curaleaf owned numerous website domains, including www.curaleaf.com, as well as numerous social media accounts across all major platforms.

Curaleaf maintains an in-house legal team, as well as engages outside legal counsel, to actively monitor and identify potential infringements on its intellectual property.

Patents

As of December 31, 2024, Curaleaf had two federally registered patents with the **USPTO** and four pending application:

	Filing Date	Jurisdiction	Patent / Application Number	Description
1.	2/27/2024	USA	18/588,403	Aqueous Extraction of Cannabinoids (pending non-provisional application)
2.	2/27/2024	PCT	PCT/US2024/017508	Aqueous Extraction of Cannabinoids (pending PCT application)
3.	9/6/2024	USA	18/826,505	Formulation (pending application)
4.	3/30/2023	USA	18/193,398	Squeeze Doser with Childproof Cap (pending continuation application)
5.	7/22/2021	USA	11,629,986	Squeeze Doser with Childproof Cap (issued)
6.	5/16/2023	USA	PP36,307	Cannabis Plant Named '21AF0716' Halfmoon Gelato strain (issued)

Trademarks

Additionally, as of December 31, 2024, Curaleaf had 12 registrations and five pending trademark applications with the USPTO, all pertaining to use of the Curaleaf brands and related goods associated with the Curaleaf brands and/or names. All federal registered trademarks in the U.S. described below are subject to renewal ten (10) years from the date of registration. As of December 31, 2024, Curaleaf had 65 state trademark registrations. The Company is actively pursuing the filing of additional trademarks. The Company also has a significant number of trademarks registered and pending in various international jurisdictions.

The most material of the Company's U.S federal trademark registrations and pending applications, as of December 31, 2024, are summarized in the table below:

	Mark	Filed	Appln	Reg Date	Status	Owner	Classes
1	GRASSROOTS	6/27/2019	88/490,971		PENDING	GR Companies, Inc.	02,03,30
2	PISTILGUARD	2/7/2022	97/256,611		PENDING	CURALEAF DH, INC.	44
3	SELECT	12/20/2018	87/825,466		PENDING	Cura Partners Inc.	334
4	HIGHER STITCH	5/22/2024	98/563,832		PENDING	Curaleaf, Inc.	35
5	THC The Hemp Company by CURALEAF (Logo)	6/21/2024	98/612,521		PENDING	Curaleaf, Inc.	35
6	Circle Design	12/20/2018	88/184,140	3/2/2021	REGISTERED	Tryke Companies, LLC	34,35
7	CURALEAF	9/17/2018	88/120,354	1/7/2020	REGISTERED	Curaleaf, Inc.	21
8	CURALEAF	8/27/2018	88/093,822	11/12/2019	REGISTERED	Curaleaf, Inc.	25
9	DARK HEART NURSERY	9/2/2014	86/383,462	5/26/2015	REGISTERED	Curaleaf DH, Inc.	44
10	REEF	11/6/2018	88/184,138	3/24/2020	REGISTERED	Tryke Companies, LLC	34
11	REEF DISPENSARIES & Circle Design	12/20/2018	88/184,141	3/2/2021	REGISTERED	Tryke Companies, LLC	34,35
12	REEF DISPENSARY	12/20/2018	88/184,142	8/24/2021	REGISTERED	Tryke Companies, LLC	35
13	TRYKE (Stylized)	11/6/2018	88/184,137	7/2/2019	REGISTERED	Tryke Companies, LLC	25
14	Tryke Logo	11/6/2018	88/184,134	6/11/2019	REGISTERED	Tryke Companies, LLC	25
15	Tryke Logo 2	11/6/2018	88/184,135	6/11/2019	REGISTERED	Tryke Companies, LLC	9
16	TRYKE with Logo	11/6/2018	88/184,133	6/18/2019	REGISTERED	Tryke Companies, LLC	25
17	UKU	11/28/2018	88/208,490	11/12/2019	REGISTERED	Curaleaf, Inc.	21

Competitive Conditions

The U.S. cannabis industry is highly competitive. The Company competes on quality, price, brand recognition and distribution strength. The Company's cannabis products compete with other products for consumer purchases as well as for shelf space in retail dispensaries and wholesaler attention. The Company competes with numerous cannabis producing

companies with various business models, from small family-owned operations to multi-billion-dollar market capitalized multi-state operators. In certain markets, there are also a number of illegally operating dispensaries, which serve as competition. In some markets such as New York, the number of illegal retail dispensaries has been publicly reported to far exceed the number of legal (licensed) cannabis dispensaries. Moreover, competition from illegal operators is not limited to the retail market segment itself. The Company maintains an operational footprint primarily in U.S. states with high barriers to entry and limited market participants, due to the limited availability of state licenses or local permitting, as well as stringent operating requirements. The majority of the markets in which the Company's licensees operate have formal regulations limiting the number of cannabis licenses that will be awarded, helping to ensure the Company's market share is protected in these limited-market states under the current regulatory framework. The Company also faces competition from a number of companies operating in the European medical cannabis sector and in each specific country where the Company operates and intends to operate.

As cannabis remains federally illegal in the U.S., businesses seeking to enter the industry face additional challenges when accessing capital. Presently, there exists no reliable source of U.S. bank lending or equity capital available to fund operations in the U.S. cannabis sector. Nevertheless, the Company is well-capitalized, and believes that the level of expertise and significant capital investment required to operate its large-scale, vertically integrated cannabis operations make it difficult and inefficient for smaller cannabis operators to enter this sector of the market. As the cannabis industry continues to rapidly expand and its liberalization accelerates, it should be expected that the Company will face competition from other companies, some of which can be expected to have longer operating histories and more financial, production resources, marketing resources and experience than the Company.

For additional details on the competition faced by the Company, refer to the " *Risk Factors*" section of this Annual Information Form. For additional details on the U.S. regulatory environment and the U.S. states in which the Company operates, please refer to the "*Regulatory Environment: Issuers with U.S. Cannabis-Related Assets*" section of this Annual Information Form. The Company, through Curaleaf International, also faces competition from a number of companies operating in the European medical cannabis sector and in each specific country where the Company operates and intends to operate. Refer to the heading "*Risk Factors – General Business Risks – Expansion into Foreign Jurisdictions*" of this Annual Information Form.

Employees

As at December 31, 2024, the Company had 5,519 employees (4,995 of which were located in the U.S., 55 of which were located in Canada, and 469 of which were based in Europe).

Compliance and Monitoring

As of the date of this Annual Information Form, the Company believes that each of its licensed operating entities (a) holds all applicable licenses to cultivate, manufacture, possess and/or distribute cannabis in each respective state, and (b) is in good standing and in material compliance with each respective state's cannabis regulatory program. While the Company may be cited and fined by state regulators from time to time for failure to comply with cannabis regulations related to product labelling and testing, product potency, the use of banned additives and similar regulatory matter, the Company is not aware of any circumstances that are likely to result in regulatory actions that would have a material impact on its operations in any state.

The Company uses reasonable commercial efforts to ensure that its business is in material compliance with laws and applicable licensing requirements, and the Company engages in the regulatory and legislative process nationally and in every state the Company operates, through its compliance department, government relations department, outside government relations consultants, cannabis industry groups and legal counsel.

The compliance department consists of two vice presidents, three regional directors and state-level compliance officers, reporting to the Company's Chief Legal Officer ("CLO"). Each compliance officer is charged with knowing the local regulatory process in the state or states for which he or she is responsible and for monitoring developments with their governing bodies. Each compliance officer regularly reports regulatory developments to the Company's CLO through written and oral communications and is charged with the creation and implementation of plans regarding all regulatory developments. The Company's CLO and compliance professionals collaborate with external legal advisors in the states in which the Company operates to ensure that the Company is in on-going compliance with applicable state laws.

The Company's Government Relations Department, consisting of two vice presidents, works closely with the Company's management to develop relationships with local and state regulators, industry groups and elected officials in

order to effectively monitor and engage in the regulatory and legislative processes. The Government Relations Department develops strategies, engages legislative consultants, directly lobbies and works with third party groups to protect the Company's right to operate and to advocate for legislation, regulations and oversight under which the Company can be successful.

Although the Company believes that its business activities are materially compliant with applicable and state and local laws of the U.S., strict compliance with state and local laws with respect to cannabis may neither absolve the Company of liability under U.S. federal law nor provide a defense to any federal proceeding, which may be brought against the Company. Any such proceedings brought against the Company may result in a material adverse effect on the Company. The Company derives 100% of its revenues from the cannabis industry in certain states, which industry is illegal under U.S. federal law. While the Company believes its cannabis-related activities are compliant with applicable state and local laws, such activities remain illegal under U.S. federal law. The enforcement of relevant federal laws is a significant risk.

In addition to the above disclosure, please see the heading "*Risk Factors*" in this Annual Information Form for further risk factors associated with the operations of the Company.

GENERAL DEVELOPMENT OF THE BUSINESS

The highlights relating to the development of the Company's business over the past three years are described below.

Recent Developments

Capital Structure

Base Shelf Prospectus

On February 3, 2025, the Company filed a final short form base shelf prospectus in Canada (the **"Base Shelf Prospectus"**) and on February 5, 2025, filed the Base Shelf Prospectus on a Form-10 registration statement (File No 333-284710) (the **"Registration Statement"**), with the SEC under the U.S./Canada Multijurisdictional Disclosure System (**"MJDS"**). The Base Shelf Prospectus and Registration Statement allow the Company to offer up to $1.0 billion (or the equivalent thereof, at the date of issue, in any other currency, or currencies, as the case may be) worth of SVS, debt securities, subscription receipts, warrants, and units, or any combination thereof, from time to time during the 25-month period that the Base Shelf Prospectus is effective (subject to MJDS eligibility). The specific terms of any future offering of securities, including the use of proceeds from any offering, will be established in a supplement to the Base Shelf Prospectus and/or Registration Statement, which will be filed with the applicable Canadian securities' regulatory authorities and/or the SEC.

Bloom Notes

On January 17, 2025, the Company entered into an agreement with the holders of certain promissory notes issued as part of the Bloom acquisition (the "**Bloom Lenders**") for the assignment of the Bloom Lenders' rights, title and interest in such promissory notes in favor of the Company, in consideration for the issuance by the Company of 4,282,596 SVS to the Bloom Lenders.

On January 17, 2025, the Company also entered into a note exchange agreement (the "**Note Exchange Agreement**") with the Bloom Lenders, pursuant to which the Company agreed to accept from the Bloom Lenders, and the Bloom Lenders agreed to transfer to Holdings, certain other promissory notes issued as part of the Bloom acquisition that were maturing on January 18, 2025 in exchange for senior secured notes of the Company that have an aggregate principal balance of $67 million (the "**Senior Secured Notes — 2027**"), consisting of the $60 million principal of notes plus $7 million of accrued interest on such notes (the "**Note Exchange**"). In connection with the Note Exchange, the Company paid in cash (i) $0.6 million, representing the remaining balance of interest accrued on the exchanged notes as of the date of the Note Exchange and (ii) $1.0 million of origination fees. The Senior Secured Notes — 2027 mature on January 17, 2027 and bear interest at 10% per annum, compounded monthly and computed daily on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is payable monthly in arrears, beginning February 17, 2025, with principal repayments beginning August 17, 2025. There are no prepayment penalties on the Senior Secured Notes — 2027.

Three Year History

2024

Acquisitions

Northern Green Canada Inc. ("NGC")

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of NGC for total consideration of approximately $23.8 million, paid in cash and equity consideration. NGC is a Canadian licensed cannabis producer and distributor focused primarily on expanding in the international market through its European Union Good Manufacturing Practice ("EU-GMP") certified product offering. The acquisition of NGC has equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower supply, which the Company considers essential to maintaining a leading position in Germany, Poland and the U.K. as well as supporting the Company's expansion into new international markets.

Curaleaf Poland S.A. ("Curaleaf Poland")

On February 2, 2024, the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. ("Curaleaf Poland") for total consideration of €1.5 million, which consisted of equal parts cash consideration and equity consideration. Additionally, the transaction included deferred consideration based on Curaleaf Poland's future performance. Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company's international footprint.

Dark Heart Nursery ("Dark Heart")

On January 17, 2024, Curaleaf DH, Inc., an entity in which the Company has an indirect controlling financial interest, acquired Half Moon Nursery, Inc. and all assets of Dark Heart Nursery from Grace & Co. via forgiveness of a $7.0 million promissory note plus interest and cash consideration of $1.7 million. The acquisition provided the Company with the opportunity to continue expanding its domestic and international operations, as assets consisted of proprietary cannabis genetics and know-how (including all equipment and lease rights associated with Dark Heart Nursery's laboratory); the strains from which will be distributed to the Company's various other cultivation facilities, both domestic and international.

Capital Structure

On November 6, 2024, the Company entered into a loan agreement (the "Loan Agreement") with Needham Bank, establishing a revolving line of credit for up to $40.0 million (the "Needham LOC"). The Loan Agreement provides the Company with the option, beginning on May 6, 2026, to request an additional borrowing of up to $20.0 million, subject to Needham Bank's discretion and credit approval process. Pursuant to the Loan Agreement, Needham Bank holds a first priority lien on the mortgages, business assets and collateral of all loan parties under the Note Indenture, including a pledge of equity of all underlying borrowers and guarantors. Additionally, the Company has provided a limited guaranty for the value of its equity interest in Curaleaf, Inc. The Loan Agreement contains financial covenants, including a requirement that the total outstanding debt remains within an 80% loan-to-value ratio, based on the "as-is" fair market value of the real estate collateral. The Needham LOC may be utilized for various corporate purposes, including working capital and operational expenses, as defined in the Loan Agreement. As of December 31, 2024 the Company had drawn down $11.1 million of the Needham LOC.

Divestitures

As of December 31, 2024, the Company has deconsolidated and discontinued all operations classified as discontinued operations in 2023.

Management Changes

On May 20, 2024, Mr. Scott Baughman, was appointed Chief Technology Officer of the Company.

Ms. Tyneeha Rivers, Chief People Officer, left the Company on August 7, 2024.

On August 12, 2024, Mr. Rob Francin was appointed Executive Vice President of People and Culture of the Company.

Effective August 16, 2024, Matt Darin stepped down as the Company's CEO. In conjunction, Boris Jordan, the control person and Chairman of the Company was appointed CEO.

Mr. John Manzanares, Chief Information Officer, left the Company on September 27, 2024.

Mr. Karim Bouaziz, Senior Vice President of the Southeast Region, left the Company on September 27, 2024.

Mr. Paul Chialdikas, Senior Vice President of the Central Region, left the Company on September 27, 2024.

2023

Acquisitions

Deseret Wellness ("Deseret")

On April 10, 2023, the Company completed the acquisition of Deseret, the largest cannabis retail operator in Utah, in a cash and stock transaction valued at approximately $20 million. The Deseret acquisition included three medical retail dispensaries located in the cities of Provo, Park City and Payson, providing Curaleaf with an opportunity to enter a medical cannabis platform with distinct branding in the state of Utah.

Clever Leaves

On July 5, 2023, Curaleaf Portugal LDA, a subsidiary of Curaleaf International, acquired the assets, including all equipment and lease rights, of Clever Leaves' EU-GMP certified cannabis processing and warehousing facility in Setubal, Portugal, for cash consideration, inclusive of direct transaction costs, of €2.7 million. The Clever Leaves acquisition strategically positioned the Company to expand its cultivation capacity at Curaleaf Portugal to meet the expected growth across Europe, especially within the Company's core markets: Germany and the U.K.

Capital Structure

On December 8, 2023, the Company completed the Reorganization. Refer to " *Corporate Structure - TSX Listing and Reorganization* " for more information. On December 14, 2023, the Company completed the TSX Listing.

In connection with the TSX Listing, on October 3, 2023, the Company closed a marketed offering of SVS, for total gross proceeds to the Company of C$16.2 million.

Management Changes

Mr. Mitch Hara, Chief Strategy Officer, left the Company on May 26, 2023.

2022

Acquisitions

Bloom Dispensaries ("Bloom")

On January 18, 2022, the Company completed the acquisition of Bloom, a vertically integrated, single state cannabis operator in Arizona. The Bloom acquisition included four retail dispensaries located in the cities of Phoenix, Tucson, Peoria and Sedona as well as two adjacent cultivation and processing facilities totaling approximately 63,500 square feet of space located in north Phoenix. This acquisition strengthened the Company's production and retail sales capabilities in the Arizona market.

Sapphire Medial Clinics Limited ("Sapphire Medical")

On January 31, 2022, Curaleaf International completed the acquisition of 100% of the equity interests of Sapphire Medical, a Care Quality Commission (U.K.) registered private medical cannabis clinic providing telemedicine and face to face consultations to patients in the U.K. This acquisition enhanced the Company's footprint within the U.K.

NRPC Management, LLC ("NRPC Management")

On May 12, 2022, the Company completed the acquisition of NRPC Management. Natural Remedy Patient Center, LLC (" **NRPC**") a Safford, Arizona dispensary, operates pursuant to a management services agreement with NRPC Management. NRPC was granted a Medical Marijuana Dispensary Registration Certificate and a Marijuana Establishment License allowing NRPC to lawfully engage in medical and recreational marijuana operations and sales in Arizona. The acquisition of NRPC Management aligns with the Company's strategy to continue expanding domestic operations. Subsequently, the Company relocated the NRPC license to a new Scottsdale, Arizona dispensary.

Broad Horizon Holdings, LLC ("BHH")

During the third quarter of 2022, the Company entered into an agreement with BHH as part of a series of transactions, in which the Company agreed to delay the exercise of a call option. In accordance with applicable accounting standards, the Company determined that this transaction resulted in a change in control of BHH, resulting in the Company's ability to direct the relevant activities of BHH and exposure to the variable returns from its activities. The Company assumed the net assets of BHH and began consolidating BHH as of July 1, 2022.

Pueblo West Organics, LLC ("PWO")

On September 1, 2022, the Company completed the acquisition of PWO, a licensed cannabis processor in Pueblo, Colorado. PWO operated (i) a 75,960 square foot indoor licensed marijuana cultivation facility and processing facility; (ii) a 12,000 square foot licensed marijuana dispensary and cultivation facility; and (iii) a 2.1-acre licensed outdoor cultivation facility. The Company began actively marketing certain real estate assets associated with the transaction immediately upon acquisition and completed the sales of these real estate assets in 2023.

Four20 Pharma GmbH ("Four20")

On September 16, 2022, Curaleaf International completed the acquisition of 55% of the outstanding equity interests of Four20, a leading German distributor and manufacturer of medical cannabis. In connection with the transaction, the selling shareholders and Curaleaf International entered into a put/call option that permits either party to trigger the roll-up of the remaining equity of Four20 two years after the launch of adult use cannabis sales in Germany, but no later than the end of 2025, if adult use launch has not occurred by such date.

Tryke Companies ("Tryke")

On October 4, 2022, the Company completed the acquisition of Tryke Companies (dba Reef Dispensaries), a privately held, vertically integrated, multi-state cannabis operator. The transaction represents a compelling opportunity to enhance the Company's operations in Arizona, Nevada and Utah. Upon closing of the acquisition, the Company gained ownership and began operating six highly trafficked dispensaries under the Reef brand, with two retail stores in Arizona and four in Nevada, including the Phoenix metropolitan area, Las Vegas strip and North Las Vegas. Tryke currently offers a wide variety of in-house and third-party flower, concentrates, vape cartridges, edibles, topicals and CBD products at a range of price points. Tryke's product portfolio, comprised of a wide variety of in-house and third-party flower, concentrates, vape cartridges, edibles, topicals and CBD, was highly complementary to the Company's existing portfolio. The Tryke acquisition well-positioned the Company to expand its operations in Arizona, Nevada and Utah and offer consumers and retailers an even broader selection of premium cannabis products.

Management Changes

Effective December 31, 2022, the Company added two new members to its board of directors, namely Ms. Michelle Bodner, and Mr. Shasheen Shah.

On August 8, 2022, Mr. Ed Kremer was appointed Chief Financial Officer of the Company, and Mr. Camilo Lyon was named Chief Investment Officer.

On August 3, 2022, Mr. Mitch Hara was appointed to the newly created role of Chief Strategy Officer.

REGULATORY ENVIRONMENT: ISSUERS WITH U.S. CANNABIS-RELATED ASSETS

In accordance with Staff Notice 51-352, below is a discussion of the federal and state-level U.S. regulatory regimes in those U.S. states where the Company is currently directly and indirectly involved, through its subsidiaries and investments, in the cannabis industry.

In accordance with Staff Notice 51-352, the Company evaluates, monitors and reassesses this disclosure, and any related risks, on an ongoing basis and the same will be supplemented, amended, and communicated to investors in public filings, including in the event of government policy changes or the introduction of new or amended guidance, laws or regulations regarding the cannabis industry. Any non-compliance, citations or notices of violation which may have an impact on the Company's licenses, business activities or operations will be promptly disclosed by the Company.

The Company derives its revenues from the cannabis industry in certain states of the U.S., and the industry is illegal under U.S. federal law.

The Company is involved (through its licensed subsidiaries) in the cannabis industry in the U.S. where local state laws permit such activities. Currently, the Company's subsidiaries and managed entities are directly engaged in the cultivation, manufacture, processing, sale and distribution of cannabis and hold licenses in the adult use and/or medicinal cannabis marketplace in the states of Arizona, Connecticut, Florida, Illinois, Maine, Maryland, Massachusetts, Michigan, Missouri, Nevada, New Jersey, New York, North Dakota, Ohio, Pennsylvania and Utah; and have partnered with an accredited medical school and obtained a "clinical registrant" license in Pennsylvania. In addition, the Company is indirectly involved (through management services, which include the use of the "Curaleaf" brand and retail and cultivation and production operations, human resources, finance and accounting, marketing, sales, legal and compliance support services) in both the adult use and medical cannabis industry in the states of Maine and Arkansas.

The Company's Statement of Financial Position and Operating Statement Exposure to U.S. Cannabis Related Activities

As of the date of this Annual Information Form, the majority of the Company's business was directly derived from U.S. cannabis-related activities. As such, the Company's statement of financial position and statement of profits and losses exposure to U.S. cannabis-related activities is over 92%.

U.S. Federal Overview

The Controlled Substance Act

The U.S. federal government regulates drugs through the CSA, which places controlled substances, including cannabis, in one of five different schedules. Cannabis, except hemp containing less than 0.3% (on a dry weight basis) of THC, the psychoactive ingredient in cannabis, is classified as a Schedule I drug. As a Schedule I drug, the federal U.S. Drug Enforcement Agency considers cannabis to have a high potential for abuse, no currently accepted medical use in treatment in the U.S. and a lack of accepted safety for use of the drug under medical supervision[1]. The classification of cannabis as a Schedule I drug is inconsistent with what the Company believes to be many valuable medical uses for cannabis accepted by physicians, researchers, patients, and others. As evidence of this, the FDA on June 25, 2018, approved Epidiolex an oral solution with an active ingredient, CBD, that is derived from the cannabis plant for the treatment of seizures associated with two rare and severe forms of epilepsy, Lennox-Gastaut syndrome and Dravet syndrome, in patients two years of age and older. Epidiolex was initially placed on Schedule V, the least restrictive schedule of the CSA. On April 6, 2020, the DEA removed Epidiolex entirely from the CSA. This is the first FDA-approved drug that contains a purified drug substance derived from the cannabis plant. CBD is a chemical component of cannabis that does not contain the intoxicating properties of THC, the primary psychoactive component of cannabis[2]. The Company believes the CSA categorization as a Schedule I drug is not reflective of the medicinal properties of cannabis or the public perception thereof, and numerous studies show cannabis is not able to be abused in the same way as other Schedule I drugs, has medicinal properties, and can be safely administered[3].

The federal position is also not necessarily consistent with democratic approval of cannabis at the state level in the U.S. Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of cannabis under the Cannabis Act, S.C. 2018, c. 16, (Canada) and the Cannabis for Medical Purposes Regulations, in the U.S., cannabis is largely regulated at the state and local level, U.S. state laws regulating cannabis conflict with the CSA,

[1] 21 U.S.C. 812(b)(1).
[2] Cannabis containing THC in excess of 0.3% on a dry weight basis is defined federally as marijuana. The federal definition of marijuana is commonly incorporated into state laws and regulations. Unless otherwise noted herein, we use cannabis and marijuana interchangeably.
[3] See Lachenmeier, DW & Rehm, J. (2015). Comparative risk assessment of alcohol, tobacco, cannabis and other illicit drugs using the margin of exposure approach. Scientific Reports, 5, 8126. doi: 10.1038/srep08126; see also Thomas, G & Davis, C. (2009). Cannabis, Tobacco and Alcohol Use in Canada: Comparing risks of harm and costs to society. Visions Journal, 5. Retrieved from http://www.heretohelp.bc.ca/sites/default/files/visions_cannabis.pdf; see also Jacobus et al. (2009). White matter integrity in adolescents with histories of marijuana use and binge drinking. Neurotoxicology and Teratology, 31, 349-355. https://doi.org/10.1016/j.ntt.2009.07.006; Could smoking pot cut risk of head, neck cancer? (2009 August 25). Retrieved from https://www.reuters.com/article/us-smoking-pot/could-smoking-pot-cut-risk-of-head-neck-cancer-idUSTRE57O5DC20090825; Watson, SJ, Benson JA Jr. & Joy, JE. (2000). Marijuana and medicine: assessing the science base: a summary of the 1999 Institute of Medicine report. Arch Gen Psychiatry Review, 57, 547-552. Retrieved from https://www.ncbi.nlm.nih.gov/pubmed/10839332; see also Hoaken, Peter N.S. & Stewart, Sherry H. (2003). Drugs of abuse and the elicitation of human aggressive behavior. Addictive Behaviours, 28, 1533-1554. Retrieved from http://www.ukcia.org/research/AgressiveBehavior.pdf; and see also Fals-Steward, W., Golden, J. & Schumacher, JA. (2003). Intimate partner violence and substance use: a longitudinal day-to-day examination. Addictive Behaviors, 28, 1555-1574. Retrieved from https://www.ncbi.nlm.nih.gov/pubmed/14656545.

which makes cannabis use and possession federally illegal. Although certain states and territories of the U.S. authorize medical or adult use cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal, and any such acts are criminal acts. Although the Company's activities are compliant with applicable state and local laws, strict compliance with state and local laws with respect to cannabis may neither absolve the Company of liability under U.S. federal law nor provide a defense to federal criminal charges that may be brought against the Company. The Supremacy Clause of the U.S. Constitution establishes that the U.S. Constitution and federal laws made pursuant to it are paramount and, in case of conflict between federal and state law, federal law shall apply.

Nonetheless, 48 U.S. states, the District of Columbia, and the territories of Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands have legalized some form of cannabis for medical use, while 24 states, the Northern Mariana Island, Guam, and the District of Columbia have legalized the adult use of cannabis for recreational purposes. As more and more states legalized medical and/or adult use cannabis, the federal government has attempted to provide clarity on the incongruity between federal prohibition under the CSA and these state-legal regulatory frameworks. Notwithstanding the foregoing, cannabis remains illegal under U.S. federal law, with cannabis listed as a Schedule I drug under the CSA.

Until 2018, the federal government provided guidance to federal law enforcement agencies regarding cannabis through a series of memoranda from the DOJ. The most recent such memorandum was drafted by former Deputy Attorney General James Cole on August 29, 2013 (the "**Cole Memorandum**")[4]. The Cole Memorandum offered guidance to federal enforcement agencies as to how to prioritize civil enforcement, criminal investigations and prosecutions regarding cannabis in all states and acknowledged that, notwithstanding the designation of cannabis as a Schedule I controlled substance at the federal level, several states have enacted laws authorizing the use of cannabis. The Cole Memorandum also noted that jurisdictions that have enacted laws legalizing cannabis in some form have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis. As such, conduct in compliance with those laws and regulations is less likely to be a priority at the federal level. The Cole Memorandum was seen by many state-legal cannabis companies as a safe harbor for their licensed operations that were conducted in full compliance with all applicable state and local regulations. However, on January 4, 2018, former U.S. Attorney General Jeff Sessions rescinded the Cole Memorandum. In the absence of a uniform federal policy, U.S. Attorneys with state-legal cannabis programs within their jurisdictions are responsible for establishing enforcement priorities for their respective offices. For instance, Andrew Lelling, a former U.S. Attorney for the District of Massachusetts, stated that while his office would not immunize any businesses from federal prosecution, he anticipated focusing the office's cannabis enforcement efforts on: (1) overproduction; (2) targeted sales to minors; and (3) organized crime and interstate transportation of drug proceeds. Other U.S. attorneys provided less assurance, promising to enforce federal law, including the CSA in appropriate circumstances.

Following his election, President Biden appointed Merrick Garland to serve as the U.S. Attorney General. While Attorney General Garland indicated in his confirmation hearing that he did not feel that enforcement of the federal cannabis prohibition against state-licensed business would not be a priority target of Department of Justice resources, no formal enforcement policy has been issued to date. There is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the U.S. congress ("**Congress**") amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law.

As an industry best practice, despite the rescission of the Cole Memorandum, the Company abides by the following standard operating policies and procedures:

1. Ensure that its operations are compliant with all licensing requirements as established by the applicable state, county, municipality, town, township, borough and other political/administrative divisions;
2. Ensure that its cannabis related activities adhere to the scope of the licensing obtained (for example: in the states where cannabis is permitted only for adult use, the products are only sold to individuals who meet the requisite age requirements);
3. Implement policies and procedures to ensure that cannabis products are not distributed to minors;
4. Implement policies and procedures to ensure that funds are not distributed to criminal enterprises, gangs or cartels;

[4] See James M. Cole, Memorandum for all United States Attorneys re: Guidance Regarding Marijuana Enforcement (Aug. 29, 2013), available at https://www.justice.gov/iso/opa/resources/3052013829132756857467.pdf.

5. Implement an inventory tracking system and necessary procedures to ensure that such compliance system is effective in tracking inventory and preventing diversion of cannabis or cannabis products into those states where cannabis is not permitted by state law, or across any state lines in general;
6. Ensure that its state-authorized cannabis business activity is not used as a cover or pretense for trafficking of other illegal drugs, is engaged in any other illegal activity or any activities that are contrary to any applicable anti-money laundering statutes; and
7. Ensure that its products comply with applicable regulations and contain necessary disclaimers about the contents of the products to prevent adverse public health consequences from cannabis use and prevent impaired driving.

In addition, the Company conducts background checks to ensure that the principals and management of its operating subsidiaries are of good character, have not been involved with other illegal drugs, engaged in illegal activity or activities involving violence, or use of firearms in cultivation, manufacturing or distribution of cannabis. The Company will also conduct ongoing reviews of the activities of its cannabis businesses, the premises on which they operate and the policies and procedures that are related to possession of cannabis or cannabis products outside of the licensed premises, including the cases where such possession is permitted by regulation. See "*Compliance and Monitoring*" section herein for additional details.

One legislative safeguard for the medical cannabis industry remains in place: Congress has passed a so-called "rider" provision in the FY 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 Consolidated Appropriations Acts to prevent the federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law. The rider is known as the "Rohrabacher-Farr" Amendment after its original lead sponsors (it is also sometimes referred to as the "Rohrabacher-Blumenauer" or "Joyce-Leahy" Amendment, but it is referred to in this Annual Information Form as the "**Rohrabacher-Farr Amendment**"). The Rohrabacher-Farr Amendment was included in the Consolidated Appropriations Act, 2023 signed into law by President Biden on December 29, 2022. The Rohrabacher-Farr Amendment was most recently renewed on March 9, 2024 as part of a consolidated appropriations bill, which prolongs its effectiveness through September 2024. There is no guarantee that the Rohrabacher/Farr Amendment will be included in the omnibus appropriation package or a continuing budget resolution once the current spending bill expires.

On October 6, 2022, President Biden announced a series of marijuana-related initiatives. Included amongst them was a directive to the Secretary of Health and Human Services ("**HHS**") and the Attorney General "to initiate the administrative process to review expeditiously how marijuana is scheduled under federal law. Federal law currently classifies marijuana in Schedule I of the U.S. Controlled Substances Act, the classification meant for the most dangerous substances." This administrative review would be conducted by the FDA and the DEA. On August 29, 2023, HHS, FDA and the National Institute on Drug Abuse issued a recommendation that the DEA reschedule marijuana from its current status in Schedule I to Schedule III of the CSA ("Rescheduling"), as all three agencies had reached the conclusion that marijuana is not a drug with no potential medical use or a high potential for abuse. On May 21, 2024, the DEA published, in the Federal Register, a Notice of Proposed Rulemaking (the "NPRM") signed by Attorney General Merrick Garland. This publication kicked off a 62-day comment period on a rule that would move marijuana to Schedule III of the CSA (the "Final Rule"), classifying it as a substance with "a moderate to low potential for physical and psychological dependence." Individuals and businesses were given until July 22, 2024 to submit comments on the NPRM.

Following the completion of the comment period, on August 27, 2024, the DEA announced that it would hold a hearing before an administrative law judge on the cannabis rescheduling proposal, a process effectively resembling a trial. The hearing commenced on December 2, 2024. However, on January 23, 2025 the hearing was suspended indefinitely by the administrative law judge in response to a motion submitted by a pro-rescheduling participant in the hearing requesting leaving to appeal to the DEA Administrator to take various corrective actions to address asserted anti-rescheduling bias demonstrated by the DEA, which was in part demonstrated by allegedly improper ex parte communications between the DEA and certain anti-rescheduling groups. As of the date of this Annual Information Form, no schedule has been set for appeal to the DEA Administrator. It is unclear at this time when such appeal may take place or what its outcome may be.

It is possible that the new Administration may revisit whether an administrative hearing is appropriate or required before publishing a final rule and proceeding by publishing a Final Rule without completing the administrative hearing. However, should the hearing resume and complete, the presiding administrative law judge will write and file a report on the testimony provided. The DEA will review the report and write its final rulemaking proposal, which must take into consideration all relevant materials presented during the public comment period. Once that is completed, the final rulemaking will be published in the Federal Register. Once published, the Final Rule will not go into effect for 30 days, during which time certain aggrieved parties can challenge the Final Rule in court.

Whether the Final Rule is published with or without the completion of the administrative hearing, the Company believes that anti-cannabis individuals or organization will seek to challenge the Final Rule in court. It is possible such challenges could result in a stay of implementation of a final rule, although the Company believes that it is more likely than not that such challenges will not ultimately prevent a Final Rule on rescheduling from coming into force.

While Rescheduling could definitively end the application of Section 280E to cannabis operators, the Company's review of Section 280E, including the history of its adoption and its enforcement and the availability of data establishing that marijuana should not be included in either Schedule I or II under the CSA, the Company, starting in the second quarter of 2024, has adopted a new federal and state income tax position, supported by legal interpretations, asserting that the restrictions of Section 280E do not apply to the Company's cannabis operations ("280E position"). In addition, the Company filed amended federal and state income tax returns with refund claims for several of the Company's business entities for tax years prior to 2023. For further details, see "Application of Section 280E of the Code" within the Risk Factors section of this Annual Information Form.

Rescheduling could also end the ban placed on clinical researchers with regards to conducting cannabis-based studies. The Company is strategically positioned to meet the increased demand in the U.S. for cannabis for research purposes through the importation of cannabis from its foreign operations. While Rescheduling will not make state-licensed cannabis business legal under the CSA, Rescheduling could result in U.S. federal money laundering laws no longer applying to state-licensed cannabis businesses, which would potentially increase the Company's access to banking and capital markets and reduce the Company's cost of capital significantly. The Company could also benefit from a reduction in the insurance liability associated with Schedule III versus Schedule I drugs, and the potential destigmatization of cannabis and cannabis-based businesses.

On December 2, 2022, President Biden signed into law H.R. 8454, the "Medical Marijuana and Cannabidiol Research Expansion Act," (the "**Research Expansion Act**") which establishes a new registration process for conducting research on marijuana and for manufacturing marijuana products for research purposes and drug development. The Research Expansion Act is the first piece of standalone federal cannabis reform legislation in U.S. history. Among other things, the Research Expansion Act ; (i) directs the DEA to register practitioners to conduct cannabis and CBD research and manufacturers to supply cannabis for research purposes; (ii) expressly allows the DEA to register manufacturers and distributors of cannabis or CBD for the purposes of commercial production of a drug approved by the FDA; (iii) requires the DEA to assess whether there is an adequate and uninterrupted supply of cannabis for research purposes; (iii) permits registered entities to manufacture, distribute, dispense, or possess cannabis or CBD for purposes of medical research; (iv) clarifies that physicians do not violate the CSA when they discuss the potential harms and benefits of cannabis and CBD with patients; and (v) directs the HHS to coordinate with the National Institutes of Health and other agencies to report on the "therapeutic potential" of cannabis for conditions such as epilepsy, and the impact of cannabis on adolescent brain development.

Nevertheless, for the time being, cannabis remains a Schedule I controlled substance at the federal level. The federal government of the U.S. has always reserved the right to enforce federal law regarding the sale and disbursement of medical or adult use cannabis, even if state law sanctions such sale and disbursement. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, the Company's business, results of operations, financial condition and prospects could be materially adversely affected.

There is a growing consensus among cannabis businesses and numerous members of Congress that prosecutorial discretion is not law and temporary legislative riders, such as the Rohrabacher-Farr Amendment, are an inappropriate way to protect lawful medical cannabis businesses. Numerous bills have been introduced in Congress in recent years to decriminalize aspects of state-legal cannabis trades. The Company has observed that each year more congressmen and congresswomen sign on and cosponsor cannabis legalization bills. In light of all this, the Company anticipates that the federal government will eventually repeal the federal prohibition on cannabis and thereby leave the states to decide for themselves whether to permit regulated cannabis cultivation, production and sale, just as states are free today to decide policies governing the distribution of alcohol or tobacco.

The most comprehensive proposal for reform of federal legislation on cannabis was introduced on July 21, 2022, by U.S. Senate Majority Leader Chuck Schumer (D-NY) along with Cory Booker (D-NJ), and Ron Wyden (D-OR) when they filed the Cannabis Administration and Opportunity Act (the "**CAOA**"). The CAOA would have removed cannabis from Schedule I of the CSA, which would permit its decriminalization and allow the expungement of federal non-violent cannabis crimes. The CAOA would also have imposed a federal tax on cannabis of 10% in its first year of enactment,

eventually increasing to 25% in 5% increments. The taxes raised would be used to petition fund programs to benefit communities disproportionately impacted by the "War on Drugs".

The CAOA would have enshrined the current state cannabis licensing regimes and introduced additional federal permitting of cannabis wholesalers. Regulatory responsibility for cannabis control would be transferred from the DEA to the TTB, the ATF as well as the FDA to protect public health.

The filing of the CAOA by Democratic congressional leaders in the 117 th Congress represented a significant milestone in the move toward federal legalization of cannabis. While the CAOA suggested that legalization may come with significant federal tax burden, federal legalization will also bring long-awaited benefits to the industry of the removal of the Section 280E tax burden, clarity as to the status of state-licensed cannabis businesses, broad access to the banking and card payment system, increased availability, and reduced cost of capital.

The CAOA failed to pass the 117th Congress.

Another bill, the Marijuana Opportunity Reinvestment and Expungement Act (the "**MORE Act**"), proposed in the U.S. House of Representatives would have decriminalized and de-scheduled cannabis from the CSA, provided for reinvestment in certain persons adversely impacted by the "War on Drugs," provided for expungement of certain cannabis offenses, among other things. The MORE Act passed U.S. House of Representatives December 4, 2020 and again on April 1, 2022, but was not taken up in the Senate before the end of the 117th Congress. On September 20, 2023, the MORE Act was reintroduced into the House of Representatives.

There can be no assurance that the CAOA, the MORE Act or similar comprehensive legislation that would de-schedule cannabis and decriminalize will be passed in the near future or at all. If such legislation is passed, there is no guarantee that it will include provisions that preserve the current state-based cannabis programs under which the Company operates or that such legislation will otherwise be favorable the Company and its business.

Money Laundering Laws

Under U.S. federal law, it may potentially be a violation of federal money laundering statutes for financial institutions to take any proceeds from the sale of any Schedule I controlled substance. Due to the CSA categorization of marijuana as a Schedule I drug, federal law makes it illegal for financial institutions that depend on the Federal Reserve's money transfer system to take any proceeds from marijuana sales as deposits. Banks and other financial institutions could be prosecuted and possibly convicted of money laundering for providing services to cannabis businesses under the U.S. Currency and Foreign Transactions Reporting Act of 1970 (the "**Bank Secrecy Act**"). Therefore, under the Bank Secrecy Act, banks or other financial institutions that provide a cannabis business with a checking account, debit or credit card, small business loan, or any other service could be charged with money laundering or conspiracy.

While there has been no change in U.S. federal banking laws to accommodate businesses in the large and increasing number of U.S. states that have legalized medical and/or adult use marijuana, in 2014, the Department of the Treasury Financial Crimes Enforcement Network ("**FinCEN**") issued guidance to prosecutors of money laundering and other financial crimes (the " **FinCEN Guidance**") and notified banks that it would not seek enforcement of money laundering laws against banks that service cannabis companies operating under state law, provided that strict due diligence and reporting standards are met. The FinCEN Guidance advised prosecutors not to focus their enforcement efforts on banks and other financial institutions that serve marijuana-related businesses so long as that business is legal in their state and none of the federal enforcement priorities referenced in the Cole Memorandum are being violated (such as keeping marijuana away from children and out of the hands of organized crime). The FinCEN Guidance also clarifies how financial institutions can provide services to marijuana-related businesses consistent with their Bank Secrecy Act obligations, including thorough customer due diligence, but makes it clear that they are doing so at their own risk. The customer due diligence steps include:

1. Verifying with the appropriate state authorities whether the business is duly licensed and registered;
2. Reviewing the license application (and related documentation) submitted by the business for obtaining a state license to operate its marijuana-related business;
3. Requesting from state licensing and enforcement authorities available information about the business and related parties;

4. Developing an understanding of the normal and expected activity for the business, including the types of products to be sold and the type of customers to be served (e.g., medical versus adult use customers);
5. Ongoing monitoring of publicly available sources for adverse information about the business and related parties;
6. Ongoing monitoring for suspicious activity, including for any of the red flags described in this guidance; and
7. Refreshing information obtained as part of customer due diligence on a periodic basis and commensurate with the risk.

With respect to information regarding state licensure obtained in connection with such customer due diligence, a financial institution may reasonably rely on the accuracy of information provided by state licensing authorities, where states make such information available.

Because most banks and other financial institutions are unwilling to provide any banking or financial services to cannabis businesses, these businesses can be forced into becoming "cash-only" businesses. While the FinCEN Guidance decreased some risk for banks and financial institutions considering serving the industry, in practice it has not increased banks' willingness to provide services to cannabis businesses, and most banks continue to decline to operate under the strict requirements provided under the FinCEN Guidance. This is because, as described above, the current law does not provide banks immunity from prosecution, and it also requires banks and other financial institutions to undertake time-consuming and costly due diligence on each cannabis business they accept as a customer.

The few state-chartered banks and/or credit unions that have agreed to work with marijuana businesses are limiting those accounts to small percentages of their total deposits to avoid creating a liquidity risk. Since, theoretically, the federal government could change the banking laws as it relates to marijuana businesses at any time and without notice, these state-charted banks and credit unions must keep sufficient cash on hand to be able to return the full value of all deposits from marijuana businesses in a single day, while also keeping sufficient liquid capital on hand to serve their other customers. Those state-chartered banks and credit unions that do have customers in the marijuana industry charge marijuana businesses high fees to pass on the added cost of ensuring compliance with the FinCEN Guidance. Unlike the Cole Memorandum, however, the FinCEN Guidance from 2014 has not been rescinded.

The former Secretary of the U.S. Department of the Treasury, Steven Mnuchin, publicly stated that he did not have a desire to rescind the FinCEN Guidance[5] The current Secretary of the Treasury, Janet Yellen, has not yet articulated an official position of the U.S. Department of the Treasury with regard to the FinCEN Guidance and thus as an industry best practice and consistent with its standard operating procedures, the Company adheres to all customer due diligence steps in the FinCEN Guidance.

In both Canada and the U.S., transactions involving banks and other financial institutions are both difficult and unpredictable under the current legal and regulatory landscape. Legislative changes could help to reduce or eliminate these challenges for companies in the cannabis space and would improve the efficiency of both significant and minor financial transactions.

In the absence of comprehensive reform of federal cannabis legislation that would decriminalize the cannabis industry, a growing number of members of Congress have expressed support for federal legislation that would eliminate from the scope of federal money laundering statutes the financing activity of businesses operating under state-sanctioned cannabis programs. On September 26, 2019, the U.S. House of Representatives passed the Secured and Fair Enforcement Banking Act of 2019 (commonly known as the "**SAFE Banking Act**"), which aims to provide safe harbor and guidance to financial institutions that work with legal U.S. cannabis businesses. The SAFE Banking Act has since been introduced and has passed the U.S. House of Representatives on seven separate occasions since 2019, either as a standalone bill or attached to other legislation, including most recently in 2022 with the America Competes Act which passed the House of Representatives on February 4, 2022, but the proposed bills either failed to pass through the Senate or the SAFE Banking Act provisions were ultimately removed from enacted legislation. Most recently, a slightly revised bill known as the Secure and Fair Enforcement Regulation Banking Act ("**SAFER Banking Act**") was introduced in the Senate on September 21, 2023. The SAFER Banking Act bill was heard by the Senate Banking Committee and was adopted on September 27th by a notable bipartisan majority of 14-9. The bill has now been placed on the Senate legislative calendar under general orders and is awaiting a Senate floor vote. Once again, there can be no assurance of the content of any final proposed legislation or that such legislation is ever passed. The Company's inability, or limitations on the Company's ability, to open or

[5] Angell, Tom. (2018 February 6). Trump Treasury Secretary Wants Marijuana Money In Banks, available at https://www.forbes.com/sites/tomangell/2018/02/06/trump-treasury-secretary-wants-marijuana-money-in-banks/#2848046a3a53; see also Mnuchin: Treasury is reviewing cannabis policies. (2018 February 7), available at http://www.scotsmanguide.com/News/2018/02/Mnuchin--Treasury-is-reviewing-cannabis-policies/.

maintain bank accounts, obtain other banking services and/or accept credit card and debit card payments may make it difficult for the Company to operate and conduct its business as planned or to operate efficiently.

While Congress may consider legislation in the future that may permanently address these issues, there can be no assurance of the content of any proposed legislation or that such legislation is ever passed. The Company's inability, or limitations on the Company's ability, to open or maintain bank accounts, obtain other banking services and/or accept credit card and debit card payments may make it difficult for the Company to operate and conduct its business as planned or to operate efficiently.

Federal Taxation of Cannabis Businesses

An additional challenge to cannabis-related businesses is that the provisions of Section 280E are being applied by the IRS to businesses operating in the medical and adult use cannabis industry. Section 280E prohibits businesses from deducting certain expenses associated with the trafficking of controlled substances within the meaning of Schedule I and II of the CSA. For the years ended December 31, 2024 and December 31, 2023, the Company has adopted the 280E position. The Company recorded an uncertain tax liability on the Condensed Consolidated Balance Sheets for tax positions taken based on the 280E Position. In addition, the Company filed amended federal and state income tax returns with refund claims for several of the Company's business entities for tax years prior to 2023. If the Company's interpretation is upheld, the Company's financial position could be significantly enhanced by the ability to deduct additional ordinary and necessary business expenses that are non-deductible under Section 280E.

Reform of Federal Legislation on Industrial Hemp

On December 20, 2018, former President Donald Trump signed the Agriculture Improvement Act of 2018, Pub. L. 115-334, (popularly known as the "**2018 Farm Bill**") into law.[6] Under the 2018 Farm Bill, industrial and commercial hemp is no longer to be classified as a Schedule I controlled substance in the U.S. Hemp includes the plant cannabis sativa L and any part of that plant, including seeds, derivatives, extracts, cannabinoids and isomers, which contain no more than 0.3% of delta-9-THC concentration by dry weight. The 2018 Farm Bill allows states to create regulatory programs allowing for the licensed cultivation of hemp and production of hemp-derived products. Hemp and products derived from it, such as CBD, may then be sold into commerce and transported across state lines, provided that the hemp from which any product is derived was cultivated under a license issued by an authorized state program approved by the U.S. Department of Agriculture and otherwise meets the definition of hemp.

Despite the removal of CBD extracted from hemp and other hemp extracts, produced under authorized state hemp programs from the CSA, the FDA's stated position remains that it is a prohibited act under the Federal Food, Drug, and Cosmetic Act to introduce into interstate commerce a food to which CBD, THC or cannabinoids has been added, or to market a product containing these ingredients as a dietary supplement.[7] However, on January 26, 2023, the FDA concluded that a new regulatory pathway for CBD is needed that balances individual's desire for access to CBD products with the regulatory oversight needed to manage risks. The FDA is seeking support from Congress to develop a new regulatory pathway.

Service Providers

As a result of any adverse change to the approach in enforcement of U.S. cannabis laws, adverse regulatory or political change, additional scrutiny by regulatory authorities, adverse change in public perception in respect of the consumption of marijuana or otherwise, third party service providers to the Company could suspend or withdraw their services, which may have a material adverse effect on the Company's business, revenues, operating results, financial condition or prospects.

Ability to Access Capital

Given the current U.S. federal laws regarding cannabis, traditional bank financing is typically not available to U.S. cannabis companies. Specifically, the federal illegality of marijuana in the U.S. means that financial transactions involving proceeds generated by cannabis-related conduct can form the basis for prosecution under money laundering statutes, the unlicensed money transmitter statute and the Bank Secrecy Act. As a result, businesses involved in the cannabis industry often have difficulty finding a bank willing to accept their business. Banks who do accept deposits from cannabis-related

[6] H.R.2 - 115th Congress (2017-2018): Agriculture Improvement Act of 2018, Congress.gov (2018), https://www.congress.gov/bill/115th-congress/house-bill/2/text.
[7] Notably, to date the FDA's enforcement activities in respect of the sale of CBD foods and supplements has been largely focused upon those manufacturers and distributors that have made impermissible claims about the efficacy of CBD for treating certain diseases and medical conditions.

businesses in the U.S. must do so in compliance with the Cole Memorandum and the FinCEN guidance, both discussed above.

The Company requires equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing through traditional banking to fund on-going operations, capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

If additional funds are raised through further issuances of equity or convertible debt securities, existing Company shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to existing holders of SVS.

Heightened Scrutiny by Regulatory Authorities

For the reasons set forth above, the Company's existing operations in the U.S., and any future operations or investments of the Company, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, the Company may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Company's ability to operate or invest in any other jurisdictions, or have consequences for its stock exchange listing or Canadian reporting obligations, in addition to those described herein.

Change to government policy or public opinion may also result in a significant influence on the regulation of the cannabis industry in Canada, the U.S., or elsewhere. A negative shift in the public's perception of medical or adult use cannabis in the U.S. or any other applicable jurisdiction could affect future legislation or regulation or enforcement. Such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize medical or adult use cannabis, thereby limiting the number of new state jurisdictions into which the Company could expand. Any inability to fully implement the Company's business strategy in the states in which the Company currently operates or in the Company's ability to expand its business into new states, may have a material adverse effect on the Company's business, financial condition, and results of operations. See the "*Risk Factors*" section herein for additional details.

Further, violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions, or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, asset forfeiture, and cessation of business activities or divestiture. Any enforcement action against the Company or any of its licensed operating facilities could have a material adverse effect on (1) the Company's reputation, (2) the Company's ability to conduct business, (3) the Company's holdings (directly or indirectly) of medical or adult use cannabis licenses in the U.S., (4) the listing or quoting of the Company's securities on various stock exchanges, (5) the Company's financial position, (6) the Company's operating results, profitability, or liquidity, or (7) the market price of the Company's publicly traded shares. In addition, it is difficult for the Company to estimate the time or resources that would be needed for the investigation of any such matters or their final resolution because the time and resources that may be necessary depend on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial. See the "Risk Factors" section herein for additional details. The Company's business activities, while believed to be compliant with applicable U.S. state and local laws, currently are illegal under U.S. federal law.

Further to the indication by CDS Clearing and Depository Services Inc. ("CDS"), Canada's central securities depository, clearing and settling trades in the Canadian equity, fixed income and money markets that it would refuse to settle trades for cannabis issuers that have investments in the U.S., the TMX Group, the owner and operator of CDS, subsequently issued a statement in August 2017 reaffirming that there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the U.S., despite media reports to the contrary and that the TMX Group was working with regulators to arrive at a solution that will clarify this matter, which would be communicated at a later time.

On October 16, 2017, the TSX provided guidance regarding the application of Sections 306 (Minimum Listing Requirements) and 325 (Management) and Part VII (Halting of Trading, Suspension and Delisting of Securities) of the TSX Company Manual (collectively, the "**TSX Requirements**") to issuers with business activities in the cannabis sector, such as the Company. In TSX Staff Notice 2017-0009, the TSX stated that issuers with ongoing business activities that violate U.S. federal law regarding cannabis are not in compliance with the TSX Requirements. The TSX noted that these

non-compliant business activities may include (i) direct or indirect ownership of, or investment in, entities engaging in activities related to the cultivation, distribution or possession of cannabis in the U.S., (ii) commercial interests or arrangements with such entities, (iii) providing services or products specifically targeted to such entities, or (iv) commercial interests or arrangements with entities engaging in providing services or products to U.S. cannabis companies. Following completion of the TSX Listing, the Company is now subject to the TSX Requirements and accordingly is prohibited from owning or investing, either directly or indirectly, in entities engaging in activities related to the cultivation, distribution or possession of cannabis in the U.S that could be deemed to violate applicable federal laws relating to cannabis.

The TSX Requirements may restrict the ability of the Company to make and finance acquisitions of its U.S. cannabis related assets or businesses, which in turn, could have a material adverse effect on the Company's business, financial condition and results of operations. See "Risk Factors – General Regulatory and Legal Risks – Certain Restrictions of the TSX May Constrain the Company's Ability to Expand its Business in the U.S.".

In February 2018, following discussions with the Canadian Securities Administrators and recognized Canadian securities exchanges, the TMX Group announced the signing of a Memorandum of Understanding ("**MOU**") with The Aequitas NEO Exchange Inc., the CSE, the Toronto Stock Exchange, and the TSX Venture Exchange. The MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures, and regulatory oversight of the exchanges and CDS as it relates to issuers with cannabis-related activities in the U.S. The MOU confirms, with respect to the clearing of listed securities, that CDS relies on the exchanges to review the conduct of listed issuers. As a result, there is currently no CDS ban on the clearing of securities of issuers with cannabis-related activities in the U.S. However, there can be no guarantee that this approach to regulation will continue in the future. If such a ban were to be implemented at a time when the SVS are listed on a stock exchange, it would have a material adverse effect on the ability of holders of SVS to make and settle trades. In particular, the SVS would become highly illiquid as until an alternative was implemented, investors would have no ability to affect a trade of securities through the facilities of the applicable stock exchange. Curaleaf has obtained eligibility with The Depository Trust Company ("**DTC**") for its SVS quotation on the OTCQX and such eligibility provides another possible avenue to clear the SVS in the event of a CDS ban. Revocation of DTC eligibility or implementation by DTC of a ban on the clearing of securities of issuers with cannabis-related activities in the U.S. would similarly have a material adverse effect on the ability of holders of the SVS to make and settle trades.

U.S. States Operations

For an overview of the states in which the Company operates, their legal framework and how it affects Curaleaf's business, please refer to the section titled "*The States we Operate in, their Legal Framework and How it Affects our Business"* in the Annual MD&A, which is hereby incorporated by reference.

RISK FACTORS

The following are certain risk factors relating to the business of the Company. Additional risks and uncertainties not presently known to the Company or currently deemed immaterial by the Company, may also impair the operations of the Company. If any such risks actually occur, shareholders of the Company could lose all or part of their investment and the business, financial condition, liquidity, results of operations and prospects of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected.

The acquisition of any of the securities of the Company is speculative, involving a high degree of risk and should be undertaken only by persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Shareholders should evaluate carefully the risk factors associated with the Company's securities described herein, along with the additional risk factors described in the Annual MD&A and in the other continuous disclosure documents of the Company filed from time to time with the Canadian securities commissions and the SEC.

Risks Related to Legality of Cannabis

Cannabis is a Controlled Substance under the U.S. Federal Controlled Substances Act

The Company is engaged directly and indirectly in the medical and adult use cannabis industry in the U.S. where only state law permits such activities. Investors are cautioned that in the U.S., cannabis is largely regulated at the state

level. To the Company's knowledge, some form of cannabis has been legalized in 48 states, the District of Columbia and the territories of Puerto Rico, the U.S. Virgin Islands, Guam and the Northern Mariana Islands as of December 31, 2024. Additional states have pending legislation regarding the same. Notwithstanding the permissive regulatory environment of cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substance Act and as such, cultivation, distribution, sale and possession of cannabis violates federal law in the U.S. As a result of the conflicting views between state legislatures and the federal government regarding cannabis, investments in cannabis businesses in the U.S. are subject to inconsistent legislation and regulation. Refer to the discussion above under the heading "Regulatory Environment: Issuers with U.S. Cannabis-Related Assets".

Because the cannabis industry remains illegal under U.S. federal law, any property owned by participants in the cannabis industry, which are either used in the course of conducting such business or were purchased using the proceeds of such business, could be subject to seizure by law enforcement and subsequent civil asset forfeiture. Even if the owner of the property were never charged with a crime, the property in question could still be seized and subject to an administrative proceeding by which, with minimal due process, it could be subject to forfeiture.

There can be no assurances that the federal government of the U.S. will not seek to enforce the applicable laws against us. Without further guidance, federal prosecutors may use their prosecutorial discretion to decide whether to prosecute cannabis activities despite the existence of state-level laws permitting such activity, subject to the Rohrabacher-Farr Amendment, which prohibits federal prosecutors from expending federal funds against medical cannabis activities that are in compliance with state law. This amendment has historically been passed as an amendment to omnibus appropriations bills, which by their nature expire at the end of a fiscal year or other defined term. The Rohrabacher-Farr Amendment was most recently renewed on March 9, 2024 as part of a consolidated appropriations bill, which prolongs its effectiveness through September 2024. While numerous U.S. Attorneys across the country have affirmed that their view of federal enforcement priorities has not changed, there can be no assurance that the federal government will not seek to prosecute cases involving cannabis businesses that are otherwise compliant with state law, including in the event the Rohrabacher-Farr Amendment is not renewed upon expiration in subsequent spending bills.

Violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. In the extreme case, such proceedings could also ultimately involve the prosecution of key executives of the Company. This could have a material adverse effect on the Company, including its reputation and ability to conduct business, its holding (directly or indirectly) of medical and adult use cannabis licenses in the U.S., the listing of its securities on the TSX, its financial position, results of operation, profitability or liquidity or the market price of its publicly traded shares, in each case even it such proceedings were concluded successfully in favor of the Company. In addition, it is difficult for the Company to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

Market for Cannabis Could Decline due to Regulatory Changes

There can be no assurance that the number of states that allow the use of medicinal and/or adult use cannabis will increase. Furthermore, there can be no assurance that the existing states, districts and territories that permit the sale and use of adult use and/or medicinal cannabis will not reverse their position. If either of these things happens at any future time, then growth of the Company's business may be materially impacted. The Company may not be able to achieve targeted revenue levels and may experience declining revenue as the potential market for its products and services diminishes.

If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, the Company's financial results, business or operations would be materially and adversely affected. Federal actions against any individual or entity engaged in the cannabis industry or a substantial repeal of cannabis related legislation could adversely affect the Company, its business and its assets or investments.

Investors should understand that any new administration or attorney general could change this policy and decide to enforce the federal laws more strongly. A change in the federal approach towards enforcement could negatively affect the industry, potentially ending it entirely. Any such change in the federal government's enforcement of current federal laws could cause significant financial damage to the Company.

Anti-Money Laundering Laws and Regulations

The Company is subject to a variety of laws and regulations internationally and domestically in the U.S. that involve money laundering, financial recordkeeping and proceeds of crime, including the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), Sections 1956 and 1957 of U.S.C. Title 18 (the Money Laundering Control Act), the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), as amended and the rules and regulations thereunder, the Criminal Code (Canada) and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the U.S., Canada and the countries in which Curaleaf International operates.

In the event that any of the Company's operations, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such operations in the U.S. were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation, which would subject the Company to criminal liability and significant penalties and fines. Proceeds from the Company's business activities could also be subject to seizure or forfeiture. Any violations of these laws, or allegations of such violations could disrupt the Company's operations and involve significant management distraction and expenses. As a result, money laundering charges could materially affect the Company's business, financial condition or results of operations, including restricting or otherwise jeopardizing the ability of the Company to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada. Furthermore, while there are no current intentions to declare or pay dividends on the SVS in the foreseeable future, in the event that a determination was made that the Company's proceeds from operations (or any future operations or investments in the U.S.) could reasonably be shown to constitute proceeds of crime, the Company may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time.

Lack of Access to U.S. Bankruptcy Protections

Because the use of cannabis is illegal under federal law, many courts have denied cannabis businesses bankruptcy protections, thus making it very difficult for lenders to recoup their investments in the cannabis industry in the event of a bankruptcy. If the Company were to experience a bankruptcy, there is no guarantee that U.S. federal bankruptcy protections would be available to the Company's U.S. operations, which would have a material adverse effect on the Company, its lenders and other stakeholders.

Financing Risks

Additional Financing Needs

The Company may require equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. If the Company is required to access capital markets to carry out its development objectives, the state of capital markets and other financial systems could affect the Company's access to, and cost of, capital. The Company's inability to raise financing to fund on-going operations, capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

If additional funds are raised through further issuances of equity or convertible debt securities, existing Company shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to existing holders of SVS. Moreover, additional SVS may be issued by us on the conversion of the MVS in accordance with their terms. To the extent holders of other convertible securities convert or exercise their securities and sell SVS they receive, the trading price of the SVS may decrease due to increase dilution and subsequent trading.

Debt financing may involve restrictions on the Company's financing and operating activities, including its ability to acquire or dispose of assets or businesses, incur additional indebtedness, make capital expenditures, and make cash distributions. Debt financing may be convertible into other securities of the Company or involve the issuance of equity fees, either of which may result in immediate or resulting dilution. Any default under such debt instruments could have a material adverse effect on the Company, its business or the results of its operations.

Moreover, the TSX Requirements may restrict the ability of the Company to make and finance acquisitions of its U.S. cannabis related assets or businesses, which in turn, could have a material adverse effect on the Company's business, financial condition and results of operations. See "*Risk Factors – General Regulatory and Legal Risks – Certain Restrictions of the TSX May Constrain the Company's Ability to Expand its Business in the U.S.*".

Restricted Access to Banking

In February 2014, the FinCEN bureau of the U.S. Department of Treasury issued guidance (which is not law) with respect to financial institutions providing banking services to cannabis businesses, including burdensome due diligence expectations and reporting requirements. This guidance does not provide any safe harbors or legal defenses from examination or regulatory or criminal enforcement actions by the Department of Justice, FinCEN or other federal regulators. Thus, most banks and other financial institutions in the U.S. do not appear to be comfortable providing banking services to cannabis-related businesses, or relying on this guidance, which can be amended or revoked at any time by the federal administration. In addition to the foregoing, banks may refuse to process debit card or ACH payments or transfers and credit card companies generally refuse to process credit card payments for cannabis-related businesses. As a result, the Company may have limited or no access to banking or other financial services in the U.S. The inability or limitation in the Company's ability to open or maintain bank accounts, obtain other banking services and/or accept credit card and debit card payments may make it difficult for the Company to operate and conduct its business as planned or to operate efficiently. Additionally, cannabis businesses in the U.S. are largely cash-based. This complicates the implementation of financial controls and increases security issues.

General Regulatory and Legal Risks

Certain Restrictions of the TSX May Constrain the Company's Ability to Expand its Business in the U.S.

Following completion of the TSX Listing, the Company is required to comply with the TSX Requirements or guidelines when conducting business, especially when pursuing opportunities in the U.S., and accordingly is prohibited from owning or investing, either directly or indirectly, in entities engaging in activities related to the cultivation, distribution or possession of cannabis in the U.S. that could be deemed to violate applicable federal laws relating to cannabis. As a result of the TSX Listing, Curaleaf, Inc. and the Company are now subject to certain restrictions on cash or cash-equivalent transfers, whereby, amongst other things, (i) Curaleaf Holdings, Inc. is prohibited from flowing any cash to Curaleaf, Inc. and any of its operations engaged in ongoing business activities that violate U.S. federal law regarding cannabis, and (ii) Curaleaf, Inc. (including its subsidiaries and legal entities in which it has a controlling financial interest) is prohibited from flowing any cash to Curaleaf Holdings, Inc., whether by way of dividend or otherwise. Such restrictions may restrict the ability of the Company to make and finance acquisitions of its U.S. cannabis related assets or businesses, which in turn, could have a material adverse effect on the Company's business, financial condition and results of operations.

Although the Company believes to be compliant with the TSX Requirements, there is a risk that the Company's interpretation may differ from the TSX and failure to comply with the TSX Requirements could result in the denial of an application for certain approvals, such as to have additional securities listed on the TSX, and could even lead to a delisting of the SVS from the TSX, which could have a material adverse effect on the trading price and liquidity of the SVS and could have a material adverse effect on the Company's business, financial condition and results of operations.

Legal, Regulatory or Political Change

The political environment surrounding the marijuana industry in general can be volatile and the regulatory framework remains in flux.

Delays in enactment or implementation of new state or federal regulations could restrict the ability of the Company to reach strategic growth targets. The growth strategy of the Company is contingent upon certain federal and state regulations being enacted to facilitate the legalization of medical and adult use marijuana. If such regulations are not enacted, or enacted but subsequently repealed or amended, or enacted with prolonged phase-in periods, the growth targets of the Company, and thus, the effect on the return of investor capital, could be detrimental. The Company is unable to predict with certainty when and how the outcome of these complex regulatory and legislative proceedings will affect its business and growth.

Further, there is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their

respective jurisdictions. If existing applicable state laws are repealed or curtailed, the Company's business, results of operations, financial condition and prospects would be materially adversely affected. It is also important to note that local and city ordinances may strictly limit and/or restrict disbursement of cannabis in a manner that will make it extremely difficult or impossible to transact business in that jurisdiction, which may adversely affect the Company's continued operations. Repeal of applicable marijuana legislation could adversely affect the Company and its business, results of operations, financial condition and prospects.

The Company is also aware that multiple states are considering special taxes or fees on businesses in the cannabis industry. Some of the states where the Company operates are in the process of reviewing additional fees and taxation. Should such special taxes or fees be adopted, this could have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

The commercial medical and adult use marijuana industry is in its infancy. The Company's business activities rely on newly established and/or developing laws and regulations in the states in which it operates and the Company anticipates that such regulations will be subject to change as the jurisdictions in which the Company does business matures, often times with minimal notice. Regulatory changes may adversely affect the Company's profitability or cause it to cease operations entirely. The cannabis industry may also come under scrutiny or further scrutiny by the FDA, USDA, DEA, IRS, SEC, the DOJ, the Financial Industry Regulatory Advisory or other federal or applicable state or non-governmental regulatory authorities or self-regulatory organizations that supervise or regulate the production, distribution, sale or use of cannabis for medical or adult use purposes in the U.S. It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any proposals will become law. The regulatory uncertainty surrounding the industry may adversely affect the business and operations of the Company, including without limitation, the costs to remain compliant with applicable laws and the impairment of its business or the ability to raise additional capital.

The Company has in place a robust compliance program reporting up to the CLO, which oversees, maintains and implements the compliance program and personnel. Compliance officers in each operating subsidiary as well as regional compliance directors are charged with knowing the local regulatory process and monitoring developments with their governing bodies. Each compliance officer regularly reports to the CLO regulatory developments and enforcement actions taken by regulators. In addition to the Company's robust legal and compliance departments, the Company also has local legal/regulatory counsel engaged or available in every jurisdiction in which it operates. The Company's compliance program is designed to provide meaningful advice, oversight and challenge for the Company's operations that includes regular site visits to ensure compliance with Company policies and procedures as well as applicable regulatory requirements, including but not limited to marketing materials review to ensure compliance with State and local regulations, and security and inventory control to ensure strict monitoring of cannabis and inventory from delivery by a licensed distributor to sale or disposal. The Company has implemented a corporate compliance training program for all employees. Additionally, the Company has created comprehensive standard operating procedures that include detailed descriptions and instructions for monitoring inventory at all stages of development and distribution. The Company will continue to monitor compliance on an ongoing basis in accordance with its compliance program, standard operating procedures, and any changes to regulation in the marijuana industry.

Overall, the medical and adult use marijuana industry is subject to significant regulatory change at both the state and federal level. The inability of the Company to respond to the changing regulatory landscape may cause it to not be successful in capturing significant market share and could otherwise harm its business, results of operations, financial condition or prospects.

General Regulatory and Licensing Risks

The Company's business is subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of marijuana, including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Achievement of the Company's business objectives is contingent, in part, upon compliance with applicable regulatory requirements and obtaining all requisite regulatory approvals. Changes to such laws, regulations and guidelines due to matters beyond the control of the Company may result in a material adverse effect on the Company's business, financial condition, results of operations or prospects.

The Company is required to obtain or renew further government permits and licenses for its current and contemplated operations. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving numerous regulatory agencies, public hearings and costly undertakings on the

Company's part. The duration and success of the Company's efforts to obtain, amend and renew permits and licenses are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting or licensing authority. The Company may not be able to obtain, amend or renew permits or licenses that are necessary to its operations or to achieve the growth of its business. Any unexpected delays or costs associated with the permitting and licensing process could impede the ongoing or proposed operations of the Company. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with its ongoing operations or planned development and commercialization activities. Such curtailment or prohibition may result in a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Several of the Company's licenses are subject to renewal on an annual or periodic basis. Such licenses are generally renewed, as a matter of course, if the license holder continues to operate in compliance with applicable legislation and regulations and without any material change to its operations, however there is no guarantee such licenses will be renewed on the same terms, or at all, going forward. For instance, please refer to the section "*General Development of the Business – Subsequent Events*".

While the Company's compliance controls have been developed to mitigate the risk of any material violations of any license it holds arising, there is no assurance that the Company's licenses will be renewed by each applicable regulatory authority in the future in a timely manner. Any unexpected delays or costs associated with the licensing renewal process for any of the licenses held by the Company could impede the ongoing or planned operations of the Company and have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

The Company may become involved in a number of government or agency proceedings, investigations and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm the Company's reputation, require the Company to take, or refrain from taking, actions that could harm its operations or require Company to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on the Company's business, financial condition, results of operations or prospects.

Limitations on Ownership of Licenses

In certain states, the cannabis laws and regulations limit not only the number of cannabis licenses issued, but also the number of cannabis licenses that one person may own. For example, in Massachusetts, no person may have an ownership interest, or control over, more than three license holders in any category - cultivation, processing or dispensing. In Maryland, the Department of Health has taken the position that the law prevents having a material ownership interest in more than one cultivation or processing license holder and more than four dispensing license holders. In New Jersey, there are restrictions on overlapping ownership of license holders. In Florida, there are also limitations on owning more than one of the vertically integrated medical cannabis licenses offered in that state. The Company believes that, where such restrictions apply, it may still capture significant share of revenue in the market through wholesale sales, exclusive marketing relations, provision of management or support services, franchising and similar arrangement with other operators. Nevertheless, such limitations on the acquisition of ownership of additional licenses within certain states or enforcement by regulators in certain states against such services arrangements may limit the Company's ability to grow organically or to increase its market share in such states, which could have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

Regulatory Action and Approvals from the FDA

The Company's medical cannabis-based products are supplied to patients diagnosed with certain medical conditions. However, the Company's cannabis-based products are not approved by the FDA as "drugs" or for the diagnosis, cure, mitigation, treatment, or prevention of any disease. Accordingly, the FDA may regard any promotion of the cannabis-based products as the promotion of an unapproved drug in violation of the Food, Drug and Cosmetic Act ("**FDCA**").

Cannabidiol, a compound referred to as CBD, is one of the non-psychotropic cannabinoids in industrial hemp from the plant species Cannabis sativa L. There has been growing interest in CBD in recent years. CBD is increasingly used as an ingredient in food and beverages, as an ingredient in dietary supplements and as an ingredient in cosmetics, thereby generating new investments and creating employment in the cultivation and processing of hemp and hemp-derived

products. Pharmaceutical products with CBD as an active ingredient have also been developed, including one product approved by the FDA (Epidiolex®). Foods and beverages, dietary supplements, pharmaceuticals, and cosmetics containing CBD are all subject to regulation under the FDCA. The FDA has asserted that CBD is not a lawful ingredient in foods and beverages, supplements and pharmaceuticals (unless FDA-approved), although FDA has generally refrained from taking enforcement action against those products. CBD-containing products may also be subject to the jurisdiction of state and local health authorities.

In recent years, the FDA has issued letters to a number of companies selling products that contain CBD oil derived from hemp warning them that the marketing of their products violates the FDCA. FDA enforcement action against the Company could result in a number of negative consequences, including fines, disgorgement of profits, recalls or seizures of products, or a partial or total suspension of the Company's production or distribution of its products. Any such event could have a material adverse effect on the Company's business, prospects, financial condition, and results of operations.

Increased Cannabis Regulations by the FDA

Cannabis remains a Schedule I controlled substance under U.S. federal law. If the federal government de-schedules cannabis or reclassifies cannabis to a Schedule II controlled substance, it is possible that the FDA would regulate it under the FDCA. The FDA is responsible for ensuring public health and safety through regulation of food, drugs, supplements and cosmetics, among other products, through its enforcement authority pursuant to the FDCA. The FDA's responsibilities include regulating the ingredients as well as the marketing and labeling of food, drugs and cosmetics sold in interstate commerce.

Additionally, the FDA may issue rules and regulations, including good manufacturing practices, related to the growth, cultivation, harvesting and processing of cannabis. Clinical trials may be needed to verify the efficacy and safety of cannabis products. It is also possible that the FDA would require facilities that grow medical-use cannabis to register with the FDA and comply with federally prescribed regulations. In the event that some or all of these regulations are imposed, the impact on the cannabis industry is unknown, including what costs, requirements and possible prohibitions may be enforced. If we become subject to these enhanced regulations prescribed by the FDA and are unable to comply, it may have a material adverse effect on our business, financial condition and results of operations.

Loss of Foreign Private Issuer Status

The Company is a Foreign Private Issuer as defined in Rule 405 under the U.S. Securities Act and Rule 3b-4 under the U.S. Exchange Act. If, as of the last business day of the Company's second fiscal quarter for any year, more than 50% of the Company's outstanding voting securities (as determined under Rule 405 of the U.S. Securities Act) are directly or indirectly held of record by residents of the U.S., the Company will no longer meet the definition of a Foreign Private Issuer, which may have adverse consequences on the Company's ability to raise capital in private placements or Canadian prospectus offerings. In addition, the loss of the Company's Foreign Private Issuer status may likely result in increased reporting requirements and increased audit, legal and administration costs. These increased costs may significantly affect the Company's business, financial condition and results of operations.

The term "Foreign Private Issuer" is defined as any non-U.S. corporation, other than a foreign government, except any issuer meeting the following conditions:

(a) more than 50 percent of the outstanding voting securities of such issuer are, directly or indirectly, held of record by residents of the U.S.; and

(b) any one of the following:

  (i) the majority of the executive officers or directors are U.S. citizens or residents, or

  (ii) more than 50 percent of the assets of the issuer are located in the U.S., or

  (iii) the business of the issuer is administered principally in the U.S.

A "holder of record" is defined by Rule 12g5-1 under the U.S. Exchange Act. Generally speaking, the holder identified on the record of security holders is considered as the record holder. In December 2016, the SEC issued a Compliance and Disclosure Interpretation to clarify that issuers with multiple classes of voting stock carrying different voting rights may, for the purposes of calculating compliance with this threshold, examine either (i) the combined voting power of its share classes, or (ii) the number of voting securities, in each case held of record by U.S. residents. Based on this interpretation, each issued and outstanding MVS is counted as one voting security and each issued and outstanding SVS is counted as one voting security for the purposes of determining the 50 percent U.S. resident threshold and the

Company is a "Foreign Private Issuer." Should the SEC's guidance and interpretation change, it is likely the Company will lose its Foreign Private Issuer status.

Internal Controls over Financial Reporting

As a Company that files reports under the U.S. Exchange Act, the Company is required to maintain internal controls over financial reporting ("**ICFR**") (as defined in Rule 13a-15(f) under the U.S. Exchange Act) and to report any material weaknesses in such internal controls. The Company's management is responsible for establishing and maintaining adequate ICFR and for evaluating and reporting on the effectiveness of the Company's system of internal control. Effective internal control is necessary for the Company to provide timely, reliable and accurate financial reports, identify and proactively correct any deficiencies, material weaknesses or fraud and meet the Company's reporting obligations. A material weakness is a deficiency, or a combination of deficiencies, in financial reporting such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be presented or detected on a timely basis. Section 404 of the Sarbanes-Oxley Act of 2002 ("**SOX**") requires that the Company evaluate and determine the effectiveness of its ICFR and provide a management report on the ICFR. Such report must also be attested to by the Company's independent registered public accounting firm.

In the past, certain material weaknesses in ICFR were identified, including material weaknesses existing as of December 31, 2022. Such material weaknesses have since been remediated. If new material weaknesses or significant deficiencies in the Company's internal control over financial reporting occur in the future, the Company could be required to implement additional remediation measures and could potentially have to restate its financial statements again, which could materially and adversely affect its business, results of operations and financial condition, restrict its ability to access the capital markets, require the Company to expend significant resources to correct the material weaknesses or deficiencies, subject the Company to regulatory investigations and penalties, harm its reputation, cause a decline in investor confidence or otherwise cause a decline in the market price of the Company's SVS.

If the Company's ICFR contain material weaknesses that it is unable to identify, the Company may not detect errors on a timely basis and its financial statements may be materially misstated. In addition, if the Company is unable to comply with the requirements of Section 404 of SOX in a timely manner, to remediate identified material weaknesses or to assert that the Company's ICFR are effective, or if the Company's independent registered public accounting firm is unable to express an unqualified opinion as to the effectiveness of the Company's ICFR, investors may lose confidence in the accuracy and completeness of the Company's financial reports and the market price of the Company's SVS could be negatively affected.

Litigation

The Company may become threatened by a party or otherwise become party to litigation from time to time in the ordinary course of business, which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company's ability to continue operating and the market price for the SVS. Even if the Company is involved in litigation and is successful, such litigation could redirect significant company resources from business operations to prosecuting or defending such litigation, which can adversely affect the financial results, business and operations of the Company or its subsidiaries, as applicable. There also may be adverse publicity associated with litigation that could negatively affect customer perception of the business, regardless of whether the allegations are valid or whether the Company is ultimately found liable. See "*Legal Proceedings and Regulatory Actions*" for an overview of the material proceedings affecting the Company.

The Company's Status as a Public Company

As a public company in Canada and the U.S., the Company is subject to the reporting requirements, rules and regulations under the applicable Canadian and American securities laws and rules of stock exchanges on which the Company's securities may be listed from time to time. Securities legislation and the rules and policies of the TSX require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which add to a company's legal and financial compliance costs. Additional or new regulatory requirements may be adopted in the future by the TSX or other securities law regulators. The requirements of existing and potential future rules and regulations increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly, and may also place undue strain on its personnel, systems, and resources, which could adversely affect its business and financial condition.

Recent and Proposed State Legislation Relating to Cannabis Licensing

Recent and proposed state legislation throughout the U.S. has prioritized minority and diversity participation in the cannabis industry, including providing licensing preferences to minority owners, individuals with specified criminal convictions, local residents and individuals and businesses from economically depressed or disadvantaged areas. As new medical and adult use legislation is passed, multi-state operators such as us may be prevented, limited or discouraged from obtaining new licenses, renewing licenses or from participating in new markets or existing markets, or may be required to partner with specific individuals, who may be difficult to find and agree to terms with. Social equity initiatives could adversely impact our ability to increase or maintain market share and revenues in certain states, expand our geographic footprint or obtain a positive return on our acquisitions or investments, all of which could have a material adverse impact on our business, financial condition and results of operations.

Environmental Risks

Environmental Regulation

The Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors (or the equivalent thereof) and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Government approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from its proposed production of medical marijuana or from proceeding with the development of its operations as currently proposed.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the production of medical marijuana, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenses, capital expenditures or production costs or reduction in levels of production or require abandonment or delays in development.

Unknown Environmental Risks

There can be no assurance that the Company will not encounter hazardous conditions at the facilities where it operates its businesses, including, without limitation, its medical cannabis cultivation and dispensary facilities, such as asbestos or lead, in excess of expectations that may delay the development of its businesses. Climate change or significant weather events may accelerate or exacerbate environmental conditions in ways that adversely affect the business due to potential negative effects on agricultural conditions, increased difficulty in construction projects to support our operations. Upon encountering a hazardous condition, work at the facilities of the Company may be suspended. The presence of other hazardous conditions may require significant expenditure of the Company's resources to correct the condition. Such conditions could have a material impact on the investment returns of the Company.

General Business Risks

Expansion into Foreign Jurisdictions

The Company's expansion into jurisdictions outside of Canada and the U.S. is subject to risks. In addition, in jurisdictions outside of Canada and the U.S., there can be no assurance that any market for the Company's products will develop or be maintained. The Company may face new or unexpected risks or significantly increase its exposure to one or more existing risks, including economic instability, changes in laws and regulations, and the effects of competition. These

factors may limit the Company's ability to successfully expand its operations into such jurisdictions and may have a material adverse effect on the Company's business, financial condition and results of operations.

Certain jurisdictions may prohibit or restrict its citizens or residents from investing in or transacting with companies involved in the cannabis industry, even if such companies only conduct business in jurisdictions where cannabis is legal. For example, if an investor in the U.K. profits from an investment in a cannabis producer or supplier, such investment may technically violate the U.K. Proceeds of Crime Act 2002. Similar prohibitions or restrictions may apply in other jurisdictions where cannabis has not been legalized. In addition, such prohibitions and restriction may limit the ability to receive dividends if such dividends were to be declared in the future.

The general risk factors relating to Curaleaf's business and operations generally also apply in respect of Curaleaf International's business and operations, including Curaleaf International. Investors should carefully consider the additional risk factors applicable to Curaleaf International's business and operations as set forth below.

European Regulatory and Licensing Risks

Curaleaf International's business is subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of cannabis, including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Achievement of Curaleaf International's business objectives are contingent, in part, upon compliance with applicable regulatory requirements and obtaining all requisite regulatory approvals and licenses. Changes to such laws, regulations and guidelines due to matters beyond the control of Curaleaf International may result in a material adverse effect on Curaleaf International's business, financial condition, results of operations or prospects.

Curaleaf International is required to obtain or renew further government permits and licenses for its current and contemplated operations (including, without limitation, in Spain, the U.K. and Portugal). Curaleaf International has further applied for licenses in Italy to import, store and distribute medical cannabis products. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving numerous regulatory agencies, involving public hearings and costly undertakings on Curaleaf International's part. Curaleaf International may not be able to obtain, amend or renew permits or licenses that are necessary to its operations or to achieve the growth of its business in a timely manner in the future. Any unexpected delays or costs associated with the permitting and licensing process could impede the ongoing or proposed operations of Curaleaf International. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, Curaleaf International may be curtailed or prohibited from proceeding with its ongoing operations or planned development and commercialization activities or may incur unexpected costs associated with the licensing renewal process. Such curtailment, prohibition or unexpected costs may result in a material adverse effect on Curaleaf International's business, financial condition, results of operations or prospects.

Moreover, Curaleaf International may become involved in a number of government or agency proceedings, investigations and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm Curaleaf International's reputation, require Curaleaf International to take, or refrain from taking, actions that could harm its operations or require it to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on Curaleaf International's business, financial condition, results of operations or prospects.

Changes in applicable legislation (including POCA 2002)

Cannabis-related financial transactions are subject to a variety of laws that vary by jurisdiction, many of which are unsettled and still developing. While the interpretations of these laws are unclear, in some jurisdictions, financial benefit, directly or indirectly, arising from conduct that would be considered unlawful in such jurisdiction may be viewed to be within the purview of such laws, and persons receiving any such benefit may be subject to liability.

For instance, The U.K. Proceeds of Crime Act 2002 (" **POCA 2002**") and other anti-money laundering legislation applicable in the U.K. prohibits persons and corporations (or other undertakings) domiciled in the U.K. from receiving the proceeds of crime from activities outside the U.K. The board of directors of Curaleaf International will take all precautions possible to ensure that it does not at any time or in any way contravene POCA 2002 or any other applicable regulations and legislation in relation to cannabis (both in the U.K. and in the relevant foreign jurisdiction applicable to the operations of

Curaleaf International). However, there are no guarantees that the activities of EMMAC will always be deemed lawful if there are any changes in applicable law. Contravention of POCA 2002 carries potential criminal liability. POCA 2002 is extraterritorial in its application and receipt of funds by Curaleaf International from activities that are not legal in the U.K., even if legal in the jurisdiction where relevant revenue is generated, may result in Curaleaf International being considered to be in receipt of "proceeds of crime". Whilst there remains significant uncertainty regarding the application of POCA and different financial institutions have adopted a different approach to such funding and/or holding of assets that may result in future revenue being received by a U.K. corporation, there can be no certainty that Curaleaf will be able to directly fund and/or capitalize Curaleaf International to support its growth in Europe. Delays or restrictions on Curaleaf funding Curaleaf International in the future may impact Curaleaf International's ability to grow its revenues as the European market develops.

As at the date hereof, the recreational use of cannabis is illegal in the countries in which Curaleaf International operates, including the U.K. Changing sentiments and evolving regulations in relation to recreational cannabis may mean that in the future recreational cannabis use may be legalized.

Curaleaf International's strategy is focused primarily on the medical cannabis market in Europe. Should recreational cannabis use be legalized in countries in which Curaleaf International operates other than the U.K., Curaleaf International may face difficulties participating in such markets and will face additional competition from recreational cannabis companies and/or may lose potential medical customers to the recreational cannabis market. Curaleaf International will not explore opportunities within the recreational cannabis sector where the board of directors of Curaleaf International determines that there is a risk of contravening POCA 2002 or any other applicable regulations and legislation in relation to cannabis.

International Operations

Curaleaf International is exposed to risks relating to the laws of various countries as a result of its international operations. Curaleaf International currently conducts operations in multiple countries and plans to expand these international operations. As a result of such operations, Curaleaf International is exposed to various levels of political, economic, legal and other risks and uncertainties associated with operating in or exporting to these jurisdictions, as well as various laws governing the cannabis industry in such countries. These risks and uncertainties include, but are not limited to, changes in the laws, regulations and policies governing the production, sale and use of cannabis and cannabis-based products, political instability, instability at the European Union level, currency controls, fluctuations in currency exchange rates and rates of inflation, labor unrest, changes in taxation laws, regulations and policies, restrictions on foreign exchange and repatriation and changing political conditions and governmental regulations relating to foreign investment and the cannabis business more generally. Changes, if any, in the laws, regulations and policies relating to the advertising, production, sale and use of cannabis and cannabis-based products or in the general economic policies in these jurisdictions, or shifts in political attitude related thereto, may adversely affect Curaleaf International's operations, or the profitability of Curaleaf International's operations, in these countries.

Possible investments by Curaleaf International in European countries that have less developed legal systems than the more established economies in Europe may occasion risks such as (a) effective legal redress in the courts of such jurisdiction, whether in respect of a breach of law or regulation or in an ownership dispute, being more difficult to obtain; (b) a higher degree of discretion on the part of governmental authorities; (c) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (d) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (e) relative inexperience of the judiciary and courts in such matters. In consequence the commitment of local business people, government officials, agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licenses and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed.

As Curaleaf International explores novel business models, such as global co-branded products, cannabinoid clinics and cannabis retail, international regulations will become increasingly challenging to manage. Specifically, Curaleaf International's operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on advertising, production, price controls, export controls, controls on currency remittance, increased income taxes, restrictions on foreign investment, land and water use restrictions and government policies rewarding contracts to local competitors or requiring domestic producers or vendors to purchase supplies from a particular jurisdiction. Failure to comply strictly with applicable laws, regulations and local practices could result in additional taxes, costs, civil or criminal

fines or penalties or other expenses being levied on Curaleaf International's international operations, as well as other potential adverse consequences such as the loss of necessary permits or governmental approvals.

Furthermore, although Curaleaf International has begun production in Portugal with a view toward facilitating exports of its cannabis products to countries in the EU (or, as permissible, elsewhere) from Portugal, there is no assurance that these EU (or non-EU) countries will authorize the import of cannabis products from Portugal, or that Portugal will authorize or continue to authorize such exports, or that such exports will provide Curaleaf International with advantages over its current EU export strategy. Each country in the EU (or elsewhere) may impose restrictions or limitations on imports that require the use of, or confer significant advantages upon, producers within that particular country. As a result, Curaleaf International may be required to establish production facilities in one or more countries in the EU (or elsewhere) where it wishes to distribute its cannabis products in order to take advantage of the favorable legislation offered to producers in these countries.

Reliance on International Advisors and Consultants

The legal and regulatory requirements in the foreign countries in which the Company operates or will operate with respect to the cultivation and sale of cannabis, banking systems and controls, as well as local business culture and practices are different from those in the U.S. The Company must rely, to a great extent, on local legal counsel, consultants and advisors retained by it in order to keep apprised of legal, regulatory and governmental developments as they pertain to and affect the Company's business, and to assist the Company with its governmental relations. The Company must rely, to some extent, on those members of management and the board of directors who have previous experience working and conducting business in these countries, if any, in order to enhance its understanding of and appreciation for the local business culture and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of the cultivation and sale of cannabis as well as in respect of banking, financing, labor, litigation and tax matters in these jurisdictions. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the Company's control. The impact of any such changes may adversely affect the Company's business, financial condition and results of operations.

Competition from other Participants in the European Medical Cannabis Sector

Curaleaf International faces competition from a number of companies operating in the European medical cannabis sector and in each specific country where Curaleaf International operates (and intends to operate). Some competitors have longer operating histories and greater human resources, bigger or superior cultivation sites or more experience cultivating cannabis, greater manufacturing and marketing experience than Curaleaf International, or existing pharmaceutical operations or drug development experience. Competitor companies may have a larger local presence in a particular country, or a track-record in analogous industries in such country that establishes their credibility with regulators, partners, suppliers, distributors, customers or patients.

In addition, large pharmaceutical companies may enter the medical cannabis sector. Large pharmaceutical companies will have access to large research and development budgets, have recognized brands developed over many years, experience in bringing medical products to the market and are familiar to and trusted by regulators, doctors and patients.

Competition will intensify in all European markets as the medical cannabis industry opens up and develops, and the potential of medical cannabis is recognized. New operators will enter the market as legislators adopt a more permissive attitude towards medical cannabis. Existing operators in Canada and North America (which may compete with Curaleaf), many with experience and a track record cultivating and processing cannabis and manufacturing medical cannabis products, and with financial and human resources greater than European competitors, may enter the European market and/or make acquisitions to quickly establish a market presence.

Curaleaf International's competitors may develop more effective products for a particular illness or condition, or complete more comprehensive research on their products, or otherwise register intellectual property that establishes them as the market leader in a particular country or field. Competitors may deliver more effective education, awareness, sales and/or marketing programs and be able to establish superior market share in any country or in relation to a specific illness or condition.

Competition from other competitors may also affect Curaleaf International's ability to: (i) pursue and complete acquisition and/or investment opportunities (or increase the cost of the same); (ii) pursue commercial opportunities with

cultivation partners, contract manufacturers, suppliers or distributors in a particular country due to competition; and (iii) the ability of Curaleaf International to hire and/or retain key individuals.

There can be no assurance that increased competition from other companies in the medical cannabis sector will not have a material adverse effect on Curaleaf International's business, financial condition and results of operations.

Reimbursement of Medical Cannabis by Insurers

In Germany, a key market for medical cannabis in Europe and a key market for Curaleaf International, a significant percentage of medical cannabis prescriptions are reimbursed in whole or in part pursuant to private health insurance policies held by patients. Curaleaf International believes insurance cover across Europe will increase (both in terms of the number of prescriptions reimbursed, the number of conditions for which reimbursement is available, and the number of countries where insurance companies reimburse some or all of costs incurred by patients) as the benefits of cannabis as a treatment option are more widely accepted, and importantly the cost of medical cannabis reduces and its cost effectiveness is compared to existing treatments and medicines more widely recognized. If this is not the case, and the number of prescriptions reimbursed falls or does not increase as expected, or medical cannabis for particular conditions is not available to patients under their insurance policies, or insurance is not available in new markets in Europe as either the efficacy of cannabis remains in doubt, or the cost of cannabis as a treatment option remains too high (compared to existing treatments), the number of prescriptions for medical cannabis will be less than forecast by analysts and the sales and revenues of Curaleaf International will be reduced.

Costs and Timing of Establishing an European Distribution Network

Medical cannabis in Europe is a nascent industry; even industry leaders are building networks, supply-chains and distribution channels from a low base, often by mergers and acquisitions. Building large multi-country distribution networks may take longer than expected, and cost more than budgeted. Medical cannabis in Europe is not a single market and distribution of products in each country will be subject to separate and specific laws and regulations or specific application of EU regulations by those countries. If the cost of building a European wide distribution network is greater than expected, or it takes longer than forecast to establish reliable and effective sales channels across Europe or in any particular country (through the education of doctors and delivery of research differentiating Curaleaf International's products), the additional costs or delays incurred may have a material adverse effect on the financial performance and results of operations of Curaleaf International.

Adoption or Prescription of Medical Cannabis by Health Professionals

Curaleaf International is satisfied (based on third party research into the attitudes of doctors and patients) that a large number of doctors and patients in Europe are content that medical cannabis has potential benefits for patients suffering a wide range of conditions; however, it remains a significant risk to Curaleaf International that a large number of the same doctors and patients may not prescribe medical cannabis, or seek medical cannabis as a treatment option, unless and until the results of comprehensive clinical trials are available, confirming categorically the measured benefits of medical cannabis over a period of time, and providing evidence of the safety of medical cannabis (in isolation and in conjunction with a range of other drugs, licensed medicines and over-the-counter supplements that may be taken concurrently by patients, or in light of other lifestyle factors that may affect a particular part of a patient population (e.g. alcohol or other recreational drugs)).

Offer of Medical Cannabis by National Healthcare Systems

If the national healthcare providers in the countries in which Curaleaf International operates adopt cannabis as a treatment option for any condition, then they will endeavor to centrally procure approved medical cannabis products at the lowest price available in the market (and will potentially agree fixed term supply contracts with approved suppliers).

By way of illustration, the U.K. **NHS** provides free at the point of use healthcare for legal residents of the U.K. If the NHS adopts cannabis as a treatment option for any condition, then it will endeavor to centrally procure approved medical cannabis products at the lowest price available in the market (and will potentially agree fixed term supply contracts with approved suppliers).

Curaleaf International is not the largest medical cannabis company (in terms of hectares under cultivation, product portfolio or manufacturing capability) and may not be able to compete with competitors in terms of large-scale production,

product range or costs to supply these national healthcare providers. In this scenario, Curaleaf International may not establish significant market share in those countries and may be restricted to private patients which will be a much reduced share of the total medical cannabis market.

Reliance on Third Party Distributors

In certain jurisdictions, Curaleaf International has appointed third party distributors. Distributors appointed by Curaleaf International are responsible for generating revenues from the sale of medical cannabis products and Curaleaf International is therefore dependent upon distributors performing their obligations in order to generate revenues. If these distributors fail to carry out their contractual duties, or if there is a delay or interruptions in the distribution of Curaleaf International's products or if these third parties lose their license(s) to import products or impose onerous contractual terms (including fees and commissions for distribution), it could negatively affect the revenue Curaleaf International is able to generate from sales.

Curaleaf International intends to appoint further distributors in Europe. If suitable distribution partners are not engaged (either because they are not identified or they have agreed exclusive terms with competitors, or their proposed contractual terms are not acceptable to Curaleaf International), then Curaleaf International may not be able to distribute its products in a particular country and expansion to new European markets may be slower than expected.

Protectionist Policies Adopted by Countries in the European Union

At present, there is no single market in the European Union for medical cannabis. There can be no guarantee that as regulations develop politicians and/or regulators will not seek to protect local suppliers. This may take the form of restrictions on where cannabis can be grown, or where manufacturing occurs. Curaleaf International currently cultivates medical cannabis in Portugal. If markets elsewhere in Europe restrict the ability of Curaleaf International to export medical cannabis products from Portugal (or Spain to the extent manufacturing occurs at Medalchemy) then the ability of Curaleaf International to distribute medical cannabis products widely in Europe will be restricted and Curaleaf International's market share may be lower than expected (or reduced to nil), which may have a material adverse effect on Curaleaf International's financial position and results of operations.

Future Acquisitions or Dispositions

The Company historically grew through acquisitions and currently expects to complete additional transactions and acquisitions in the future. These acquisitions are subject to a number of customary closing conditions, which may include in certain instances, regulatory approval and may not close for a variety of reasons including if the closing conditions are not satisfied or waived, some of which may not be within the control of the Company. In addition, even if these transactions were to be completed, they may not close on terms or within the timing currently expected. If one or more of these transactions do not close or are completed pursuant to terms or timelines different than expected, it could have an adverse effect on the Company's future capital plans and require the Company to reallocate funds.

Without realizing any of the benefits of having completed such transactions, material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Company's ongoing business, including negative reactions from the financial markets, including negative impacts on the price of the SVS; (ii) distraction of management which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to the Company; (iii) the Company may become more financially leveraged; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully or at all or may take longer to realize than expected; (v) increase in the scope and complexity of the Company's operations; (vi) loss or reduction of control over certain of the Company's assets; (vii) in the case of a proposed acquisition, the Company may need to find an alternative use of any capital earmarked for such proposed acquisitions, to the extent the consideration for such acquisition is paid partly or entirely in cash; and (viii) in the case of a proposed disposition, the Company may not receive the anticipated proceeds of such disposition and accordingly may not be able to execute on other business opportunities for which such proceeds have been earmarked. Additionally, the Company may issue a significant number of additional SVS which would dilute the current shareholders' holding in the Company or indirect holdings in the Company.

The presence of one or more material liabilities of an acquired company that are unknown to the Company at the time of acquisition could have a material adverse effect on the business, results of operations, prospects and financial condition of the Company. A strategic transaction may result in a significant change in the nature of the Company's

business, operations and strategy. In addition, the Company may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Company's operations.

Service Providers

As a result of any adverse change to the approach in enforcement of cannabis laws, adverse regulatory or political change, additional scrutiny by regulatory authorities, adverse change in public perception in respect of the consumption of marijuana or otherwise, third party service providers to the Company could suspend or withdraw their services to, or business relationship with, the Company and its subsidiaries which may have a material adverse effect on the Company and its subsidiaries' business, revenues, results of operations, financial condition or prospects.

Enforceability of Contracts

It is a fundamental principle of law that a contract will not be enforced if it involves a violation of law or public policy. Because cannabis remains illegal at a federal level, judges may refuse to enforce contracts in connection with activities that violate federal law, even if there is no violation of state law. There remains doubt and uncertainty that the Company will be able to legally enforce contracts it enters into if necessary. The Company cannot be assured that it will have a remedy for breach of contract, the lack of which may have a material adverse effect on the Company's business, revenues, results of operations, financial condition or prospects.

Resale of the SVS on the TSX

The Company understands that many major securities clearing firms in the U.S. refuse to facilitate transactions related to securities of Canadian public companies involved in the marijuana industry. This is due to the fact that marijuana continues to be listed as a controlled substance under U.S. federal law, with the result that marijuana-related practices or activities, including the cultivation, possession or distribution of marijuana, are illegal under U.S. federal law. Accordingly, the liquidity of our SVS may be reduced as certain investors may choose not to invest in our securities if they cannot be held and traded through their existing brokerage relationships. Moreover, U.S. residents who acquired SVS from the Company in most instances have acquired "restricted securities" and may find it difficult to find U.S. brokerages willing to hold such restricted securities on behalf of clients and the process of reselling restricted securities can be cumbersome.

Reliance on Management and Key Personnel

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and other key employees. While employment agreements or management agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. If one or more of these individuals were unable or unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. Any loss of the services of such individuals could have a material adverse effect on the Company's business, results of operations, financial condition or prospects.

Social, demographic and economic trends observed on a global basis, are making it more challenging to hire and retain personnel in most industries. Inflationary pressures, shortages, competitiveness in the labor markets where the Company operates, increased employee turnover and changes in the availability of its employees have resulted in, and could continue to result in, increased labor-related costs, which could have a material adverse effect on the Company's results and financial condition. In addition, these factors have impacted, and could continue to impact, its ability to meet consumer demand, which could negatively affect its financial condition, results, or cash flows. The failure to recruit, retain, motivate, effectively communicate with, and train and develop highly skilled and competent people at all levels of Supremex' organization could also result in shortages in the availability of appropriately skilled people at any particular levels within the organization and significantly affect its financial results.

News media have reported that U.S. immigration authorities have increased scrutiny of Canadian citizens who are crossing the U.S.-Canada border with respect to persons involved in cannabis businesses in the U.S. There have been a number of Canadians barred from entering the U.S. as a result of an investment in or act related to U.S. cannabis businesses. In some cases, entry has been barred for extended periods of time. Company employees who are not U.S. citizens traveling from Canada to the U.S. for the benefit of the Company may encounter enhanced scrutiny by U.S. immigration authorities that may result in the employee not being permitted to enter the U.S. for a specified period of time. If this happens to Company employees who are not U.S. citizens, then this may reduce our ability to manage effectively our business in the U.S.

We face intense competition

We face and expect to continue to face intense competition from many other companies. A number of businesses in competition with us, which in the future may include pharmaceutical companies, are also larger and better capitalized than the Company, may enter markets through acquisitive growth, may have longer operating histories and have significantly greater financial, technological, engineering, manufacturing, marketing and distribution resources. The market for the products that the Company offers or intends to offer is highly competitive. The competition has been increasing as more U.S. states permit the use of medicinal cannabis and new industry participants and diversified products continue to emerge. Increased competition may hinder the Company's ability to successfully market its products and services. To remain competitive, the Company requires a continued high level of investment in research and development, marketing, sales, talent retention and client support. The Company may not have the resources, expertise or other competitive requirements to compete successfully in the future and pressure from the Company's competitors may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Moreover, the cannabis industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and the formation of strategic relationships. This competition may increase the price the Company must pay for acquisitions and make it more difficult for the Company to purchase additional businesses and assets. Acquisitions conducted by our competitors or other consolidating transactions could, in turn, harm us in a number of ways, including losing customers, revenue and market share, or forcing us to expend greater resources to meet new or additional competitive threats, all of which could harm our results of operations. As competitors enter the market and become increasingly sophisticated, competition in our industry may intensify and place downward pressure on retail prices for our products and services, which could negatively impact our profitability.

The pharmaceutical industry may attempt to compete with or dominate the cannabis industry, and in particular, legal cannabis, through the development and distribution of synthetic products that emulate the effects and treatment of organic cannabis. If they are successful, the widespread popularity of such synthetic products could change the demand, volume and profitability of the cannabis industry. This could have a material adverse effect on the business, financial condition or results of operations or prospects of the Company.

The Company also faces competition from the illicit market and illegal dispensaries and products that are unlicensed and unregulated and that are selling cannabis and cannabis products, including products with higher concentrations of active ingredients, and using delivery methods, including edibles and extract vaporizers that the Company may be prohibited from offering to individuals due to laws and regulations. Any inability or unwillingness of law enforcement authorities to enforce existing laws prohibiting the unlicensed production and sale of cannabis and cannabis products could result in increased competition for the Company, which could have a material adverse effect on the Company's business, financial condition or results of operations.

Agricultural Business Risks

The Company's business involves the cultivation of the cannabis plant. The cultivation of this plant is subject to agricultural risks related to insects, plant diseases, water and electricity availability and costs, unstable growing conditions and similar agricultural risks, as well as force majeure events. Although the Company cultivates its cannabis plants in indoor, climate controlled rooms staffed by trained personnel and in the future plans to cultivate cannabis plants in greenhouses, there can be no assurance that agricultural risks will not have a material adverse effect on the cultivation of its cannabis and, accordingly, the Company's business, financial condition and results of operations. The Company may in the future cultivate cannabis plants outdoors, which would also subject it to related agricultural risks.

Unfavorable Publicity or Consumer Perception

The Company believes the adult use and medical marijuana industries are highly dependent upon consumer perception regarding the safety, efficacy and quality of the marijuana produced. In particular, the Company's financial performance in each state will depend on whether patients and physicians view its products as effective and safe for use. Under the laws of the states in which the Company and its affiliates operate, the participation of physicians and health care providers in the certification process is voluntary and therefore depends on a number of variables, including: medical professionals' views as to the use of medical cannabis to treat qualifying conditions; the risks and benefits to individual patients or patient groups; the policies of particular medical practices; and patient demand. If physicians and other medical professionals do not certify patients where certification is required under state law, the Company's business, financial position and results of operations may be negatively affected.

Public perception can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of marijuana products. There can be no assurance

that future scientific research or findings, regulatory investigations, litigation, media attention or other publicity will be favorable to the marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory investigations, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or other publicity could have a material adverse effect on the demand for adult use or medical marijuana and on the business, results of operations, financial condition, cash flows or prospects of the Company.

Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of marijuana in general, or associating the consumption of adult use and medical marijuana with illness or other negative effects or events, could have such a material adverse effect. There is no assurance that such adverse publicity reports or other media attention will not arise. A negative shift in the public's perception of cannabis in the U.S. or any other applicable jurisdiction could cause state jurisdictions to abandon initiatives or proposals to legalize medical and/or adult use cannabis, thereby limiting the number of new state jurisdictions into which the Company could expand. Any inability to fully implement the Company's expansion strategy may have a material adverse effect on the Company's business, results of operations or prospects.

Acceptance of our products depends on several factors, including availability, cost, ease of use, familiarity of use, convenience, effectiveness, safety and reliability. The ability to gain and increase market acceptance of the Company's products may require the Company to establish and maintain its brand name and reputation. In order to do so, substantial expenditures on product development, strategic relationships and marketing initiatives may be required. There can be no assurance that these initiatives will be successful and their failure may have an adverse effect on the Company's business, results of operations or prospects.

Product Liability

As a manufacturer and distributor of products designed to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of marijuana involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of marijuana alone or in combination with other medications or substances could occur. As a manufacturer, distributor and retailer of adult use and medical marijuana, or in its role as an investor in or service provider to an entity that is a manufacturer, distributor and/or retailer of adult use or medical marijuana, the Company may be subject to various product liability claims, including, among others, that the marijuana product caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances.

A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on the business, results of operations, financial condition or prospects of the Company. There can be no assurances that the Company will be able to maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to maintain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products or otherwise have a material adverse effect on the business, results of operations, financial condition or prospects of the Company.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. Such recalls cause unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. This can cause loss of a significant amount of sales and the Company may not be able to replace those sales at an acceptable margin, if at all. In addition, a product recall may require significant management attention. Although the Company has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's products were subject to recall, the image of that product and the Company could be harmed. Additionally, product recalls can lead to increased scrutiny of operations by applicable regulatory agencies, requiring further management attention and

potential legal fees and other expenses. A recall may lead to decreased demand for products produced by the Company and could have a material adverse effect on its results of operations and financial condition.

Results of Future Clinical Research

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC) and future research and clinical trials may discredit the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, prospective purchasers of the Company's securities should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Annual Information Form or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Dependence on Suppliers

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by the Company's capital expenditure plans may be significantly greater than anticipated by the Company's management and may be greater than funds available to the Company, in which circumstance the Company may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the business, financial condition, results of operations or prospects of the Company.

Reliance on Inputs

The marijuana business is dependent on a number of key inputs and their related costs including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition, results of operations or prospects of the Company. In addition, any restrictions on the ability to secure required supplies or utility services or to do so on commercially acceptable terms could have a materially adverse impact on the business, financial condition and results of operations. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, the Company might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to the Company in the future. In 2022, the cost of raw materials, as well as energy, transportation, and logistics necessary for the production and distribution of the Company's products has rapidly increased. The Company expects the inflationary pressures on input costs to continue to impact its business in 2023.

The Company's cannabis growing operations consume considerable energy, which makes it vulnerable to rising energy costs. Accordingly, rising or volatile energy costs may adversely affect the business of the Company and its ability to operate profitably.

Limited Market Data and Difficulty to Forecast

As a result of recent and ongoing regulatory and policy changes in the medical and adult use marijuana industry, the market data available is limited and unreliable. Federal and state laws prevent widespread participation and hinder market research. Therefore, the Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the industry. Due to the early stage of the regulated cannabis industry, forecasts regarding the size of the industry and the sales of products by the Company are inherently difficult to prepare with a high degree of accuracy and reliability. Market research and projections by the Company of estimated total retail sales, demographics, demand, and similar consumer research are based on assumptions from limited and unreliable market data, and generally represent the personal opinions of the Company's management team as of the date of this Annual Information Form. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations, financial condition or prospects of the Company.

Intellectual Property Risks

The Company's ability to compete in the future partly depends on the superiority, uniqueness and value of its intellectual property and technology, including both internally developed technology and technology licensed from third parties. To the extent the Company is able to do so, in order to protect its proprietary rights, the Company will rely on a combination of trademark, copyright and trade secret laws, confidentiality agreements with its employees and third parties, and protective contractual provisions which may prove insufficient to protect the Company's proprietary rights. Third parties may independently develop substantially equivalent proprietary information without infringing upon any proprietary technology. Third parties may otherwise gain access to the Company's proprietary information and adopt it in a competitive manner. In addition, effective future patent, copyright and trade secret protection may be unavailable or limited in certain foreign countries and may be unenforceable under the laws of certain jurisdictions. Failure of the Company to adequately maintain and enhance protection over its proprietary techniques and process may have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

As long as cannabis remains illegal under U.S. federal law as a Schedule I controlled substance pursuant to the CSA, the benefit of certain federal laws and protections which may be available to most businesses, such as federal trademark and patent protection regarding the intellectual property of a business, may not be available to the Company. As a result, the Company's intellectual property may never be adequately or sufficiently protected against the use or misappropriation by third-parties. In addition, since the regulatory framework of the cannabis industry is in a constant state of flux, the Company can provide no assurance that it will ever obtain any protection of its intellectual property, whether on a federal, state or local level. While many states do offer the ability to protect trademarks independent of the federal government, patent protection is wholly unavailable on a state level, and state-registered trademarks provide a lower degree of protection than would federally-registered marks.

Constraints on Marketing Products

The development of the Company's business and results of operations may be hindered by applicable restrictions on sales and marketing activities imposed by government regulatory bodies for products containing cannabis or ingredients derived from cannabis. Restrictions may include regulations that specify what, where and to whom product information and descriptions may appear and/or be advertised. Marketing, advertising, packaging and labeling regulations also vary from state to state, potentially limiting the consistency and scale of consumer branding communication and product education efforts. The regulatory environment in the U.S. limits companies' abilities to compete for market share in a manner similar to other industries. If the Company is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Company's sales and results of operations could be adversely affected.

Fraudulent or Illegal Activity by Employees, Contractors and Consultants

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and state healthcare fraud and abuse laws and regulations; (iv) laws that require the true, complete and accurate reporting of financial information or data; or (v) revenue recognition rules under accounting general standards. It may not always be possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations, or steaming from weaknesses in internal controls. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

We may have increased labor costs based on union activity

Labor unions are working to organize workforces in the cannabis industry in general. Currently, 15.3% of our workforce has elected to be represented by a labor organization for purposes of collective bargaining. However, it is possible that greater portions of our workforce at retail and/or manufacturing locations will be organized in the future, which could lead to work stoppages or increased labor costs and adversely affect our business, profitability and our ability

to reinvest into the growth of our business. We cannot predict how stable our relationships with U.S. labor organizations will remain or whether we can meet any unions' requirements without impacting our financial condition. Labor unions may also limit our flexibility in dealing with our workforce. Work stoppages and instability in our union relationships could delay the production and sale of our products, which could strain relationships with customers and cause a loss of revenues which would adversely affect our operations.

Information Technology Systems and Cyber-Attacks

The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as preemptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or an increase in capital expenses.

In addition, the Company collects and stores personal information about its patients and is responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk, whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. To the extent that any disruption or security breach were to result in a loss of, or damage to, the Company's data, including any personal medical information, the Company could incur liability and reputational damage and could be subject to civil fines and penalties. Any such theft or privacy breach would have a material adverse effect on the Company's business, financial condition and results of operations. The Company reduces this risk by employing team members trained in Information Security and requiring that each of these security team members perform an additional 40 hours of Information Security training each year. When hiring security contractors to test the Company's security systems and procedures, the Company only works with security companies that are established in the industry and possess extensive experience.

The Company has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Security Breaches

Given the nature of the Company's products and its lack of legal availability outside of channels approved by the government of the U.S., as well as the concentration of inventory in its facilities, there remains a risk of shrinkage as well as theft. If there was a breach in security systems and the Company becomes victim to a robbery or theft, the loss of cannabis plants, cannabis oils, cannabis flowers and cultivation and processing equipment or if there was a failure of information systems or a component of information systems, it could, depending on the nature of any such breach or failure, adversely impact the Company's reputation, business continuity and results of operations. A security breach at one of the Company's facilities could expose the Company to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Company's products. Although the Company maintains insurance to protect against such risks in such amounts as it considers to be reasonable, its insurance does not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

Reliance on Management Services Agreements

The Company's subsidiaries, financially controlled entities and other affiliates engage in the medicinal cannabis business through management services agreements entered into with state-licensed entities. Under such agreements, its subsidiaries, financially controlled entities and affiliates perform a number of services, including cultivation, growing and handling of cannabis plants, trimming, curing and packaging of dry flower, patient advisory, lab and scientific research services, consultation on regulatory issues and a variety of management functions. In exchange for providing these services, the Company's subsidiaries, financially controlled entities and affiliates receive management fees which are a key

source of revenue. Payment of such fees is dependent on the continuing validity and enforceability of the relevant management services agreements. If such agreements are found to be invalid or unenforceable by a governmental body or regulatory entity, or are terminated by the counterparty, this could have a material adverse effect on the business, prospects, financial condition, and results of operations.

If such management services agreement's structure is in place, the Company will not be the license holder of the applicable state-issued cannabis license, and therefore, only has contractual rights with respect to any interest in any such license. If the license holder fails to adhere to its contractual agreement with the Company, or if the license holder makes, or fails to make, decisions in respect of the license that the Company disagrees with, the Company will only have contractual recourse and will not have recourse to any regulatory authority. The license holder's acts or omissions may violate the requirements applicable to it pursuant to the applicable dispensary or production license, thus jeopardizing the status and economic value of the license holder (and, by extension, the Company).

Website Accessibility

Internet websites are visible by people everywhere, not just in jurisdictions where the activities described therein are considered legal. As a result, to the extent the Company sells services or products via web-based links targeting only jurisdictions in which such sales or services are compliant with state law, the Company may face legal action in other jurisdictions which are not the intended object of any of the Company's marketing efforts for engaging in any web-based activity that results in sales into such jurisdictions deemed illegal under applicable laws.

High Bonding and Insurance Coverage

There is a risk that a greater number of state regulatory agencies will begin requiring entities engaged in certain aspects of the business or industry of legal cannabis to post a bond or significant fees when applying, for example, for a dispensary license or renewal as a guarantee of payment of sales and franchise tax. The Company is not able to quantify at this time the potential scope for such bonds or fees in the states in which it currently or may in the future operate. Any bonds or fees of material amounts could have a negative impact on the ultimate success of the Company's business.

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, accidents, public health crisis, labor disputes and changes in the regulatory environment. Such occurrences could result in the interruption of our business, damage to assets, shortage of staff, disruption of supply chain, market volatility, personal injury or death, environmental damage, delays in operations, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance does not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards encountered in the operations of the Company is not generally available on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its business, results of operations, financial condition or prospects.

Risks of Leverage

Although the Company will seek to use leverage in connection with its investments in a manner it believes is prudent, such leverage will increase the exposure of an investment to adverse economic factors such as downturns in the economy or deterioration in the condition of the investment. If the Company defaults on unsecured indebtedness, the terms of the loan may require the Company to repay the principal amount of the loan and any interest accrued thereon in addition to heavy penalties that may be imposed. Because the Company may engage in financings where several investments are cross-collateralized, multiple investments may be subject to the risk of loss. As a result, the Company could lose its interest in performing investments in the event such investments are cross-collateralized with poorly performing or nonperforming investments.

In addition to leveraging the Company investments, the Company may borrow funds in its own name for various purposes and may withhold or apply from distributions amounts necessary to repay such borrowings. The interest expense

and such other costs incurred in connection with such borrowings may not be recovered by income from investments purchased by the Company. If investments fail to cover the cost of such borrowings, the value of the investments held by the Company would decrease faster than if there had been no such borrowings. Additionally, if the investments fail to perform to expectation, the interests of investors in the Company could be subordinated to such leverage, which will compound any such adverse consequences.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Performance Not Indicative of Future Results

The prior investment and operational performance of the Company is not indicative of the future results of operations of the Company. There can be no assurance that the historical results of operations achieved by the Company or its affiliates will be achieved by the Company, and the Company's performance may be materially different.

Financial Projections May Prove Materially Inaccurate or Incorrect

The Company's financial estimates, projections and other forward-looking information or statements included in press releases or other filings are based on assumptions of future events that may or may not occur, which assumptions may not be disclosed therein. Shareholders of the Company should inquire and become familiar with the assumptions underlying any estimates, projections or other forward-looking information or statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operation expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, the Company's shareholders and prospective investors should not rely on any projections to indicate the actual results the Company might achieve.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Company also holding positions as directors or officers of other companies. They also invest and may invest in businesses, including in the cannabis sector, that compete directly or indirectly with the Company or act as customers or suppliers of the Company. Some of the individuals that are directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under the Business Corporations Act (British Columbia).

To the best of the Company's knowledge, other than as disclosed below and elsewhere in this Annual Information Form and the financial statements and management's discussion and analysis filed periodically by the Company, there are no known existing or potential material conflicts of interest among the Company or a subsidiary of the Company and a director or officer of the Company or a subsidiary of the Company as a result of their outside business interests except that: (i) certain of the Company's or its subsidiaries' directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies, and (ii) certain of the Company's or its subsidiaries' directors and officers have portfolio investments consisting of minority stakes in businesses that may compete directly or indirectly with the Company or act as a customer of, or supplier to, the Company.

Global Economic Conditions

The Company's business, financial condition, results of operations and cash flow may be negatively impacted by challenging global economic conditions.

A global economic slowdown would cause disruptions and extreme volatility in global financial markets, increased rates of default and bankruptcy and declining consumer and business confidence, which can lead to decreased levels of consumer spending. These macroeconomic developments could negatively impact the Company's business, which depends on the general economic environment and levels of consumer spending. As a result, the Company may not be able to maintain its existing customers or attract new customers, or it may be forced to reduce the price of its products. The Company is unable to predict the likelihood of the occurrence, duration or severity of such disruptions in the credit and financial markets or adverse global economic conditions. Any general or market-specific economic downturn could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow.

Additionally, the U.S. has imposed and may impose additional quotas, duties, tariffs, retaliatory or trade protection measures or other restrictions or regulations and may adversely adjust prevailing quota, duty or tariff levels, which can affect both the materials that the Company uses to package its products and the sale of finished products. For example, the tariffs imposed by the U.S. on materials from China are impacting materials that the Company imports for use in packaging in the U.S. Measures to reduce the impact of tariff increases or trade restrictions, including geographical diversification of the Company's sources of supply, adjustments in packaging design and fabrication or increased prices, could increase its costs, delay its time to market and/or decrease sales. Other governmental action related to tariffs or international trade agreements has the potential to adversely impact demand for the Company's products and its costs, customers, suppliers and global economic conditions and cause higher volatility in financial markets. While the Company reviews existing and proposed measures to seek to assess the impact of them on its business, changes in tariff rates, import duties and other new or augmented trade restrictions could have a number of negative impacts on its business, including higher consumer prices and reduced demand for its products and higher input costs.

Future disruptions and volatility in global financial markets and declining consumer and business confidence, including as a result of an epidemic or pandemic or other health emergencies, economic downturns or increased recession fear, leading to a declining level of commercial activity, could lead to decreased levels of consumer spending and could have a negative impact on the Company's financial condition. The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and spending and, consequently, impact the Company's sales and profitability. These macroeconomic developments could negatively impact the Company's business, which depends on the general economic environment and levels of consumer spending. As a result, the Company may not be able to maintain its existing customers or attract new customers, or the Company may be forced to reduce the price of its products. The Company is unable to predict the likelihood of the occurrence, duration, or severity of such disruptions in the credit and financial markets and adverse global economic conditions. Any general or market- specific economic downturn could have a material adverse effect on the Company's business, financial condition, results of operations, and cashflow.

Risks Relating to our Business Structure and our Securities

Status as a Holding Company

The Company is a holding company as substantially all of its assets consist of cash on hand and shares in the capital stock of its subsidiaries, financially controlled entities, joint ventures or other affiliates. As a result, investors in the Company are subject to the risks attributable to its subsidiaries, financially controlled entities and other affiliates. As a holding company, the Company conducts substantially all of its business through its subsidiaries and financially controlled entities, which generate substantially all of its revenues. In addition, since the TSX Listing, the Company is subject to the TSX Requirements, which limit the transfer of cash between the Company and its subsidiaries, one the one hand, and Curaleaf, Inc. and its subsidiaries, on the other hand. Consequently, the Company's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its Canadian and offshore subsidiaries and the distribution of those earnings to the Company. To the extent that the Company requires funds, and its subsidiaries and such other entities are restricted from making such distributions by applicable law, regulation or contract, or are otherwise unable to provide such funds, it could materially adversely affect the Company's liquidity and financial condition, as well as its ability to make distributions to its shareholders. In the event of bankruptcy, liquidation, or reorganization of any of the Company's material subsidiaries or financially controlled entities, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of those subsidiaries or financially controlled entities before the Company.

No Dividend Record

Holders of SVS will not have a right to dividends on such shares unless declared by the Board. The Company has no dividend record, and the ability of its subsidiaries to pay dividends and other distributions will depend on their results of operations and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. Dividends paid by the Company would be subject to tax and, potentially, withholdings. The Company does not anticipate paying any dividends on the SVS in the foreseeable future. Please see "*Risk Factors – Anti-Money Laundering Laws and Regulations*" herein for additional details.

Restrictions under Debt Instruments

The instruments governing the Company's indebtedness, including the Note Indenture and the Needham LOC, requires the Company to satisfy certain negative covenants, including items such as restrictions on its ability to pay dividends, to invest in non-wholly owned entities and to incur subordinated and non-subordinated debt. These covenants may prevent the Company from taking actions that it believes would be in the best interest of its business and may make it difficult for it to execute its business strategy successfully or effectively compete with businesses that are not subject to the same restrictions. The Company's ability to comply with these covenants may be affected by economic, financial and industry conditions beyond its control, including credit or capital market disruptions. The breach of any of these covenants could result in a default that would permit the lenders under the notes to declare all amounts outstanding to be due and payable, together with accrued and unpaid interest. There is no assurance that the Company will be able to secure additional financing to repay the notes should cash flows from operations be insufficient to repay the indebtedness, whether it is in default or not. If the Company is unable to repay the indebtedness, the lenders could proceed against the collateral securing the indebtedness. This could have serious consequences to the Company's financial position and results of operations and could cause it to become bankrupt or insolvent.

Concentrated Voting Control

Mr. Jordan, the Company's CEO and Chairman, has ownership and control, directly or indirectly, of all of the issued and outstanding MVS and 53,386,134, or 8.1%, of the SVS. As a result, as of December 31, 2024, Mr. Jordan controls, directly or indirectly, 70.8% of the votes attached to the issued and outstanding SVS and MVS and exercises a significant influence over the Company, its subsidiaries and its financially controlled entities. The SVS are entitled to one vote per share and the MVS are entitled to fifteen votes per share. The concentrated control through the MVS could delay, defer, or prevent a change of control of the Company, an arrangement involving the Company or a sale of all of substantially all of the Company's assets that the Company's other shareholders support. Conversely, this concentrated control could allow the holders of the MVS to consummate such a transaction that the Company's other shareholders do not support. In addition, the holders of MVS may make long-term strategic investment decisions and take risks that may not be successful and may seriously harm the Company's business.

Sales of Substantial Amounts of SVS

Sales of a substantial number of SVS in the public market could occur at any time either by existing holders of SVS or by holders of the MVS that are convertible into SVS. These sales, or the market perception that the holders of a large number of SVS or MVS intend to sell SVS, could reduce the market price of the SVS. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities or make acquisitions the consideration of which would be partly or entirely paid in securities of the Company, which may impact the Company's financial condition or growth strategy.

Volatility of the Market Price for the SVS

The market price for the SVS may be volatile and subject to wide fluctuations in response to numerous factors, many of which will be beyond our control, including, but not limited to, the following: (i) actual or anticipated fluctuations in our quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of companies in the cannabis industry; (iv) additions or departures of our executive officers and other key personnel; (v) release or expiration of transfer restrictions on our issued and outstanding shares; (vi) regulatory changes affecting the cannabis industry generally and our business and operations; (vii) announcements by us and our competitors of developments and other material events; (viii) fluctuations in the costs of vital production materials and services; (ix) changes in global financial markets and global economies and general market conditions, such as

inflation, interest rates and product price volatility, as well as health crisis, severe weather events, or armed conflicts; (x) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving us or our competitors; (xi) operating and share price performance of other companies that investors deem comparable to us or from a lack of market comparable companies; (xii) false or negative reports issued by individuals or companies who have taken aggressive short sale positions; and (xiii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in our industry or target markets.

Financial markets have experienced significant price and volume fluctuations that have affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of those companies. Accordingly, the market price of the SVS may decline even if our results of operations, underlying asset values or prospects have not changed.

These factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, our operations could be adversely impacted, and the trading price of the SVS may be materially adversely affected.

Liquidity Risks with the SVS

The SVS are currently listed and posted for trading on the TSX and are quoted on the OTCQX. The Company cannot predict at what prices the SVS will continue to trade, and there is no assurance that an active trading market will be sustained. The liquidity of any market for the SVS will depend on a number of factors, including, but not limited to, the number of shareholders, our operating performance and financial condition, the market for similar securities, the extent of coverage by securities or industry analysts, and the interest of securities dealers in trading the SVS. The SVS do not currently trade on any U.S. national securities exchange. In the event SVS begin trading on any U.S. national securities exchange, the Company cannot predict at what prices the SVS will trade and there is no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the SVS.

Trading in securities quoted on the OTC Markets is often thin and characterized by wide fluctuations in trading prices, due to many factors, some of which may have little to do with the Company's financial results, operations or business prospects. This volatility could depress the market price of SVS for reasons unrelated to operating performance or financial results. Moreover, the OTC Markets is not a U.S. national securities exchange, and trading of securities quoted on the OTC Markets is often more sporadic than the trading of securities listed on a U.S. national securities exchange like the Nasdaq or the NYSE. These factors may result in investors having difficulty reselling SVS on the OTC Markets.

If securities or industry analysts do not publish or cease publishing research or reports or publish misleading, inaccurate or unfavorable research about us, our business or our market, our stock price and trading volume could decline.

The trading market for our SVS will be influenced by the research and reports that securities or industry analysts publish about us, our business, our market or our competitors. If no or few securities or industry analysts cover our Company, the trading price and volume of our shares would likely be negatively impacted. If one or more of the analysts who cover us downgrades our shares or publishes inaccurate or unfavorable research about our business, or provides more favorable relative recommendations about our competitors, our stock price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our shares could decrease, which could cause our stock price or trading volume to decline.

The market for the SVS may be limited for holders of our securities who live in the U.S.

Given the heightened risk profile associated with cannabis in the U.S., capital markets participants may be unwilling to assist with the settlement of trades for U.S. resident securityholders of companies with operations in the U.S. cannabis industry, which may prohibit or significantly impair the ability of securityholders in the U.S. to trade our securities. In the event residents of the U.S. are unable to settle trades of our securities, this may affect the pricing of such securities in the secondary market, the transparency and availability of trading prices and the liquidity of these securities.

Shareholders have little or no rights to participate in our business affairs.

With the exception of the limited rights of shareholders under applicable Canadian laws, the day-to-day decisions regarding the management of our affairs will be made exclusively by our board of directors and officers. Our shareholders will have little or no control over our future business and investment decisions, our business, and affairs, including the

selection and investment in licensees, dispensaries, cultivation operations and real estate. We may also retain consultants, advisors and agents to provide various services to us, over which the shareholders will have no control. There can be no assurance that our board of directors, officers, advisors or agents will effectively manage and direct our affairs.

Enforcement against Directors and Officers outside of Canada

The Company's directors and officers reside outside of Canada. Some or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for Company shareholders to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for Company shareholders to effect service of process within Canada upon such persons. Courts in the U.S. may refuse to hear a claim based on a violation of Canadian securities laws on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a U.S. court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process.

Tax Risks

Application of Section 280E of the Code

Section 280E of the Code, as amended prohibits businesses from deducting certain expenses for U.S. federal income tax purposes associated with trafficking controlled substances (within the meaning of Schedule I and II of the CSA). The IRS has historically invoked Section 280E in tax audits against various cannabis businesses in the U.S. that are permitted under applicable state laws. Although the IRS issued a clarification allowing the deduction of certain expenses, the scope of such items is generally interpreted narrowly, and the bulk of operating costs and general administrative costs are not permitted to be deducted.

Starting in the quarter ended June 30, 2024, the Company has taken the position that Section 280E does not apply to any of its business, including its US operations engaged in the production and sale of "marijuana" under U.S. Federal Law (the "**280E Position**"). This is contrary to previous positions taken by the Company in its historical tax filings with respect to its U.S. marijuana operations. On June 28, 2024, the IRS confirmed that it continues to consider Section 280E to apply to businesses that engage in the U.S. marijuana business, even if such businesses are state-licensed. The IRS further indicated that it intends to challenge refund claims by taxpayers claiming that Section 280E does not apply to such operations. The Company believes there is a great likelihood that the IRS will audit the income tax returns of cannabis-related businesses due to its 280E Position. The Company has recorded a significant uncertain tax position based upon its challenge of the applicability of Section 280E in determining the Company's income tax liability, and the Company filed refund claims for tax years 2020 and 2022 based on the non-application of Section 280E and has reported as a non-Section 280E taxpayer for tax year 2023 and going forward. The Company believes that it is reasonably possible that its Uncertain tax position liability will continue to increase over the next 12 months, as the Company cannot be certain that it will prevail in its dispute with the IRS regarding the inapplicability of Section 280E. Should the Company not prevail, the Company would become liable to settle its Uncertain tax position plus any additional interest and penalties charged by the IRS or other applicable state tax jurisdictions, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Changes in Tax Law

There can be no assurance that the Canadian, European, and U.S. federal income tax treatment of the Company or an investment in the Company will not be modified, prospectively or retroactively, by legislative, judicial or administrative action, in a manner adverse to the Company or shareholders.

In recent years, many changes to U.S. federal income tax laws have been proposed and made, and additional changes to U.S. federal income tax laws are likely to continue to occur in the future. The U.S. Congress is currently considering numerous items of legislation which may be enacted prospectively or with retroactive effect, which legislation could adversely impact the Company's financial performance and the value of shares of the Company's SVS. Additionally, states in which the Company operates or owns assets may impose new or increased taxes. If enacted, most of the proposals would be effective for the current or later years. The proposed legislation remains subject to change, and its impact on the Company and purchasers of our SVS is uncertain.

In addition, the Inflation Reduction Act of 2022 was recently signed into law and includes provisions that will impact the U.S. federal income taxation of corporations. Among other items, this legislation includes provisions that will impose a minimum tax on the book income of certain large corporations and an excise tax on certain corporate stock repurchases that would be imposed on the corporation repurchasing such stock. It is unclear how this legislation will be implemented by the U.S. Department of the Treasury and the Company cannot predict how this legislation or any future changes in tax laws might affect the Company or purchasers of the Company's SVS.

Dividends on the SVS may be subject to Canadian and/or U.S. withholding tax

It is unlikely that the Company will pay any dividends on the SVS in the foreseeable future. However, the gross amount (without reduction for Canadian tax withholding) of any dividends received by shareholders who are residents of Canada for purposes of the Income Tax Act will be subject to U.S. withholding tax. Any such dividends may not qualify for a reduced rate of withholding tax under the Canada-U.S. tax treaty. In addition, a foreign tax credit or a deduction in respect of foreign taxes may not be available.

Dividends received by U.S. shareholders will not be subject to U.S. withholding tax but will be subject to Canadian withholding tax. Dividends paid by the Company will be characterized as U.S. source income for purposes of the foreign tax credit rules under the Internal Revenue Code. Accordingly, U.S. shareholders generally will not be able to claim a credit for any Canadian tax withheld unless, depending on the circumstances, they have an excess foreign tax credit limitation due to other foreign source income that is subject to a low or zero rate of foreign tax.

Dividends received by shareholders that are neither Canadian nor U.S. shareholders will be subject to U.S. withholding tax (at the gross amount, without reduction for any deduction for any Canadian or other tax withholding) and will also be subject to Canadian withholding tax. These dividends may not qualify for a reduced rate of U.S. withholding tax under any income tax treaty otherwise applicable to a shareholder of the Company, subject to examination of the relevant treaty. These dividends may, however, qualify for a reduced rate of Canadian withholding tax under any income tax treaty otherwise applicable to a shareholder of the Company, subject to examination of the relevant treaty.

There can be no assurance that the Company will be able to make returns to shareholders in a tax efficient manner

The Company will endeavor to establish a tax efficient structure for its operations. The Company has made certain assumptions regarding taxation as part of this planning and existing work to structure the business. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for shareholders (or shareholders in certain jurisdictions). Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for shareholders.

DIVIDENDS

The Company has not declared or paid any cash dividends on its securities for the years ended December 31, 2022, 2023 and 2024, and does not currently anticipate paying any dividends on its securities, in the near term. The Company currently intends to reinvest its earnings to finance the growth of its business. Any future determination to pay dividends on its securities will be at the discretion of the Board of Directors and will depend on, among other things, the Company's results of operations, current and anticipated cash requirement and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate laws and other factors that the Board of Directors may deem relevant. See "*Risk Factors – No Dividend Record*" in this Annual Information Form for additional information.

DESCRIPTION OF THE CAPITAL STRUCTURE

The following is a summary of the material attributes and characteristics of the Company's authorized share capital. This summary may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Company's articles, available on SEDAR+ on the Company's profile at www.sedarplus.ca.

Authorized and Issued Share Capital

In December 2023, in connection with the Company's TSX listing, the Company implemented the Articles Amendments in order to: (i) create a new class of Exchangeable Shares (non-voting and non-participating) in the capital of the Company exchangeable at the holder's option into SVS and authorize the issuance of an unlimited number of Exchangeable Shares and (ii) restate the rights of the SVS to provide for a conversion feature whereby each SVS may at any time, at the holder's option, be converted into one (1) Exchangeable Share. The Exchangeable Shares do not carry voting rights, rights to receive dividends or other rights upon dissolution of the Company and are considered "restricted securities" within the meaning of such term under applicable Canadian securities laws. The Articles Amendments aim to provide Company's shareholders with the option to convert their SVS into Exchangeable Shares, if such shareholders prefer to hold non-voting and non-participating shares as a result of the uncertainty and complexity of cannabis regulations in the U.S.

Following the Articles Amendments, the Company's authorized share capital consists of: (i) an unlimited number of MVS, without par value (of which 93,970,705 were issued and outstanding as at December 31, 2024); (ii) an unlimited number of SVS without par value (of which 656,088,216 SVS were issued and outstanding as at December 31, 2024, and (iii) an unlimited number of Exchangeable Shares, without par value (of which none were issued as at December 31, 2024).

Multiple Voting Shares

Holders of MVS are entitled to fifteen (15) votes in respect of each MVS held at all meetings of holders of shares, other than meetings at which only the holders of another class or series of shares are entitled to vote separately as a class or series. The holders of the MVS are entitled to receive any dividend, in cash or in property of the Company, declared by the Board of Directors in respect of the SVS (on an as-converted to SVS basis), subject to the rights of the holders SVS. No dividend will be declared or paid on the MVS, unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to SVS basis) on the SVS. In the event of the payment of a dividend in the form of shares, holders of MVS shall receive MVS, unless otherwise determined by the Board of Directors of the Company. The MVS are convertible into SVS on a one-for-one basis at any time at the option of the holder or automatically upon the earlier to occur of (i) the transfer or disposition of the MVS by Mr. Boris Jordan, CEO and Chairman of the Company, to one or more third parties which are not permitted holders; (ii) Mr. Jordan or his permitted holders no longer beneficially owning, directly or indirectly and in the aggregate, at least 5% of the issued and outstanding SVS and MVS on a non-diluted basis; and (iii) the first business day following the first annual meeting of shareholders of the Company following the SVS being listed and posted for trading on a U.S. national securities exchange such as The Nasdaq Stock Market or The New York Stock Exchange. The MVS do not carry any preemptive, redemption, exchange or retraction rights, nor do they contain any purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities and any other material restrictions, or provisions requiring a securityholder to contribute additional capital.

Subordinate Voting Shares

Holders of SVS are entitled to one (1) vote in respect of each SVS held at all meetings of holders of shares, other than meetings at which only the holders of another class or series of shares are entitled to vote separately as a class or series. The holders of the SVS are entitled to receive any dividend declared, in cash or in property of the Company, by the Board of Directors in respect of the SVS, subject to the rights of the holders MVS. No dividend will be declared or paid on the SVS, unless the Company simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to SVS basis) on the MVS. In the event of the payment of a dividend in the form of shares, holders of SVS shall receive SVS, unless otherwise determined by the Board of Directors. The holders of the SVS will be entitled to receive, subject to the rights of the holders of MVS, the remaining property and assets of the Company available for distribution, after payment of liabilities, upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary. The SVS do not carry any preemptive, redemption, conversion, exchange or retraction rights, nor do they contain any purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities and any other material restrictions, or provisions requiring a securityholder to contribute additional

capital. Each issued and outstanding SVS may at any time, at the option of the holder, be converted into one Exchangeable Share. The conversion right may be exercised at anytime and from time to time by notice in writing delivered to the transfer agent accompanied by the certificate or certificates representing the SVS or, if uncertificated, such other evidence of ownership as the transfer agent may require, in respect of which the holder wishes to exercise the right of conversion.

Exchangeable Shares

Except as otherwise required by the Business Corporations Act (British Columbia), the holders of Exchangeable Shares are not entitled to receive notice of, attend, or vote at meetings of the Shareholders of the Company. The holders of Exchangeable Shares are not entitled to receive any dividends. The holders of Exchangeable Shares are not entitled to receive any amount, property or assets of the Company upon its dissolution, liquidation or winding-up. Each issued and outstanding Exchangeable Share may at any time, at the option of the holder, be exchanged for one SVS. The conversion right may be exercised at any time and from time to time by notice in writing delivered to the transfer agent accompanied by the certificate or certificates representing the Exchangeable Shares or, if uncertificated, such other evidence of ownership as the transfer agent may require, in respect of which the holder wishes to exercise the right of conversion.

Upon any consolidation, amalgamation, arrangement, merger, redemption, compulsory acquisition or similar transaction of or involving the SVS, or a sale or conveyance of all or substantially all the assets of the Company to any other body corporate, trust, partnership or other entity (each a "Change of Control"), each Exchangeable Share that is outstanding on the effective date of a Change of Control shall remain outstanding and, upon the exchange of such Exchangeable Share thereafter, shall be entitled to receive and shall accept, in lieu of the number of SVS that the holder thereof would have been entitled to receive prior to such effective date, the number of shares or other securities or property (including cash) that such holder would have been entitled to receive on such Change of Control, if, on the effective date of such Change of Control, the holder had been the registered holder of the number of Subordinate Voting Shares which it was entitled to acquire upon the exchange of the Exchangeable Share as of such date (the "**Adjusted Exchange Consideration**"), provided that, in the event that, in connection with a Change of Control, the Exchangeable Shares are to be exchanged for securities of another body corporate, trust, partnership or other entity that are substantially equivalent in all respects to the terms of the Exchangeable Shares (the "**Alternative Exchangeable Security**"), as determined by the board of directors of the Company, acting reasonably, using the same exchange ratio as is applicable for the SVS in connection with such Change of Control, then in such circumstances, each Exchangeable Share that is outstanding on the effective date of a Change of Control shall be exchanged for the Alternative Exchangeable Security.

Stock and Incentive Plan

The Company's 2018 Stock and Incentive Plan (as amended from time to time, the " **Plan**") provides that the Board of Directors may, from time to time by resolution, grant to directors, officers, employees and consultants (who are natural persons) of the Company Options, Stock Appreciation Rights, Restricted Stock and RSUs, Performance Awards, Dividend Equivalents and Other Stock-Based Awards, as such terms are defined in the Plan. The purpose of the Plan is to promote the interests of the Company and its shareholders by aiding the Company in attracting and retaining employees, officers, consultants, advisors and Non-Employee Directors capable of assuring the future success of the Company, to offer such persons incentives to put forth maximum efforts for the success of the Company's business and to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership in the Company, thereby aligning the interests of such persons with the Company's shareholders. The maximum number of SVS reserved for issuance under the Plan at any point and time is 10% of the issued and outstanding SVS from time to time, including the aggregate number of SVS issuable on conversion of the MVS.

Options & RSUs

As of December 31, 2024, there were 29,661,070 options to purchase SVS issued and outstanding, whether vested or unvested ("**Options**"). Each Option gives its holder the right to purchase one SVS. In addition, there were 9,061,395 restricted stock units (" **RSUs**") vested at December 31, 2024. Each RSU gives its holder the right to receive a SVS or a cash payment equivalent to the Fair Market Value (as defined in the Plan) of a SVS.

Constraints

There are no constraints imposed on the ownership of securities of Curaleaf to ensure a certain level of Canadian ownership of Curaleaf.

Ratings

Curaleaf has not requested nor, to management's knowledge, has Curaleaf received any ratings from any rating organizations in respect of any securities of the Company.

MARKET FOR SECURITIES AND TRADING PRICE AND VOLUME

Trading Price and Volume

The SVS are listed and traded under the symbol "CURA" on the TSX, and are quoted on the OTCQX under the symbol "CURLF". The MVS and the Exchangeable Shares are not listed for trading on any stock exchange. The following table shows the monthly range of high and low prices per SVS at the close of market, as well as monthly volumes and average daily volumes of the SVS traded during the fiscal year ended December 31, 2024:

Month	Price per SVS (C$) Monthly High	Price per SVS (C$) Monthly Low	SVS Total Monthly Volume	SVS Average Daily Volume
January 2024	C$7.21	C$5.22	10,153,800	461,536
February 2024	C$7.81	C$6.39	9,441,300	472,065
March 2024	C$7.47	C$5.12	10,103,500	505,175
April 2024	C$8.73	C$6.47	12,231,000	555,955
May 2024	C$8.60	C$6.11	9,202,300	418,286
June 2024	C$6.47	C$5.20	5,199,700	259,985
July 2024	C$6.09	C$4.99	3,761,300	170,968
August 2024	C$5.50	C$3.65	7,004,800	333,562
September 2024	C$4.34	C$3.80	6,065,600	303,280
October 2024	C$4.94	C$3.92	4,604,100	209,277
November 2024	C$4.38	C$2.27	15,953,300	759,681
December 2024	C$2.80	C$2.06	11,574,300	609,174

Prior Sales

The following tables summarize details of the following securities that are not listed or quoted on a marketplace issued by the Company, during the most recently completed financial year end.

Options

Pursuant to the Plan, during the most recently completed financial year, the Company issued the following Options:

Date of Issuance[1]	Number of Options[2]	Exercise Price	Expiry Date	Grant Date Fair Value
March 13, 2024	2,024,010	$4.04	March 13, 2034	$4.04
May 13, 2024	94,909	$5.60	May 13, 2034	$5.60
May 31, 2024	53,151	$4.62	May 31, 2034	$4.64
June 28, 2024	192,030	$3.83	June 28, 2034	$3.85
August 12, 2024	59,897	$3.12	August 12, 2034	$3.14
September 30, 2024	476,284	$3.03	September 30, 2034	$3.06
November 11, 2024	160,439	$2.09	November 11, 2034	$1.66
November 11, 2024	36,066	$7.30	November 11, 2034	$1.66
November 11, 2024	9,934	$12.30	November 11, 2034	$1.66
November 11, 2024	7,730	$15.52	November 11, 2034	$1.66
December 17, 2024	127,254	$1.57	December 17, 2034	$1.62
December 31, 2024	454,023	$1.52	December 31, 2034	$1.56

Note:
(1) Issued to certain officers and directors of the Company, pursuant to the Plan.
(2) Vested and non-vested.

RSUs

Pursuant to the Plan, during the most recently completed financial year, the Company issued the following RSUs:

Date of Issuance	Number of RSUs	Grant Date Fair Value
March 13, 2024	6,232,705	$4.04
May 13, 2024	337,606	$5.60
May 31, 2024	39,862	$4.64
June 14, 2024	224,928	$4.01
June 28, 2024	108,799	$3.85
August 12, 2024	49,736	$3.14
September 30, 2024	357,213	$4.52
November 11, 2024	492,876	$1.66
December 17, 2024	95,441	$1.62
December 31, 2024	340,518	$1.56

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Certain directors, officers and significant shareholders of the Company entered into lock-up agreements pursuant to which such parties have agreed, subject to customary carve-outs and exceptions, not to sell any SVS (or announce any intention to do so), or any securities issuable in exchange therefor, for a certain specified period ranging from six to 24
months following the closing of the applicable transaction (e.g., equity financing, business or asset acquisitions, etc.). Further, certain securities of the Company are held in escrow by Odyssey Trust Company, as escrow agent. To the Company's knowledge, the following securities are therefore in escrow or subject to contractual restrictions on transfer as of December 31, 2024:

Class of Securities	Number of Securities in Escrow or Subject to a Contractual Restriction on Transfer	Percentage of Class
MVS	—	—%
SVS	2,490,609	0.5%

DIRECTORS AND OFFICERS OF THE COMPANY

The following table sets out, as of the date of this Annual Information Form. for each of the Company's directors and executive officers, the person's name, age, state and country of residence, position with the Company, principal occupation(s) during the last five (5) years, and the date on which the person became an officer or director. The Company's directors are elected annually and, unless re-elected, will retire from office at the end of the next annual general meeting of shareholders.

All of the directors and executive officers of the Company, collectively as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 72,310,739 SVS (or approximately 11.0% of SVS as at December 31, 2024) and 93,970,705 MVS (or 100% of MVS as at December 31, 2024).

Under NI 52-110, an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with a director's exercise of independent judgment. Mr. Boris Jordan, the control person and the CEO and Chairman of the Company, Joseph Lusardi, Executive Vice Chairman of the Company, and Mitchell Kahn, director of the Company and co-founder and CEO of Grassroots are not considered independent, whereas Jaswinder Grover, Karl Johansson, Peter Derby, Shasheen Shah and Michelle Bodner are considered independent.

Directors

Name and State and Country of Residence	Age	Position(s) with the Company	Director of the Company Since	Principal Occupation(s) for Past Five (5) Years
Boris Jordan[2] Florida, USA	58	CEO and Chairman	Jan-13	SPK Group, Founder; Measure 8 Venture Partners, Founding Partner
Joseph Lusardi Massachusetts, USA	50	Executive Vice Chairman	Mar-16	Massapoag Advisors, Principal and Founder
Jaswinder Grover Nevada, USA	59	Director	Feb-20	Allegiant Institute and the Smoke Ranch Surgery Center, Founder, Developer, and Owner
Karl Johansson[1][2][3][5] Minnesota, USA	75	Director	Oct-18	Ernst & Young, Managing Partner
Peter Derby[1][2][4] New York, USA	64	Director	Oct-18	Concinnity Advisors, LP, Founder
Mitchell Kahn Illinois, USA	64	Director	Jul-20	Grassroots, Co-founder and CEO; Greenhouse Group LLC, Principal and CEO; Frontline Real Estate Partners, Principal and CEO.
Michelle Bodner New York, USA	64	Director	Dec-22	Curaleaf Holdings, Inc., Regional President
Shasheen Shah[1][5] New Mexico, USA	54	Director	Dec-22	Coherent Strategies LLC., CEO

Notes:
(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Chair of the Audit Committee.
(4) Chair of the Compensation Committee.
(5) Member of the Governance Committee.

Executive Officers who do not also serve as Directors

Name and State and Country of Residence	Age	Position(s) with the Company	Officers of the Company Since	Principal Occupation(s) for Past Five (5) Years
Ed Kremer New York, USA	53	Chief Financial Officer	Jul-22	Sway Ventures, Operating Partner
Peter Clateman New York, USA	56	Chief Legal Officer	Jul-17	SPK Group, General Counsel and Chief Compliance Officer; Renaissance Capital, and VR Capital
Camilo Lyon New York, USA	49	Chief Investment Officer	Aug-22	Harixston Consulting, CEO/Founder; BTIG, Managing Director; Canaccord Genuity Inc., Managing Director, Equity Research - Head of US Consumer

Biographies

The following are brief profiles of the Company's directors and executive officers.

Directors

Boris Jordan, Executive Chairman of the Board of Directors (Age 58)

Boris Jordan is an American entrepreneur, who has co-founded numerous multi-billion dollar businesses across financial services, technology, and energy industries. Mr. Jordan's career investing in emerging markets has afforded him a unique leadership perspective he has applied to the cannabis industry over the past decade. Mr. Jordan was an early

investor in the cannabis industry, and became Executive Chairman of Curaleaf, then named Palliatech, in 2014. Since acquiring majority control of Curaleaf in 2015, he has been impactful in the Company's emergence as an industry leader. Mr. Jordan is a longstanding Member of the Council on Foreign Relations and a member of The Board of Trustees of New York University, where he holds a B.A.

Joseph F. Lusardi, Executive Vice Chairman (Age 50)

Mr. Lusardi is a pioneer in the U.S. cannabis industry and is credited with opening one of the first medical cannabis operations on the East Coast. Mr. Lusardi has over a decade of cannabis experience, as well as 20 years' experience in finance, private equity and entrepreneurship. Since 2015, Mr. Lusardi has led the Company through a significant growth trajectory from a small medical device company to a publicly traded, vertically integrate, multi state cannabis operator. In 2019, he oversaw two transformational acquisitions – Select, the leading cannabis wholesale brand in the U.S., and Grassroots, which expanded Curaleaf's presence from 12 to 19 states with over 130 licenses. Mr. Lusardi has been instrumental in developing an organizational strategy focused on the advancement of cannabis science to support patients in need of medical cannabis as well as adult-use customers. He previously held executive positions at financial services companies including Liberty Mutual Group, Fidelity Investments, and Affiliated Managers Group. Mr. Lusardi has a B.B.A. from The Catholic University of America and an M.B.A. from Boston College.

Jaswinder Grover, MD, Director (Age 59)

Jaswinder Grover, M.D. is an orthopedic and spine surgeon who has practiced in Las Vegas, Nevada for the past 25 years. Dr Grover is the founder, developer, and the owner of the Allegiant Institute and the Smoke Ranch Surgery Center, a referral center for patients with spine and pain disorders, which together employ more than 100 people in Las Vegas, Nevada. Originally from India, he spent his childhood in England and migrated to the U.S. as a teenager. He was invited to attend UCLA School of Medicine as an early acceptance for gifted students after only three years of college graduating with his MD at the age of 23. He performed his residency in orthopedic and trauma surgery at the USC - Los Angeles County Medical Center for five years. He thereafter served as fellow of spinal cord injury at the University of British Columbia, fellow of cervical spine reconstructive surgery at McGill University, Montreal, and fellow of spinal deformity and lumbar reconstruction surgery Nottingham Center for spine surgery in England. He started his practice in Las Vegas, Nevada in 1995 as associate professor of orthopedic surgery at the University Medical Center attending to the most complex spine and pelvis injuries. In 2004, he began the Nevada Spine Clinic and Center for Special Surgery, a private practice dedicated to the evaluation, care and treatment for patients with spinal disorders. The center has since evolved to become the Allegiant Institute, a comprehensive referral center for patients with spine, musculoskeletal, and pain disorders both acute and chronic, providing complete assessment and treatment options for affected patients. The Institute encompasses imaging and MRI facilities, a pain management division offering both pharmacological and advanced interventional options, regenerative and stem cell therapies, and advanced surgical solutions both major reconstructive when necessary, and when possible minimally invasive outpatient technologies. The Institute is associated with the Smoke Ranch Surgery Center, a Joint Commission for the Accreditation for Hospitals accredited center. Over his career, Doctor Grover has personally performed over 12,000 spine surgeries and has pioneered various outpatient techniques in minimally invasive spine surgery. He is a member of the American Medical Association, the North American Spine Society, and a fellow of the American Academy of Orthopedic Surgeons. Doctor Grover remains actively involved as a consultant and surgeon.

Karl Johansson, Director (Age 75)

Mr. Johansson has broad experience in serving multinational clients, the coordination of international tax engagements, mergers and acquisitions, and due diligence projects in key global markets. Mr. Johansson has been a Managing Partner of Ernst & Young CIS and a Regional Partner for Eastern Europe countries, including CIS. He was a coordinator of the Foreign Investment Advisory Council (FIAC). Mr. Johansson has been a member of the Emerging Europe Business Council and Corporate Governance Task Force of the World Economic Forum, as well as the Foreign Investment Advisory Councils of Kazakhstan and Ukraine. He has also worked in Hong Kong, China and the Middle East. Mr. Johansson serves as the Chair of the Audit Committee, as well as a member of the CN Committee. Mr. Johansson received a Bachelor's degree from the University of Minnesota and a Juris Doctor degree from the University of Pennsylvania.

Peter Derby, Director (Age 64)

Peter Derby is a founding partner of Concinnity Advisors, LP, the sub-advisor with investment discretion for the Capital Stewardship Strategy, which was formed in 2011. From 2008 to 2011, Mr. Derby was a portfolio manager at Diamondback Advisors NY, LLC. From 2007 to 2008, he was a founding member of The Concinnity Group, LLC. During William H. Donaldson's tenure as Chairman of the Securities Exchange Commission, from 2003 to 2005, Mr. Derby served as the Securities Exchange Commission's Managing Executive for Operations and Management. Earlier in his career, he was a Corporate Finance Officer at National Westminster Bank USA and an Auditor at Chase Manhattan Bank. Mr. Derby serves as the Chair of the CN Committee, as well as a member of the Audit Committee. Mr. Derby earned a B.S. in accounting, finance and international finance from New York University in 1983.

Mitchell Kahn, Director (Age 64)

Over his career, Mitchell Kahn has demonstrated a successful track record of business management, strong leadership, and entrepreneurship. Mr. Kahn graduated from University of Wisconsin School of Business and received his JD from Northwestern University Law School. After beginning his career as a transactional attorney focused on both real estate and corporate M&A transactions, he served as Senior Vice President at Sportmart, growing the company's retail footprint from 20 to 70 stores. He then co-founded Hilco, a leading real estate restructuring, disposition valuation and appraisal firm. Mr. Kahn served as President and CEO and grew the business to more than 30 employees and annual revenues in excess of $15,000,000. In 2010, Mr. Kahn co-founded Frontline Real Estate Partners, a real estate investment and advisory company with expertise in the acquisition, development, management, disposition and leasing of commercial real estate properties throughout the U.S. The company has acquired properties valued at more than $125,000,000 and has built a successful brokerage and property management business currently managing more than two million square feet of properties. Mr. Kahn actively serves as Chairman of Frontline Real Estate Partners. In 2014, Mr. Kahn co-founded Grassroots Cannabis to provide safe and efficacious cannabinoid products to consumers. As CEO of the largest private, vertically integrated cannabis operation in the U.S., he established operations in 11 states, obtained more than 60 licenses, and empowered over 1100 employees. Today, Mr. Kahn serves on multiple boards and is actively involved in numerous charitable and community organizations.

Michelle Bodner, Director (Age 64)

Michelle Bodner is a Wall Street trained entrepreneur with expertise in operations, real estate and executive coaching. She has delivered advisory services to government agencies, banks, large corporations, non-profits and early and mid-stage companies in multiple disciplines. In 2015, Ms. Bodner was engaged by Curaleaf, Inc. (then Palliatech, Inc.) as a consultant responsible for its New York State license application. Since that time, Michelle has held multiple positions at Curaleaf, including tenures as a director, first Chief Operating Officer, and the President and CEO of Curaleaf's New York and Florida operations. Michelle was named one of the 2019 CBE Power Women in Cannabis. Prior to joining the cannabis industry, Michelle served in various roles, including Chief Operating Officer of the New York City Opera, Director of Project Development for the Empire State Development Corporation, and Strategic Consultant for Women's World Banking.

Shasheen Shah, Director (Age 54)

Shasheen Shah is a leadership development coach and trusted advisor to global executives and organizations. As CEO of Coherent Strategies Consulting and Coaching, he specializes in developing high-performance teams, achieving successful business outcomes, and navigating the personal challenges that come with leadership. Mr. Shah has collaborated with executives from renowned companies, including Credit Suisse, Goldman Sachs, Barclays, Tesla, ButcherBox, and LinkedIn. He is also the author of "The Kid and the King: The Hidden Inner Struggle High Achievers Must Conquer to Reignite and Re-engage with Life." As a member of the company's governance and audit committees, Mr. Shah brings extensive experience in strategic planning and financial reviews. He has partnered with CEOs and CFOs to conduct yearly and quarterly financial reviews across various stages of company growth. His work spans diverse sectors, from venture-backed startups to mid-sized businesses in both public and private markets, ensuring alignment between strategic activities and financial goals. Mr. Shah holds a BA in Philosophy from Colgate University and an MA in Clinical Psychology from Antioch University.

Executive Officers who do not also serve as Directors

Ed Kremer, Chief Financial Officer (Age 53)

Mr. Kremer's career spans over 20 years of executive leadership, growth and restructuring experience managing diverse high performing teams ranging from high growth start-ups to publicly traded companies spanning technology, manufacturing, wholesale distribution and retail environments. Prior to Curaleaf, Mr. Kremer has most recently been working in the cannabis industry and brings decades of experience as a public CFO, and leader at companies such as Oakley, Beats by Dre, and Oliver Peoples. As CFO, Mr. Kremer leads our Finance department and all other functions, overseeing IT, Financial Planning & Analysis/Analytics, Investor Relations, Insurance & Risk, and other Finance-related initiatives.

Peter Clateman, Chief Legal Officer (Age 56)

Peter Clateman has more than 25 years of legal experience in investing and investment funds, including almost 20 years as general counsel. He has served as GC and CCO of The Sputnik Group, and Renaissance Capital, as well as VR Capital, an award-winning, distressed-asset fund with more than $2 billion under management. Mr. Clateman also served as head of Legal and was a Management Board Member of UC Rusal during its acquisition of SUAL and assets of Glencore to become the world's biggest aluminum company. He previously was an associate with Skadden, Arps, Slate, Meagher, and Flom.

Camilo Lyon, Chief Investment Officer (Age 49)

Camilo Lyon has over 20 years of experience working in capital markets and equity research, where he focused on global consumer and retail companies. He previously worked at prominent Wall Street firms such as Goldman Sachs, Bank of America, and Canaccord Genuity. Mr. Lyon most recently served as Managing Director at BTIG, where he led the equity research effort covering consumer discretionary and cannabis sectors, and brings a wealth of knowledge and relationships to Curaleaf.

Cease Trade Orders, Bankruptcy/Insolvency Proceedings, Penalties and Sanctions

To the knowledge of the Company, none of the Company's directors or executive officers has, within the 10 years prior to the date of this Annual Information Form, been a director or officer of any company (including the Company) that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation, in each case for a period of more than 30 consecutive days.

To the knowledge of the Company, none of the Company's directors, executive officers or significant shareholders has, within the 10 years prior to the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such director or executive officer, been a director or executive officer of any company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Company, no director, executive officer or significant shareholder of the Company has: (i) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Company also holding positions as directors or officers of other companies. They also invest and may invest in businesses, including in the cannabis sector, that compete directly or indirectly with the Company or act as customers or suppliers of the Company.

Some of the individuals that are directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under the *Business Corporations Act* (British Columbia).

To the best of the Company's knowledge, other than as disclosed elsewhere in this Annual Information Form and the financial statements and management's discussion and analysis filed periodically by the Company, there are no known existing or potential material conflicts of interest among the Company or a subsidiary of the Company and a director or officer of the Company or a subsidiary of the Company as a result of their outside business interests except that: (i) certain of the Company's or its subsidiaries' directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies, and (ii) certain of the Company's or its subsidiaries' directors and officers have portfolio investments consisting of minority stakes in businesses that may compete directly or indirectly with the Company or act as a customer of, or supplier to, the Company. See *"Interest of Management and Others in Material Transactions"* .

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Litigation

The Company is involved in claims or lawsuits that arise in the ordinary course of business. Accruals for claims or lawsuits are provided to the extent that losses are deemed both probable and estimable. Although the ultimate outcome of these claims or lawsuits cannot be ascertained, on the basis of present information and advice received from counsel, it is management's opinion that the disposition or ultimate determination of such claims or lawsuits will not have a material adverse effect on the Company. Among other legal disputes, the Company is currently, or was, during the last two most recently completed financial years, involved in the following proceedings relating to material disputes:

Hello Farms. In 2020, GR Vending MI, LLC ("GR Vending MI"), prior to its acquisition by the Company, entered into a supply contract with Hello Farms Licensing MI, LLC ("Hello Farms") (the "Hello Farms Supply Contract") to acquire the expected output of Hello Farms' Michigan cultivation facility for the 2020 and 2021 harvests, subject to certain conditions. Additionally, Cura MI, LLC ("Cura MI" and together with GR Vending MI, the "Michigan Entities") entered into a guaranty agreement (the "Cura MI Guaranty") with Hello Farms, under which Cura MI guaranteed the performance of GR Vending MI's payment obligations under the Hello Farms Supply Contract. The Hello Farms Supply Contract was amended and restated in November 2020. Subsequently, GR Vending MI indicated that Hello Farms had failed to perform its obligations under the Hello Farms Supply Contract; and therefore, deemed the contract breached and therefore terminated. In February 2021, Hello Farms sued the Michigan Entities in a state court in Michigan. In March 2021, the case was moved to the U.S. District Court for the Eastern District of Michigan (the "Michigan Eastern District Court"). A trial was held in January 2025, after which a jury awarded Hello Farms approximately $31.8 million in damages against the Michigan Entities for breach of contract. Subsequently, in February 2025, Hello Farms filed a motion for award of prejudgment interest of $5.0 million, which would increase the Company's maximum loss on this litigation to $36.8 million. The Michigan Entities intend to challenge the ruling, both in the District Court and on appeal, on various grounds. Based on the Company's assessment of the likelihood of success on appeal, the estimated accrual as of December 31, 2024 is substantially less than the total potential loss associated with the judgment. If the Company's appeals are unsuccessful, it is reasonably possible it could result in a loss significantly exceeding the Company's estimated accrual.

Sentia Wellness. On January 6, 2022, Measure 8 Ventures, LP and other purchasers of debentures from Sentia Wellness, Inc. ("Sentia") filed suit against Nitin Khanna and six other former officers, directors and/or advisors of Sentia in the Circuit Court of the State of Oregon for Multnomah County, alleging violations of Oregon securities law by making false and misleading statements and omissions to induce the plaintiffs to purchase over $74 million of debentures in Sentia. On May 16, 2022, the defendants filed their answer to the plaintiffs' complaint along with affirmative defenses and various counter-claims against the plaintiffs as well as claims against third-parties Curaleaf Holdings, Inc., Cura Partners, Inc. and certain other individuals. The third-party claims include claims for unjust enrichment, breach of fiduciary duty and tortious interference in connection with the Company's acquisition of Cura Partners, Inc. In addition, the third-party complaint alleges claims against Curaleaf Holdings, Inc. and Cura Partners, Inc. for indemnification as well as reimbursement and advancement of attorneys' fees and expenses under Oregon law and Cura Partners, Inc.'s bylaws. Nitin Khanna and the other third-party plaintiffs sought actual damages in an amount of $515 million and other relief. Curaleaf Holdings, Inc. and Cura Partners, Inc. were not targeted by all of the third-

party plaintiffs claims. On October 25, 2022, Nitin Khanna and the third-party plaintiffs filed a stipulation of dismissal, which was subsequently signed by the judge and which dismissed without prejudice all of the plaintiffs' claims against Curaleaf Holdings, Inc. and Cura Partners, Inc.

The remaining claims were settled in October 2023 by all parties, pursuant to which Curaleaf, its affiliates, their respective officers, directors and employees were released without any liability, payment of consideration of any kind or admission of liability.

Parallel Illinois, LLC. On April 1, 2021, Curaleaf and the owners of the Illinois Assets (the " **Plaintiffs**") signed definitive agreements to sell the Illinois Assets to Parallel Illinois, LLC ("**Parallel**"). Under the terms of the transaction, total consideration for the purchase of the Illinois Assets was $100 million, which consisted of cash consideration of $60 million and equity consideration of $40 million in Parallel stock, as well as earnouts of up to an additional $55 million payable through 2023. The Company received a $10 million deposit from Parallel, which was refundable under limited circumstances. On February 25, 2022, the Company received correspondence from Parallel's attorneys indicating Parallel was not in a position to complete the acquisition of the Illinois Assets due to lack of financing, among other reasons, and declaring the definitive agreements to purchase the Illinois Assets terminated. On February 2, 2022, the Company filed an arbitration against Parallel and certain principals of Parallel for breach of contract, fraudulent misrepresentation and other claims. As a result of the breach of contract, the Company determined that the $10 million deposit received from Parallel was no longer refundable and, accordingly, recognized a gain of $10 million within Other income, net in the Consolidated Statements of Operations during the year ended December 31, 2022. In September 2023, the Company and Parallel entered into a Confidential Settlement Agreement to settle the dispute in full (the "**Parallel Settlement Agreement**"). Under this agreement, the Company received $0.5 million upon the fulfillment of certain conditions. Furthermore, as part of this settlement, Parallel formally released its claims against the Plaintiffs, including with respect to any claim for return of the $10 million deposit.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Annual Information Form, there are no material interests, direct or indirect, of any anticipated or current director or executive officer of the Company, any shareholder that beneficially owns, or controls or directs (directly or indirectly) more than 10% of any class or series of the Company's outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company or a subsidiary of the Company.

Companies affiliated with Mr. Boris Jordan, the control person CEO and Chairman of the Company, have provided consulting services to Curaleaf, Inc. related to financial analysis, business planning, recruiting, logistical support and other matters. Consulting fees and expense reimbursement paid by Curaleaf, Inc. for such services were, $1.0 million, $0.45 million and zero in years ended December 31, 2022, 2023 and 2024, respectively. For additional details about the Company's related party transactions with its current directors or executive officers, refer to *Note 27 — Related party transactions* of the Consolidated Financial Statements.

INDEPENDENT AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is PKF O'Connor Davies, LLP (" **PKF O'Connor Davies**"), at its principal offices in New York, New York, and the transfer agent and registrar for the SVS is Odyssey Trust Company at its principal offices in Calgary, Alberta and Vancouver, British Columbia.

MATERIAL CONTRACTS

The following are the only material contracts, other than those contracts entered into in the ordinary course of business, which the Company or one of its subsidiaries has entered into within the last financial year or before the last financial year, but which are still in effect and which is required to be filed with Canadian securities regulatory authorities in accordance with Section 12.2 of National Instrument 51-102 – *Continuous Disclosure Obligations*:

- the trust indenture dated as of the 15th day of December, 2021, between the Company and Odyssey Trust Corporation (the " **Note Indenture**"), as supplement by the First Supplemental Indenture dated as of the 21 st day of September, 2021, providing for the issue of 8.0% senior secured notes of the Company due December

15, 2026, as amended pursuant to a first amendment dated as of the 8 th day of February, 2022, as supplemented by the Second Supplemental Indenture dated as of the 8th day of December, 2023 amending certain terms of the Noe Indenture in connection with the TSX Listing, and as supplemented by the Third Supplemental Indenture dated as of the 17th days of January, 2025 providing for the issue of 10.0% senior secured notes due January 17, 2027;

- the Protection Agreement; and
- the Shareholders' Agreement in respect of Curaleaf, Inc.

Copies of the above material contracts are available on the Company's profile on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov/edgar.

INTEREST OF EXPERTS

No person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included in, or referred to in, a filing made under National Instrument 51-102 – *Continuous Disclosure Obligations* by the Company during, or relating to, our most recently completed financial year, or whose profession or business gives authority to such report, valuation, statement or opinion, holds any registered or beneficial interest, direct or indirect, in any of our securities or other property of our Company or one of our associates or affiliates and no such person or company, or a director, officer or employee of such person or company, is expected to be elected, appointed or employed as one of our directors, officers or employees or as a director, officer or employee of any of our associates or affiliates and no such person is one of our promoters or the promoter of one of our associates or affiliates.

PKF O'Connor Davies has performed the audit in respect of the Consolidated Financial Statements and issued independent auditor's reports thereon. PKF O'Connor Davies has also confirmed it is independent with respect to the Company in accordance with the ethical requirements that are relevant to its audits of the Company's consolidated financial statements.

AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee is responsible for monitoring the Company's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents, including the Company's annual audited consolidated financial statements and unaudited interim consolidated financial statements, and monitoring the performance and independence of the Company's external auditors. The Audit Committee is responsible for reviewing with management the Company's risk management policies, the timeliness and accuracy of the Company's regulatory filings and all related party transactions as well as the development of policies and procedures related to such transactions.

The Audit Committee also pre-approves all non-audit services to be provided to the Company or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities.

The Audit Committee of the Company is comprised of the following three independent directors. The table also indicates whether they are "financially literate" within the meaning of NI 52-110. See the respective biography of each member of the Audit Committee under "Directors and officers of the Company" for a description of the education and experience that are relevant to the performance of their responsibilities as members of the Audit Committee.

Name of Member	Independent[(1)]	Financially Literate[(2)]
Shasheen Shah	Yes	Yes
Peter Derby	Yes	Yes
Karl Johansson[(3)]	Yes	Yes

(1) A member of the Audit Committee is independent if he or she has no direct or indirect "material relationship" with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or Secretary, is deemed to have a material relationship with the Company.

(2) A member of the Audit Committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

(3) Chair of the Audit Committee.

The Audit Committee operates under a written charter, which is attached hereto as Appendix 'A' and which sets forth the purpose, composition, authority and responsibility of the Audit Committee. Further, the Audit Committee adopted a whistleblower policy to handle complaints, reports and concerns by any individual regarding actual or potential violations of any applicable law and other suspected wrongdoing, including questionable accounting practices and conduct prohibited under the Company's policies.

Independent Auditors' Fees

Related to the work for the years ended December 31, 2024, and 2023, the Company was billed the following fees by its external auditors:

	Years Ended	
($ in thousands)	**December 31, 2024**	**December 31, 2023**
Audit Fees - PKF O'Connor Davies, LLP (1)	$ 2,720	$ 2,850
Audit Fees - Antares Professional Corp (1)	—	395
Audit Fees - PKF Littlejohn, LLP (1)	—	195
Audit-Related Fees (2)	—	108
Tax Fees (3)	—	—
All Other Fees (4)	65	—
Total	$ 2,785	$ 3,548

(1) "Audit Fees" refers to fees necessary to perform the annual audit or quarterly review of our consolidated financial statements.
(2) "Audit-Related Fees" refers to fees for assurance and related services that are reasonably related to the performance of the audit and review of the Company's financial statements other than those included in "Audit Fees".
(3) "Tax Fees" refers to fees for tax compliance, tax advice and planning, for example in the context of internal reorganizations or acquisitions
(4) "All Other Fees" refers to all other fees not included above.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca and EDGAR at www.sec.gov/edgar under the Company's profile. Additional information is also provided in the Consolidated Financial Statements and Annual MD&A for the most recently completed financial year.

Additional information, including, without limitation, directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular for its annual general meeting of shareholders held on June 14, 2024.

GLOSSARY OF TERMS

The following terms or acronyms used in this Annual Information Report are defined below:

Term or Acronym	Definition
C$	notates the information is presented in Canadian dollars
$ or US$	notates the information is presented in U.S. dollars
2018 Farm Bill	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — Reform of Federal Legislation on Industrial Hemp”
2022	refers to the year ended December 31, 2022
2023	refers to the year ended December 31, 2023
2024	refers to the year ended December 31, 2024
Adjusted Exchange Consideration	has the meaning ascribed thereto under “Description of the Capital Structure – Exchangeable Shares”
Alternative Exchangeable Security	has the meaning ascribed thereto under “Description of the Capital Structure – Exchangeable Shares”
Annual Information Form	has the meaning ascribed thereto under “Explanatory Notes — Introductory Information”
Annual MD&A	has the meaning ascribed thereto under "Explanatory Notes — Introductory Information"
Articles Amendments	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
ATF	the Bureau of Alcohol, Tobacco, Firearms and Explosives
Audit Committee	the audit committee of the Board of Directors
Bank Secrecy Act	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — Money Laundering Laws”
Base Shelf Prospectus	has the meaning ascribed thereto under “General Development of the Business — Recent Developments”
BHH	has the meaning ascribed thereto under "General Development of the Business — Three Year History — 2022 — Acquisition — Broad Horizon Holdings, LLC"
Bloom	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisition — Bloom Dispensaries”
Board of Directors	the board of directors of the Company
Business Combination	has the meaning ascribed thereto under “Corporate Structure — Incorporation and Office”
CAOA	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
CBD	cannabidiol
CCO	the Company’s Chief Compliance Officer
CDS	CDS Clearing and Depository Services Inc.
Change of Control	has the meaning ascribed thereto under “Description of the Capital Structure – Exchangeable Shares”
Class A Voting Stock	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Class B Non-Voting Stock	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Class C Voting Stock	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Code	the U.S. Internal Revenue Code of 1986, as amended
CODM	has the meaning ascribed thereto under “Business of the Company – Operating Segments”
Cole Memorandum	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
Common Stock	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Company or Curaleaf	Curaleaf Holdings, Inc., its direct and indirect subsidiaries and financially controlled entities
Compensation Committee	the compensation committee of the Board of Directors
Compliance Put Transaction	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Congress	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Environment: Issuers with U,S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
Consolidated Financial Statements	has the meaning ascribed thereto under “Explanatory Notes — Introductory Information”
Conversion	has the meaning ascribed thereto under "Business of the Company — TSX Listing and Internal Reorganization"
CRC Board	has the meaning ascribed thereto under “General Development of the Business — Subsequent Events”
CSA	the U.S. Federal Controlled Substances Act (21 U.S.C. § 811)
CSE	the Canadian Securities Exchange
Curaleaf International	has the meaning ascribed thereto under “Business of the Company – TSX Listing and U.S. Reorganization”
Curaleaf, Inc.	has the meaning ascribed thereto under "Business of the Company — TSX Listing and Internal Reorganization"
Curaleaf, Inc Board	has the meaning ascribed thereto under "Business of the Company — TSX Listing and Internal Reorganization"

DEA	the U.S. Drug Enforcement Administration
Deseret	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2023 — Acquisitions — Deseret Wellness”
Dirigo	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2023 — Divestitures: Discontinued Operations — adult use Maine”
DOJ	the U.S. Department of Justice
Doubling Road Holdings	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Connecticut Arbitration”
DTC	Depository Trust Company
EDGAR	means the Electronic Data Gathering, Analysis and Retrieval
EMMAC	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2021 — Acquisitions”
EMMAC Transaction	has the meaning ascribed thereto under “General Development of the Business — Recent Developments — Acquisition of EMMAC Life Sciences Limited”
EU	the European Union
EWB	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2023 — Capital Structure – Asset-Based Revolving Credit Facility”
EWB Promissory Note	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2023 — Capital Structure – Asset-Based Revolving Credit Facility”
Exchange Act	the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder
FDA	the U.S. Food and Drug Administration
FDCA	has the meaning ascribed thereto under “Risk Factors — General Regulatory and Legal Risks — Regulatory Actions and Approvals from the Food and Drug Administration”
FDIC	the Federal Deposit Insurance Corporation
financially controlled entity	with respect to a specified corporation, an entity over which such factual financial control is exercised that such entity may be consolidated for financial purposes with the financial results of the specified corporation
FinCEN	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — Money Laundering Laws”
FinCEN Guidance	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — Money Laundering Laws”
forward-looking statements	has the meaning ascribed thereto under “Explanatory Notes — Forward-Looking Statements”
Four20	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisitions — Four20 Pharma GmbH”
GMP	good manufacturing practices
Government	(a) the government of Canada, the U.S. or any other foreign country; (b) the government of any Province, state, county, municipality, city, town, or district of Canada, the U.S. or any other foreign country; and (c) any ministry, agency, department, authority, commission, administration, corporation, bank, court, magistrate, tribunal, arbitrator, instrumentality, or political subdivision of, or within the geographical jurisdiction of, any government described in the foregoing clauses (a) and (b), and for greater certainty, includes the CSE, and the TSX.
Half Moon Nursery	has the meaning ascribed thereto under “General Development of the Business — Recent Developments – Half Moon Nursery, Inc. Acquisition”
HHS	the U.S. Secretary of Health and Human Services
Holders	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Connecticut Arbitration”
ICFR	Internal Controls over Financial Reporting (as defined under Rule 13a-15(f) under the U.S. Exchange Act)
IFRS	has the meaning ascribed thereto under “Explanatory Notes — Presentation of Financial Information”
Indenture Amendments	has the meaning ascribed thereto under “Business of the Company – TSX Listing and U.S. Reorganization”
Investment	has the meaning ascribed thereto under "Business of the Company — TSX Listing and Internal Reorganization"
Investor	has the meaning ascribed thereto under “Corporation Structure – Intercorporate Relationships – Change in Ownership”
IRS	the U.S. Internal Revenue Service
IT	Information Technology
Measure 8	has the meaning ascribed thereto under “Interest of Management and Others in Material Transactions”
MI 61-101	Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions
MJDS	the U.S./Canada Multijurisdictional Disclosure System
MORE Act	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
MOU	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — Heightened Scrutiny by Regulatory Authorities”
MVS	the multiple voting shares in the capital of the Company
NGC	has the meaning ascribed thereto under “General Development of the Business – Three Year History – 2024 – Acquisitions – Northern Green Canada Inc.”

NHS	the U.K. National Health Service
NI 52-110	National Instrument 52-110 — Audit Committees
Non-Voting Exchangeable Shares	has the meaning ascribed thereto under “Business of the Company – TSX Listing and U.S. Reorganization”
Note Indenture	has the meaning ascribed thereto under “Material Contracts”
NRPC	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisitions — NRPC Management, LLC”
NRPC Management	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisitions — NRPC Management, LLC”
Options	has the meaning ascribed thereto under “Description of the Capital Structure — Options & RSUs”
Order	has the meaning ascribed thereto under “Business of the Company – TSX Listing and U.S. Reorganization”"
OTCQX	the OTCQX® Best Market, an over-the-counter stock exchange, by OTC Markets Group
PalliaTech CT	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Connecticut Arbitration”
Parallel	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Parallel Illinois, LLC”
Parallel Settlement Agreement	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Parallel Illinois, LLC”
person	any corporation, partnership, limited liability company or partnership, joint venture, trust, unincorporated association or organization, business, enterprise or other entity; any individual; and any Government
PKF O’Connor Davies	has the meaning ascribed thereto under “Independent Auditor”
Plan	has the meaning ascribed thereto under “Description of the Capital Structure — Stock and Incentive Plan”
Plaintiffs	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Parallel Illinois, LLC”
POCA 2002	has the meaning ascribed thereto under “Risk Factors — General Business Risks — Expansion into Foreign Jurisdictions — Changes in Applicable Legislation (including POCA 2002)”
Protection Agreement	has the meaning ascribed thereto under “Corporate Structure – Intercorporate Relationships – Change in Ownership”
PT Florida	PalliaTech Florida, LLC, a subsidiary of the Company
Put Right	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Connecticut Arbitration”
Put Transaction	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
PWO	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisitions — Pueblo West Organics, LLC”
R&D	Research and Development
Registration Statement	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Capital Structure”
Remedy	has the meaning ascribed thereto under “General Development of the Business — Three Year History — Acquisitions”
Reorganization	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Replacement Investor	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
Research Expansion Act	has the meaning ascribed thereto under “Federally Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
Rohrabacher-Farr Amendment	has the meaning ascribed thereto under “Regulatory Environment: Issuers with U.S. Cannabis-Related Assets — U.S. Federal Overview — The Controlled Substances Act”
Roll-Up Shares	has the meaning ascribed thereto under “Corporate Structure – TSX Listing and U.S. Reorganization”
RSUs	has the meaning ascribed thereto under "Description of the Capital Structure — Options & RSUs"
SAFE Banking Act	has the meaning ascribed thereto under “United States Regulatory Overview — Regulation of Cannabis in the U.S. Federally — Money Laundering Laws”
SAFER Banking Act	has the meaning ascribed thereto under “United States Regulatory Overview — Regulation of Cannabis in the U.S. Federally — Money Laundering Laws”
Sapphire Medical	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2022 — Acquisitions — Sapphire Medical Clinics Limited”
SEC	the U.S. Securities and Exchange Commission
SEDAR+	Means the System for Electronic Document Analysis and Retrieval+
Senior Secured Notes - 2026	has the meaning ascribed thereto under “General Development of the Business — Three Year History — 2021 — Capital Structure — Senior Secured Notes - 2026”
Sentia	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Litigation — Sentia Wellness”
Series A-2 Holders	has the meaning ascribed thereto under “Legal Proceedings and Regulatory Actions — Connecticut Arbitration”
Shareholders	the shareholders of Curaleaf Holdings, Inc
Shareholders’ Agreement	has the meaning ascribed thereto under “Corporate Structure — TSX Listing and U.S. Reorganization”
SOX	the Sarbanes-Oxley Act of 2002
Special Committee	has the meaning ascribed thereto under “Interest of Management and Others in Material Transactions”

Staff Notice 51-352	the Canadian Securities Administrators Staff Notice 51-352 (Revised) dated February 8, 2018 – *Issuers with U.S. Marijuana-Related Activities*
state	a state of the U.S., as the context requires
Subscription Agreement	has the meaning ascribed thereto under "Corporation Structure – TSX Listing and U.S. Reorganization"
subsidiary	with respect to a specified corporation, any corporation of which more than fifty per cent (50%) of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified corporation, and shall include any corporation in like relation to a subsidiary
SVS	the subordinate voting shares in the capital of the Company
THC	Tetrahydrocannabinol
TTB	the Alcohol and Tobacco Tax and Trade Bureau
Tryke	has the meaning ascribed thereto under "General Development of the Business — Three Year History — 2022 — Tryke Companies"
TSX	the Toronto Stock Exchange
TSX Listing	has the meaning ascribed thereto under "Corporate Structure — Incorporation and Office"
TSX Requirements	has the meaning ascribed thereto under "Federally Regulatory Environment: Issuers with United States Cannabis-Related Assets — U.S. Federal Overview — Heightened Scrutiny by Regulatory Authorities"
U.K.	the United Kingdom
UK Registry	has the meaning ascribed thereto under "Business of the Company — Research and Development"
U.S.	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
U.S. Exchange Act	the U.S. Securities Exchange Act of 1934, as amended
U.S. GAAP	U.S. Generally Accepted Accounting Principles
U.S. Securities Act	the U.S. Securities Act of 1933, as amended
USPTO	the United States Patent and Trademark Office

APPENDIX A

MANDATE OF THE AUDIT COMMITTEE OF CURALEAF HOLDINGS, INC.

CURALEAF HOLDINGS, INC.

AUDIT COMMITTEE CHARTER

1. PURPOSE

The Audit Committee (the **"Committee"**) shall be established by resolution of the Board of Directors (the " **Board**") of Curaleaf Holdings, Inc., a corporation existing under the laws of British Columbia (the "**Company**").

The Committee is responsible for:

a) Assisting the Board in fulfilling its oversight responsibilities as they relate to the Company's accounting policies and internal controls, financial reporting practices and legal and regulatory compliance, including, among other things:

- Monitoring the quality and integrity of the Company's financial statements, corporate accounting and financial reporting processes and financial information that will be provided to shareholders and others;
- Reviewing the Company's compliance with certain legal and regulatory requirements;
- Evaluating the independent auditors' qualifications and independence;
- Overseeing management's design, implementation and effective conduct of internal controls over financial reporting and disclosure controls and procedures; and
- Monitoring the performance of the Company's internal audit function and the Company's independent auditors as well as any other public accounting firm engaged to perform other audit, review or attest services.

b) Providing an open avenue of communication among the independent auditors, financial advisors and senior management and the Board.

c) Annually evaluating the performance of the Committee.

While the Committee has the duties and responsibilities set forth in this Charter, the role of the Committee is oversight. The Committee is not responsible for planning or conducting the audit or determining whether the Company's financial statements are complete and accurate and in accordance with applicable accounting rules. Such activities are the responsibility of the Company's independent auditors and management. The Committee has direct responsibility for the appointment, compensation, oversight and replacement, if necessary, of the independent auditors, including the

resolution of disagreements between management and the independent auditors regarding financial reporting, and any other registered public accounting firm with respect to which the Committee is required to have such responsibility.

The Committee and each of its members shall be entitled to rely on:

a. The integrity of those persons and organizations within and outside of the Company from which it receives information;

b. The accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board); and

c. Representations made by management as to any audit and non-audit services provided by the independent auditors to the Company.

2. COMPOSITION AND QUALIFICATIONS

The Committee shall be appointed by the Board and shall be comprised of at least three Directors (as determined from time to time by the Board), one of whom shall be appointed by the Board as Chairman of the Committee. If a Chairman is not so appointed, the members of the Committee may elect a Chairman by majority vote. Committee members may be removed by the Board in its discretion.

Each member of the Committee shall be "independent" as contemplated by applicable Canadian laws and regulations, such as the rules of the Canadian Securities Administrators and National Instrument 52-110 *Audit Committees* and including the listing requirements of the Toronto Stock Exchange (collectively, the "**Canadian Corporate Governance Standards**").

Each member of the Committee must be "financially literate" as contemplated by Canadian Corporate Governance Standards.

A Committee member invited to sit on another public company's audit committee must notify the Board. If a Committee member or proposed Committee member simultaneously serves on the audit committees of two other public companies, the Board must determine whether or not such simultaneous service would impair the ability of such member to effectively serve on the Committee.

No member of the Committee shall receive from the Company or any of its affiliates any compensation other than the fees to which he or she is entitled as a Director of the Company or a member of a committee of the Board. Such fees may be paid in cash and/or shares, options or other in-kind consideration ordinarily available to Directors. Prohibited compensation includes fees paid, directly or indirectly, for services as a consultant or as legal or financial advisor, regardless of the amount.

3. MEETINGS

The Committee shall meet as frequently as the Chairman of the Committee deems appropriate subject to the provisions of this Charter. The Committee may meet with the independent auditors, internal auditors, and management separately, to the extent the Committee deems necessary and appropriate.

A. Frequency

The Committee shall hold regularly scheduled meetings at least quarterly and such special meetings as circumstances dictate. The Chair of the Committee, any member of the Committee, the independent auditors, the Chairman of the Board, the Chief Executive Officer ("**CEO**") or the Chief Financial Officer ("**CFO**") may call a meeting of the Committee by notifying the Company's Corporate secretary, who will notify the members of the Committee.

B. Agenda and Notice

The Chairman of the Committee shall establish the meeting dates and the meeting agenda. The Chairman of the Committee or the Company Secretary shall send proper notice of each Committee meeting and information concerning the business to be conducted at the meeting, to the extent practical, to each member prior to each meeting.

Any written material provided to the Committee shall be appropriately balanced (i.e. relevant and concise) and shall be distributed in advance of the respective meeting with sufficient time to allow Committee members to review and understand the information.

C. Holding and Recording Meetings

Committee meetings may be held in person or telephonically. The Committee shall keep written minutes of its meetings and submit such minutes to the Board.

D. Quorum

A majority of the members of the Committee shall constitute a quorum.

E. Executive Sessions

The Committee will meet periodically (not less than annually) in separate executive sessions with each of the Chief Financial Officer or any other executive officer, the principal accounting officer and/or the senior internal auditing executive (or any other personnel responsible for the internal audit function), and the independent auditors.

4. COMPENSATION

The compensation of Committee members shall be determined by the Board.

5. RESPONSIBILITIES OF THE COMMITTEE

A. System of Financial Controls

The Committee shall oversee the process by which management shall design, implement, amend, maintain, and enforce a comprehensive system of financial controls (including the right internal and external people and resources, policies, processes and enforcement) aimed at ensuring the integrity and compliance of the Company's books and records with generally accepted accounting principles in the U.S. ("**GAAP**"), and sound business practices, as well as protecting the value of the Company's assets and safeguarding the credibility of its brand, employees, management team, Board, and shareholders.

The system of financial controls will embody the adoption of best practices in financial controls and foster honesty, integrity, accuracy, and transparency in all aspects of the Company. Best practices include but are not limited to: setting the right tone at the top; active review of business performance by executive management, with regular reporting to and oversight by the Board; an accurate, stable and reliable general ledger; a robust internal audit function; unambiguous compliance with GAAP; and full transparency and ongoing dialogue with the Board, management and external auditors. Such system shall also incorporate the principles contained within the Code of Business Conduct and Ethics for the Chief Executive Officer and Chief Financial Officer as adopted by the Board.

B. Annual Audit Review

The Committee shall review and discuss the annual audited financial statements including the independent auditors' audit and audit report thereon, and the annual Management's Discussion and Analysis of Financial Condition and Results of Operations of the Company with management and the independent auditors. In connection with such review, the Committee will:

- Review the scope of the audit, the audit plan and the audit procedures utilized.
- Review with the independent auditors any audit problems or difficulties encountered during their audit, including any change in the scope of the planned audit, any restrictions placed on the scope of the audit or access to requested information, and any significant disagreements with management, and management's response to such problems or difficulties.
- Resolve any differences in financial reporting between management and the independent auditors.
- Review with management, internal auditors, and the independent auditors, the adequacy of the Company's internal controls, including information systems controls and security and bookkeeping controls and any significant findings and recommendations with respect to such controls.
- Review reports required to be submitted by the independent auditors concerning:
    - All critical accounting policies and practices used in the preparation of the Company's financial statements.
    - All alternative treatments of financial information within GAAP that have been discussed with management, ramifications of such alternatives, and the accounting treatment preferred by the independent auditors.

- Any other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

- Review and discuss the integrity of the annual audited Company financial statements and quarterly financial statements with management and the independent auditors, including the notes thereto and all matters required by applicable auditing standards, and the written disclosures required by applicable auditing standards regarding the independent auditors' independence.

- Review and discuss:

  - Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.

  - Analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analysis of the effects of alternative GAAP methods on the financial statements and the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.

- Inquire about and review with management and the independent auditors any significant risks or exposures faced by the Company and discuss with management the steps taken to minimize such risk or exposure. Such risks and exposures include, but are not limited to, threatened and pending litigation, claims against the Company, tax matters, regulatory compliance and correspondence from regulatory authorities, and environmental exposure.

- Discuss policies and procedures concerning earnings press releases and review the type and presentation of information to be included in earnings press releases (paying particular attention to any use of "pro forma" and "adjusted" or other non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies.

C. Quarterly Reviews

Review and discuss the quarterly financial statements and the quarterly Management's Discussion and Analysis of Financial Condition and Results of Operations of the Company with management and the internal auditors, and the independent auditors, together with the independent auditors' review thereof pursuant to professional standards and procedures for conducting such reviews, as established by GAAP and applicable securities laws. In connection with the quarterly reviews, the Committee shall inquire about and review with management and the independent auditors any significant risks or exposures faced by the Company and discuss with management the steps taken to minimize such risk or exposure.

D. Other Financial Information

Review and discuss with management, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management proxy circulars, material change disclosure of a financial nature and similar disclosure and other documents prior to the filing or public disclosure of such documents or information.

E. Oversight of Independent Auditors

The Company's independent auditors shall report directly to and are ultimately accountable to the Committee. In connection with its oversight of the performance and independence of the independent auditors, the Committee will:

- Have the sole authority and direct responsibility to appoint, retain, compensate, oversee and replace (subject to shareholder approval, if deemed advisable by the Board or if required under applicable law) the independent auditors.

- Have authority to approve the engagement letter and all audit, audit-related, tax and other permissible non-audit services proposed to be performed by the independent auditors and the related fees for such services in accordance with the Audit and Non-Audit Services Pre-Approval Policy.

- Obtain confirmation and assurance as to the independent auditors' independence, including ensuring that they submit on a periodic basis (not less than annually) to the Committee a formal written statement delineating all relationships between the independent auditors and the Company. The Committee shall actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and shall take appropriate action in response to the independent auditors' report to satisfy itself of their independence.

- At least annually, obtain and review a report by the independent auditors describing the firm's internal quality-control procedures, any material issues raised by the most recent internal quality-control review or peer review of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.

- Meet with the independent auditors prior to the annual audit to discuss planning and staffing of the audit.

- Review and evaluate the performance of the independent auditors, as the basis for a decision to reappoint or replace the independent auditors.

- Set clear hiring policies for employees or former employees of the independent auditors, including but not limited to, as required by all applicable laws and listing rules.

- Consider whether rotation of the independent auditors is required to ensure independence.

F. Oversight of Internal Audit

In connection with its oversight responsibilities, the Committee shall have authority over and direct responsibility for the internal audit function at the Company at all times. In the Committee's discretion, the internal audit function may be outsourced to a third-party vendor, provided that such vendor follows the standards and guidelines established by the Committee. The head of the internal audit function (or the third-party vendor providing internal audit function support, if applicable) will report directly to the Committee or its designee. The head of the internal audit function or the relationship manager of the vendor providing internal audit function support, as applicable, shall report at least annually to the Committee regarding the internal audit function's organizational structure and personnel.

In overseeing internal audit, the Committee will:

- Review the appointment or replacement of the senior internal auditing executive, if any, or, if outsourced, the third-party vendor providing internal audit services.

- Review, in consultation with management, the independent auditors and the senior internal auditing executive, if any, the plan and scope of internal audit activities.

- Review internal audit activities, budget and staffing.

- Review significant reports to management prepared by the internal auditing department and management's responses to such reports.

G. Disclosure Controls & Procedures ("DC&P") and Internal Controls over Financial Reporting ("ICFR")

- Monitor and review the Company's Disclosure, on an annual basis.

- Receive and review the quarterly report of the Disclosure and Policy Compliance Committee on its activities for the quarter.

- On a quarterly basis, review management's assessment of the design adequacy and effectiveness of the Company's DC&P and ICFR including any significant control deficiencies identified and the related remediation plans.

- Review management's assessment of the operating effectiveness of the Company's DC&P (quarterly) and ICFR (annually) including any significant control deficiencies identified and the related remediation plans.

- Review and discuss any fraud or alleged fraud involving management or other employees who have a role in Company's ICFR and the related corrective and disciplinary actions to be taken.

- Discuss with management any significant changes in the ICFR that are disclosed, or considered for disclosure on a quarterly basis.

- Review and discuss with the CEO and the CFO the procedures undertaken in connection with the CEO and CFO certifications for the annual and interim filings with the securities commissions.

- Review the Company's compliance with applicable legal and regulatory requirements relating to ICFR.

- Review, monitor, report, and, where appropriate, provide recommendations to the Board on the Company's DC&P.

H. Risk Assessment and Risk Management

The Committee shall discuss the Company's major business, operational, and financial risk exposures and the guidelines, policies and practices regarding risk assessment and risk management, including derivative policies, insurance programs and steps management has taken to monitor and control major business, operational and financial risks.

I. Ethical Standards

The Committee shall establish, maintain and oversee the Company's Code of Business Conduct and Ethics (the **"Code**"), including dealing with issues that may arise under the Code related to executive officers and Directors of the Company. The Committee shall be responsible for reviewing and evaluating the Code periodically and will recommend any necessary or appropriate changes thereto to the Board for consideration. The Committee shall also assist the Board with the monitoring of compliance with the Code and consider any waivers of the Code (other than waivers applicable to the Directors or executive officers, which shall be subject to review by the Board as a whole).

J. Related Party Transactions

The Committee shall review and approve related-party transactions or recommend related-party transactions for review by independent members of the Board. In discharging such duties, the Committee shall comply with the procedures set out in the Related Party Transactions Policy in effect from time to time.

To the extent any member of the Committee is a party to a related-party transaction, such Committee member shall recuse itself from the deliberations and approval process of such related-party transaction.

K. Submission of Complaints

The Committee shall establish procedures for (a) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, (b) the confidential, anonymous submission by Directors, officers, employees, consultants and contractors of the Company of concerns regarding questionable accounting or auditing matters and (c) the investigation of such matters with appropriate follow-up actions.

L. Legal Compliance

On at least an annual basis, the Committee shall review with the Company's legal counsel and management, all legal and regulatory matters and litigation, claims or contingencies, including tax assessments, license or concession defaults or notifications, health and safety violations or environmental issues, that could have a material effect upon the financial position of the Company, and the manner in which these matters may be, or have been, disclosed in the financial statements.

M. Regulatory Developments

The Committee shall monitor and provide reports to the Board with respect to developments in accounting rules and practices, income tax laws and regulations, and other regulatory requirements that affect matters within the scope of the Committee's authority and responsibilities.

N. Other Responsibilities

The Committee shall perform such other duties as may be required by law or requested by the Board or deemed appropriate by the Committee. The Committee shall discharge its responsibilities, and shall assess the information provided to the Committee, in accordance with its business judgment. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate.

6. COMMITTEE ADMINISTRATIVE MATTERS

A. Independent Advisors

The Committee shall have authority to engage, provide appropriate funding for and cause the Company to pay the compensation to obtain advice and assistance from outside legal, accounting or other advisors to carry out its responsibilities.

B. Funding

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors or any other registered public accounting firm engaged for the purpose of rendering or issuing an

audit report or performing other audit, review or attest services for the Company; to any other advisors engaged by the Committee; and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

C. Access to Records and Personnel

The Committee shall have full access to any relevant records of the Company that it deems necessary to carry out its responsibilities. The Committee may request that any officer or other employee of the Company or any advisor to the Company meet with members of the Committee or its advisors, as it deems necessary to carry out its responsibilities.

D. Reports to Board of Directors

The Committee shall report regularly to the Board with respect to Committee activities and its conclusions with respect to the independent auditors, with recommendations to the Board as the Committee deems appropriate.

E. Annual Meeting Planner

Prior to the beginning of a fiscal year, the Committee shall submit an annual planner for the meetings to be held during the upcoming fiscal year, for review and approval by the Board to ensure compliance with the requirements of the Committee's Charter.

F. Education and Orientation

Members of the Committee shall be provided with appropriate and timely training to enhance their understanding of auditing, accounting, regulatory and industry issues applicable to the Company.
New Committee members shall be provided with an orientation program to educate them on the Company's business, their responsibilities and the Company's financial reporting and accounting practices.

G. Review of this Charter

The Committee shall review and reassess annually the adequacy of this Committee Charter and recommend any proposed changes to the Board.

H. Evaluation of Committee

The Committee is responsible for developing and conducting an annual self-assessment of its performance. The Committee shall report to the full Board on the results of its assessment each year and shall make any appropriate recommendations to further enhance the Committee's performance.

Exhibit 99.2



CURALEAF HOLDINGS, INC.

Consolidated Financial Statements
As of and for the Years Ended
December 31, 2024 and 2023

(Expressed in Thousands United States Dollars Unless Otherwise Stated)

	Page(s)
Report of Independent Registered Public Accounting Firm *(PCAOB ID 127)*	**1**
Financial Statements:	
Consolidated Balance Sheets as of December 31, 2024 and 2023	**4**
Consolidated Statements of Operations for the years ended December 31, 2024 and 2023	**6**
Consolidated Statements of Comprehensive Loss for the years ended December 31, 2024 and 2023	**7**
Consolidated Statements of Temporary Equity and Shareholders' Equity for the years ended December 31, 2024 and 2023	**8**
Consolidated Statements of Cash Flows for the years ended December 31, 2024 and 2023	**9**
Notes to Consolidated Financial Statements	**11**
Management's Discussion and Analysis of Financial Condition and Results of Operations for the years ended December 31, 2024 and 2023	**72**

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Curaleaf Holdings, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Curaleaf Holdings, Inc. (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, temporary equity and shareholders' equity, and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control–Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 3, 2025, expressed an unqualified opinion.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of inventory

As described in Notes 3 and 8 to the financial statements, the Company's net inventory as of December 31, 2024, was $220.7 million and consisted of cannabis and non-cannabis raw materials, work-in-process, and finished goods. Inventory is recorded at cost and subsequently measured at the lower of cost and net realizable value. Significant inputs and assumptions include the allocation of production and overhead costs to units produced. Additionally, the Company records a provision for aged, obsolete, or unsellable inventory, which requires significant judgment. The Company periodically reviews its inventory to identify aged, obsolete, or unsellable items by considering factors such as inventory levels, expected product life, and forecasted sales demand.

The valuation of inventory was identified as a critical audit matter due to the significant assumptions management applied in determining inventory valuation and the increased level of audit effort required to assess the reasonableness of management's assumptions and estimates.

The primary audit procedures performed to address this critical audit matter included:

- Obtained an understanding of and evaluated the design, implementation, and operating effectiveness of internal controls related to inventory valuation, including the allocation of production and overhead costs.
- Evaluated management's policy for setting standard costs, including yield and lifecycle assumptions, and assessed the reasonableness of significant assumptions by testing inventory costs against historical production data and third-party purchases.
- Evaluated the appropriateness of management's methodologies, significant assumptions, and inputs used in assessing net realizable value and determining reserves for slow-moving or excess inventory. This included comparing management's assumptions to historical trends, independent calculations, current selling prices, and costs, as well as evidence obtained from other audit procedures.
- Tested the mathematical accuracy of inventory valuation calculations and assessed the completeness and accuracy of underlying data.
- Evaluated and tested the appropriateness of management's cost classification between cost of goods sold and operating expenses, ensuring proper capitalization of inventory costs impacting valuation.
- Evaluated the adequacy and completeness of the disclosures related to inventory in the financial statements, ensuring compliance with applicable accounting standards.

Evaluation of the impairment analysis for goodwill and intangible assets

As described in Note 12 to the financial statements, the carrying values of the Company's goodwill and intangible assets, net of accumulated amortization, were $628.9 million and $1,085.4 million, respectively, as of December 31, 2024. The Company conducts impairment testing annually or when a triggering event occurs. Impairment charges are determined by comparing the fair value of the reporting unit to its carrying amount. The Company did not recognize any impairment losses on its goodwill or intangible assets for the year ended December 31, 2024.

We identified the evaluation of goodwill and intangible asset impairment as a critical audit matter due to the high degree of auditor judgment required to assess the significant assumptions used in determining fair value estimates. This evaluation involved the use of professionals with specialized skills and knowledge. Additionally, the sensitivity of reasonably possible changes to these assumptions could have a significant impact on the fair value determination and the Company's impairment assessment.

The primary audit procedures performed to address this critical audit matter included:

- Obtained an understanding of and evaluated the design, implementation, and operating effectiveness of internal controls related to management's impairment assessment process for goodwill and intangible assets.
- Assessed the appropriateness of the reporting units considered in management's impairment analysis, ensuring alignment with the Company's organizational structure and financial reporting.
- Evaluated the goodwill impairment analysis performed by a third-party valuation specialist engaged by management, including assessing key assumptions, methodologies, and consistency with relevant accounting standards.
- Evaluated management's qualitative assessment of impairment over long-lived assets held and used for reasonableness.
- Reviewed the credentials and expertise of the third-party valuation firm to determine whether its personnel had the necessary qualifications, experience, and industry knowledge to perform the impairment analysis.
- Assessed the reasonableness of the Company's forecasted sales growth rates and margins by comparing growth assumptions to historical performance, industry trends, and relevant market data.
- With the assistance of our firm's valuation specialists, we tested the appropriateness of management's judgments and assumptions in its impairment analysis, including:
    - Verified the mathematical accuracy of the impairment calculations and assessed the completeness and accuracy of the underlying data used.
    - Evaluated the appropriateness of the valuation methodologies applied by management, as well as the reasonableness of key assumptions and inputs, including discount rates, market multiples, risk-free rate, and the weighted-average cost of capital.
    - Performed sensitivity analyses to assess the impact of potential changes in key assumptions on the fair value of reporting units deemed at risk of impairment.
    - Compared management's key assumptions to historical financial performance, industry and market trends, and corroborating audit evidence to assess their reasonableness.
- Evaluated the adequacy and completeness of the disclosures related to goodwill and intangible assets in the financial statements, ensuring compliance with applicable accounting standards.

Evaluation of uncertain tax positions

As described in Notes 3 and 23 to the financial statements, the Company has taken uncertain tax positions based on legal interpretations that challenge its tax liability under Internal Revenue Code Section 280(E) and inventory costs for tax purposes. The Company has filed amended federal and state tax returns with refund claims for several entities related to tax years prior to 2023 based on these positions. Uncertainty in a tax position may arise because tax laws are subject to interpretation. The Company uses significant judgment to (1) determine whether, based on the technical merits, a tax position is more likely than not to be sustained and (2) measure the amount of tax benefit that qualifies for recognition. As of December 31, 2024, the Company's uncertain tax position was $392.2 million.

Auditing management's estimate of the amount of tax benefit that qualifies for recognition involved especially challenging judgment because management's estimate is complex, highly subjective and based on interpretations of tax laws and legal rulings.

The primary audit procedures performed to address this critical audit matter included:

- With the assistance of our tax specialists, we assessed the technical merits of the Company's tax positions, including evaluating income tax interpretations and third-party advice from a law firm obtained by the Company and the Company's process of filing tax returns with uncertain tax positions.
- Evaluated the appropriateness of the Company's accounting for its tax positions taking into consideration relevant federal and state income tax laws.
- Analyzed the Company's assumptions and data used to determine the amount of tax benefit to recognize and tested the completeness and accuracy of the calculations.
- Evaluated the adequacy of the Company's financial statement disclosures related to these tax matters.

We have served as the Company's auditor since 2022.

/s/ PKF O'Connor Davies, LLP

New York, New York
March 3, 2025

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Curaleaf Holdings, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Curaleaf Holdings, Inc.'s (the "Company") internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control–Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control–Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive loss, temporary equity and shareholders' equity, and cash flows for each of the two years in the period ended December 31, 2024, and our report dated March 3, 2025, expressed an unqualified opinion.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Controls over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PKF O'Connor Davies, LLP

New York, New York

March 3, 2025

Curaleaf Holdings, Inc.
Consolidated Balance Sheets
(in thousands)

	Note	As of December 31, 2024	As of December 31, 2023
Assets			
Current assets:			
Cash, cash equivalents and restricted cash	*3*	$ 107,226	$ 91,818
Accounts receivable, net of allowance for credit losses of $2,722 and $6,717, respectively	*7,28*	66,031	55,660
Inventories, net	*8*	220,654	215,913
Assets held for sale	*5,6*	7,191	17,795
Prepaid expenses and other current assets		28,128	30,397
Notes receivable - current	*9*	451	7,020
Total current assets		429,681	418,603
Deferred tax asset	*23*	401	419
Note receivable - net of current	*9*	2,037	—
Property, plant and equipment, net	*10*	546,426	571,627
Right-of-use assets, finance lease, net	*11*	105,168	143,203
Right-of-use assets, operating lease, net	*11*	116,519	118,435
Intangible assets, net	*12*	1,085,397	1,172,445
Goodwill	*12*	628,884	626,628
Income tax receivable	*23*	20,041	30,168
Investments and other assets	*13*	14,982	15,048
Total assets		$ 2,949,536	$ 3,096,576

Curaleaf Holdings, Inc.
Consolidated Balance Sheets
(in thousands)

	Note	As of December 31, 2024	As of December 31, 2023
Liabilities, Temporary equity and Shareholders' equity			
Current liabilities:			
Accounts payable	*28*	$ 79,129	$ 79,319
Accrued expenses	*14,28*	102,188	101,311
Income tax payable	*23*	23,414	198,056
Lease liabilities, finance - current	*11*	10,995	9,428
Lease liabilities, operating - current	*11*	17,333	15,993
Notes payable - current	*15,27*	101,723	39,478
Contingent consideration liability - current	*4,28*	3,310	11,901
Deferred consideration liability - current	*4,28*	33,068	22,342
Financial obligations - current	*11*	7,208	5,777
Liabilities held for sale	*5,6*	8,905	9,173
Other current liabilities	*28*	652	1,256
Total current liabilities		387,925	494,034
Deferred tax liability	*23*	244,601	297,185
Notes payable - net of current	*15,27*	466,897	548,289
Lease liabilities, finance - net of current	*11*	150,683	159,961
Lease liabilities, operating - net of current	*11*	106,192	110,398
Uncertain tax position	*23, 28*	392,188	79,142
Contingent consideration liability - net of current	*4,28*	2,837	4,724
Deferred consideration liability - net of current	*4,28*	2,000	21,310
Financial obligations - net of current	*11*	201,687	208,895
Other long-term liabilities	*28*	1,133	1,346
Total liabilities		1,956,143	1,925,284
Commitment and contingencies	*26*		
Temporary equity:			
Redeemable non-controlling interest contingency	*17*	132,179	120,650
Shareholders' equity:			
Additional paid-in capital	*16*	2,237,468	2,204,318
Treasury shares	*16*	—	(1,050)
Accumulated other comprehensive loss		(20,080)	(11,875)
Accumulated deficit		(1,356,174)	(1,140,751)
Total shareholders' equity		861,214	1,050,642
Total liabilities, temporary equity and shareholders' equity		$ 2,949,536	$ 3,096,576

The accompanying notes are an integral part of the Consolidated Financial Statements (as defined herein).

Curaleaf Holdings, Inc.
Consolidated Statements of Operations
(in thousands, except for share and per share amounts)

	Note	Years Ended December 31, 2024	Years Ended December 31, 2023
Revenues, net:	*22*		
Retail and wholesale revenues		$ 1,336,706	$ 1,340,778
Management fee income		6,096	5,854
Total revenues, net		1,342,802	1,346,632
Cost of goods sold		703,554	732,183
Gross profit		639,248	614,449
Operating expenses:			
Selling, general and administrative	*19*	421,532	414,773
Share-based compensation	*18*	25,696	20,010
Depreciation and amortization	*10,11,12*	171,823	136,783
Total operating expenses		619,051	571,566
Income from continuing operations		20,197	42,883
Other income (expense):			
Interest income		776	23
Interest expense	*15*	(59,353)	(57,966)
Interest expense related to lease liabilities and financial obligations	*11*	(41,263)	(42,416)
Loss on impairment	*10,11,12*	(54,245)	(67,076)
Other income, net	*21*	16,259	186
Total other expense, net		(137,826)	(167,249)
Loss before provision for income taxes		(117,629)	(124,366)
Provision for income taxes	*23*	(98,592)	(114,589)
Net loss from continuing operations		(216,221)	(238,955)
Net loss from discontinued operations	*6*	(5,786)	(51,382)
Net loss		(222,007)	(290,337)
Less: Net loss attributable to non-controlling interest	*2,17*	(6,584)	(9,140)
Net loss attributable to Curaleaf Holdings, Inc.		$ (215,423)	$ (281,197)
Per share – basic and diluted:[1]	*24*		
Net loss per share from continuing operations, net of the loss per share and excess redemption value attributable to non-controlling interest		$ (0.31)	$ (0.32)
Net loss per share from discontinued operations, net of loss per share attributable to non-controlling interest		(0.01)	(0.07)
Net loss per share attributable to Curaleaf Holdings, Inc. – basic and diluted		$ (0.32)	$ (0.39)
Weighted average common shares outstanding – basic and diluted		740,825,099	724,124,894

[1] While the recognition of excess redemption value only impacts the Consolidated Balance Sheets, ASC 480-10,*Distinguishing Liabilities from Equity*, requires the excess redemption value be factored into the Company's computation of earnings per share - basic and diluted. See *Note 24 — Earnings per share* for further details.

The accompanying notes are an integral part of the Consolidated Financial Statements (as defined herein).

Curaleaf Holdings, Inc.
Consolidated Statements of Comprehensive Loss
(in thousands)

	Years Ended	
	December 31, 2024	**December 31, 2023**
Net loss from continuing operations	$ (216,221)	$ (238,955)
Effect of exchange rate differences	(12,838)	11,230
Net comprehensive loss from continuing operations	(229,059)	(227,725)
Net comprehensive loss from discontinued operations	(5,786)	(51,382)
Net comprehensive loss	(234,845)	(279,107)
Less: Net comprehensive loss attributable to non-controlling interest	(11,217)	(4,629)
Net comprehensive loss attributable to Curaleaf Holdings, Inc.	$ (223,628)	$ (274,478)

The accompanying notes are an integral part of the Consolidated Financial Statements (as defined herein).

Curaleaf Holdings, Inc.
Consolidated Statements of Temporary Equity and Shareholders' Equity
(in thousands, except for share amounts)

	Note	Redeemable non-controlling interest contingency	Common shares Number of Shares SVS*	Common shares Number of Shares MVS*	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Accumulated deficit	Total Curaleaf Holdings Inc. Shareholders' Equity
Balances as of December 31, 2022		$ 121,113	623,520,125	93,970,705	$2,163,061	$ (5,208)	$ (18,594)	$ (859,554)	$ 1,279,705
Issuance of shares in connection with acquisitions	*4,18*	—	12,329,002	—	17,375	—	—	—	17,375
Issuance of shares in connection with public offering	*2,16*	—	2,700,000	—	11,497	—	—	—	11,497
SVS* contributed to Curaleaf, Inc. in connection with the Reorganization	*2,16*	—	(254,315)	—	—	(1,050)	—	—	(1,050)
Acquisition escrow shares returned and retired	*18*	—	(350,794)	—	(2,465)	—	—	—	(2,465)
Contribution from non-controlling interest	*17*	4,166	—	—	—	—	—	—	—
Foreign currency translation gain		4,511	—	—	—	—	6,719	—	6,719
Exercise of stock options	*18*	—	211,775	—	48	—	—	—	48
Issuance of SVS* for settlement of RSUs*	*18*	—	1,601,305	—	—	—	—	—	—
Reclassifications	*2*	—	—	—	(5,208)	5,208	—	—	—
Share-based compensation	*18*	—	—	—	20,010	—	—	—	20,010
Net loss		(9,140)	—	—	—	—	—	(281,197)	(281,197)
Balances as of December 31, 2023		120,650	639,757,098	93,970,705	2,204,318	(1,050)	(11,875)	(1,140,751)	1,050,642
Issuance of shares in connection with acquisitions	*4,18*	—	12,800,791	—	32,117	—	—	—	32,117
Acquisition shares returned and cancelled	*18*	—	(170,158)	—	(535)	—	—	—	(535)
Foreign currency translation loss		(4,633)	—	—	—	—	(8,205)	—	(8,205)
Exercise of stock options	*18*	—	75,391	—	156	—	—	—	156
Issuance of SVS* for settlement of RSUs*	*18*	—	3,228,557	—	—	—	—	—	—
Issuance of SVS* for settlement of PSUs*	*18*	—	396,537	—	—	—	—	—	—
Reclassifications and revisions	*2*	—	—	—	(1,538)	1,050	—	—	(488)
Excess redemption value above carrying value	*17*	22,746	—	—	(22,746)	—	—	—	(22,746)
Share-based compensation	*18*	—	—	—	25,696	—	—	—	25,696
Net loss		(6,584)	—	—	—	—	—	(215,423)	(215,423)
Balances as of December 31, 2024		$ 132,179	656,088,216	93,970,705	$2,237,468	$ —	$ (20,080)	$ (1,356,174)	$ 861,214

*as defined herein

The accompanying notes are an integral part of the Consolidated Financial Statements (as defined herein).

Curaleaf Holdings, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Years Ended	
	December 31, 2024	December 31, 2023
Cash flows from operating activities:		
Net loss from continuing operations	$ (216,221)	$ (238,955)
Adjustments to reconcile net loss from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation and amortization	233,233	195,880
Share-based compensation	25,696	20,010
Non-cash interest expense	14,064	14,402
Amortization of operating lease right-of-use assets	16,922	16,034
Loss on impairment	54,245	67,076
Gain on modification and extinguishment of debt	(257)	(2,065)
(Gain) loss on disposal of assets	(4,593)	8,541
Gain on investment	(6,624)	(2,073)
Non-cash adjustments to inventory	(4,661)	13,208
Allowance for credit losses	(224)	2,050
Deferred taxes	(54,663)	(29,900)
Other non-cash expenses (income)	2,683	(5,010)
Payment of contingent consideration liability in excess of acquisition-date fair value	—	(2,095)
Changes in assets and liabilities:		
Accounts receivable, net	(7,913)	(12,221)
Inventories, net	2,990	9,851
Prepaid expenses and other current assets	3,292	(4,048)
Income tax receivable	10,126	12,331
Assets held for sale, net of Liabilities held for sale	(131)	3,959
Investments and other assets	(752)	4,546
Accounts payable	(5,634)	2,230
Accrued expenses and other liabilities	292,662	(13,957)
Income tax payable	(174,588)	47,986
Lease liabilities, operating	(16,359)	(16,536)
Net cash provided by operating activities from continuing operations	163,293	91,244
Net cash used in operating activities from discontinued operations	(723)	(15,983)
Net cash provided by operating activities	162,570	75,261
Cash flows from investing activities:		
Purchases of property, plant and equipment	(93,153)	(65,446)
Disposals of property, plant and equipment	1,382	—
Proceeds from sale of entities	8,487	—
Acquisition-related cash payments, net of cash acquired	(4,699)	(3,630)
Purchases of intangibles	(5,000)	(4,857)
Purchase of investments	(708)	—
Issuance of notes receivable to third parties	(3,111)	(7,020)
Payments received on notes receivables issued to third parties	628	—
Net cash used in investing activities from continuing operations	(96,174)	(80,953)
Net cash provided by investing activities from discontinued operations	2,345	2,266
Net cash used in investing activities	(93,829)	(78,687)

Curaleaf Holdings, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Years Ended	
	December 31, 2024	**December 31, 2023**
Cash flows from financing activities:		
Proceeds from debt financing	22,017	8,612
Minority interest investment in Curaleaf International	—	4,166
Debt issuance costs	(456)	—
Principal payments on finance lease liabilities	(9,445)	(8,474)
Principal payments on notes payable	(49,339)	(47,213)
Principal payments on financial obligations	(5,777)	(4,308)
Exercise of stock options	156	48
Payments of deferred consideration	(11,250)	(27,358)
Payments of contingent consideration	—	(3,964)
Issuance of common shares, net of issuance costs	—	11,497
Net cash used in financing activities from continuing operations	(54,094)	(66,994)
Net cash used in financing activities from discontinued operations	(144)	(23)
Net cash used in financing activities	(54,238)	(67,017)
Net increase (decrease) in cash, cash equivalents and restricted cash	14,503	(70,443)
Cash, cash equivalents and restricted cash, beginning of period	91,818	163,177
Effect of exchange rate differences	905	(916)
Cash, cash equivalents and restricted cash, end of period	$ 107,226	$ 91,818
Non-cash investing & financing activities:		
Purchases of property, plant and equipment included in accounts payable and accrued expenses	$ 15,530	$ 2,262
Issuance of notes in connection with sale of entities	2,300	—
Issuance of SVS in connection with acquisitions	32,117	17,375
Contingent consideration incurred in connection with acquisitions	6,352	—
Deferred consideration incurred in connection with acquisitions	1,218	12,553
Forgiveness of promissory note in connection with acquisition	(7,020)	—
Non-cash additions to finance and operating right-of-use assets	14,994	1,362
SVS contributed to Curaleaf, Inc. in connection with the Reorganization	—	1,050
Recategorization of net assets from held-for-sale to held-and-used	—	4,792
Excess redemption value above carrying value	22,746	—
Supplemental disclosure of cash flow information:		
Cash paid for taxes	$ 16,486	$ 100,011
Cash paid for interest	96,364	97,936

The accompanying notes are an integral part of the Consolidated Financial Statements (as defined herein).

Explanatory Note

*Unless otherwise noted or the context otherwise requires, all information provided in the audited consolidated financial statements as of December 31, 2024 and 2023 and for the years ended December 31, 2024 and 2023 and the accompanying notes (collectively, the "Notes to the Consolidated Financial Statements") and (together, the "Consolidated Financial Statements") is given as at December 31, 2024, and references to the "**Company**", "**Curaleaf**" or "**Group**" refer to Curaleaf Holdings, Inc. (the "Company"), its wholly-owned subsidiaries, majority-owned subsidiaries and legal entities in which it holds a controlling financial interest.*

Note 1 — Operations of the Company

The Company is a leading producer and distributor of consumer products in cannabis, including hemp-derived THC products, with a mission to improve lives by providing clarity around cannabis and confidence around consumption. As a vertically integrated, high-growth cannabis operator known for quality, expertise and reliability, the Company and its brands, including Curaleaf, Find, JAMS, Grassroots, Select and its line of Zero Proof seltzers, provide industry-leading services, product selection and accessibility across the medical and adult use markets in the United States ("U.S."). Internationally, the Company has a cannabis business with licensed cultivation in Portugal and Canada, pharma grade cannabis processing and manufacturing facilities in Germany, Spain, Canada, Portugal and the United Kingdom ("U.K.") and licensed distribution of cannabis in Germany, Poland, Canada, Switzerland and the U.K. In the U.K., the Company also operates a medical cannabis clinic and holds a pharmacy license, enabling the retail supply of medical cannabis directly to patients. Finally, the Company supplies cannabis on a wholesale basis to Australia, New Zealand, U.K. and across Europe, including Germany, Italy, Poland, Czech Republic, Switzerland, Sweden and Norway.

Prior to December 14, 2023, the Company's subordinate voting shares ("SVS") were listed on the Canadian Securities Exchange ("CSE") under the symbol "CURA" and quoted on the OTCQX® Best Market under the symbol "CURLF". On December 14, 2023, the Company's SVS were listed and commenced trading on the Toronto Stock Exchange (the "TSX") under the symbol "CURA" (the "TSX Listing") and the Company's SVS were delisted from the CSE at the close of markets on December 13, 2023.

The principal business address of the Company is located at 290 Harbor Drive, Stamford, Connecticut 06902. The Company's registered and records office address is located at Suite 1700-666 Burrard Street, Vancouver, British Columbia, Canada.

Note 2 — Basis of presentation and consolidation

The Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP") as issued by the Financial Accounting Standards Board. The significant accounting policies described in *Note 3 — Significant accounting policies* have been applied consistently to all periods presented.

In the opinion of management, the financial data presented includes all adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the annual periods presented. Certain previously reported immaterial amounts, specific to the Consolidated Statements of Cash Flows, have been reclassified between line items to conform to the current period presentation. Additionally, in *Note 23 — Income Taxes*, the Company reclassified Section 280E expenses from Non-deductible expenses to Increase in uncertain tax position in the reconciliation of its statutory tax rate on continuing operations to the effective tax rate on continuing operations for the year ended December 31, 2023 to conform to the current period presentation.

The Consolidated Financial Statements include estimates and assumptions of management that affect the amounts reported in the Consolidated Financial Statements. Actual results could differ from these estimates.

Functional and presentation currency

The Consolidated Financial Statements are presented in U.S. dollar ("USD"), which is the reporting currency of the Company, unless otherwise noted. The functional currency of the Company and the domestic entities reflected in the Consolidated Financial Statements is the USD, and the functional currencies of the Company's international subsidiaries include the Pound Sterling, Euro, Swiss Franc, Polish Zloty and Canadian Dollar. The financial accounts of the Company's international subsidiaries are translated to USD using exchange rates at specific reporting dates or average rates over the

reporting period, as applicable. Unrealized gains and losses resulting from foreign currency translation adjustments are recognized within Accumulated other comprehensive loss, which is a component of Shareholders' equity on the Consolidated Balance Sheets. Realized transactional exchange gains and losses are included in Other income, net on the Consolidated Statements of Operations.

Basis of measurement

The Consolidated Financial Statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value as described herein.

Basis of consolidation

The Consolidated Financial Statements include all the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries and legal entities in which it holds a controlling financial interest, through management service agreements ("MSAs") or other financing arrangements.

All intercompany balances and transactions have been eliminated in consolidation. See *Note 3 — Significant accounting policies.*

The following table presents the wholly-owned subsidiaries of the Company as well as the entities in which the Company held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	**Jurisdiction of Incorporation/Formation**	**Ownership %[1]**	
Curaleaf International Holdings Limited	Guernsey	68.5%	68.5%
Curaleaf, Inc.*	DE	—	—
Northern Green Canada Inc.	Canada	100%	—[2]
Bloom Fungibles, LLC	AZ	100%	100%
Focused Employer, Inc.	DE	100%	100%

[1] Based on % of voting interests held by the Company.

[2] The Company acquired Northern Green Canada Inc. ("NGC") in 2024. See *Note 4 — Acquisitions* for further details.

* Consolidated by the Company as a variable interest entity. See *Note 3 — Significant accounting policies* and *Note 29 — Variable interest entities* for further details.

The following table presents the wholly-owned subsidiaries of Curaleaf International Holdings Limited ("Curaleaf International") as well as the entities in which Curaleaf International held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	**Jurisdiction of Incorporation/Formation**	**Ownership %[1]**	
Curaleaf International Limited	UK	100%	100%
Four20 Pharma GmbH[2]	Germany	55%	55%

[1] Based on % of voting interests held by the Company.

[2] The remaining 45% noncontrolling interest is held by the sellers of Four20 Pharma GmbH, which the company acquired in September 2022. See '*Non-controlling interests*' herein and *Note 17 — Redeemable non-controlling interest* for further details.

The following table presents the wholly-owned subsidiaries of Curaleaf, Inc. as well as the entities in which Curaleaf, Inc., directly or indirectly, held a controlling financial interest as of December 31, 2024 and 2023:

		December 31, 2024	December 31, 2023
Entity name	**Jurisdiction of Incorporation/Formation**	**Ownership %[1]**	
CLF AZ, Inc.	DE	100%	100%
CLF NY, Inc.	DE	100%	100%
Curaleaf CA, Inc.	DE	100%	100%
Curaleaf KY, Inc.	DE	100%	100%
Curaleaf Massachusetts, Inc.	MA	100%	100%
Curaleaf MD, LLC	MD	100%	100%
Curaleaf OGT, Inc.	DE	100%	100%
Curaleaf PA, LLC	DE	100%	100%
Focused Investment Partners, LLC	DE	100%	100%
CLF Maine, Inc.	DE	100%	100%
PalliaTech CT, Inc.	DE	100%	100%
CLF Oregon, LLC (formerly PalliaTech OR, LLC)	DE	100%	100%
PalliaTech Florida, Inc.	DE	100%	100%
PT Nevada, Inc.	DE	100%	100%
CLF Sapphire Holdings, Inc.	DE	100%	100%
Curaleaf NJ II, Inc.	DE	100%	100%
GR Companies, Inc.	DE	100%	100%
CLF MD Employer, LLC	MD	100%	100%
Curaleaf Columbia, LLC (formerly HMS Sales, LLC)	MD	100%	100%
MI Health, LLC	MD	100%	100%
Curaleaf Compassionate Care VA, LLC	VA	100%	100%
Curaleaf UT, LLC	DE	100%	100%
Curaleaf Processing, Inc	DE	100%	100%
Virginia's Kitchen, LLC	CO	100%	100%
Cura CO LLC	CO	100%	100%
Curaleaf DH, Inc.	DE	100%	100%
Curaleaf Stamford, Inc.	CT	100%	100%
CLF Holdings Alabama, Inc.	DE	100%	100%
Curaleaf Hemp, Inc.	DE	100%	—
Windy City Holding Company, LLC*	IL	—	—
Broad Horizon Holdings, LLC*	MA	—	—

[1] Based on % of voting interests held by Curaleaf, Inc. with the exception of the entities which Curaleaf, Inc. consolidates as variable interest entities.

* Consolidated by Curaleaf, Inc. as a variable interest entity. See *Note 3 — Significant accounting policies* and *Note 29 — Variable interest entities* for further details.

Non-controlling interests ("NCI")

NCI in consolidated subsidiaries represent the component of equity in consolidated subsidiaries held by third parties. Any change in ownership of a subsidiary while the controlling financial interest is retained is accounted for as an equity transaction between the controlling and non-controlling interests. In addition, when a subsidiary is deconsolidated, any retained non-controlling equity investment in the former subsidiary is initially measured at fair value, and the gain or loss triggered by any difference between the carrying value and fair value of the retained interest is included in Other income, net on the Consolidated Statements of Operations.

NCI with redemption features, such as put options, that are not solely within the Company's control are considered redeemable non-controlling interests ("Redeemable NCI"). Redeemable NCI is considered to be temporary equity and are reported in the mezzanine section between Commitment and contingencies and Shareholders' equity on the Consolidated Balance Sheets. Redeemable NCI is recorded at the greater of the carrying value, which is adjusted for the NCI's share of net income or loss generated over the reporting period and the estimated redemption value at the end of the reporting period. In instances where the redemption value of Redeemable NCI is greater than its carrying value and redemption is at least probable, the Company has elected to immediately recognize the entire adjustment through Accumulated deficit on the Consolidated Balance Sheets. This election provides for a more immediate and transparent reflection of the economic impact associated with changes in redemption value, as opposed to accreting the difference over time.

See *Note 17 — Redeemable non-controlling interest* for further details.

Note 3 — Significant accounting policies

Variable interest entities

The Company consolidates legal entities in which it holds a controlling financial interest. Determining whether it has a controlling financial interest, which is defined by Accounting Standards Codification ("ASC") 810, *Consolidation* ("ASC 810"), as the power to direct the activities of a variable interest entity ("VIE") that most significantly impact the VIE's economic performance and the obligation to absorb losses of and the right to receive benefits from the VIE that could be potentially significant to the VIE. See *Note 2 — Basis of presentation and consolidation* and *Note 29 — Variable interest entities* for further details about the entities consolidated by the Company under the VIE consolidation model.

Cash, cash equivalents and restricted cash

Cash and cash equivalents include cash deposits in financial institutions, other deposits that are readily convertible into cash, with original maturities of three months or less, and cash held at retail locations. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (the "FDIC") up to $250,000. The Company maintains its cash in bank deposit accounts, the balances of which, at times, may exceed federally insured limits. As of December 31, 2024 and December 31, 2023, the Company had a restricted cash balance of $14.2 million and $8.6 million, respectively, related to full collateralization of the Company's borrowings under its asset-based revolving credit facility and standby letter of credit with East West Bank ("EWB").

Accounts receivable, net

The Company maintains an allowance for expected credit losses to reflect the potential uncollectability of accounts receivable, based on historical credit loss information as adjusted for current conditions, reasonable and supportable forecasts and the risk characteristics of specific receivables. If current or expected future economic trends, events or changes in circumstances indicate that specific receivable balances may not be collectible, further consideration is given to the collectability of those balances, and the allowance for expected credit losses is adjusted accordingly. Accounts receivable are written off after exhaustive collection efforts occur, and the receivable is deemed uncollectible. The allowance for expected credit losses is recorded within Accounts Receivable, net on the Consolidated Balance Sheets. See *Note 7 — Accounts receivable, net* for further detail.

Notes receivable

Notes receivables are recognized and measured at amortized cost, representing the initial carrying amount adjusted for any subsequent amortization of principal and any expected credit losses. Interest income on notes receivables is recognized using the effective interest rate method, allocating interest income over the relevant period, based on the carrying amount of the asset and the effective interest rate. See *Note 9 — Notes receivable* for further detail.

Inventories, net

Inventories, including packaging and supplies, are stated at the lower of cost or net realizable value ("NRV"). NRV is the estimated selling price in the ordinary course of business less estimated costs to sell. If conditions indicate a decline in inventory value, the Company records a write-down to NRV in the period the decline occurs. Inventory write-downs to NRV are not reversed in subsequent periods. The Company utilizes a standard costing methodology to value its

inventories. Standard costs are reviewed periodically and adjusted to approximate weighted average cost. The direct and indirect costs of inventories include materials, labor and depreciation expense. All direct and indirect costs related to inventories are capitalized as they are incurred and subsequently recorded at the time the inventoried product is sold within Cost of goods sold on the Consolidated Statements of Operations. The Company reviews its inventories for excess, obsolete, redundant and slow-moving items, and any such inventories are written down to NRV, which is recorded within Cost of goods sold on the Consolidated Statements of Operations. See *Note 8 — Inventories, net* for further detail.

Intangible assets, net

Intangible assets are recorded at cost, less accumulated amortization and impairment losses, if any. Intangible assets acquired in a business combination are recognized at fair value at the date of acquisition, while intangible assets that are internally generated are recognized at cost. The useful life of an internally generated intangible asset is the shorter of 15 years or the term specified by an applicable law, regulation or contractual provision. Intangible assets are amortized on a straight-line basis over the following estimated useful lives:

Asset class	Estimated useful life
Non-compete agreements	1-15 years
Trade names	1-20 years
Intellectual property and know-how	5-15 years
Licenses and service agreements	5-30 years

The Company reviews the estimated useful lives, residual values and amortization methods of the Company's intangible assets at each fiscal year-end, and any adjustments deemed to be appropriate are applied prospectively. See *Note 12 — Intangible assets, net and Goodwill* for further detail.

The Company does not have any intangible assets with indefinite useful lives.

Leases

The Company evaluates contract terms to determine whether the contract constitutes a lease or includes an embedded lease component. If a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company deems that contract a lease or as containing an embedded lease and evaluates whether the lease arrangement is classified as a finance lease or operating lease at inception. For lease arrangements with an initial term in excess of 12 months, the Company recognizes a lease liability equal to the present value of future lease payments and recognizes a right-of-use ("ROU") asset equal to the lease liability, subject to certain adjustments. For lease arrangements with an initial term of 12 months or less, the Company does not recognize a lease liability and ROU asset; instead, the Company recognizes the related lease payments as lease expense on a straight-line basis over the lease term, which is recognized within Selling, general and administrative on the Consolidated Statements of Operations. The Company uses its incremental borrowing rate to determine the present value of remaining lease payments, unless the rate implicit in the lease is readily determinable. The Company has elected to combine separate lease and non-lease components into a single lease component for all classes of its leased assets.

Lease payments are in-substance fixed, and certain real estate leases include annual escalation clauses with reference to an index or contractual rate. Typically, the Company enters into real estate leases that require additional payments for taxes, insurance, maintenance and other common area charges. These expenses are considered non-lease components. If the non-lease components are fixed, the Company accounts for its real estate leases and related fixed non-lease components together as a single lease component used to measure its ROU assets and lease liabilities. If the non-lease components are variable, the variable payments are excluded from the Company's measurements of its ROU assets and lease liabilities and are expensed as incurred through either Cost of goods sold or Selling, general and administrative.

ROU assets are amortized on a straight-line basis over the earlier of the useful life of the ROU asset or the end of the lease term. On the Consolidated Statements of Operations, amortization of operating lease ROU assets and reduction of operating lease liabilities is recognized as lease expense and amortization of finance ROU assets is recognized within Depreciation and amortization. In addition, the Company records interest expense on its finance lease liabilities using the

effective interest method, which is recognized within Interest expense related to lease liabilities and financial obligations on the Consolidated Statements of Operations.

The term the Company assigns to a lease arrangement at commencement is determined based on the noncancellable period for which the Company has the right to use the underlying leased asset, inclusive of any periods covered by extension options that the Company is reasonably certain to exercise or the exercise of which is controlled by the lessor. The Company considers a number of factors when evaluating whether the extension options in its lease arrangements are reasonably certain of exercise, including the location of the leased asset, the length of time before the options can be exercised, expected value of the leased assets at the end of the initial lease terms, relevance of the leased assets to the Company's operations and the cost of negotiating a new lease.

The Company has historically entered into transactions wherein the Company sold real estate property or equipment to a buyer and simultaneously leased back all, or a portion of, the same asset for all, or part of, the asset's remaining useful life. Transactions such as these are evaluated to determine whether sale leaseback accounting is required. When a sale and leaseback transaction does not qualify for sale accounting, the transaction is accounted for as a financing transaction, and the Company recognizes a financial liability for the sale proceeds, within Financial obligations - current and Financial obligations - net of current on the Consolidated Balance Sheets. The Company retains the underlying asset in Property, plant and equipment, net and continues to depreciate the asset, based upon the Company's depreciation policy, over its remaining useful life. The Company uses the effective interest method to allocate lease cash payments between the reduction of the Financial obligations' principal balance on the Consolidated Balance Sheets and the recognition of interest expense within Interest expense related to lease liabilities and financial obligations on the Consolidated Statements of Operations.

See *Note 11 — Leases* for further detail.

Impairment of long-lived assets

The Company evaluates the recoverability of its long-lived assets, including property, plant and equipment, ROU assets, definite lived intangible assets and equity investments, whenever events or changes in circumstances indicate that the carrying value of a long-lived asset, or asset group, may not be recoverable. When the Company determines that the carrying value of its long-lived assets may not be recoverable, these long-lived assets are assessed for impairment based on the estimated future undiscounted cash flows expected to result from the use and eventual disposition of the long-lived assets. If the carrying value of a long-lived asset, or asset group, exceeds its fair value, an impairment loss equal to the excess is recognized within Loss on impairment on the Consolidated Statements of Operations, during the period in which the impairment is identified.

Goodwill

Goodwill represents the excess of the consideration transferred for the acquisition of an entity over the fair value of the net tangible and intangible assets acquired. Goodwill is either assigned to a specific reporting unit or allocated between reporting units based on the relative fair value of each reporting unit. See *Note 12 — Intangible assets, net and Goodwill* for further detail.

Impairment of goodwill

Goodwill is not subject to amortization and is tested annually for impairment, as of October 1 of each year, or more frequently if events or changes in circumstances indicate that the Company's goodwill might be impaired. To determine whether the Company's goodwill should be tested for impairment outside of the annual cadence, the Company performs a quarterly qualitative assessment to identify potential indicators of impairment, such as significant underperformance relative to historical or projected future operating results, significant changes in the Company's manner of use of the acquired assets or strategy for the overall business, a significant decrease in the market value of the acquired assets or significant negative industry or economic trends.

Goodwill is tested for impairment at the reporting unit level. A reporting unit is the same as, or one level below, an operating segment and represents a component, or group of components, for which discrete financial information is available and reviewed regularly by segment management.

Goodwill is deemed to be impaired if the carrying value of a reporting unit, including allocated goodwill, exceeds its fair value (but not below zero), as determined using both an income and a market approach; an impairment loss equal to the excess is recognized within Loss on impairment on the Consolidated Statements of Operations, during the period in which the impairment is identified.

Deferred charges: debt financing

The Company's deferred charges include financing costs and debt discounts or debt premiums that were incurred in connection with its execution of new, or modification of existing, debt financing. Deferred charges related to term loans are netted against the carrying amount of the debt within Notes payable - net of current on the Consolidated Balance Sheets. Deferred charges related to revolving lines of credit are capitalized within Prepaid expenses and other current assets or Investments and other assets on the Consolidated Balance Sheets, depending on the maturity dates of the revolving lines of credit. Deferred charges are amortized using the effective interest method and recognized within Interest expense on the Consolidated Statements of Operations.

Commitments and contingencies

The Company recognizes contingent liabilities when such contingencies are probable and reasonably estimable, within Accrued expenses on the Consolidated Balance Sheets. Losses related to contingencies are typically recognized within Other income, net on the Consolidated Statements of Operations.

The Company recognizes legal costs for contingencies in the period in which the costs are incurred within Selling, general and administrative on the Consolidated Statements of Operations. See *Note 26 — Commitments and contingencies* for further detail.

Income taxes

The Company's Provision for income taxes on the Consolidated Statements of Operations is comprised of current and deferred taxes, except to the extent that the income tax expense related to a business combination, items recognized directly within Shareholders' equity on the Consolidated Balance Sheets.

Current taxes are recognized on taxable income (loss) for the fiscal period, as adjusted for unrealized tax benefits, changes in tax receivables (payables) that arose in a prior period and recovery of taxes paid in a prior period. Current taxes are measured using tax rates and laws enacted during the period within which the taxable income (loss) arose. Current tax assets and liabilities are offset only if the right of offset exists.

Deferred taxes are recognized with respect to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax basis, with certain exceptions. Deferred taxes are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. If the Company determines, based on available evidence, that it is more likely than not that all or a portion of a deferred tax asset will not be realized, a valuation allowance is established to reduce the deferred tax asset by the amount expected to be unrealizable. The Company reassesses the need for a valuation allowance at the end of each fiscal quarter and takes into consideration, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability and the duration of statutory carryforwards.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state and foreign jurisdictions, where applicable. For the years ended December 31, 2024 and December 31, 2023, the Company has adopted a new federal and state income tax position, supported by legal interpretations, asserting that the restrictions of Section 280E of the Internal Revenue Code ("Section 280E") do not apply to the Company's cannabis operations ("280E position"). The Company recorded an uncertain tax liability on the Consolidated Balance Sheets for tax positions taken based on the 280E Position. In addition, the Company filed amended federal and state income tax returns with refund claims for several of the Company's business entities for tax years prior to 2023. If the Company's interpretation is upheld, the Company's financial position could be significantly enhanced by the ability to deduct additional ordinary and necessary business expenses that are non-deductible under Section 280E.

While the Company believes its position is supported by sound legal reasoning, the cannabis industry remains in a complex regulatory environment. The illegality of cannabis under U.S. federal law poses unique challenges and uncertainties, including the potential for differing interpretations and enforcement actions. The Company is prepared to vigorously defend its tax position, if challenged, and will continue to monitor legal developments in this matter closely; however, the Company cannot be certain that it will prevail on this issue with the Internal Revenue Services (the "IRS"). As a precautionary measure, if the Company were not to prevail, reserves have been established to mitigate the potential financial impact of such a determination, which is recognized within the Company's Uncertain tax position liability on the Consolidated Balance Sheets. There was a $313.0 million increase in the Company's Uncertain tax position liability from December 31, 2023 to December 31, 2024 due to the 280E position, which was offset by a corresponding reduction in the Company's Income tax payable. The Company believes it is reasonably possible that its Uncertain tax position liability will continue to increase over the next 12 months, while its 280E position is reviewed by the IRS and certain state tax authorities.

See *Note 23 — Income Taxes* for further detail.

Revenue recognition

Revenue is recognized by the Company in accordance with Accounting Standards Update ("ASU") 2014-09 *, Revenue from Contracts with Customers (Topic 606)* ("ASC 606"), pursuant to which the Company recognizes revenue when the control of a promised good or service is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the transferred good or service.

In order to recognize revenue under ASC 606, the Company applies the following five-step model:

i. Identify a customer along with a corresponding contract;

ii. Identify the performance obligation(s) in the contract to transfer goods or provide distinct services to a customer;

iii. Determine the transaction price the Company expects to be entitled to in exchange for transferring promised goods or services to a customer;

iv. Allocate the transaction price to the performance obligation(s) in the contract; and

v. Recognize revenue when or as the Company satisfies the performance obligation(s).

The majority of the Company's performance obligations are satisfied at a point in time; either upon delivery and acceptance of the Company's goods or services by its wholesale customers or immediately upon transfer of the Company's goods or services to its retail customers. Revenues from the Company's cannabis sales are recorded net of sales discounts at the time of delivery to the customer. Payment is typically due upon transfer of the Company's products to the customer or within a specified time period permitted under the Company's credit policy.

Retail and wholesale revenues

The Company derives its domestic retail and wholesale revenues from U.S. states in which it is licensed to cultivate, process, distribute and sell cannabis and other hemp-derived products. The Company sells directly to customers at its retail dispensaries and sells wholesale to third-party dispensaries or processors.

Internationally, the Company derives retail revenues in the U.K., where it holds a pharmacy license that enables it to fulfill cannabis prescriptions directly to the patient through its online pharmacy. The Company also supplies cannabis on a wholesale basis to pharmacies and other distributors based in Australia, New Zealand, Canada and across Europe, including Germany, Italy and Poland. All products that are supplied to Italy are sold to wholesalers who import the Company's products. Non-cannabis revenues are all derived from wholesale operations in Germany, Spain and the U.K.

For most of its locations, the Company offers a loyalty reward program to its retail dispensary customers that allows customers who enroll in the program to earn reward points at point of sale for use on future purchases. Loyalty reward points earned by the Company's retail customers on products purchased are recognized as a reduction of revenue at the time of sale. Loyalty points earned are recognized within Accrued expenses on the Consolidated Balance Sheets, until redeemed, expired or forfeited. As of December 31, 2024 and 2023, the Company's Accrued loyalty payable totaled $5.7 million and $5.3 million, respectively.

Promotional discounts and customer loyalty rewards not derived from products purchased by the customer are recognized within Sales and marketing, which is a component of Selling, general and administrative expense on the Consolidated Statements of Operations.

Management fee income

Management fee income is comprised primarily of revenue earned through MSAs pursuant to which the Company provides professional services, including cultivation, processing and retail know-how, back-office administration, intellectual property licensing, real estate leasing services and lending facilities to medical and adult use cannabis licensees. In addition, management fee income includes royalty fees earned on third-party use of certain of the Company's licenses, as well as logistics service fees and consultation fees earned in the Company's international operations. The Company recognizes management fee income on a straight-line basis over the term of the associated agreements as services are provided.

See *Note 22 — Revenue disaggregation* for further detail.

Share-based compensation

The Company recognizes compensation expense for all share-based awards, including stock options, performance stock units ("PSUs") and restricted stock units ("RSUs"), granted to its employees and directors at the fair value of the awards on the date of grant. The Company uses the Black-Scholes valuation model to determine the grant-date fair value of stock options. In instances where stock options or units have performance or market conditions, the Company utilizes the Monte Carlo valuation model to simulate a wide range of potential future market conditions and uncertainties that could affect the fair value of the underlying.

The inputs into the Black-Scholes valuation model, including the expected term of the instrument, expected volatility, risk-free interest rate and dividend rate are determined by reference to the terms of the underlying instrument as well as the Company's experience with similar instruments. Expected volatility is estimated based on the historical volatility in the price of the Company's outstanding SVS, as management believes this is the best estimate of the expected volatility over the expected life of the Company's stock options granted. The expected life in years represents the period of time that stock options granted are expected to be outstanding. The expected term of stock options granted to non-employees is equal to the contractual term of the option award. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the stock options granted.

Share-based compensation is amortized on a straight-line basis over the requisite service period of the share-based awards, which is generally the vesting period, and recognized within Share-based compensation on the Consolidated Statements of Operations, with a corresponding increase to Shareholders' equity on the Consolidated Balance Sheets. The amount recognized as an expense is adjusted to reflect the number of share-based awards for which the related service conditions are expected to be met, such that the total share-based compensation ultimately recognized by the Company is based on the number of share-based awards that meet the related service conditions at the vesting date. The Company recognizes the impact of forfeitures to its share-based compensation as they occur. See *Note 18 — Share-based compensation* for further detail.

Earnings per share, basic and diluted

The Company presents basic and diluted earnings per share ("EPS") on its Consolidated Statements of Operations. Basic EPS is calculated by dividing the net income (loss) attributable to the Company's shareholders by the weighted average number of shares outstanding during the reporting period. Diluted EPS is determined by adjusting the profit or loss attributable to the Company's shareholders and the weighted average number of shares outstanding during the period, for the effects of all potentially dilutive instruments, which, for the Company, is comprised of share-based awards, contingent equity consideration obligations and convertible debt. Instruments with an anti-dilutive impact are excluded from the calculation of diluted EPS. The Company applies the treasury stock method to calculate the number of potentially dilutive securities with respect to its share-based awards and the if-converted method with respect to any outstanding contingent equity consideration obligations and convertible debt. See *Note 24 — Earnings per share* for further detail.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. See *Note 27 — Related party transactions* for further detail.

Business combinations

The Company accounts for business combinations using the acquisition method in accordance with ASC 805, *Business Combinations* ("ASC 805"), which requires recognition of assets acquired and liabilities assumed, including contingent assets and liabilities, at their respective fair values on the date of acquisition or assumption of control. Non-controlling interests in the acquiree are measured at fair value on acquisition date. Acquisition-related transaction costs are recognized as expenses in the period in which the costs are incurred. The excess of consideration transferred over the net assets acquired and liabilities assumed is recognized as goodwill as of the acquisition date. Following initial recognition, goodwill is measured at cost, less any accumulated impairment losses.

The Company utilizes the guidance prescribed by ASC 805, which allows entities to use a screen test to determine if a transaction should be accounted for as a business combination or an asset acquisition. Under the optional screen test, where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the transaction would be accounted for as an asset acquisition. Management performs a concentration test where appropriate and if the concentration of assets is 90% or above, the transaction is generally accounted for as an asset acquisition. In addition, if the assets acquired are not a business, the Company accounts for the transaction as an asset acquisition.

Contingent consideration is measured at fair value at the date of acquisition and included as part of the consideration transferred in a business combination. Contingent consideration classified as a liability requires fair value remeasurement at the end of each reporting period, with adjustments to the fair value of the contingent liability recognized within Other income, net on the Consolidated Statements of Operations. Contingent consideration classified as equity is assessed at the end of each reporting period to determine whether equity classification remains appropriate.

Purchase price allocations may be preliminary and, during the measurement period (not to exceed one year from the date of acquisition), changes in assumptions and estimates that result in adjustments to the fair value of assets acquired and liabilities assumed are recorded in the period the adjustments are determined.

Operating results associated with acquisitions are included in the Company's consolidated financial statements from the date of acquisition.

Asset acquisitions

In accordance with ASC 805, the Company defines asset acquisitions as those not pertaining to the acquisition of inputs, processes and outputs that constitute a business. The Company allocates the cost of an asset acquisition, including the acquisition-related transaction costs, to the individual assets acquired and liabilities assumed based on their relative fair values. See *Note 4 — Acquisitions* for further detail.

Fair value of financial instruments

The Company applies fair value accounting to all financial assets and liabilities that are recognized or disclosed at fair value in its 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.

The Company elected to apply the beginning-of-period convention whereby all transfers into and out of Level 3 in the fair value hierarchy are deemed to have had occurred at the beginning of the reporting period. The Company does not reclassify its financial instruments within the fair value hierarchy subsequent to initial recognition, unless a change has occurred in its business model for managing financial instruments. See *Note 28 — Fair value measurements and financial risk management* for further detail.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and contingencies. Although actual results in subsequent periods may differ from these estimates, such estimates are developed based on the best information available to management and management's best judgments at the time. The Company relies upon historical experience, observable trends and various other assumptions to develop reasonable significant estimates and assumptions, which are then regularly reviewed and updated, as needed, by management. Changes in estimates are accounted for prospectively and are based upon on-going trends or subsequent settlements and the sensitivity level of the estimates and assumptions to changes in facts and circumstances. Although management believes that all estimates are reasonable, actual results could differ from these estimates.

The most significant assumptions and estimates underlying the Consolidated Financial Statements are described below:

Consolidation

When determining the appropriate basis of accounting for the Company's interests in affiliates, the Company makes judgements about the degree of influence that it exerts directly or indirectly through an arrangement over the investees' relevant activities. The Company consolidates legal entities in which it holds a controlling financial interest. Determining whether the Company has a controlling financial interest of a legal entity in which it does not have a majority voting interest is subject to significant judgment and estimates. Considerations include, but are not limited to, voting interests of the VIE, management, service and other agreements with the VIE, involvement in the VIE's initial design and the existence of explicit or implicit financial guarantees. See *Note 2 — Basis of presentation and consolidation* and *Note 29 — Variable interest entities* for further detail.

Accounting for acquisitions and business combinations

Classification of an acquisition as a business combination or asset acquisition hinges on whether the asset acquired constitutes a business, which can be a complex judgment.

In determining the fair value of all identifiable assets, liabilities and contingent liabilities acquired, the most significant estimates are related to the valuation of contingent consideration and intangible assets. Management exercises judgement in estimating the probability and timing of when earn-outs are expected to be achieved, which is used as the basis for estimating fair value. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert may be engaged to apply the appropriate valuation techniques to management's forecast of the total expected future net cash flows in order to estimate fair value.

The primary intangible assets typically acquired in a business combination within the cannabis industry are cannabis licenses, as they provide companies with the ability to operate in additional markets. To estimate the fair value of intangible assets, management exercises judgement in developing cash flow projections and choosing discount and terminal growth rates. The estimated fair value of intangible assets is most sensitive to changes in the discount rate applied. The terminal growth rate represents the rate at which businesses will continue to grow into perpetuity. Other significant

assumptions include revenue, gross profit, operating expenses and anticipated capital expenditures, which are based on the historical operations of the acquiree together with management's projections. These valuations are closely linked to the assumptions made by management regarding future performance of the assets acquired and any changes in the discount rate applied.

Contingent consideration payable as a result of a business combination is recorded at fair value at the date of acquisition. The fair value of contingent consideration is subject to significant judgments and estimates, such as projected future revenues. See *Note 4 — Acquisitions* for further detail.

Share-based compensation - Stock options

The Company uses the Black-Scholes valuation model to determine the fair value of stock options granted to employees and directors under share-based awards, where appropriate. In instances where stock options or stock units have performance or market conditions, the Company utilizes the Monte Carlo valuation model to simulate the various outcomes that might affect the fair value of the stock option or stock units. In estimating fair value, management is required to make certain significant assumptions and estimates, such as the expected life of stock options, expected volatility in the future price of the Company's outstanding SVS, expected risk-free rates and future dividend yields. Changes in assumptions used to estimate fair value could result in materially different results. See *Note 18 — Share-based compensation* for further detail.

Goodwill impairment

Goodwill is not subject to amortization and is tested annually for impairment, or more frequently, if events or changes in circumstances indicate that goodwill might be impaired. In order to determine the amount, if any, the carrying value of its goodwill might be impaired, the Company performs the analysis on a reporting unit level, using both an income and a market approach. Under the income approach, fair value is estimated on the present value of estimated cash flows (i.e. discounted cash flows). The market approach estimates fair value using comparable marketplace fair value data from within a comparable industry grouping. Not only is the determination of the Company's reporting units subject to significant management judgment, management has to apply significant judgments in assessing the various inputs that drive the fair value of a reporting unit, such as historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the estimated fair value of the reporting units and the implied fair value of goodwill. See *Note 12 — Intangible assets, net and Goodwill* for further detail.

Impairment of long-lived assets

The Company evaluates the recoverability of its long-lived assets (or asset groups) whenever events or changes in circumstances indicate that their carrying value may not be recoverable. This evaluation requires significant management judgment and involves identifying and interpreting key factors, such as significant adverse changes in (i) the market price of a long-lived asset; (ii) the extent or manner in which a long-lived asset is used; or (iii) legal factors or the business climate. Additionally, management's considerations may include whether (iv) the Company's accumulated investment in its long-lived asset(s) significantly exceeds the amount originally expected; (v) the Company is experiencing or projecting ongoing operating or cash flow losses; or (vi) it is more likely than not that a long-lived asset will be sold or otherwise disposed of significantly earlier than its previously estimated useful life. If management determines the recoverability of the Company's long-lived asset(s) may not be recoverable, management exercises significant judgment in estimating the undiscounted future cash flows of the affected long-lived asset(s). Changes in the underlying assumptions or conditions can materially affect the value of the Company's long-lived assets as reported in its consolidated financial statements. See *Note 10 — Property, plant and equipment, net, Note 11 - Leases and Note 12 — Intangible assets, net and Goodwill* for further detail.

Inventories, net

In measuring the value of its inventories, net at the end of the reporting period, the Company compares inventoried costs to estimated NRV. The NRV of inventories, net represents the estimated selling price for the Company's goods in the ordinary course of business, less all estimated costs of completion and costs necessary to sell. The determination of NRV requires significant judgment, including consideration of factors such as shrinkage, the aging of and future demand for inventory, expected future selling prices and contractual arrangements with customers. Reserves for excess and obsolete inventory are also based upon quantities on hand and projected volumes from demand forecasts. The Company's estimates

are made at a point in time, using available information, expected business plans and expected market conditions. The future realization of these inventories may be affected by market-driven changes that reduce future selling prices. As a result, the actual amount received from sale of inventories, net could differ from estimates. See *Note 8 — Inventories, net* for further detail.

Income taxes

The Company records tax benefits for all years subject to examination based upon management's evaluation of the facts, circumstances and information available at the reporting date. There is inherent uncertainty in quantifying income tax positions, especially considering the complex tax laws and regulations for federal, state and foreign jurisdictions in which the Company operates. The Company has recorded tax benefits for those tax positions where it is more likely than not that a tax benefit will result upon ultimate settlement with the relevant tax authority that has all relevant information.

Assets and liabilities held for sale

The Company classifies assets held for sale in accordance with ASC 205 *, Presentation of Financial Statements* ("ASC 205"). When the Company makes the decision to sell an asset, disposal group or to cease operations for a portion of its business, the Company assesses whether such assets and related liabilities should be classified as held for sale. To be classified as held for sale, the asset or disposal group must meet all of the following conditions at the end of the reporting period:

i. available for immediate sale in its present condition;
ii. management is committed to a plan to sell;
iii. an active program to locate a buyer and complete the plan has been initiated;
iv. the asset or disposal group is being actively marketed at a sales price that is reasonable in relation to its fair value;
v. the sale is highly probable within one year from the date of classification to held for sale and
vi. actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn.

An asset held for sale is measured at the lower of its carrying amount or fair value less cost to sell, unless the asset held for sale meets the exceptions as prescribed by ASC 205. Fair value is the amount obtainable from the sale of the asset in an arm's length transaction, less the costs of disposal. See *Note 5 — Assets and liabilities held for sale* for further detail.

Discontinued Operations

Pursuant to ASC 205, the Company classifies held for sale assets and liabilities as discontinued operations if the disposal represents a strategic shift that has, or will have, a major effect on the Company's operations and financial results. The held for sale classification criteria is presented above under *'Assets and liabilities held for sale'* .

When the Company makes the decision to sell an asset or disposal group, management makes significant assumptions in its evaluation of whether the asset or disposal group can be classified as held for sale and discontinued operations. See *Note 6 — Discontinued operations* for further detail.

Redeemable Non-controlling Interest

Valuation and classification of redeemable non-controlling interests involve significant management judgment and estimates. Determining the estimated redemption value of redeemable non-controlling interests requires a discounted cash flow analysis that incorporates assumptions about the Company's projected revenue, operating margins and cash flows as well as anticipated economic conditions. The Company also has to assess whether the underlying equity instruments are currently redeemable or likely to become redeemable in the future, adding complexity to their classification on the balance sheet. Changes in redemption value are influenced by forward-looking factors and may require adjustments that impact

retained earnings and/or additional paid-in capital. These estimates and judgments are inherently subjective and sensitive to future economic and market conditions. See *Note 17 — Redeemable non-controlling interest* for further detail.

New, amended and future accounting pronouncements

The Company has implemented all applicable accounting standards recently issued by the Financial Accounting Standards Board ("FASB"), as well as applicable pronouncements from certain other standard-setting bodies, within the prescribed effective dates. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded herein.

Recently Adopted Accounting Standards

Effective January 1, 2024, the Company adopted ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 is intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. Upon adoption, ASU 2023-07 did not materially impact the Consolidated Financial Statements, other than to expand the disclosures within *Note 25 — Segment reporting.* There was no impact to the Company's consolidated financial position, results of operations or cash flows.

Effective January 1, 2024, the Company adopted ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging— Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* ("ASU 2020-06"). ASU 2020-06 is intended to simplify the accounting for convertible instruments and contracts in an entity's own equity by (i) eliminating certain separation models, such as the beneficial conversion feature and cash conversion models, which previously required issuers to separately account for conversion features in equity instruments, (ii) requiring the dilutive earnings per share impact of convertible instruments to be determined based on the if-converted method and (iii) reducing the scope of ASC 815-40, *Derivatives and Hedging*, so that additional types of instruments qualify for equity classification. Upon adoption, ASU 2020-06 did not impact the Company's consolidated financial position, results of operations or cash flows, as the Company did not possess any in-scope equity instruments. The Company applies the if-converted method to calculate the dilutive impact to the Company's earnings per share of the Conversion Amount (as defined within) associated with the Company's Bloom Notes 2025 (as defined within). See *Note 15 — Notes payable* and *Note 24 — Earnings per share* for further details.

Global Minimum Tax Rules - Pillar Two

Numerous foreign jurisdictions have enacted or are in the process of enacting legislation to adopt a minimum effective tax rate, as described in the Global Anti-Base Erosion Model Rules (otherwise known as Pillar Two) issued by the Organization for Economic Co-operation and Development. Under Pillar Two, a minimum effective tax rate of 15% would apply to multinational companies with consolidated revenues above €750 million. Pillar Two is effective for fiscal years beginning on or after January 1, 2024, in several jurisdictions in which the Company operates. Upon enactment, Pillar Two did not have a material impact on the Company's Consolidated Financial Statements, and there was no material impact to the Company's consolidated financial position, results of operations or cash flows.

Recently Issued Accounting Standards

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversion and Other Options* ("ASU 2024-04"). ASU 2024-04 clarifies the requirements for accounting for a settlement of a convertible debt instrument as an induced conversion and applies to convertible debt instruments with cash conversion features as well as debt instruments that are not currently convertible. ASU 2024-04 is effective for all entities for annual periods beginning after December 15, 2025, and interim periods within those annual periods, and can be applied either on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2024-04 to the Company and its consolidated financial statements upon adoption.

In November 2024, the FASB issued ASU 2024-03, *Reporting Comprehensive Income - Expense Disaggregation Disclosures* ("ASU 2024-03"). ASU 2024-03 requires public business entities to provide disaggregated disclosures of specific income statement expense categories, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, depletion and selling expenses. The amendments introduced by ASU 2024-03 aim to enhance transparency by offering investors more detailed insights into an entity's expense structure. This additional information is

intended to improve investors' ability to understand an entity's cost structure and to forecast future cash flows. ASU 2024-03 is effective for all entities for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, and can be applied either on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2024-03 to the Company and its consolidated financial statements upon adoption.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09, among other things, requires that public business entities on an annual basis (1) disclose specific categories in the effective tax rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income [or loss] by the applicable statutory income tax rate). ASU 2023-09 is effective for all other entities for annual periods beginning after December 15, 2025. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2023-09 to the Company and its consolidated financial statements upon adoption.

In October 2023, the FASB issued ASU 2023-06, *Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* ("ASU 2023-06"). ASU 2023-06 incorporates certain SEC disclosure requirements into the FASB Codification. The amendments introduced by ASU 2023-06 are expected to clarify or improve disclosure and presentation requirements of a variety of Codification Topics, allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements and align the requirements in FASB's Codification with the SEC's regulations. ASU 2023-06 is effective for all other entities, two years after the effective date of the SEC's removal of the related disclosure requirements from Regulation S-X or Regulation S-K. Early adoption is prohibited. The Company does not anticipate ASU 2023-06 will impact its consolidated financial statements upon adoption.

In August 2023, the FASB issued ASU 2023-05, *Business Combinations— Joint Venture Formations* ("ASU 2023-05"). ASU 2023-05, among other things, (1) defines a joint venture as the formation of a new entity without an accounting acquirer and (2) requires that a joint venture measure its identifiable net assets and goodwill, if any, at the formation date, such that the initial measurement of a joint venture's total net assets is equal to the fair value of 100% of the joint venture's equity, including any noncontrolling interest in the net assets of the joint venture. ASU 2023-05 is effective for all joint ventures with a formation date on or after January 1, 2025. Early adoption is permitted. The Company will comply with ASU 2023-05 on joint ventures formed on or after January 1, 2025.

Note 4 — Acquisitions

Goodwill arising from acquisitions consists largely of the synergies and economies of scale expected from integrating the operations of the acquired businesses, opportunities to enter into new markets and/or expand the Company's footprint in existing markets as well as the acquisition of other intangibles that do not qualify for separate recognition. Synergies include the elimination of redundant facilities and functions and the use of the Company's existing commercial infrastructure to expand sales. None of the resultant goodwill from the following acquisitions are expected to be deductible for income tax purposes.

2024 Acquisitions

Northern Green Canada Inc.

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of NGC for total consideration of approximately $23.8 million, paid in cash and equity consideration. NGC is a Canadian licensed cannabis producer and distributor focused primarily on expanding in the international market through its European Union Good Manufacturing Practice ("EU-GMP") certified product offering. The acquisition of NGC has equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower supply, which the Company considers essential to maintaining a leading position in Germany, Poland and the U.K. as well as supporting the Company's expansion into new international markets.

The Company accounted for its acquisition of NGC as a business combination.

The following table presents the fair value of the assets acquired and liabilities assumed in the acquisition of NGC as of the acquisition date and an allocation of the consideration to net assets acquired:

Cash	$	146
Accounts receivable, net		2,487
Prepaid expenses and other current assets		398
Inventories, net		3,400
Property, plant and equipment, net		10,858
Right-of-use assets		2,842
Licenses		15,387
Trade name		201
Goodwill		5,269
Deferred tax liabilities		(4,131)
Liabilities assumed		(13,084)
Net assets acquired	$	23,773
Consideration paid in cash, net of working capital adjustments	$	2,368
Equity consideration		15,053
Contingent consideration classified as a liability		6,352
Total consideration	$	23,773
Cash outflow, net of cash acquired	$	2,222

The fair value of the consideration, paid through the issuance of SVS, was based on a third-party valuation that took into account transfer restrictions and the time value of money. The acquisition remains subject to measurement period adjustments, and the Company is in the process of finalizing purchase price accounting. The contingent consideration liability is related to consideration owed to the sellers of NGC, provided certain gross margin targets have been achieved at the end of 2024 (the “NGC Earnout”). 50% of the NGC Earnout is to be paid in cash, with the remaining 50% to be paid in SVS. As of December 31, 2024, the Company has not identified any material measurement period adjustments.

The Company calculated, on a pro forma basis, the combined results of the acquired entity as if the acquisition had occurred as of January 1, 2023. These unaudited pro forma results are not necessarily indicative of either the actual consolidated results had the acquisition occurred as of January 1, 2023 or of future consolidated operating results. For the NGC acquisition, total unaudited pro forma revenue and net loss were $11.6 million and $5.1 million, respectively, for the year ended December 31, 2024, and $ 13.4 million and $2.2 million, respectively, for the year ended December 31, 2023.

Revenue and net loss from the acquisition included in the Consolidated Statements of Operations for the year ended December 31, 2024 was $7.4 million and $4.0 million, respectively.

Curaleaf Poland S.A.

On February 2, 2024, the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. (“Curaleaf Poland”) for total consideration of €1.5 million, which consisted of equal parts cash consideration and equity consideration. Additionally, the transaction included deferred consideration based on Curaleaf Poland’s future performance. Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company’s international footprint.

The Company accounted for its acquisition of Curaleaf Poland as a business combination.

The following table presents the fair value of the assets acquired and liabilities assumed in the acquisition of Curaleaf Poland as of the acquisition date and an allocation of the consideration to net assets acquired:

Cash	$	48
Accounts receivable, net		414
Prepaid expenses and other current assets		2
Inventories, net		661
Property, plant and equipment, net		14
Licenses		2,063
Trade name		97
Non-compete agreements		32
Goodwill		931
Deferred tax liabilities		(548)
Liabilities assumed		(891)
Net assets acquired	$	2,823
Consideration paid in cash, net of working capital adjustments	$	832
Equity consideration		773
Deferred consideration classified as a liability		1,218
Total consideration	$	2,823
Cash outflow, net of cash acquired	$	784

The fair value of the consideration, paid through the issuance of SVS, was based on a third-party valuation that took into account the time value of money. The acquisition remains subject to measurement period adjustments, and the Company is in the process of finalizing purchase price accounting.

The Company calculated, on a pro forma basis, the combined results of the acquired entity as if the acquisition had occurred as of January 1, 2023. These unaudited pro forma results are not necessarily indicative of either the actual consolidated results had the acquisition occurred as of January 1, 2023 or of future consolidated operating results. For the Curaleaf Poland acquisition, total unaudited pro forma revenue and net income were $2.7 million and $0.3 million, respectively, for the year ended December 31, 2024 and $ 0.9 million and $0.1 million, respectively, for the year ended December 31, 2023.

Revenue and net income from the acquisition included in the Consolidated Statements of Operations for the year ended December 31, 2024 was $2.4 million and $0.1 million, respectively.

Dark Heart

On January 17, 2024, Curaleaf DH, Inc., an entity in which the Company has an indirect controlling financial interest, acquired Half Moon Nursery, Inc. and all assets of Dark Heart Nursery from Grace & Co. via forgiveness of a $7.0 million promissory note plus interest and cash consideration of $1.7 million. The acquisition provided the Company with the opportunity to continue expanding its domestic and international operations, as assets consisted of proprietary cannabis genetics and know-how (including all equipment and lease rights associated with Dark Heart Nursery's laboratory); the strains from which will be distributed to the Company's various other cultivation facilities, both domestic and international.

The Company accounted for its acquisition of Dark Heart as an asset acquisition.

The following table presents the fair value of the assets acquired in the acquisition of Dark Heart as of the acquisition date and an allocation of the consideration to net assets acquired:

Intellectual Property	$	9,365
Net assets acquired	$	9,365
Consideration paid in cash, net of working capital adjustments	$	1,693
Cancelled loan (including accrued interest)		7,672
Total consideration	$	9,365

2023 Acquisitions

Deseret Wellness, LLC

On April 6, 2023 the Company completed the acquisition of Deseret Wellness ("Deseret"), the largest cannabis retail operator in Utah, with consideration consisting of cash and stock. The Deseret acquisition included three retail dispensaries located in the cities of Park City, Provo and Payson. The Deseret acquisition immediately strengthened the Company's retail footprint in Utah, providing the state's medical patients with a wide variety of quality products including cannabis flower, vape cartridges, edibles and concentrates. The Deseret acquisition was accounted for as a business combination.

The following table presents the fair value of the assets acquired and liabilities assumed in the acquisition of Deseret as of the acquisition date and an allocation of the consideration to net assets acquired:

Cash	$	1,360
Prepaid expenses and other current assets		137
Inventories, net		807
Property, plant and equipment, net		1,692
Right-of-use assets		406
Other assets		57
Licenses		10,620
Trade name		890
Non-compete agreements		230
Goodwill		7,002
Deferred tax liabilities		(3,339)
Liabilities assumed		(5,242)
Net assets acquired	$	14,620
Consideration paid in cash	$	2,067
Deferred consideration classified as a liability		12,553
Total consideration	$	14,620
Cash outflow, net of cash acquired	$	707

The fair value of the consideration, paid through the issuance of SVS, was based on a third-party valuation that took into account transfer restrictions and the time value of money. The Company incurred and expensed $0.3 million of transaction costs related to the acquisition of Deseret. Subsequent to the acquisition date, the Company recorded a measurement period adjustment to the purchase price allocation to remove the impact of inventory purchased by Deseret from Tryke Companies (dba Reef Dispensaries) ("Tryke") prior to being acquired by the Company. The Company acquired Tryke in a business combination on October 4, 2022.

Subsequent to the acquisition of Deseret, the Company recorded a measurement period adjustment that reduced the fair value of inventory with a corresponding increase to goodwill in the amount of $0.2 million.

The Company calculated, on a pro forma basis, the combined results of the acquired entity as if the acquisition had occurred as of January 1, 2023. These unaudited pro forma results are not necessarily indicative of either the actual consolidated results had the acquisition occurred as of January 1, 2023, or of the future consolidated operating results. For the Deseret acquisition, total unaudited pro forma revenue and net income for the year ended December 31, 2023, was $13.7 million and $0.6 million, respectively.

Revenue and net income from the acquired Deseret dispensaries included in the Consolidated Statements of Operations for the year en ded December 31, 2023, was $9.9 million and $0.6 million, respectively.

Clever Leaves' Asset Acquisition

On July 5, 2023, Curaleaf Portugal LDA, a subsidiary of Curaleaf International, acquired the assets, including all equipment and lease rights, of Clever Leaves' EU-GMP certified cannabis processing and warehousing facility in Setubal, Portugal, for cash consideration, inclusive of direct transaction costs, of €2.7 million. The Clever Leaves acquisition strategically positioned the Company to expand its cultivation capacity at Curaleaf Portugal to meet the expected growth across Europe, especially within the Company's core markets: Germany and the U.K.

The Company accounted for its acquisition of Clever Leaves as an asset acquisition.

Contingent consideration

Contingent consideration recorded relates to the Company's business combinations and asset acquisitions. As discussed in *Note 3 — Significant accounting policies*, contingent consideration payable is subject to significant judgment and estimates, such as projected future revenue. Refer to *Note 28 — Fair value measurements and financial risk management* for further discussion surrounding the inputs utilized in the fair value of contingent consideration.

The changes in the Company's contingent consideration liability as of December 31, 2024 and 2023 are as follows:

	HMS	EMMAC[1]	Sapphire	Four20	Tryke[3]	NGC[2]	Total
Total contingent consideration liability, December 31, 2022	$ 1,854	$ 10,361	$ 3,895	$ 4,690	$ 8,310	$ —	$ 29,110
Payments of contingent consideration	(1,854)	(4,529)	(4,112)	(3,414)	—	—	(13,909)
Revaluation of contingent consideration	—	(1,729)	—	1,163	989	—	423
Effect of exchange rate differences	—	621	217	163	—	—	1,001
Total contingent consideration liability, December 31, 2023	—	4,724	—	2,602	9,299	—	16,625
Contingent consideration recognized on acquisition	—	—	—	—	—	6,352	6,352
Issuance of SVS as settlement of contingent consideration	—	—	—	(3,581)	(9,299)	—	(12,880)
Revaluation of contingent consideration	—	(1,820)	—	1,058	—	(3,042)	(3,804)
Effect of exchange rate differences	—	(67)	—	(79)	—	—	(146)
Total contingent consideration liability, December 31, 2024	—	2,837	—	—	—	3,310	6,147
Less: Contingent consideration liability - current	—	—	—	—	—	(3,310)	(3,310)
Contingent consideration liability - net of current	$ —	$ 2,837	$ —	$ —	$ —	$ —	$ 2,837

(1) Consideration is contingent on the ability of EMMAC (as defined herein) to obtain a recreational cannabis license in Europe and is payable in both cash and SVS upon achievement. Payouts, if any, are expected in January 2027.

(2) Consideration was contingent on NGC achieving certain margin targets during the fiscal year ending December 31, 2024 and is payable in both cash and SVS. Payouts are expected to occur in the first quarter of 2025.

(3) Consideration was contingent on Tryke achieving certain EBITDA targets and the resolution of certain indemnity claims. In January 2024, the Company issued 2,367,000 SVS to the sellers of Tryke upon expiration of the indemnification period, which expired 15 months after the closing date of the Tryke acquisition.

Refer to *Note 28 — Fair value measurements and financial risk management* for additional information on the Company's determination of the fair value of its contingent consideration liabilities.

Deferred consideration

The changes in the Company's deferred consideration liability as of December 31, 2024 and 2023 are as follows:

	Deseret	Tryke[1]	NRPC[2]	Curaleaf Poland[3]	Total
Total deferred consideration liability, December 31, 2022	$ —	$ 59,300	$ 2,000	$ —	$ 61,300
Deferred consideration recognized on acquisition	12,553	—	—	—	12,553
Interest expense on deferred consideration	—	9,710	—	—	9,710
Change in fair value on deferred consideration paid	(2,637)	—	—	—	(2,637)
Payments of deferred consideration	(9,916)	(27,358)	—	—	(37,274)
Total deferred consideration liability, December 31, 2023	—	41,652	2,000	—	43,652
Deferred consideration recognized on acquisition	—	—	—	1,218	1,218
Interest expense on deferred consideration	—	5,913	—	—	5,913
Effect of exchange rate differences	—	—	—	82	82
Reversal of interest expense on deferred consideration	—	(11)	—	—	(11)
Change in fair value on deferred consideration paid	—	—	—	(796)	(796)
Post-closing purchase price adjustment[4]	—	(3,740)	—	—	(3,740)
Payments of deferred consideration	—	(11,250)	—	—	(11,250)
Total deferred consideration liability, December 31, 2024	—	32,564	2,000	504	35,068
Less: Deferred consideration liability - current	—	(32,564)	—	(504)	(33,068)
Deferred consideration liability - net of current	$ —	$ —	$ 2,000	$ —	$ 2,000

[1] Deferred consideration is related to the second and third anniversary payment due from the Company to the sellers of Tryke of $21.2 million and $25.0 million, respectively. The second anniversary payment consists of a lump sum payment and monthly installments through October 2025. The third anniversary payment is due in October 2025, and the implied interest rate is 10%.

[2] Deferred consideration is related to the settlement of pending litigation.

[3] Deferred consideration was related to Curaleaf Poland achieving certain earnings metrics and is payable in both cash and SVS. Payouts are expected to occur in the first quarter of 2025.

[4] On October 4, 2024, the Company entered into a settlement agreement with the sellers of Tryke Companies, pursuant to which the Company received a $3.7 million post-closing purchase price adjustment that reduced the Company's second anniversary payment.

Note 5 — Assets and liabilities held for sale

The changes in assets and liabilities held for sale are as follows from:

Assets held for sale	Discontinued Operations	Held for Sale Entities	Total
Balance at December 31, 2022	$ 75,177	$ 105,275	$ 180,452
Transferred out, net	(61,961)	(100,696)	(162,657)
Balance at December 31, 2023	13,216	4,579	17,795
Transferred out, net	(6,025)	(4,579)	(10,604)
Balance at December 31, 2024	$ 7,191	$ —	$ 7,191

Liabilities associated with assets held for sale	Discontinued Operations	Held for Sale Entities	Total
Balance at December 31, 2022	$ 19,214	$ 17,315	$ 36,529
Transferred out, net	(10,927)	(16,429)	(27,356)
Balance at December 31, 2023	8,287	886	9,173
Transferred out, net	184	(452)	(268)
Balance at December 31, 2024	$ 8,471	$ 434	$ 8,905

The following table summarizes the major classes of assets and liabilities classified as held for sale (excluding discontinued operations) as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Assets		
Inventories, net	$ —	$ 509
Total current assets	—	509
Property, plant and equipment, net	—	4,002
Right-of-use assets, finance lease, net	—	68
Total non-current assets	—	4,070
Total assets	$ —	$ 4,579
Liabilities		
Lease liability, finance lease	$ —	$ 84
Lease liability, operating lease	434	368
Total current liabilities	434	452
Lease liability, operating lease	—	434
Total non-current liabilities	—	434
Total liabilities	$ 434	$ 886

Grassroots: Illinois Assets

In the quarter ended June 2023, the Company terminated the marketing of the Company's Illinois assets (the "Illinois Assets") and reclassified these assets from held for sale to held and used, as a result of the breach of contract, effective February 25, 2022, by Parallel Illinois, LLC ("Parallel"), with whom the Company had signed definitive agreements on April 1, 2021 to sell the Illinois Assets. In September 2023, the Company and Parallel entered into a Confidential Settlement Agreement to settle the dispute in full (the "Parallel Settlement Agreement"). Under the Parallel Settlement Agreement, the Company received $0.5 million, and Parallel formally released its claims against the Plaintiffs, including

with respect to any claim for return of the $ 10 million deposit paid by Parallel to the Company at the time the definitive agreements were signed.

Phytoscience Management Group, Inc.

In November 2023, the Company signed a definitive agreement to sell 100% of the outstanding capital stock of Phytoscience Management Group, Inc. ("Phytoscience") to Zenbarn Ventures, Inc. ("Zenbarn") for cash consideration of $2.8 million, subject to working capital adjustments. Upon signing, the Company received $0.3 million with the remaining consideration paid at close. In conjunction with the sale, the Company also signed an interim management services agreement with Zenbarn to provide certain administrative and operational support services. The Company received the remaining cash consideration of $2.5 million, upon consummation of the sale in November 2024. The Company recognized a total loss of $1.1 million on the transaction.

North Shore Assets

On January 5, 2024, the Company signed a definitive purchase agreement to sell the Company's rights and interests to certain assets of Curaleaf North Shore, Inc. f/k/a Alternative Therapies Group, Inc. to MassGrow, LLC for total cash consideration of $2.8 million. Upon execution of the agreement, the Company received cash consideration of $1.5 million, and the remaining consideration was paid in October 2024. The sale, which remains contingent on regulatory approval, is expected to be closed by the quarter ending March 31, 2025, subject to certain extensions. The Company recognized a total loss of $ 0.8 million on the transaction.

Acres Assets

On February 23, 2024, the Company signed a real estate purchase agreement to sell the property and equipment of Acres Cultivation LLC and Acres Dispensary LLC for total consideration of $3.3 million, which consists of cash consideration of $1.1 million and the issuance by the Company of a secured note with a principal amount of $2.2 million. The secured note earns interest at 8% per annum and matures in February 2027. In connection with the real estate purchase agreement, the Company signed a membership interest purchase agreement for $0.2 million. The Company recognized a total loss of $17.5 million on the transaction. The sale closed on October 10, 2024.

Sale of Rokshaw Limited's noncannabis operation

On April 29, 2024, the Company closed on the sale of Rokshaw Limited's noncannabis operation to Thistle Pharma Limited. The total proceeds received in the sale included cash consideration of £3.3 million consisting of £0.5 million paid upon signing of the definitive agreement, £ 1.8 million paid at the date of close and £0.5 million payable on the first and second anniversary of the closing date. The Company recognized a total gain of £1.8 million on the transaction.

See *Note 9 — Notes receivable* for further details of transactions involving deferred payments of cash consideration.

Note 6 — Discontinued operations

On January 26, 2023, the Company announced a plan to discontinue operations in unprofitable business components operating in unfavorable regulatory environments, which represented a strategic shift that had a major effect on the Company's operations and financial results. As a result of this plan, the Company reported California, Oregon, Colorado, Michigan, Kentucky CBD and its adult use operations in Maine ("Adult-Use Maine") as discontinued operations for the years ended December 31, 2024 and 2023. These discontinued operations were components of the Company's Domestic reportable segment.

Pursuant to ASC 205, the Company has separately classified the financial results of these business components as Net loss from discontinued operations on the Consolidated Statements of Operations. As of December 31, 2024, the Company has deconsolidated and discontinued all operations classified as discontinued operations in 2023, as further detailed below.

California

As of December 31, 2023, the Company had completed the disposition of its operations in California.

Colorado

On June 2, 2023, the Company signed a definitive real estate agreement to sell commercial property of Focused Investment Partners, LLC, located in Pueblo CO, for cash consideration of $0.4 million. The transaction closed on June 26, 2023.

On June 7, 2023, the Company signed a definitive real estate agreement to sell two commercial properties of GG Real Estate, LLC, located in Pueblo, CO, to Appleland, LLC for cash consideration of $0.5 million. The transaction closed on July 13, 2023.

On June 26, 2023, the Company signed a definitive purchase and sale agreement to sell its rights to the property of Los Suenos Farms, LLC, located in Avondale, Colorado, to Mammoth Cassa JV, LLC for cash consideration of $1.5 million. The transaction closed on June 26, 2023.

Completion of these three sales resulted in a loss on disposal of $2.0 million.

Kentucky

In the third quarter of 2023, the Company ceased all of its operations in Kentucky related to the manufacturing and wholesale distribution of CBD products, and classified its Kentucky business component as discontinued operations in the Annual Financial Statements. Upon this classification, the Company recognized a loss of $7.2 million on the impairment of its leased facility in Lexington, Kentucky and associated leasehold improvements and fixed assets (the "Kentucky Facility") during the year ended December 31, 2023. All equipment specific to the Company's CBD operations in Kentucky was sold or disposed as of March 31, 2024.

In the first quarter of 2024, the Company made the strategic decision to introduce a new line of hemp-derived THC products via an online direct-to-consumer marketplace and to repurpose its Kentucky Facility for the production of said THC products. Accordingly, the Company ceased marketing the Kentucky Facility and remeasured the associated right-of-use asset and leasehold improvements at the lower of their carrying amount before being classified as held-for-sale and the fair value of the asset upon being reclassified to held-and-used. The Company recognized a gain of $3.9 million on the re-recognition of the Kentucky Facility during the year ended December 31, 2024.

Adult-Use Maine

The Company signed a definitive agreement to sell its rights to the assets of Curaleaf Maine Adult Use, Inc. to Dirigo Naturals, LLC ("Dirigo") in November 2023. The purchase agreement included a note receivable of $0.1 million and the assumption of select liabilities. In connection with the sale, the Company also signed an interim management services agreement with Dirigo to operate the business on behalf of the Company. The transaction closed on June 28, 2024. The Company has recognized a total loss of $0.3 million on the transaction.

Oregon

The Company signed a definitive asset purchase agreement, effective July 1, 2023, for the sale of its operations in Oregon to Hotbox Farms, LLC. The purchase agreement included cash consideration of $2.0 million, adjusted for working capital provisions. The transaction closed on March 1, 2024. The Company has recognized a total loss of $2.3 million on the transaction.

Michigan

On February 1, 2024, the Company discontinued all operations in Kalamazoo, after assigning the associated lease and selling all property, plant, and equipment associated with the leased facility to Hodai Kalamazoo, LLC. The Company has recognized a total gain of $0.5 million on the transaction.

On March 1, 2024, the Company discontinued all operations in Ann Arbor, after assigning the associated lease and selling all property, plant, and equipment associated with the leased facility to Hodai Ann Arbor, LLC. The Company did not incur any gain or loss as a result of this transaction.

Effective June 1, 2024, the Company discontinued all operations in Battle Creek and Bangor, upon signing a lease termination agreement and selling all property, plant, and equipment associated with the leased facilities. The termination agreement included a fee of $0.2 million, payable in two installments. The first installment of $0.1 million was paid on September 1, 2024, and the second installment of $ 0.1 million was paid on January 2, 2025. The Company has recognized a total gain of $ 0.7 million on the transaction.

The following table summarizes the major classes of assets and liabilities of the Company's discontinued operations as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Assets		
Accounts receivable, net of allowance for credit losses	$ —	$ 4,356
Prepaid expenses and other current assets	—	53
Total current assets	—	4,409
Deferred tax asset	7,191	8,514
Property, plant and equipment, net	—	293
Total non-current assets	7,191	8,807
Total assets	$ 7,191	$ 13,216
Liabilities		
Accounts payable	$ —	$ 665
Accrued expenses	8,318	4,670
Lease liabilities, finance - current	—	28
Lease liabilities, operating - current	140	689
Notes payable - current	—	72
Total current liabilities	8,458	6,124
Notes payable - net of current	—	56
Lease liabilities, finance - net of current	—	285
Lease liabilities, operating - net of current	13	1,822
Total non-current liabilities	13	2,163
Total liabilities	$ 8,471	$ 8,287

The following table presents the Company's condensed consolidated statements of operations for its discontinued operations:

	Years Ended	
	December 31, 2024	December 31, 2023
Total revenues, net	$ 706	$ 20,274
Cost of goods sold	445	37,015
Gross income (loss)	261	(16,741)
Other operating expenses	2,157	13,771
Loss from operations	(1,896)	(30,512)
Total other expense, net	(3,548)	(25,257)
Loss from discontinued operations before provision for income taxes	(5,444)	(55,769)
Benefit from (provision for) income taxes	(342)	4,387
Net loss from discontinued operations	$ (5,786)	$ (51,382)

Note 7 — Accounts receivable, net

Accounts receivable, net consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Trade accounts receivable	$ 63,990	$ 59,998
Other receivables	4,763	2,379
Accounts receivable, gross	68,753	62,377
Less: allowance for credit losses	(2,722)	(6,717)
Accounts receivable, net	$ 66,031	$ 55,660

Changes in the Company's allowance for credit losses were as follows:

Allowance for credit losses as of January 1, 2024	$ (6,717)
Provision	(276)
Charge-offs and recoveries	4,271
Allowance for credit losses as of December 31, 2024	$ (2,722)

Allowance for credit losses as of January 1, 2023	$ (4,042)
Provision	(7,541)
Charge-offs and recoveries	4,866
Allowance for credit losses as of December 31, 2023	$ (6,717)

Additional information about the Company's exposure to credit and market risks and impairment losses for its accounts receivable is included in *Note 28 — Fair value measurements and financial risk management* .

Note 8 — Inventories, net

Inventories, net consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Raw materials:		
Cannabis	$ 43,803	$ 30,054
Non-Cannabis	16,248	22,064
Total raw materials	60,051	52,118
Work-in-process	60,863	72,988
Finished goods	99,740	90,807
Inventories, net	$ 220,654	$ 215,913

As of December 31, 2024 and 2023, the Company recorded an inventory reserve balance of $ 11.8 million and $12.0 million, respectively, within Inventories, net on the Consolidated Balance Sheets.

During the year ended December 31, 2024 and 2023, the Company recorded inventory write-downs totaling $ 4.7 million and $13.2 million, respectively, within Cost of goods sold on the Consolidated Statements of Operations related to aged, obsolete or unsellable inventories, inventories that did not meet the Company's quality standards and inventories whose carrying value exceeded the estimated NRV.

Note 9 — Notes receivable

Notes receivable consists of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Current portion of notes receivable	$ 451	$ 7,020
Long-term note receivable	2,037	—
Total notes receivable	$ 2,488	$ 7,020

In connection with the Company's acquisition of all assets of Grace & Co. (dba Dark Heart Nursery), the Company issued a $ 7.0 million interest bearing promissory note to the seller on October 27, 2023. On January 17, 2024, Curaleaf DH, Inc., an entity in which the Company has an indirect controlling financial interest, acquired all assets of Grace & Co. (dba Dark Heart Nursery) via forgiveness of the $7.0 million promissory note plus interest and cash consideration of $1.7 million. See *Note 4 — Acquisitions* for further details.

On January 1, 2024, Four20 converted €0.8 million of overdue accounts receivable of its customer, Canymed GmbH ("Canymed"), into a note receivable in the amount of €0.8 million. The note assures collectability of the overdue accounts receivable outstanding and is secured by collateral of assets in an amount equal to the outstanding balance. The note is inclusive of interest of 8% and the note receivable was settled in full on January 30, 2025.

On February 23, 2024, the Company signed a real estate purchase agreement to sell the property and equipment of Acres Cultivation LLC and Acres Dispensary LLC for total consideration of $3.3 million, which consists of cash consideration of $1.1 million and the issuance of a secured note with a principal amount of $2.2 million. The note is secured by the property and equipment acquired by the borrower. The secured note earns interest at 8% per annum and matures in February 2027. See *Note 5 — Assets and liabilities held for sale* for further details.

In connection with the sale of Curaleaf Maine Adult Use, Inc., the Company issued a promissory note in the principal amount of $ 0.1 million (the "Maine Promissory Note"). The principal balance and accrued interest are payable in ten equal monthly installments. The first payment was due on the closing date and subsequent payments due each month thereafter

until paid in entirety. The Maine Promissory Note earns interest at 5.17% and matures in March 2025. See *Note 6 — Discontinued operations* for further details.

Information about the Company's exposure to credit and market risks and impairment losses for its notes receivable is included in *Note 28 — Fair value measurements and financial risk management*.

Note 10 — Property, plant and equipment, net

Property, plant and equipment, net consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	**December 31, 2023**
Land	$ 7,616	$ 8,026
Building and improvements	503,394	514,777
Furniture and fixtures	203,303	168,846
Information technology	27,445	20,113
Construction in progress	67,772	43,704
Property, plant and equipment, gross	809,530	755,466
Less: Accumulated depreciation	(263,104)	(183,839)
Property, plant and equipment, net	$ 546,426	$ 571,627

Assets included in construction in progress represent projects related to both cultivation and dispensary facilities not yet completed or otherwise not ready for use.

Depreciation expense totaled $85.0 million and $74.8 million for the years ended December 31, 2024 and 2023, respectively, which includes $51.2 million and $48.5 million recognized as cost of goods sold and $ 33.9 million and $26.3 million recognized as a component of Operating expenses in the Consolidated Statements of Operations for the years ended December 31, 2024 and 2023, respectively.

Asset Specific Impairment

2024

In the first quarter of 2024, the Company made the strategic decision to introduce a new line of hemp-derived THC products via an online direct-to-consumer marketplace and to repurpose its Kentucky Facility for the production of said THC products. Accordingly, the Company ceased marketing the Kentucky Facility and recognized an impairment gain of $3.9 million, within Loss on impairment on the Consolidated Statements of Operations, during the year ended December 31, 2024.

During 2024, the Company invested in the modernization of several cultivation facilities, resulting in improved yields and a reduction in the Company's grow canopy requirements. These improvements led to the Company's decision to shut down operations in certain cultivation facilities, as the additional capacity was no longer required or of no further benefit to the Company. Accordingly, the Company recognized an impairment loss of $12.4 million within Loss on impairment on the Consolidated Statements of Operations during the year ended December 31, 2024.

In Florida, the Company anticipated passage of the November 2024 Florida ballot initiative to legalize adult use cannabis and expanded its production capacity in the state accordingly. Following the ballot initiative's failure in November 2024, the Company reassessed its cultivation capacity in Florida and concluded excess capacity existed in the wake of the failed ballot initiative. In an effort to optimize cultivation operations in Florida, the Company identified assets for closure, halted construction and idled certain assets. Accordingly, during the year ended December 31, 2024, the Company recognized an impairment loss of $43.7 million within Loss on impairment on the Consolidated Statements of Operations, which is inclusive of $18.9 million in connection with assets the Company had retained from a prior period failed sale and leaseback arrangement. See *Note 11 — Leases: Failed sale leaseback arrangements* for further detail.

2023

In the third quarter of 2023, the Company ceased all of its operations in Kentucky related to the manufacturing and wholesale distribution of CBD products, and classified its Kentucky business component as discontinued operations in the Annual Financial Statements. Upon this classification, the Company recognized an impairment loss of $7.2 million, within Loss on impairment on the Consolidated Statements of Operations, during the year ended December 31, 2023. All equipment specific to the Company's CBD operations in Kentucky was sold or disposed as of March 31, 2024.

Due to reduced forecasts for future operating performance at three of the Company's operations in Nevada, the Company evaluated the recoverability of the associated property, plant and equipment and determined that the carrying values of these assets were not recoverable. Therefore, the Company recorded impairment losses of $7.5 million during the year ended December 31, 2023 for the property, plant and equipment associated with the three Nevada entities including Acres Cultivation, Acres Dispensary and House of Herbs. In addition, the Company recorded an impairment loss of $1.1 million for the property, plant and equipment associated with Kentucky due to the Company's exit of its operations in the state.

See *Note 5 — Assets and liabilities held for sale* and *Note 6 — Discontinued operations* for further detail.

Note 11 — Leases

The Company leases real estate used for dispensaries, cultivation facilities, production plants and corporate offices.

Some of the Company's leases contain cancellation options, in the event the Company is unable to obtain regulatory approval and permitting for a selected site as well as other contingencies. The Company's real estate leases may include extension options ranging from one to 20 years, with a typical extension period of five years. The exercise of renewal options is at the Company's discretion, and neither cancellation nor renewal options are recognized as part of the Company's measurement of its ROU assets and lease liabilities, until the option period has expired without exercise or until the Company is reasonably certain it will exercise the option. The Company's decision to exercise a cancellation or renewal option takes into consideration various economic and market conditions, including the size of the Company's investment in the property as well as the strategic importance of the property location.

During the fourth quarter of 2024, the Company decided to partially abandon certain leases, which had been classified as finance leases, in Nevada and Arizona, as part of its strategic cost optimization measures. As a result, the useful lives of these leases, were shortened beyond the initial estimates at lease inception. A change in the estimated useful life of a long-lived asset is a change in accounting estimate to be accounted for prospectively. Accordingly, the Company accelerated $23.5 million of amortization to reflect the revised lease term, fully depreciating the leased assets as of December 31, 2024.

The components of the Company's operating and finance lease costs, recognized in the Consolidated Statements of Operations, for the years ended December 31, 2024 and 2023 are as follows:

	Years Ended	
	December 31, 2024	December 31, 2023
Finance lease cost:		
Amortization of ROU assets[1]	$ 39,044	$ 15,406
Interest on finance lease liabilities	17,537	18,265
Total finance lease cost	$ 56,581	$ 33,671
Operating lease expense	$ 30,549	$ 28,876
Total lease costs[2]	$ 87,130	$ 62,547

[1] Amortization expense of ROU assets totaled $39.0 million and $15.4 million for the years ended December 31, 2024 and 2023, respectively, which includes $10.2 million and $10.6 million recognized as cost of goods sold and $28.8 million and $4.8 million recognized as a component of Operating expenses in the Consolidated Statements of Operations for the years ended December 31, 2024 and 2023, respectively.

[2] Excludes expenses incurred on short-term lease and low-value leases totaling $0.2 million for the years ended December 31, 2024 and 2023.

ROU assets and lease liabilities as of December 31, 2024 and 2023 consist of the following:

	As of			
	December 31, 2024		December 31, 2023	
	Operating leases	Finance leases	Operating leases	Finance leases
Lease assets:				
Right-of-use assets	$ 167,209	$ 183,968	$ 158,547	$ 183,820
Accumulated amortization	(50,690)	(78,800)	(40,112)	(40,617)
Right-of-use assets, net	$ 116,519	$ 105,168	$ 118,435	$ 143,203
Lease liabilities:				
Lease liabilities - current	$ 17,333	$ 10,995	$ 15,993	$ 9,428
Lease liabilities - net of current	106,192	150,683	110,398	159,961
Total lease liabilities	$ 123,525	$ 161,678	$ 126,391	$ 169,389

Cash flows associated with the Company's leasing arrangements for the years ended December 31, 2024 and 2023 are as follows:

	Years Ended	
	December 31, 2024	December 31, 2023
Cash flows from operating activities:		
Operating cash flows from operating leases	$ (29,920)	$ (29,352)
Operating cash flows from finance leases	(17,537)	(18,265)
Cash flows from financing activities:		
Financing cash flows from finance leases	(9,445)	(8,474)
Net cash flows from leasing arrangements	$ (56,902)	$ (56,091)

For the Company's leasing arrangements, the weighted average remaining lease term as of December 31, 2024 and 2023, and the weighted average discount rate for the years ended December 31, 2024 and 2023 are as follows:

	As of	
	December 31, 2024	December 31, 2023
Weighted average remaining lease term (in years) - finance leases	9.2	10.1
Weighted average remaining lease term (in years) - operating leases	6.3	6.9
Weighted average discount rate - finance leases	11.2 %	10.7 %
Weighted average discount rate - operating leases	11.0 %	10.5 %

Failed sale leaseback arrangements

In prior fiscal years, the Company entered into sale and leaseback transactions for building improvements and equipment at various domestic cultivation and processing sites. As these arrangements did not qualify for sale recognition under ASC 606 and ASC 842, the Company retained the assets within Property, plant and equipment, net on the Consolidated Balance Sheets assets. In addition, the Company established corresponding financial obligations for the sale proceeds received on these arrangements within Financial obligations - current and Financial obligations - net of current on the Consolidated Balance Sheets.

For the years ended December 31, 2024 and 2023, the expenses incurred by the Company related to its failed sale leaseback arrangements impacted the components of the Consolidated Statements of Operations as follows:

	Years Ended	
	December 31, 2024	December 31, 2023
Other income (expense):		
Interest on financial obligations	$ 23,726	$ 24,151
Operating expenses:		
Depreciation on financed property, plant and equipment	17,145	17,715
Total costs associated with failed sale leaseback arrangements	$ 40,871	$ 41,866

As of December 31, 2024 and 2023, the assets and obligations that arose from the Company's failed sale leaseback arrangements are recognized in the Consolidated Balance Sheets as follows:

	As of	
	December 31, 2024	December 31, 2023
Property, plant and equipment, net:		
Financed property and equipment, net of accumulated depreciation of $59.1 million and $46.0 million, respectively	$ 143,923	$ 176,569
Financial obligation:		
Financial obligation - current	$ 7,208	$ 5,777
Financial obligation - net of current	201,687	208,895
Total financial obligation	$ 208,895	$ 214,672

For the years ended December 31, 2024 and 2023, cash flows associated with the Company's failed sale leaseback arrangements, as recognized in the Consolidated Statements of Cash Flows, were as follows:

	Years Ended	
	December 31, 2024	December 31, 2023
Cash flows from operating activities:		
Operating cash flows from sale leaseback financial obligations	$ (23,726)	$ (24,150)
Cash flows from financing activities:		
Financing cash flows from sale leaseback financial obligations	(5,777)	(4,308)
Net cash flows from leasing arrangements	$ (29,503)	$ (28,458)

As of December 31, 2024, maturities of the Company's lease liabilities, under its non-cancelable leases, and financial obligations were as follows:

Fiscal Year ending December 31,	Operating Leases	Finance Leases	Financial Obligations
2025	$ 29,757	$ 27,753	$ 30,264
2026	28,524	28,175	31,078
2027	26,709	28,724	28,944
2028	24,856	28,061	29,763
2029	20,890	27,928	30,296
2030 and thereafter	41,203	126,741	209,491
Total undiscounted remaining minimum lease payments	171,939	267,382	359,836
Less: imputed interest	(48,414)	(105,704)	(150,941)
Total discounted remaining minimum lease payments	$ 123,525	$ 161,678	$ 208,895

Asset Specific Impairment

2024

During the year ended December 31, 2024, the Company recognized an impairment loss of $ 18.9 million in connection with assets the Company had retained from a prior period failed sale and leaseback arrangement. See *Note 10 — Property, plant and equipment, net* for further details.

2023

During the year ended December 31, 2023, due to the Company's decision to exit its operations at the House of Herbs facility in Nevada, the Company determined that the carrying value of the associated ROU asset was not recoverable and recognized an impairment loss of $0.2 million.

The Company recognizes impairment losses within Loss on impairment on the Consolidated Statements of Operations.

Note 12 — Intangible assets, net and Goodwill

Intangible assets, net

Identifiable intangible assets consist of the following as of December 31, 2024 and 2023:

As of December 31, 2024	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Licenses and service agreements	$ 1,290,199	$ (331,593)	$ 958,606
Trade names	166,843	(60,375)	106,468
Intellectual property and know-how	9,365	(1,889)	7,476
Non-compete agreements	32,337	(19,490)	12,847
Intangible assets, net	$ 1,498,744	$ (413,347)	$ 1,085,397

As of December 31, 2023	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Licenses and service agreements	$ 1,279,705	$ (248,083)	$ 1,031,622
Trade names	167,009	(41,998)	125,011
Non-compete agreements	31,716	(15,904)	15,812
Intangible assets, net	$ 1,478,430	$ (305,985)	$ 1,172,445

The gross carrying amount of intangible assets increased by $ 20.3 million during the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase in the gross carrying amount of intangible assets is primarily due to the Company's acquisitions of Dark Heart and Curaleaf Poland in the first quarter of 2024, acquisition of NGC in the second quarter of 2024, as well as the Company's entry into the adult use market in New York, which required an initial fee to obtain the associated adult use license.

Amortization of intangible assets was $ 109.2 million and $ 105.7 million for the years ended December 31, 2024 and 2023, respectively.

During the fourth quarter ended December 31, 2023, the Company determined that the estimated useful lives for the tradenames it acquired in the Tryke acquisition and in the EMMAC acquisition had shorter useful lives than were initially determined at the respective acquisition dates. A change in the estimated useful life of a long-lived asset is a change in accounting estimate to be accounted for prospectively. Accordingly, the Company accelerated the amortization of these two tradenames to reflect their revised remaining useful lives, which now end in fiscal year 2024.

The following table outlines the Company's estimated annual amortization expense over the next five years related to its intangible assets as of December 31, 2024:

Fiscal Year	Estimated Amortization
2025	$ 98,370
2026	97,723
2027	97,164
2028	93,843
2029	87,721

The Company's remaining weighted average amortization period for its outstanding intangibles as of December 31, 2024 was 12.7 years. The following table outlines the remaining weighted average amortization period for each major class of intangible assets as of December 31, 2024:

Asset class:	Weighted Average Amortization (in years)
Licenses and service agreements	12.9
Trade names	12.4
Intellectual property and know-how	4.0
Non-compete agreements	6.3

Asset Specific Impairment

The Company recognized impairment loss of $ 7.8 million on its intangible assets for the year ended December 31, 2023, in connection with certain of the Company's operations in Nevada classified as held-for-sale during the year ended December 31, 2023.

The Company did not recognize any impairment losses on its intangible assets during the year ended December 31, 2024.

Goodwill

The changes in the carrying amount of goodwill by segment and in total were as follows:

	Domestic	International	Total
Balance at December 31, 2022	$ 553,203	$ 71,926	$ 625,129
Change in Assets Held for Sale (Note 5)	41,678	—	41,678
Loss on Impairment	(50,702)	—	(50,702)
Acquisitions (Note 4)	7,002	—	7,002
Purchase price adjustments (Note 4)	—	119	119
Effect of exchange rate differences	—	3,402	3,402
Balance at December 31, 2023	551,181	75,447	626,628
Acquisitions (Note 4)	—	6,137	6,137
Purchase price adjustments (Note 4)	—	63	63
Effect of exchange rate differences	—	(3,944)	(3,944)
Balance at December 31, 2024	$ 551,181	$ 77,703	$ 628,884

Purchase price adjustments relate to measurement period adjustments. See *Note 4 — Acquisitions* for further details.

Asset Specific Impairment

The Company allocates its goodwill to two reporting units, Domestic and International, which are also the Company's operating and reportable segments, as discussed in *Note 25 — Segment reporting*.

In accordance with industry standard, the Company performed its annual impairment assessment on October 1, 2024 for its two reporting units: Domestic and International. The recoverable amount of the reporting units were determined based on the fair value using level 2 and level 3 inputs that were ultimately determined to be market participant assumptions. The recoverable amount for all reporting units were valued using a discounted cash flow model, a variation of the income approach, and corroborated with value indications from certain market approaches, specifically the publicly-traded guideline company method and the comparable transaction method. It is reasonably possible that future changes in assumptions may negatively impact future assessments of the recoverable amount of the Company's assets. The Company will continue to evaluate the recoverability of its assets on an annual basis.

The significant assumptions applied in the determination of the recoverable amount are described as follows:

i. *Cash flows*: Estimated cash flows were projected based on actual operating results from internal sources as well as industry and market trends;
ii. *Terminal value growth rate*: The terminal growth rate was based on historical and projected consumer price inflation, historical and projected economic indicators and projected industry growth;
iii. *Post-tax discount rate*: The post-tax discount rate is reflective of the reporting units' Weighted Average Cost of Capital ("WACC"). The WACC was estimated based on the risk-free rate, equity risk premium, beta adjustment to the equity risk premium based on a direct comparison approach, an unsystematic risk premium and after-tax cost of debt based on corporate bond yields; and
iv. *Tax rate*: The tax rates used in determining the future cash flows were those effectively enacted based on jurisdiction at the respective valuation date.

The recoverable amount of the reporting units were compared to the total reporting unit carrying amount for each reporting unit grouping for impairment testing procedures.

As a result of the annual quantitative goodwill impairment assessment for fiscal year 2023, the Company determined the carrying value of its operations in Nevada was lower than the recoverable amount to the extent that the goodwill previously allocated to Nevada was fully impaired. As a result, the Company recognized an impairment loss for Nevada of $44.0 million during the year ended December 31, 2023, which the Company recognized within Loss on impairment in the Consolidated Statements of Operations.

Reporting Units	Carrying Value of Goodwill	Goodwill Impairment
Nevada	$ 43,992	$ 43,992

In addition to the impairment loss resulting from the Company's annual goodwill impairment assessment, the Company recorded a $ 6.7 million loss on impairment of goodwill allocated to certain Nevada entities that were classified as held-for-sale during the year ended December 31, 2023.

The Company did not recognize any goodwill impairment losses during the year ended December 31, 2024.

Note 13 — Investments and other assets

Investments and other assets consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Security deposits[1]	$ 10,322	$ 10,523
Investments[2][3]	1,713	2,477
Other assets[4]	2,947	2,048
Total other assets	$ 14,982	$ 15,048

[1] Represents security deposits paid by the Company in connection its execution of certain lease arrangements.See *Note 11 — Leases* for further details.

[2] In the third quarter of 2019, the Company entered into a Real Estate Contribution Agreement with a real estate investment trust (the "REIT"), receiving equity shares in the REIT as part of a sale and leaseback transaction. See *Note 11 — Leases* for further details.

[3] In the third quarter of 2024, the Company entered into certain investments in support of continued growth within its International segment.

[4] Represents receivables resulting from certain acquisitions of the Company.

Asset Specific Impairment

During the year ended December 31, 2024, the Company remeasured the fair value of its external investments and determined that, as a result of the sequential declines in the net realizable value of the investee, the carrying value of the investment was impaired. The Company recognized an impairment loss on this investment of $1.7 million during the year ended December 31, 2024.

Note 14 — Accrued Expenses

Accrued expenses consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Accrued loyalty payable	$ 5,722	$ 5,327
Sales taxes payable	7,170	9,971
Excise taxes payable	4,082	3,414
Accrued payroll expenses	29,088	25,227
Interest payable	10,421	6,330
Deferred revenue	2,173	866
Accrued inventory expenses	7,901	8,002
Accrued marketing expenses	2,045	4,306
Accrued legal expenses	4,009	6,275
Property & other taxes payable	1,214	2,243
Other accrued expenses	28,363	29,350
Total accrued expenses	$ 102,188	$ 101,311

Note 15 — Notes payable

Notes payable consist of the following as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Senior Secured Notes – 2026	$ 460,000	$ 475,000
Bloom Notes – 2024	16,500	47,500
Bloom Notes – 2025	60,000	60,000
Seller notes payable	4,364	6,567
ABL Facility – EWB	12,000	6,500
Needham LOC	11,100	—
Other notes payable	15,439	11,889
Less: Unamortized debt discount/premium and deferred financing fees	(10,783)	(19,689)
Notes payable, net of unamortized debt discount/premium and deferred financing fees	568,620	587,767
Less: Notes payable - current	(101,723)	(39,478)
Notes payable - net of current	$ 466,897	$ 548,289

Below is a summary of the Company's credit facilities outstanding as of December 31, 2024:

Credit facility	Original facility size	Outstanding balance	Stated interest rate	Maturity date
Senior Secured Notes – 2026	$ 475,000	$ 460,000	8.0 % [5]	December 15, 2026
Bloom Notes – 2024	50,000 [3]	16,500	10.0 % [6]	January 18, 2025/ October 18, 2024[4]
Bloom Notes – 2025	60,000	60,000	4.0 % [7]	January 17, 2025[13]
Seller notes payable - Scottsdale Note[1]	4,600	4,364	5.0 % [8]	December 1, 2036
ABL Facility - EWB Note	12,000	12,000	6.0 % [12]	August 25, 2025
Needham LOC	40,000	11,100	7.99 % [14]	December 15, 2026[15]
Other notes payable - BHH Note[2]	7,500	7,500	15.0 % [9]	September 30, 2025
Other notes payable - VOWL Note[2]	2,226	1,989	5.9 % [10]	March 30, 2025
Other notes payable - NGC Note[2]	1,600	1,699 [11]	10.0 % [11]	March 31, 2025
Other notes payable - miscellaneous[2]	2,799	4,251	Various	Various
	$ 655,725	$ 579,403		

[1] The Company has a seller note payable incurred in connection with the Company's purchase of a building in Scottsdale, Arizona (the "Scottsdale Note").

[2] The Company has a note payable (the "BHH Note") with Tangela Holdings, Ltd ("Tangela") and Portiagate Investment LTD, which was executed in the last quarter of 2020 and amended in the third quarter of 2022, in connection with the Company gaining a controlling interest in Broad Horizons Holdings, LLC ("BHH"). In addition, the Company has a separate note payable with Tangela, which was executed to fund bulk purchases of cannabis for resale by NGC (the "NGC Note"). Lastly, Four20 Pharma GmbH ("Four20"), a subsidiary of the Company, has a note payable with Verbundvolksbank OWL (the "VOWL Note"). Other notes payable - miscellaneous is comprised of various immaterial loans held by Curaleaf International.

[3] As part of a settlement agreement reached in April 2023, between the Company and the former owners of Bloom, the principal balance of the Bloom Notes - 2024 was reduced to $47.5 million.

[4] The Installment Amount (as defined herein) matured on October 18, 2024, and the Conversion Amount matured on January 18, 2025.The Conversion Amount was settled in its entirety through the issuance of SVS, as discussed further herein in the section titled *"Bloom Notes"*.

[5] Compounded semi-annually and payable in arrears on June 15th and December 15th of each year.

[6] Only the Installment Amount (as defined herein) of $31.0 million for which interest is computed daily on the basis of a 360-day year. Interest is due at maturity on October 18, 2024.

[7] Computed daily on the basis of a 360-day year and payable at maturity.

[8] Calculated on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is due on the 23rd of each month.

[9] Computed daily on the basis of a 365-day year (or 366 days in the case of a leap year) and payable quarterly in arrears on each January 1, April 1, and October 1 following the closing date, with the final interest payment due and payable on the maturity date.

[10] Interest is calculated on a 360-day year at a fixed rate of 5.9% until the end of the loan term. Interest is due on the 30th of each month.

[11] Computed on the basis of a 365-day year. Interest is due at maturity. As a payment-in-kind loan, interest accrued increases the outstanding balance of the loan each reporting period.

[12] Calculated on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is due on the 25th of each month.

[13] In January 2025, the Bloom Note - 2025 was exchanged for senior secured notes due January 17, 2027; see *Note 30 — Subsequent events* for further details.

[14] Calculated on the basis of a 360-day year. Interest is due on the 6th of each month.

[15] The Company has the option to extend the Needham LOC to December 15, 2028, subject to certain conditions specified in the agreement.

The Company's interest expense by credit facility for the year ended December 31, 2024 is as follows:

		Year ended December 31, 2024		
	Effective interest rate	Stated debt interest	Amortization of debt discount/premium and deferred financing fees	Total interest expense [2]
Senior Secured Notes – 2026	9.33%	$ (36,750)	$ (4,805)	$ (41,555)
Bloom Notes – 2024	10.00%	(3,027)	—	(3,027)
Bloom Notes – 2025	10.35%	(2,440)	(3,644)	(6,084)
Seller notes payable - Phyto Note[1]	7.50%	(223)	—	(223)
Seller notes payable - Scottsdale Note	5.00%	(239)	—	(239)
ABL Facility - EWB Note	6.00%	(607)	—	(607)
Needham LOC	7.99%	(34)	—	(34)
Other notes payable - BHH Note	14.79%	(1,128)	—	(1,128)
Other notes payable - VOWL Note	5.90%	(183)	—	(183)
Other notes payable - NGC Note	12.00%	(100)	—	(100)
Other notes payable - miscellaneous	various	12	—	12
		$ (44,719)	$ (8,449)	$ (53,168)

[1] The Phyto Note was paid in full on July 1, 2024.

[2] Total interest expense herein does not reconcile to Interest expense as presented on the Consolidated Statements of Operations, as it does not include interest recognized by the Company on its deferred consideration liabilities during the periods presented. Refer to *Note 4 — Acquisitions — Deferred consideration* for additional information.

The Company's interest expense by credit facility for the year ended December 31, 2023 is as follows:

		Year ended December 31, 2023		
	Effective interest rate	Stated debt interest	Amortization of debt discount/premium and deferred financing fees	Total interest expense [3]
Senior Secured Notes – 2026	8.00%	$ (38,000)	$ (4,193)	$ (42,193)
Bloom Notes – 2023[1]	7.99%	—	(74)	(74)
Bloom Notes – 2024	10.00%	(2,825)	(1,030)	(3,855)
Bloom Notes – 2025	10.35%	(2,433)	(3,274)	(5,707)
Seller notes payable - Phyto Note[2]	7.50%	(105)	—	(105)
Seller notes payable - Scottsdale Note	5.00%	(222)	—	(222)
ABL Facility - EWB Note	6.00%	(118)	—	(118)
Other notes payable - BHH Note	14.79%	(1,125)	—	(1,125)
Other notes payable - VOWL Note	5.90%	(304)	—	(304)
Other notes payable - miscellaneous	various	(5)	—	(5)
		$ (45,137)	$ (8,571)	$ (53,708)

[1] The Company paid the Bloom Note – 2023 in full in the second quarter of 2023; upon which time, the Company ceased accruing interest on the Bloom Notes - 2023. As part of a settlement agreement reached in April 2023, between the Company and the former owners of Bloom, the parties agreed to reduce the future principal payments of the 12-month Bloom Note by $6.0 million.

[2] The Phyto Note was paid in full on July 1, 2024.

[3] Total interest expense herein does not reconcile to Interest expense as presented on the Consolidated Statements of Operations, as it does not include interest recognized by the Company on its deferred consideration liabilities during the periods presented. Refer to *Note 4 — Acquisitions — Deferred consideration* for additional information.

As of December 31, 2024, future principal payment obligations related to the Company's notes payable were as follows:

Fiscal year:	Amount
2025	$ 102,195
2026	471,395
2027	318
2028	2,304
2029 and thereafter	3,191
Total future principal payments	$ 579,403

Information about the Company's exposure to interest rate risks and liquidity risks is included in *Note 28 — Fair value measurements and financial risk management*.

Senior Secured Notes – 2026

In December 2021, the Company closed on a private placement of senior secured notes due 2026, for aggregate gross proceeds of $ 475 million ("Senior Secured Notes – 2026"). The note indenture, dated December 15, 2021, governing the Senior Secured Notes – 2026 (the "Note Indenture") enables the Company to issue additional senior secured notes on an ongoing basis as needed, subject to maintaining leverage ratios and complying with other terms and conditions of the Note Indenture. The principal restrictions on incurring indebtedness include the requirement that post-incurrence of the additional debt, a fixed charge coverage ratio of 2.5:1 and consolidated debt to consolidated EBITDA ratio of 4:1 be maintained. The issue of additional senior secured notes or other debt pari passu to the existing notes is permitted, provided that post-incurrence of the additional debt, the consolidated secured debt to consolidated EBITDA ratio of 3:1 is maintained and provided certain other conditions are met. The Company and certain of its guarantor entities are required to grant a first lien security interest in their respective assets to the trustee appointed under the Note Indenture, including

assets acquired after the issue of the Notes, subject to limited exceptions. Despite the first lien granted to the holders of the Notes, the Note Indenture permits the Company to grant a more senior lien to secure up to $200 million of additional financing from commercial banks for revolving credit loans, such as the Needham LOC (as defined herein), provided that the interest rate applicable to such revolving credit loans is lower than the interest rate applicable to the Senior Secured Notes – 2026.

Subject to the consent of Needham Bank under the Needham LOC, the Senior Secured Notes – 2026, inclusive of accrued and unpaid interest, may be redeemed early, but are subject to a prepayment premium that is dependent on the loan year as follows:

Loan year	Prepayment redemption prices
June 15, 2024 to June 14, 2025	102.00%
June 15, 2025 and thereafter	100.00%

In December 2023, in connection with the TSX Listing, the Note Indenture was amended pursuant to a second supplemental indenture dated December 12, 2023, in order to facilitate the implementation of the Reorganization. Copies of the Note Indenture and the second supplemental indenture are available on the Company's SEDAR+ profile at www.sedarplus.ca and on its EDGAR profile at www.sec.gov/edgar.

Purchase of Senior Secured Notes - 2026 for Cancellation

In connection with the Company's overall strategy to reduce debt and interest, on April 30, 2024, in an arms-length transaction, the Company paid $14.3 million to purchase for cancellation Senior Secured Notes – 2026, that had a face value of $ 15.0 million. The Company also reduced accrued interest by $3.2 million that had been accruing from December 15, 2023 through April 30, 2024 specific to the notes purchased for cancellation.

Bloom Notes

In connection with the Bloom acquisition, the Company issued three sets of secured promissory notes (collectively, the "Bloom Notes") to the former Bloom owners (the "Bloom Lenders"). As of December 31, 2024, the second set of promissory notes (the "Bloom Note – 2024") and the third set of promissory notes (the "Bloom Note – 2025") remained outstanding.

As part of a settlement agreement reached on March 21, 2023, between the Company and the Bloom Lenders, the parties to the settlement agreement agreed to reduce the future principal payments of the Bloom Note – 2024 by $4 million to $46 million, which resulted in a gain on modification of debt of $3.3 million, which the Company recognized in Other income, net on the Consolidated Statements of Operations.

On December 29, 2023, the Company entered into an agreement with the Bloom Lenders, pursuant to which the Bloom Note – 2024 was restructured into a partially convertible secured promissory note (the "Restructured Bloom Note") payable in cash and SVS, subject to the approval of the TSX. The Restructured Bloom Note had a principal amount of $47.5 million comprised of an installment amount of $31 million (the "Installment Amount"), which was paid in 10 equal installments between January 18, 2024 and October 18, 2024, and a conversion amount of $16.5 million (the "Conversion Amount"), due January 18, 2025 (the "Conversion Amount Maturity Date"), which could be settled, in its entirety, through the issuance of 4,282,599 SVS (the Conversion Shares") subject to TSX approval. The Company elected to purchase the Restructured Bloom note in exchange of which, on January 17, 2025, it issued to the Bloom Lenders a number of SVS equal to the Conversion Shares, with each of the Bloom Lenders receiving its proportionate share of SVS. Fractional shares were settled in cash.

Needham Bank

On November 6, 2024, the Company entered into a loan agreement (the "Loan Agreement") with Needham Bank, establishing a revolving line of credit for up to $40.0 million (the "Needham LOC"). The Loan Agreement provides the Company with the option, beginning on May 6, 2026, to request an additional borrowing of up to $20.0 million, subject to Needham Bank's discretion and credit approval process. Pursuant to the Loan Agreement, Needham Bank holds a first

priority lien on the mortgages, business assets and collateral of all loan parties under the Note Indenture, including a pledge of equity of all underlying borrowers and guarantors. Additionally, the Company has provided a limited guaranty for the value of its equity interest in Curaleaf, Inc. The Loan Agreement contains financial covenants, including a requirement that the total outstanding debt remains within an 80% loan-to-value ratio, based on the "as-is" fair market value of the real estate collateral. The Needham LOC may be utilized for various corporate purposes, including working capital and operational expenses, as defined in the Loan Agreement. As of December 31, 2024 the Company had drawn down $11.1 million of the Needham LOC.

Tangela Holdings, LTD

On June 11, 2024, the Company executed the First Amendment to the NGC Note (the "First Amendment"). The First Amendment modified the maturity date from July 11, 2024 to 10 business days following a demand made by Tangela. All other terms of the NGC Note remain unchanged. On September 3, 2024, the Company executed the Second Amendment to the NGC Note ("the Second Amendment"). The Second Amendment modified the interest rate to 12% per annum and extended the maturity date to December 16, 2024. On December 12, 2024, the Company executed the Third Amendment to the NGC Note ("the Third Amendment"). The Third Amendment extended the maturity date to March 31, 2025.

Asset-based revolving credit facility

On August 25, 2023, the Company entered into an asset-based revolving credit facility (the "ABL Facility") with EWB that provided for borrowings up to $6.5 million and immediately drew down $6.5 million (the "EWB Note") with a maturity date of August 25, 2024 . On March 26, 2024, the Company signed an agreement (the "1st Change in Terms Agreement"), increasing the ABL Facility to $10 million and extending the maturity date of the EWB Note to August 25, 2025. On June 14, 2024, the Company executed an amendment to the 1st Change in Terms Agreement, increasing the ABL Facility by an additional $2 million to $12 million. No other changes were made to the asset-based revolving credit facility.

The credit facility is secured by the Company's deposit accounts at EWB, and as such, the Company's balance in the EWB deposit accounts have been classified as restricted cash within Cash, cash equivalents and restricted cash on the Company's Consolidated Balance Sheets as of December 31, 2024 and December 31, 2023.

Covenant compliance

As of December 31, 2024, the Company was in compliance with the covenants within each credit facility, and the Company did not observe evidence of cross-default.

Note 16 — Shareholders' equity

Change in ownership

In December 2023, in connection with the Company's TSX listing, the authorized share capital of the Company was amended in order to: (i) create a new class of non-voting and non-participating shares in the capital of the Company exchangeable at the holder's option into SVS (the "Exchangeable Shares") and authorize the issuance of an unlimited number of Exchangeable Shares; and (ii) restate the rights of the SVS to provide for a conversion feature, whereby each SVS may, at any time and at the holder's option, be converted into one (1) Exchangeable Share.

The Exchangeable Shares do not carry voting rights, rights to receive dividends or other rights upon dissolution of the Company and are considered "restricted securities," within the meaning of such term under applicable Canadian securities laws. The amendments are intended to provide the Company's shareholders with the option to convert their SVS into Exchangeable Shares, given the uncertainty and complexity related to cannabis regulations in the U.S.

Authorized

As of December 31, 2024, the authorized share capital consists of (i) an unlimited number of multiple voting shares ("MVS") without par value, (ii) an unlimited number of SVS, without par value and (iii) an unlimited number of Exchangeable Shares, without par value.

Issued

As of December 31, 2024 and 2023, the Company had 93,970,705 MVS issued and outstanding that were held directly or indirectly by Boris Jordan, the Company's Chief Executive Officer and Chairman ("CEO and Chairman").

Holders of the MVS are entitled to 15 votes per share and are entitled to notice of and to attend any meeting of the Company's shareholders, except for shareholder meetings in which only holders of a particular class or series of shares will have the right to vote. As of December 31, 2024 and 2023, the MVS represent approximately 12.5% and 12.8%, respectively, of the total issued and outstanding shares and 68.2% and 68.8%, respectively, of the voting power attached to such outstanding shares. The MVS are convertible into SVS on a one-for-one basis at any time at the option of the holder or upon termination of the MVS structure. The MVS shall automatically convert into SVS upon the earlier to occur of: (i) the transfer or disposition of the MVS by the CEO and Chairman to one or more third parties who are not permitted holders; (ii) the CEO and Chairman or his permitted holders no longer beneficially owning, directly or indirectly and in the aggregate, at least 5% of the issued and outstanding SVS and MVS on a non-diluted basis; and (iii) the first business day following the first annual meeting of shareholders of the Company following the SVS being listed and posted for trading on a U.S. national securities exchange such as Nasdaq or the New York Stock Exchange.

As of December 31, 2024 and 2023, the Company had 656,088,216 and 639,757,098, respectively, of SVS issued and outstanding. Holders of the SVS are entitled to one vote per share.

As of December 31, 2024, no Exchangeable Shares have been issued.

The authorized and issued share capital of the Company is as follows:

	Note	**SVS**	**MVS**	**Total**
As of January 1, 2023		623,520,125	93,970,705	717,490,830
Issuance of shares in connection with acquisitions	4	12,329,002	—	12,329,002
Issuance of shares in connection with public offering	2	2,700,000	—	2,700,000
SVS contributed to Curaleaf, Inc. in connection with the Reorganization	2	(254,315)	—	(254,315)
Acquisition escrow shares returned and cancelled		(350,794)	—	(350,794)
Exercise of stock options	18	211,775	—	211,775
Issuance of SVS for settlement of RSUs	18	1,601,305	—	1,601,305
As of December 31, 2023		639,757,098	93,970,705	733,727,803
Issuance of SVS in connection with acquisitions	*4*	12,800,791	—	12,800,791
Acquisition shares returned and cancelled		(170,158)	—	(170,158)
Exercise of stock options	*18*	75,391	—	75,391
Issuance of SVS* for settlement of RSUs*	*18*	3,228,557	—	3,228,557
Issuance of SVS for settlement of PSUs	*18*	396,537	—	396,537
As of December 31, 2024		656,088,216	93,970,705	750,058,921

As of December 31, 2024 and December 31, 2023, the number of SVS available for issuance under the Company's 2018 Long Term Incentive Plan ("LTIP") was 75,005,892 and 73,372,780, respectively. See *Note 18 — Share-based compensation* for further detail.

Treasury shares

There were no SVS repurchased into treasury during the years ended December 31, 2024 and 2023. SVS previously repurchased into treasury were canceled during the year ended December 31, 2024.

Note 17 — Redeemable non-controlling interest

On April 7, 2021, the Company established Curaleaf International together with a strategic investor who provided initial capital of $ 130.8 million for 31.5% equity stake in Curaleaf International (the "Curaleaf International Transaction"). Curaleaf and the strategic investor entered into a shareholders' agreement regarding the governance of Curaleaf International, pursuant to which Curaleaf International has control over operational issues as well as the raising of capital and the ability to exit the business. In addition, the strategic investor's stake is subject to put/call rights, which permit either party to cause the strategic investor's stake to be bought out by Curaleaf, starting the earlier of change of control or in 2025. At December 31, 2024, the carrying value of the redeemable non-controlling interest related to the Curaleaf International Transaction was $94.6 million.

In connection with the acquisition of Four20 in September 2022, the selling shareholders and Curaleaf International entered into a separate put/call option, which permits either party to trigger the roll-up of the remaining equity of Four20 two years after the launch of adult use cannabis sales in Germany, but no later than the end of 2025, if adult use launch has not occurred by such date. The estimated redemption value of the put/call options pertaining to Four20 exceeded the associated carrying value after allocation of current period earnings by $22.7 million during the period ending December 31, 2024. Management considers the redemption of the put/call options to be probable; consequently, the Company accreted the put/call options to their estimated redemption value through Additional paid-in capital. In the first quarter of 2025, the selling shareholders exercised the put option by submitting an irrevocable notice to the Company. The Company anticipates the value of the put option will be between $60.0 million to $80.0 million upon redemption.

The carrying value of the redeemable non-controlling interests after accretion was $ 132.2 million and $120.7 million as of December 31, 2024 and 2023, respectively and are recognized on the Company's Consolidated Balance Sheets as temporary equity within Redeemable non-controlling interest contingency.

Note 18 — Share-based compensation

Equity Incentive Plans

The Company maintains a 2018 Stock and Incentive Plan (as amended from time to time, the "LTIP"), which provides for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock and stock units, performance stock and stock units awards, dividend equivalents and other share-based awards to eligible participants. The number of SVS reserved for issuance from time to time under the LTIP is calculated as 10% of the aggregate number of SVS and MVS outstanding on an "as-converted" basis. The Company's accounting policy for awards granted under the LTIP is discussed further in *Note 3 — Significant accounting policies.*

Share-based compensation consists of the following for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Stock options	$ 9,374	$ 7,591
Performance stock units	1,705	501
Restricted stock units	14,617	11,918
Share-based compensation	$ 25,696	$ 20,010

Stock options

As of December 31, 2024 and 2023, total unamortized compensation cost related to unvested stock options was $ 13.7 million and $18.3 million, respectively, which the Company expects to recognize over a weighted-average period of 2.00 years and 2.31 years, respectively.

The total intrinsic value of options exercised and the total fair value of shares vested during the years ended December 31, 2024 and 2023 were as follows:

	Years Ended	
	December 31, 2024	December 31, 2023
Total intrinsic value of options exercised	$ 208	$ 798
Total fair value of shares vested	8,353	10,221

Significant assumptions used to estimate the fair value of the Company's stock option granted during the years ended December 31, 2024 and 2023 are summarized below:

	Years Ended	
	December 31, 2024	December 31, 2023
Expected volatility	71% — 74%	68% — 72%
Expected life in years	6.01 — 6.02	5.38 — 6.73
Expected dividends	— %	— %
Risk-free interest rate (based on government bonds)	3.63% — 4.52%	3.13% — 4.60%

(1) The Company has never paid cash dividends nor expects to pay cash dividends in the foreseeable future.

The Company's stock option activity and related information during the years ended December 31, 2024 and 2023 were as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Outstanding at January 1, 2024	27,932,603	$ 5.29		
Forfeited[1]	(1,461,492)	4.51		
Expired[1]	(430,377)	14.74		
Exercised	(75,391)	2.06		
Granted[2]	3,695,727	3.53		
Outstanding at December 31, 2024	29,661,070	$ 4.98	5.5 years	$ 8,846
Options exercisable at December 31, 2024	16,718,254	$ 5.54	3.4 years	$ 8,778

(1) Includes adjustments for changes in estimates.

(2) Includes stock options, granted to the Company's CEO and Chairman, during the year ended December 31, 2023, with a 10-year performance period. Vesting of these performance stock options is contingent upon the achievement of three distinct and appreciating stock price targets. The stock price targets are based on a 15-day average closing price of the Company's SVS. Any options for which the vesting conditions are not met by March 6, 2033 will be canceled.

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Outstanding at January 1, 2023	24,539,168	$ 6.67		
Forfeited[1]	(2,569,561)	7.40		
Expired	(2,421,729)	9.24		
Exercised	(211,775)	0.23		
Granted[2]	8,596,500	2.97		
Outstanding at December 31, 2023	27,932,603	$ 5.29	6.29	$ 34,646
Options exercisable at December 31, 2023	14,967,286	$ 5.41	4.22	$ 25,679

[1] Includes adjustments for changes in estimates.

[2] Includes stock options, granted to the Company's CEO and Chairman, during the year ended December 31, 2023, with a 10-year performance period. Vesting of these performance stock options is contingent upon the achievement of three distinct and appreciating stock price targets. The stock price targets are based on a 15-day average closing price of the Company's SVS. Any options for which the vesting conditions are not met by March 6, 2033 will be canceled.

Performance stock units

As of December 31, 2024 and 2023, total unamortized compensation cost related to unvested performance stock units was $ 2.3 million and $5.3 million, respectively, which the Company expects to recognize over a weighted-average period of 1.41 years and 2.2 years, respectively.

The Company's PSU activity and related information for the years ended December 31, 2024 and 2023 are as follows:

	Number of PSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	2,024,121	$ 2.89
Forfeited[1]	(2,141,826)	3.37
Vested	(396,537)	2.89
Granted	2,403,824	4.04
Unvested at December 31, 2024	1,889,582	$ 3.81
Inception-to-date PSUs vested at December 31, 2024	396,537	

[1] Includes adjustments for changes in estimates.

	Number of PSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2023	—	$ —
Forfeited[1]	(216,251)	2.89
Vested	—	—
Granted	2,240,372	2.89
Unvested at December 31, 2023	2,024,121	$ 2.89
Inception-to-date PSUs vested at December 31, 2023	—	

[1] Includes adjustments for changes in estimates.

Restricted stock units

As of December 31, 2024 and 2023, total unamortized compensation cost related to unvested restricted stock units was $ 15.7 million and $17.9 million, respectively, which the Company expected to recognize over a weighted-average period of 1.95 years and 1.83 years, respectively.

The Company's RSU activity and related information for the years ended December 31, 2024 and 2023 are as follows:

	Number of RSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	6,145,959	$ 4.12
Forfeited[1]	(2,459,478)	4.06
Vested	(3,228,557)	4.33
Granted	5,875,860	3.68
Unvested at December 31, 2024	6,333,784	$ 3.63
Inception-to-date RSUs vested at December 31, 2024	9,061,395	

[1] Includes adjustments for changes in estimates.

	Number of RSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2023	4,284,439	$ 7.44
Forfeited[1]	(1,749,598)	5.66
Vested	(1,601,305)	7.77
Granted	5,212,423	3.03
Unvested at December 31, 2023	6,145,959	$ 4.12
Inception-to-date RSUs vested at December 31, 2023	5,832,838	

[1] Includes adjustments for changes in estimates.

Note 19 — Selling, general and administrative expense

Selling, general and administrative expenses consisted of the following for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Salaries and benefits	$ 228,287	$ 206,787
Sales and marketing	48,485	41,992
Rent and occupancy	54,292	48,983
Travel	6,662	5,741
Professional fees	24,436	38,631
Office supplies and services	44,757	46,999
Other operating expense	14,613	25,640
Total selling, general and administrative expense	$ 421,532	$ 414,773

Advertising costs, which are recorded as a component of Sales and marketing, are expensed as incurred and totaled $ 18.5 million and $12.0 million for the years ended December 31, 2024 and 2023, respectively .

Note 20 — Defined contribution plans

The Company established the Curaleaf, Inc. 401(k) Plan (the "Plan") effective January 1, 2022. The Company's U.S. employees are generally eligible to participate in the Plan. The Plan allows eligible employees to make contributions, up to limits set by the IRS, through payroll deductions and invest their contributions in one or more of the investment funds offered by the Plan. For employees who have completed one or more years of eligible service, the Company matches 25% of the first 4% of eligible compensation that an employee contributes on a pretax and/or Roth 401(k) basis for each annual period. Under the Plan, employees become eligible for contributions on the first day of the calendar month, coincident with or next, following the date the employee performs an hour of service as an eligible employee. Matched contributions are always fully vested.

Employees outside the U.S. who are not covered by the Plan may be covered by defined contribution plans that are subject to applicable laws and rules of the country in which the defined contribution plan is administered.

Employer contributions, which are expensed as incurred, totaled $ 1.0 million and $0.8 million for the years ended December 31, 2024 and 2023, respectively.

Note 21 — Other income, net

Other income, net consists of the following for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Gain (loss) on disposal of assets	$ 4,593	$ (8,541)
Gain on investment	6,624	2,073
Gain on modification and extinguishment of debt	257	2,065
Other income	4,785	4,589
Total other income, net	$ 16,259	$ 186

Note 22 — Revenue disaggregation

Total revenues, net consists of the following for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Revenues, net:		
Retail revenues	$ 1,032,765	$ 1,097,172
Wholesale revenues	303,941	243,606
Management fee income	6,096	5,854
Total revenues, net	$ 1,342,802	$ 1,346,632

Note 23 — Income Taxes

For financial reporting purposes, income before taxes from continuing operations includes the following components for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Domestic	$ (91,714)	$ (95,991)
Foreign	(25,915)	(28,375)
Total	$ (117,629)	$ (124,366)

Provision for income taxes from continuing operations for the years ended December 31, 2024 and 2023 consisted of the following:

	Years Ended	
	December 31, 2024	December 31, 2023
Current:		
Federal	$ 135,666	$ 121,079
State	15,641	22,825
Foreign	1,884	123
Total current	$ 153,191	$ 144,027
Deferred:		
Federal	$ (24,607)	$ (20,775)
State	(25,600)	(9,057)
Foreign	(4,392)	394
Total deferred	$ (54,599)	$ (29,438)

For the years ended December 31, 2024 and 2023, the Company has adopted a new federal and state income tax position, supported by legal interpretations, asserting that the restrictions of Section 280E do not apply to the Company's cannabis operations.

The following table contains a reconciliation of the Company's statutory tax rate on continuing operations as applied to Loss before provision for income taxes to its effective tax rate on continuing operations for the years ended December 31, 2024 and 2023. The Company reclassified Section 280E expenses from Non-deductible expenses to Increase in uncertain tax position for the year ended December 31, 2023 to conform to the current period presentation.

	Years Ended			
	December 31, 2024		December 31, 2023	
Provision for income taxes computed using statutory tax rate	$ (17,644)	15 %	$ (18,655)	15 %
Effect of tax rates in foreign jurisdictions	(10,512)	9 %	(9,149)	7 %
Tax effect of:				
State income taxes, net of federal income tax benefit	(22,643)	19 %	13,769	(11)%
Impact of U.S. tax on foreign operations	706	(1)%	2,049	(2)%
Share-based compensation	944	(1)%	2,033	(2)%
Non-deductible expenses	2,204	(2)%	11,641	(9)%
Increase in uncertain tax position	121,969	(104)%	59,707	(48)%
Increase in valuation allowance	19,774	(17)%	36,042	(29)%
Penalties and interest	16,216	(14)%	19,134	(15)%
Other	(12,422)	11 %	(1,982)	2 %
Provision for income taxes	$ 98,592	(84)%	$ 114,589	(92)%

The components of the Company's deferred tax assets and liabilities associated with its continuing operations as of December 31, 2024 and 2023 were as follows:

	As of	
	December 31, 2024	December 31, 2023
Deferred tax assets:		
Net operating loss carryforward	$ 202,940	$ 188,944
163j Interest Carryovers	71,132	57,809
Stock compensation	10,307	10,808
Accrued and prepaid expenses	2,088	3,347
Other	60	52
Total deferred tax assets	$ 286,527	$ 260,960
Deferred tax liabilities:		
Depreciation and amortization	$ (264,588)	$ (300,073)
Inventory	(1,904)	(1,056)
Total deferred tax liabilities	$ (266,492)	$ (301,129)
Valuation allowance	(264,235)	(256,597)
Net deferred tax liabilities	$ (244,200)	$ (296,766)

The measurement of deferred tax assets is reduced through a valuation allowance, if necessary, by the amount of any tax benefits that, based on available evidence, are more-likely-than-not expected to be unrealized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed at the end of each reporting period based on a more-likely-than-not realization threshold. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability and the duration of statutory carryforward periods. Beginning with the tax year ending December 31, 2022, the Company began filing consolidated federal and applicable state income tax returns for all entitles eligible for inclusion. As of December 31, 2024, the Company performed the assessment as to whether a valuation allowance was required on certain of its deferred tax assets for the consolidated group and separately for non-included entities. As a result of this assessment, the Company determined that it appropriate to establish a valuation allowance against the deferred tax assets generated by certain of its U.S. federal and U.S. state operations as well as its international operations in France, U.K. and Germany.

At December 31, 2024, the Company had federal and state tax loss carryforwards of $ 637.4 million, which expire between 2025 and 2043, and at December 31, 2023, the Company had federal and state tax loss carryforwards of $586.9 million, which began expiring in 2024 through 2042. At December 31, 2024 and 2023 the Company had foreign tax loss carryforwards of $1.5 million during each year, which expire in 2035. At December 31, 2024 and 2023, the Company had federal and state tax loss carryforwards of $571.0 million and $589.6 million, respectively, which will never expire. At December 31, 2024 and 2023, the Company had foreign tax loss carryforwards of $90.8 million and $97.5 million, respectively, which will never expire.

The Company accounts for the undistributed earnings of the Group as a temporary difference, except for the undistributed earnings of its foreign subsidiaries that are deemed to be indefinitely reinvested in foreign jurisdictions. The Company considers the earnings and profits of its foreign subsidiaries to be indefinitely reinvested.

Under Section 382, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income may be limited. The Company has not completed a study to assess whether an "ownership change" has occurred or whether there have been multiple ownership changes since the Company became a "loss corporation," as defined in Section 382. Future changes in the Company's equity ownership, which may be outside of the Company's control, may trigger an "ownership change." In addition, future equity offerings or acquisitions that have equity as a component of the purchase price consideration could result in an "ownership change." If an "ownership change" has occurred, or does occur in the future, the Company may be limited in

its utilization of its NOL carryforwards and/or other tax attributes, which could potentially result in increased future tax liabilities for the Company.

The following table summarizes the activity within the Company's unrecognized tax benefits from continuing operations for the year ended December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Balance at beginning of the year	$ 56,931	$ 70,888
Additions based on tax positions related to the current year	130,790	8,313
Additions based on refunds requested but not yet received related to prior years	91,645	—
Additions based on refunds received related to prior years	9,984	—
Additions for tax positions of prior years	164,249	(896)
Additions based on acquisitions	(10,347)	(485)
Lapse of statute of limitations	(10,909)	(20,889)
Balance at the end of the year	$ 432,343	$ 56,931

As of December 31, 2024 and 2023, the Company records tax benefits for all years subject to examination based upon management's evaluation of the facts, circumstances and information available at the end of the reporting period. There is inherent uncertainty in quantifying income tax positions, especially considering the complex tax laws and regulations for the U.S. federal, U.S. state and foreign jurisdictions in which the Company operates. The Company's Consolidated Financial Statements reflect tax benefits recognized by the Company on those tax positions where it is more-likely-than-not that a tax benefit will result upon ultimate settlement with a taxing authority in possession of all relevant information. The Company has not recognized any tax benefits associated with those income tax positions where it is not more-likely-than-not that a tax benefit will result.

As of December 31, 2024 and 2023, the Company recorded $ 8.6 million and $0.5 million, respectively, of unrecognized tax benefits in Income tax payable and $423.7 million and $56.4 million, respectively, of unrecognized tax benefits in Other long-term liabilities on the Consolidated Balance Sheets. As of December 31, 2024 and 2023, $13.1 million and $21.0 million, respectively, of these unrecognized tax benefits were recorded as a result of acquisitions and are subject to indemnifications. The Company has collateral and/or other deferred consideration sufficient to cover any potential resulting indemnification liability; therefore, the Company has recognized a non-current tax receivable within Income tax receivable on the Consolidated Balance Sheets. The Company expects there is a reasonable possibility that unrecognized tax benefits in the range of $16.2 million will change within 12 months due to lapses of statutes of limitations and possible settlements with tax authorities. As of December 31, 2024 and 2023, included in the balances of unrecognized tax benefits, is $419.2 million and $35.9 million, respectively, of unrecognized tax benefits that if recognized, would impact the Company's effective tax rate.

The Company recognizes interest and penalties related to unrecognized tax positions within Provision for income taxes, as presented on the Consolidated Statements of Operations, or within Income tax receivable, on the Consolidated Balance Sheets, if incurred as a result of acquisitions. As of December 31, 2024 , the Company accrued interest and penalties of $16.1 million for its uncertain tax positions as a component of Provision for income taxes. As of December 31, 2023, the Company accrued tax benefits of $3.1 million for its uncertain tax positions as a component of Provision for income taxes. As of December 31, 2024, the Company also had accrued interest and penalties of $4.9 million and $19.2 million for its uncertain tax positions as a component of Income tax payable and Other long-term liabilities, respectively.

The Company files its income tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state and foreign taxing authorities, where applicable. As of December 31, 2024, the Company effectively settled its examination by the IRS for the tax years 2016, 2017 and 2018. As of December 31, 2024, GR Vending MI, LLC, a subsidiary of Curaleaf, Inc., is currently under examination by the Michigan tax authorities for the tax years 2020 and 2021. This audit was initiated towards the end of 2024 and is in its preliminary stage as of December 31, 2024. With few exceptions, as of December 31, 2024, the Company is no longer subject to examination by tax authorities for years before 2021.

Global Minimum Tax Rules - Pillar Two

Numerous foreign jurisdictions have enacted or are in the process of enacting legislation to adopt a minimum effective tax rate, as described in the Global Anti-Base Erosion Model Rules (otherwise known as Pillar Two) issued by the Organization for Economic Co-operation and Development. Under Pillar Two, a minimum effective tax rate of 15% would apply to multinational companies with consolidated revenues above €750 million. Pillar Two is effective for fiscal years beginning on or after January 1, 2024, in several jurisdictions in which the Company operates. Upon enactment, Pillar Two did not have a material impact on the Company's Consolidated Financial Statements, and there was no material impact to the Company's consolidated financial position, results of operations or cash flows.

Note 24 — Earnings per share

Basic and diluted loss per share attributable to Curaleaf Holdings, Inc. for the years ended December 31, 2024 and 2023 were calculated as follows:

	Years Ended	
	December 31, 2024	**December 31, 2023**
Numerator:		
Net loss from continuing operations	$ (216,221)	$ (238,955)
Less: excess redemption value above carrying value	(22,746)	—
Net loss from continuing operations, net of accretion	(238,967)	(238,955)
Net loss attributable to redeemable non-controlling interest	(6,584)	(9,140)
Net loss from continuing operations attributable to Curaleaf Holdings, Inc.	(232,383)	(229,815)
Net loss from discontinued operations	(5,786)	(51,382)
Net loss attributable to Curaleaf Holdings, Inc.	$ (238,169)	$ (281,197)
Denominator:		
Basic weighted-average common shares outstanding	740,825,099	724,124,894
Dilutive effect of stock options to purchase common stock	829,853	7,771,793
Dilutive effect of restricted stock awards	1,132,204	2,519,282
Dilutive effect of performance-based stock awards	1,080,198	1,301,874
Dilutive effect of convertible debt	4,282,599	4,282,599
Dilutive effect of contingent shares	1,286,713	4,074,000
Pro forma dilutive weighted-average common shares outstanding	749,436,666	744,074,442
Per share – basic and diluted[1]:		
Net loss per share from continuing operations, net of the loss per share and excess redemption value attributable to non-controlling interest	$ (0.31)	$ (0.32)
Net loss per share from discontinued operations, net of loss per share attributable to non-controlling interest	(0.01)	(0.07)
Net loss per share attributable to Curaleaf Holdings, Inc. – basic	$ (0.32)	$ (0.39)

[1] As a result of net losses by the Company from its continuing and its discontinued operations for the years ended December 31, 2024 and 2023, the calculation of diluted net loss per share for each period presented gives no consideration to potentially anti-dilutive securities (ex: LTIP share-based awards, convertible debt and contingent consideration); and as such, is the same as basic net loss per share for each period presented.

Note 25 — Segment reporting

The Company operates through two distinct reportable segments: (i) Domestic Operations and (ii) International Operations. This segmentation reflects the point at which the Company's business units no longer share similar economic characteristics and differ significantly in key areas, including:

(a) the nature of cultivation and manufacturing processes,

(b) the class of customer for products and services,

(c) distribution methods and

(d) the regulatory environments in which they operate.

In addition, this segmentation reflects the manner in which the Company's chief operating decision maker (the "CODM"), its CEO, allocates resources and evaluates performance, and the manner in which the Company's internal financial reporting is structured.

The Company's reportable segments generate revenues from the cultivation, production and distribution of cannabis, including hemp-derived THC products. The Company's Domestic Operations are organized on a region-level basis, vertically integrated in the majority of the domestic states in which the Company operates and derives the majority of its revenues from retail sales. In contrast, the Company's International Operations are organized on a country-level basis, has centralized cultivation facilities in Portugal and Canada and derives the majority of its revenue from wholesale sales.

The Company's CODM assesses the performance of each reportable segment and allocates resources based on Adjusted EBITDA and Adjusted EBITDA Margin. These non-GAAP financial measures and ratios are considered key financial and operational indicators. The CODM also reviews significant segment expenses within these measures, which consist primarily of Cost of goods sold as well as Total operating expenses.

- Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, less share-based compensation expense and other adjustments related to business development, acquisitions, financing and reorganization costs;

- Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Total revenues, net.

Not only do these measures provide meaningful insights into the financial strength and performance of each reportable segment, the Company uses these measures to (i) clarify the Company's operating performance for investors, (ii) enhance comparability across its industry peers and (iii) offer investors a view of the Company's operations as analyzed internally by the CODM and other members of the Company's executive leadership team. While these measures are useful supplemental indicators, they are non-GAAP financial measures and should not be considered in isolation or as alternatives to income from continuing operations (an indicator of operating performance), as determined in accordance with GAAP.

The accounting policies applied to the Company's segments are the same as those described in *Note 3 — Significant accounting policies.* Due to the federal illegality of cannabis in the U.S., the Company does not engage in intersegment sales or transfers, nor does it allocate corporate overhead costs between its reportable segments.

The following table presents Adjusted EBITDA by reportable segment as of December 31, 2024 and December 31, 2023:

	Domestic		International [1]		Total	
For the year ended December 31,	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Income from continuing operations	$ 44,840	$ 71,728	$ (24,643)	$ (28,845)	$ 20,197	$ 42,883
Depreciation and amortization	204,849	173,868	28,384	22,012	233,233	195,880
Other add-backs, net [2]	45,187	64,282	2,183	1,502	47,370	65,784
Adjusted EBITDA	$ 294,876	$ 309,878	$ 5,924	$ (5,331)	$ 300,800	$ 304,547
Adjusted EBITDA Margin	23.8%	24.1%	5.6%	(8.7)%	22.4%	22.6%
Total Revenues	$ 1,237,251	$ 1,285,625	$ 105,551	$ 61,007	$ 1,342,802	$ 1,346,632

[1] The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segment results across quarters and year-over-year.

[2] Other add-backs in the current year ended December 31, 2024 primarily include costs related to salaries and benefits, inventory, legal and professional fees and lobbyist/PR spend. Other add-backs for the year ended December 31, 2023 primarily include inventory adjustments, costs related to legal and professional fees and license fees.

The following tables present certain financial information by reportable segment for the years ended December 31, 2024 and December 31, 2023:

For the year ended December 31, 2024	**Domestic**	**International [1]**	**Total**
Revenues, net:			
Retail and wholesale revenues	$ 1,235,580	$ 101,126	$ 1,336,706
Management fee income	1,671	4,425	6,096
Total revenues, net	1,237,251	105,551	1,342,802
Cost of goods sold	641,817	61,737	703,554
Gross profit	595,434	43,814	639,248
Total operating expenses	550,594	68,457	619,051
Income (loss) from continuing operations	$ 44,840	$ (24,643)	$ 20,197

[1] The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segment results across quarters and year-over-year.

For the year ended December 31, 2023	**Domestic**	**International [1]**	**Total**
Revenues, net:			
Retail and wholesale revenues	$ 1,282,701	$ 58,077	$ 1,340,778
Management fee income	2,924	2,930	5,854
Total revenues, net	1,285,625	61,007	1,346,632
Cost of goods sold	693,717	38,466	732,183
Gross profit	591,908	22,541	614,449
Total operating expenses	520,180	51,386	571,566
Income (loss) from continuing operations	$ 71,728	$ (28,845)	$ 42,883

[1] The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segment results across quarters and year-over-year.

As the CODM does not review total assets by reportable segment, the following table presents long-lived assets by reportable segment as of December 31, 2024 and December 31, 2023:

	Domestic	International	Total
Long-lived assets as of December 31, 2024	$ 2,186,287	$ 333,568	$ 2,519,855
Long-lived assets as of December 31, 2023	2,349,337	328,636	2,677,973

Note 26 — Commitments and contingencies

Indemnification agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties.

In addition, the Company has entered into indemnification agreements with members of its board of directors and senior executive team that may require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or senior officers of the Company. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnification agreements. The Company does not believe that the outcome of any claims under indemnification arrangements will have a material effect on its financial position, results of operations or cash flows, and it has not accrued any liabilities related to such obligations in its Consolidated Financial Statements.

Dividend Restriction

The Company has no record of paying dividends, and its ability to pay dividends would be dependent on the Company's results of operation, subject to applicable laws and regulations, which require maintenance of certain solvency and capital standards, as well as contractual restrictions contained in the Company's debt instruments. The Company is permitted to declare and pay dividends, as long as the Company is not in default with respect to the Senior Secured Notes – 2026 and maintains compliance with certain provisions therein specific to restrictions of incurrence of indebtedness.

Litigation

The Company is involved in claims or lawsuits that arise in the ordinary course of business. Although the ultimate outcome of these claims or lawsuits cannot be ascertained by the Company, on the basis of present information and advice received from the Company's legal counsel, it is management's opinion that the disposition or ultimate determination of such claims or lawsuits, except as noted below, will not have a material effect on the Company's operations and financial results.

Hello Farms

In 2020, GR Vending MI, LLC ("GR Vending MI"), prior to its acquisition by the Company, entered into a supply contract with Hello Farms Licensing MI, LLC ("Hello Farms") (the "Hello Farms Supply Contract") to acquire the expected output of Hello Farms' Michigan cultivation facility for the 2020 and 2021 harvests, subject to certain conditions. Additionally, Cura MI, LLC ("Cura MI" and together with GR Vending MI, the "Michigan Entities") entered into a guaranty agreement (the "Cura MI Guaranty") with Hello Farms, under which Cura MI guaranteed the performance of GR Vending MI's payment obligations under the Hello Farms Supply Contract. The Hello Farms Supply Contract was amended and restated in November 2020. Subsequently, GR Vending MI indicated that Hello Farms had failed to perform its obligations under the Hello Farms Supply Contract; and therefore, deemed the contract breached and therefore terminated. In February 2021, Hello Farms sued the Michigan Entities in a state court in Michigan. In March 2021, the case was moved to the U.S. District Court for the Eastern District of Michigan (the "Michigan Eastern District Court"). A trial was held in January 2025, after which a jury awarded Hello Farms approximately $31.8 million in damages against the Michigan Entities for breach of contract. Subsequently, in February 2025, Hello Farms filed a motion for award of prejudgment interest of $5.0 million, which would increase the Company's maximum loss on this litigation to $36.8 million. The Michigan Entities intend to challenge the ruling, both in the District Court and on appeal, on various grounds.

Based on the Company's assessment of the likelihood of success on appeal, the estimated accrual as of December 31, 2024 is substantially less than the total potential loss associated with the judgment. If the Company's appeals are unsuccessful, it is reasonably possible it could result in a loss significantly exceeding the Company's estimated accrual.

The Michigan Entities, which are consolidated by the Company as VIEs, ceased operations in 2023, do not have any substantial assets and are classified by the Company as discontinued operations. See *Note 6 — Discontinued operations* for further details.

Note 27 — Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following table summarizes the Company's transactions with related parties during the years ended December 31, 2024 and 2023:

	Years Ended		Balance receivable (payable) as of	
Transaction	**December 31, 2024**	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
Consulting fees [1]	$ 3,975	$ 915		
Travel and reimbursement [2]	28	45		
Rent expense [3]	236	—		
Platform fees [4][5]	3,274	2,069		
Senior Secured Notes - 2026 [6]	883	886	$ 10,000	$ 10,000
	$ 8,396	$ 3,915	$ 10,000	$ 10,000

(1) Consulting fees relate to real estate management and general advisory services provided by (i) Frontline Real Estate Partners, LLC, a company controlled by Mitchell Kahn, a Board member, (ii) Measure 8 Venture Management, LLC ("Measure 8"), an investment company controlled by Boris Jordan, CEO, Chairman and control person of the Company (including funds managed by Measure 8), (iii) Architecture & Engineering Solutions, LLC, a company controlled by an immediate family member of Luke Flood, a senior vice president of the Company and (iv) PNP Construction LLC, a company controlled by an immediate family member of Karim Bouaziz, a former senior vice president of the Company. There are on-going contractual commitments related to these transactions. Consulting fees incurred for Architecture & Engineering Solutions, LLC and PNP Construction LLC were $0.2 million and $3.8 million for the year ended December 31, 2024, respectively. No fees were paid to Frontline Real Estate Partners, LLC or Measure 8 during the year ended December 31, 2024. Consulting fees incurred for Frontline Real Estate Partners, LLC and Measure 8 were $0.4 million each for the year ended December 31, 2023. No consulting fees were incurred for Architecture & Engineering Solution, LLC and PNP Construction during the year ended December 31, 2023.
(2) Travel and reimbursement relate to payments made to various Board members for reimbursements of expenses incurred while performing their duties in that capacity.
(3) Rent expense relates to a lease between GR Companies, Inc. and FREP Elm Place II, LLC, a company owned in part by Mitchell Kahn, a Board member. There are on-going contractual commitments related to the lease arrangement.
(4) Leaf Trade and Sweed provide Curaleaf with their B2B platform for the Company's wholesale operations in exchange for fees to use the platform. Measure 8 acquired a 6.19% stake in High Tech Holdings, Inc. ("High Tech Holdings"), the parent holding company of Leaf Trade and Sweed, and received a seat on the board of directors of High Tech Holdings.
(5) Platform fees for Fyllo. Mitchell Kahn, a Board member, is also on Fyllo's board of directors.
(6) Baldwin Holdings, LLC ("Baldwin Holdings"), in which Joseph F. Lusardi, the Company's Executive Vice Chairman, owns a direct equity interest, holds $10 million of the Company's Senior Secured Notes - 2026; and therefore, a portion of interest expense recognized by the Company under the Senior Secured Notes - 2026 is attributable to Baldwin Holdings. The Senior Secured Notes – 2026 contain certain repayment and interest components that represent on-going contractual commitments.

Note 28 — Fair value measurements and financial risk management

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 three levels of the fair value hierarchy are:

- 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.

The Company's financial instruments consist of cash, cash equivalents, restricted cash, notes receivable, equity investments, accounts payable, accrued expenses, long-term debt, contingent and deferred consideration liabilities and a redeemable non-controlling interest contingency.

The fair values of cash, restricted cash, cash equivalents, notes receivable, accounts payable and accrued expenses approximate their carrying values due to the relatively short-term to maturity. The carrying values of the Company's contingent consideration liabilities approximate fair value as they are measured at fair value on a recurring basis. The carrying values of the Company's deferred consideration liabilities, which are initially recorded at fair value on the acquisition date, approximate fair value, as these liabilities accrete in value each reporting period until payment is due. The carrying value of the Company's Redeemable NCI approximates fair value. The carrying value of the Company's Redeemable NCI is impacted by both the share of comprehensive income (loss) attributable to the Company's non-controlling interest holder as well as the recurring remeasurement of the estimated redemption value of the Redeemable NCI.

The carrying value and fair value of the Company's Notes payable was $568.6 million and $560.0 million, respectively, as of December 31, 2024. The carrying value and fair value of the Company's Notes payable was $587.8 million and $530.9 million, respectively, as of December 31, 2023.

Non-recurring fair value measurements

The Company's assets measured at fair value on a nonrecurring basis include its long-lived assets and goodwill. The Company reviews the carrying amounts of such assets whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable or, at minimum, annually for goodwill. Any resulting asset impairment would require that the asset be recorded at its fair value. Fair value measurements of these assets are derived using inputs that are not based on observable market data and are classified within Level 3 of the fair value hierarchy. See *Note 10 — Property, plant and equipment, net* , *Note 11 — Leases* and *Note 12 — Intangible assets, net and Goodwill* for further details.

Recurring fair value measurements

The Company's assets measured at fair value on a recurring basis include certain equity investments and contingent consideration liabilities. Fair value measurements of these financial instruments are derived using inputs that are not based on observable market data and are, therefore, classified within Level 3 of the fair value hierarchy.

	Fair value measurements as of December 31, 2024 using:			
	Level 1	Level 2	Level 3	Total
Investments	$ —	$ —	$ 1,713	$ 1,713
Contingent consideration liabilities	—	—	6,147	6,147
	$ —	$ —	$ 7,860	$ 7,860

	Fair value measurements as of December 31, 2023 using:			
	Level 1	Level 2	Level 3	Total
Investments	$ —	$ —	$ 2,477	$ 2,477
Contingent consideration liabilities	—	—	16,625	16,625
	$ —	$ —	$ 19,102	$ 19,102

Level 3

The fair value of the Company's Contingent consideration liabilities as of December 31, 2024 and 2023 were measured using the following Level 3 inputs:

- EMMAC: The present value of the Company's contingent consideration liability related to the Company's acquisition of EMMAC utilized a discount rate of 8.6% as of December 31, 2024 and 13.1% as of December 31, 2023.
- NGC: The present value of the Company's contingent consideration liability related to its acquisition of NGC utilized a discount rate of 8.1% as of December 31, 2024.

- Four20: The present value of the Company's contingent consideration liability related to the second tranche of shares due September 2024 utilized a discount rate of 13.5% as of December 31, 2023. As of December 31, 2024, the Company has settled in full its contingent consideration liability for Four20.

There were no transfers between fair value levels during the years ended December 31, 2024 and 2023.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of a potential financial loss to the Company, if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's accounts receivable and notes receivable. The maximum credit exposure as of December 31, 2024 and 2023 equates to the carrying amount of cash, cash equivalents, restricted cash, accounts receivable and notes receivable.

All of the Company's cash, cash equivalents and restricted cash are placed with major U.S. financial institutions, and accounts at each institution are insured by the FDIC up to $250,000. The Company's cash balances in certain bank deposit accounts, at times, may exceed federally insured limits.

The Company does not have significant credit risk with respect to its customers, as 77% and 81%, of the Company's Total revenues, net for the years ended December 31, 2024 and 2023, respectively, were derived from the Company's retail dispensaries. The Company provides credit to its wholesale and MSA customers in the normal course of business and has established processes to mitigate credit risk. Pursuant to ASC 310, *Receivables*, the Company recognizes its accounts receivable, net of an allowance for credit losses, on the Consolidated Balance Sheets, in order to present its accounts receivable at the expected realizable value. The Company's allowance for credit losses is reviewed by management each reporting period, and adjustments are made, if necessary, based on the Company's historical experience and management's assessment of the current economic environment. The Company has not adopted standardized credit policies and assesses credit on a customer-by-customer basis in an effort to minimize associated risks.

The following table presents the aging of the Company's trade receivables as of December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
0 to 90 days	$ 56,042	$ 46,720
91 to 180 days	4,437	7,644
181 days +	3,511	5,634
Trade accounts receivable	$ 63,990	$ 59,998

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to settle its financial obligations and liabilities when due. The Company manages liquidity risk through the management of its capital structure.

In December 2021, the Company closed a private placement of Senior Secured Notes - 2026, for aggregate gross proceeds of $ 475 million to the Company, under which $460 million and $475 million aggregate principal amount remained outstanding as of December 31, 2024 and 2023, respectively. See *Note 15 — Notes payable – Senior Secured Notes - 2026*. The Note Indenture governing the Senior Secured Notes - 2026 contains numerous positive and financial negative covenants. If the Company breaches a covenant under the Note Indenture, the trustee may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateral granted by the Company over its assets. Such a breach could have a material adverse impact on the Company's financial position.

In connection with the Bloom acquisition, the Company issued three sets of Bloom Notes for aggregate gross proceeds of $ 160 million. As of December 31, 2024 and 2023, $76.5 million and $107.5 million of aggregate principal amount remained outstanding, respectively. See *Note 15 — Notes payable – Bloom Notes* for further details. If the Company fails to make scheduled payments under the Bloom Notes or breaches the covenants under the pledge and security agreement governing the Bloom Notes, the Bloom Lenders may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateralized assets pledged under the Bloom Notes. Such a breach could have a material adverse impact on the Company's financial position.

In November 2024, the Company entered into the Loan Agreement with Needham Bank, establishing a revolving line of credit for up to $ 40.0 million, under which the Company had drawn down $11.1 million as of December 31, 2024. See *Note 15 — Notes payable – Needham Bank* for further details. The Loan Agreement contains numerous positive and negative financial covenants. If the Company breaches a covenant under the Loan Agreement, Needham Bank may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateral granted by the Company over its assets. Such a breach could have a material adverse impact on the Company's financial position.

In addition to the commitments outlined in *Note 26 — Commitments and contingencies*, the Company had the following financial obligations as of December 31, 2024 and 2023:

	Note	**< 1 Year**	**1 to 3 Years**	**Total**
As of December 31, 2024:				
Accounts payable		$ 79,129	$ —	$ 79,129
Accrued expenses	*14*	102,188	—	102,188
Income tax payable	*23*	23,414	—	23,414
Lease liabilities, finance	*11*	10,995	150,683	161,678
Lease liabilities, operating	*11*	17,333	106,192	123,525
Notes payable	*15,27*	101,723	466,897	568,620
Liabilities held for sale	*5*	8,905	—	8,905
Other current liabilities		652	—	652
Contingent consideration liability	*4*	3,310	2,837	6,147
Deferred consideration liability	*4*	33,068	2,000	35,068
Deferred tax liability	*23*	—	244,601	244,601
Uncertain tax position	*23*	—	392,188	392,188
Other long-term liability		—	1,133	1,133
		$ 380,717	$ 1,366,531	$ 1,747,248

	Note	< 1 Year	1 to 3 Years	Total
As of December 31, 2023:				
Accounts payable		$ 79,319	$ —	$ 79,319
Accrued expenses	*14*	101,311	—	101,311
Income tax payable	*23*	198,056	—	198,056
Lease liabilities, finance	*11*	9,428	159,961	169,389
Lease liabilities, operating	*11*	15,993	110,398	126,391
Notes payable	*15,27*	39,478	548,289	587,767
Liabilities held for sale	*5*	9,173	—	9,173
Other current liabilities		1,256	—	1,256
Contingent consideration liability	*4*	11,901	4,724	16,625
Deferred consideration liability	*4*	22,342	21,310	43,652
Deferred tax liability	*23*	—	297,185	297,185
Uncertain tax position	*23*	—	79,142	79,142
Other long-term liability		—	1,346	1,346
		$ 488,257	$ 1,222,355	$ 1,710,612

Currency risk

The operating results and financial position of the Company are reported in U.S. dollars. Some of the Company's financial transactions have been and may be denominated in currencies other than the U.S. dollar. The results of the Company's operations are subject to currency transaction and translation risks.

As of December 31, 2024 and 2023, the Company had no hedging agreements in place with respect to foreign exchange rates. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash, cash equivalents and restricted cash bear interest at market rates. The Company's notes receivable and financial debts have fixed rates of interest and are carried at amortized cost. The Company does not account for any fixed-rate financial assets or financial liabilities at fair value; therefore, a change in interest rates at the reporting date would not affect its results of operations.

Geography risk

The geographic concentration of the Company's various operations, both in the U.S. and Europe, poses potential risks if the domestic and/or international cannabis industry experience significant adverse events and/or if macroeconomic conditions deteriorate significantly.

Factors that may adversely affect domestic and international cannabis markets and macroeconomic environments include, among others, the following:

- the economic climate, which may be adversely impacted by a reduction in jobs or income levels, industry slowdowns, changing demographics and other factors;
- local conditions, such as oversupply of, or reduced demand for, cannabis products;
- regulatory restrictions or local laws, which could prevent the Company from maintaining pricing or increases in operating costs, or the inability or unwillingness of customers to pay current prices or price increases;

- concentration of and competition from other cannabis cultivators, manufacturers and distributors with a domestic presence;
- economic conditions that could cause an increase in the Company's operating expenses, including increases in taxes, utilities and routine maintenance; and
- regional specific acts of nature (e.g., earthquakes, fires, floods, etc.).

Refer to *Note 22 — Revenue disaggregation* and *Note 25 — Segment reporting* for disaggregation of certain selected financial information by the Company's reportable segments: Domestic and International.

Industry risk

The Company derives significant revenues from the cannabis industry in certain states, which industry is illegal under U.S. federal law. Even where the Company's cannabis-related activities are compliant with applicable U.S. state and local law, such activities remain illegal under U.S. federal law. The enforcement of relevant federal laws could have significant adverse risks to the Company. Please refer to the discussion of the risk factors to which the Company is subject which presented in the section entitled "*Risk Factors*" of the Company's annual information form for the year ended December 31, 2024 ("AIF"). The Company's shareholders should carefully evaluate the risk factors noted within the AIF, which is made available on SEDAR+ (www.sedarplus.ca) and EDGAR (www.sec.gove/edgar) under the Company's profile.

Capital management

The Company's primary objective when managing capital is to continually provide returns to its shareholders and benefits to its other stakeholders. To achieve this objective, the Company implemented processes designed to ensure there are adequate capital resources to safeguard the Company's ability to continue as a going concern and to maintain adequate levels of funding to support the Company's ongoing operations and development.

The capital structure of the Company consists of shareholders' equity and notes payable, net of cash, cash equivalents and restricted cash. The Company manages and makes adjustments to its capital structure, based on changes in the economic conditions of the jurisdictions in which the Company operates and on the risk characteristics of the Company's underlying assets. The Company plans to use existing funds, as well as funds from the future sale of products to fund operations and expansion activities.

Note 29 — Variable interest entities

For further details on the variable interest entities consolidated within the Consolidated Financial Statements, see *Note 1 — Operations of the Company*, *Note 2 — Basis of presentation and consolidation* and *Note 3 — Significant accounting policies*. Because cannabis remains a Schedule I controlled substance for U.S. Federal purposes, the assets of the Company's variable interest entities can typically be used only to settle obligations of the variable interest entities, except for certain grandfathered obligations. In addition, the creditors of Curaleaf, Inc. do not have recourse to the general credit of the Company.

The following table presents summarized financial information about the Company's variable interest entities as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Included in Consolidated Balance Sheets[1]:		
Current assets	$ 356,704	$ 356,037
Non-current assets	2,250,920	2,371,221
Current liabilities	450,306	487,528
Non-current liabilities	1,400,710	1,351,734
Equity attributable to Curaleaf Holdings, Inc.	581,132	711,380

[1] NCI and OCI are excluded above, thus total assets do not equal total liabilities plus equity.

The following table presents summarized financial information about the Company's variable interest entities for the years ended December 31, 2024 and 2023:

	Years Ended	
	December 31, 2024	December 31, 2023
Included in Consolidated Statements of Operations:		
Revenues, net	$ 1,235,580	$ 1,282,701
Net income (loss) attributable to Curaleaf Holdings, Inc.	197,611	211,467

Note 30 — Subsequent events

Bloom Notes – 2024

Effective January 17, 2025, the Company settled in full its remaining obligations under the Bloom Note - 2024. See *Note 15 — Notes payable — Bloom Notes* for further details.

Bloom Note – 2025 Exchange

On January 17, 2025, the Company entered into an agreement with the Bloom Lenders (the "Note Exchange Agreement"), pursuant to which the Company agreed to accept from the Bloom Lenders, and the Bloom Lenders agreed to transfer to Holdings, the Bloom Notes – 2025 in exchange for senior secured notes of the Company that have an aggregate principal balance of $67 million (the "Senior Secured Notes — 2027"), consisting of the $60 million principal of the Bloom Notes – 2025 plus $ 7 million of accrued interest on such notes (the "Note Exchange"). In connection with the Note Exchange, the Company paid in cash (i) $0.6 million, representing the remaining balance of interest accrued on the Bloom Notes – 2025 as of the date of the Note Exchange and (ii) $1.0 million of origination fees. The Senior Secured Notes – 2027 mature on January 17, 2027 and bear interest at 10% per annum, compounded monthly and computed daily on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is payable monthly in arrears, beginning February 17, 2025, with principal repayments beginning August 17, 2025. There are no prepayment penalties on the Senior Secured Notes – 2027.

Hello Farms

Refer to *Note 26 — Commitments and contingencies* for further information on the judgment awarded to Hello Farms against the Company for breach of contract.

Exhibit 99.3



CURALEAF HOLDINGS, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations
As of and for the Years Ended
December 31, 2024 and 2023

(Expressed in Thousands United States Dollars Unless Otherwise Stated)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

This management discussion and analysis ("MD&A") of the financial condition and results of operations of Curaleaf Holdings, Inc. (the "Company" or "Curaleaf") is for the years ended December 31, 2024 and 2023. It is supplemental to, and should be read in conjunction with, the Company's audited consolidated financial statements as of December 31, 2024 and 2023 and for the years ended December 31, 2024 and 2023 and the accompanying notes (collectively, the "Notes to the Consolidated Financial Statements") and (together, the "Consolidated Financial Statements"). For the purposes of this MD&A, the terms "Company" and "Curaleaf" mean Curaleaf Holdings, Inc. and, unless the context otherwise requires, includes its wholly-owned subsidiaries, majority-owned subsidiaries and legal entities in which it holds a controlling financial interest. Additional public disclosure documents and information pertaining to the Company, including the annual information form for the year ended December 31, 2024 (the "Annual Information Form" or the "AIF"), are available through the Company's profiles on SEDAR+ at www.sedarplus.ca and EDGAR at www.sec.gov/edgar.

This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators (the "CSA"), Staff Notice 51-352 (Revised) – Issuers with U.S. Marijuana Related Activities ("Staff Notice 51-352") and Regulation S-K 229.303 – Management's discussion and analysis of financial condition and results of operations as issued by the United States ("U.S.") Securities and Exchange Commission ("SEC").

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws and securities laws of the U.S. (together, "forward-looking statements"). Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on the Company's current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of the Company. In addition, the Company may make or approve certain statements, in future filings with applicable Canadian regulatory authorities and/or the SEC, in press releases or in presentations by representatives of the Company, that are not statements of historical fact and which may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal" or the negative of those words or other similar or comparable words and includes, among others, information regarding: expectations for the effects and potential benefits of any transactions; statements relating to the business and future activities of, and developments related to, the Company after the date of this MD&A, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations and plans; expectations that licenses applied for will be obtained; potential future legalization of adult use and/or medical cannabis under U.S. federal law and/or f jurisdictions; expectations of market size and growth; expectations for other economic, business, regulatory and/or competitive factors related to the Company or the cannabis industry generally; the ability for U.S. holders of securities of the Company to sell them on the Toronto Stock Exchange (the "TSX"); and other events or conditions that may occur in the future. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as of and at the date they are made and are based on information currently available and current expectations at that time. Holders of securities of the Company are cautioned that forward-looking statements are not based on historical facts, but instead are based on reasonable assumptions and estimates of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: the legality of cannabis in the U.S., including the fact that cannabis is a controlled substance under the U.S. Federal Controlled Substances Act; anti-money laundering laws and regulations; the lack of access to U.S. bankruptcy protections; financing risks, including risks related to additional financing and restricted access to banking; general regulatory and legal risks, including potential constraints on the Company's ability to expand its business in the U.S. by virtue of the restrictions of the TSX following the TSX Listing (as defined herein); risk of legal, regulatory or political change; general regulatory and licensing risks; limitation on ownership of licenses; risks relating to regulatory action and approvals from the U.S. Food and Drug Administration (the "FDA"); the fact that cannabis may be subject to increased regulation by the FDA; potential heightened scrutiny by regulatory authorities following the TSX Listing; loss of

foreign private issuer status; risks related to internal controls over financial reporting; litigation risks; increased costs as a result of being a public company in Canada and the U.S.; recent and proposed legislation in respect of U.S. cannabis licensing; environmental risks, including risks related to environmental regulation and unknown environmental risks; general business risks, including risks related to the Company's expansion into foreign jurisdictions; the legality of cannabis in foreign jurisdictions; future acquisitions or dispositions; dependence on suppliers and service providers; enforceability of contracts; the ability of our shareholders to resell their subordinate voting shares ("SVS") on the TSX; the Company's reliance on senior management and key personnel and the Company's ability to recruit and retain such senior management and key personnel; competition risks; risks inherent in an agricultural business; unfavorable publicity or consumer perception; product liability; product recalls; results of future clinical research; reliance on inputs; risks related to limited market data and inherent limitations in forecasting; the fact that past performance may not be indicative of future results and that financial projections may prove materially inaccurate or incorrect; intellectual property risks; constraints on marketing products; fraudulent or illegal activity by employees, consultants and contractors; increased labor costs based on union activity; information technology systems and cyber-attacks; security breaches; the Company's reliance on management services agreements with subsidiaries and affiliates; website accessibility; high bonding and insurance coverage; risks of leverage; management of the Company's growth; risks related to conflicts of interests; challenging global economic conditions; currency fluctuations; risks related to the Company's business structure and securities; including the status of the Company as a holding company; no dividend record; risks related to the Senior Secured Notes – 2026 (as defined herein); concentrated voting control; risks related to the sale of a substantial amount of the Company's SVS; risks associated with securities or industry analysts not publishing, ceasing to publish research or reports or publishing misleading information about the Company; the potentially limited market for SVS for holders of the Company's securities who live in the U.S.; shareholders having little or no rights to participate in the Company's business affairs; the volatility of the market price for the SVS; liquidity risks associated with an investment in the SVS; enforcement against directors and officers outside of Canada may prove difficult; and tax risks; as well as those risk factors discussed under the heading "Risk Factors" in the AIF and the other risk factors described herein.

The purpose of forward-looking statements is to provide the reader with a description of the Company's expectations, and such forward-looking statements may not be appropriate for any other purpose. In particular, but without limiting the foregoing, disclosure in this MD&A as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance, may make reference to or involve forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Certain of the forward-looking statements and other information contained herein concerning the cannabis industry, its medical and adult use, the general expectations of the Company concerning the industry and the Company's business and operations are based on estimates prepared by the Company. The Company prepares these estimates using reasonable data from publicly available governmental sources, market research and industry analysis as well as assumptions that the Company believes to be reasonable based on data and knowledge of the cannabis industry. Although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While the Company is not aware of any misstatements regarding any government or industry data presented herein, the cannabis industry involves risks and uncertainties that are subject to change based on various factors.

A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements, and undue reliance should not be placed on forward-looking statements contained in this MD&A. Such forward-looking statements are made as of the date of this MD&A. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Overview of the Company

The Company is a leading producer and distributor of consumer products in cannabis, with a mission to improve lives by providing clarity around cannabis and confidence around consumption. As a vertically integrated, high-growth cannabis operator known for quality, expertise and reliability, the Company and its brands, including Curaleaf, Find, JAMS, Grassroots, Select and its line of Zero Proof seltzers, provide industry-leading services, product selection and accessibility across the medical and adult use markets in the U.S. and certain foreign jurisdictions. Through its team of physicians, pharmacists, medical experts and industry innovators, the Company has developed a portfolio of branded cannabis-based therapeutic offerings in multiple formats and a strategic network of branded retail dispensaries. The Company is also committed to leading the industry in education and advancement through research and advocacy and leverages its extensive

research and development capabilities to distribute cannabis products with the highest standard for safety, effectiveness, consistent quality and customer care.

As of December 31, 2024, in the U.S., the Company's financial results reflect operations conducted by the Company and/or its affiliates in 17 states, 151 dispensaries, 19 cultivation sites and 20 manufacturing facilities, from which the Company sells cannabis through wholesale channels. The Company places a premium on highly populated, limited license states, including Arizona, Connecticut, Florida, Illinois, Maryland, Massachusetts, Missouri, Nevada, New York, New Jersey, North Dakota, Ohio, Pennsylvania and Utah. Internationally, the Company has a cannabis business with licensed cultivation in Portugal and Canada, pharma grade cannabis processing and manufacturing facilities in Germany, Spain, Canada, Portugal and the United Kingdom ("U.K.") and licensed distribution of cannabis in Germany, Poland, Canada, Switzerland and the U.K. In the U.K., the Company also operates a medical cannabis clinic and holds a pharmacy license, enabling the retail supply of medical cannabis directly to patients. Finally, the Company supplies cannabis on a wholesale basis to Australia, New Zealand, U.K. and across Europe, including Germany, Italy, Poland, Czech Republic, Switzerland, Sweden and Norway.

The Company was an early entrant into the U.S. state-legal cannabis industry, which remains one of the fastest growing industries in the U.S. Currently, the Company is a diversified holding company dedicated to delivering market-leading products and services, while building trusted national brands within the legal cannabis industry, and its principal business address is in Stamford, Connecticut.

The Company is operated by an executive team comprised of seasoned professionals with significant experience in the cannabis industry and in scaling for growth. The Company's executive team bring a wealth of knowledge in market dynamics, operational efficiencies and regulatory compliance that contribute to the Company's growth and success across all key facets of the legal cannabis industry in the U.S. and internationally, including cultivation, processing, distribution and retail. Leveraging this extensive experience, the Company has strategically positioned itself for growth through a series of well-planned acquisitions, through which, the Company has expanded its market presence and geographic footprint, diversified its product offerings and strengthened its supply chain in the U.S. and internationally. Looking ahead, the Company remains committed to its growth trajectory and monitors the market continuously for potential acquisition targets that can offer strategic value, whether through new technologies, innovative products or expanded market access.

On February 3, 2025, the Company filed a final short form base shelf prospectus in Canada (the "Base Shelf Prospectus") and on February 5, 2025, filed the Base Shelf Prospectus on a Form F-10 registration statement, (File No 333-284710) (the "Registration Statement"), with the SEC under the U.S./Canada Multijurisdictional Disclosure System ("MJDS"). The Base Shelf Prospectus and Registration Statement allow the Company to offer up to $1.0 billion (or the equivalent thereof, at the date of issue, in any other currency, or currencies, as the case may be) worth of SVS, debt securities, subscription receipts, warrants and units, or any combination thereof, from time to time during the 25-month period that the Base Shelf Prospectus and/or Registration Statement are effective (subject to MJDS eligibility). The specific terms of any future offering of securities, including the use of proceeds from any offering, will be established in a supplement to the Base Shelf Prospectus and/or Registration Statement to be filed with the applicable Canadian securities regulatory authorities and/or the SEC.

Prior to December 14, 2023, the Company's subordinate voting shares ("SVS") were listed on the Canadian Securities Exchange ("CSE") under the symbol "CURA" and quoted on the OTCQX® Best Market under the symbol "CURLF". On December 14, 2023, the Company's SVS were listed and commenced trading on the Toronto Stock Exchange (the "TSX") under the symbol "CURA" and the Company's SVS were delisted from the CSE at the close of markets on December 13, 2023.

Basis of consolidation

Included in the Consolidated Financial Statements are the following wholly-owned and majority-owned subsidiaries of the Company as well as legal entities in which the Company held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	Jurisdiction of Incorporation/Formation	Ownership %[1]	
Curaleaf International Holdings Limited	Guernsey	68.5%	68.5%
Curaleaf, Inc.*	DE	—	—
Northern Green Canada Inc.	Canada	100%	*— (2)*
Bloom Fungibles, LLC	AZ	100%	100%
Focused Employer, Inc.	DE	100%	100%

[1] Based on % of voting interests held by the Company.

[2] The Company acquired Northern Green Canada Inc. ("NGC") in 2024. See *Note 4 — Acquisitions* of the Company's Consolidated Financial Statements as of and for the Years Ended December 31, 2024 and 2023 for further details.

* Consolidated by the Company as a variable interest entity. See *Note 3 — Significant accounting policies* and *Note 29 — Variable interest entities* of the Company's Consolidated Financial Statements as of and for the Years Ended December 31, 2024 and 2023 for further details.

The following table presents the wholly-owned subsidiaries of Curaleaf International Holdings Limited ("Curaleaf International") as well as the entities in which Curaleaf International held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	Jurisdiction of Incorporation/Formation	Ownership %[1]	
Curaleaf International Limited	UK	100%	100%
Four20 Pharma GmbH[2]	Germany	55%	55%

[1] Based on % of voting interests held by the Company.

[2] The remaining 45% non-controlling interest is held by the sellers of Four20 Pharma GmbH, which the company acquired in September 2022. See '*Non-controlling interests*' within *Note 2 - Basis of presentation and consolidation* and *Note 17 — Redeemable non-controlling interest* of the Company's Consolidated Financial Statements as of and for the Years Ended December 31, 2024 and 2023 for further details.

Change in ownership

The Company previously had a 100% investment in a wholly-owned subsidiary, Curaleaf Inc., via its ownership of all of the shares of common stock of Curaleaf, Inc. In connection with the listing of its SVS on the TSX on December 14, 2023 (the "TSX Listing"), the Company proceeded with the necessary internal reorganization (the "Reorganization") of its U.S. operations, in order to meet the conditions of the TSX for the TSX Listing. Among other things, the capital structure of Curaleaf, Inc. was restructured in December 2023, such that it is now comprised of the following three classes of equity:

1. Class A Common Stock (voting, sole share), which is owned by a third-party investor not affiliated with the Company (the "Investor");

2. Class B Common Stock (non-voting, 1,019 shares), which are all owned by the Company, and

3. Class C Common Stock (voting, none issued).

In connection with the Reorganization, the Company also entered into a shareholders' agreement in respect of Curaleaf, Inc., with the Investor (the "Shareholders' Agreement") and a protection agreement with Curaleaf, Inc. (the "Protection Agreement"). The terms and conditions set forth in the Protection Agreement and the Shareholders' Agreement collectively resulted in the Company retaining a controlling financial interest in Curaleaf, Inc. As a result, the Consolidated Financial Statements continue to include all the accounts of Curaleaf, Inc. and its wholly-owned subsidiaries as well as the legal entities in which Curaleaf, Inc., directly or indirectly, holds a controlling financial interest. For further details of these transactions, see *Note 16 — Shareholders' equity* of the Consolidated Financial Statements.

The following table presents the wholly-owned subsidiaries of Curaleaf, Inc. as well as the entities in which Curaleaf, Inc., directly or indirectly, held a controlling financial interest as of December 31, 2024 and 2023:

		As of	
		December 31, 2024	December 31, 2023
Entity name	Jurisdiction of Incorporation/Formation	Ownership %[1]	
CLF AZ, Inc.	DE	100%	100%
CLF NY, Inc.	DE	100%	100%
Curaleaf CA, Inc.	DE	100%	100%
Curaleaf KY, Inc.	DE	100%	100%
Curaleaf Massachusetts, Inc.	MA	100%	100%
Curaleaf MD, LLC	MD	100%	100%
Curaleaf OGT, Inc.	DE	100%	100%
Curaleaf PA, LLC	DE	100%	100%
Focused Investment Partners, LLC	DE	100%	100%
CLF Maine, Inc.	DE	100%	100%
PalliaTech CT, Inc.	DE	100%	100%
CLF Oregon, LLC (formerly PalliaTech OR, LLC)	DE	100%	100%
PalliaTech Florida, Inc.	DE	100%	100%
PT Nevada, Inc.	DE	100%	100%
CLF Sapphire Holdings, Inc.	DE	100%	100%
Curaleaf NJ II, Inc.	DE	100%	100%
GR Companies, Inc.	DE	100%	100%
CLF MD Employer, LLC	MD	100%	100%
Curaleaf Columbia, LLC (formerly HMS Sales, LLC)	MD	100%	100%
MI Health, LLC	MD	100%	100%
Curaleaf Compassionate Care VA, LLC	VA	100%	100%
Curaleaf UT, LLC	DE	100%	100%
Curaleaf Processing, Inc	DE	100%	100%
Virginia's Kitchen, LLC	CO	100%	100%
Cura CO LLC	CO	100%	100%
Curaleaf DH, Inc.	DE	100%	100%
Curaleaf Stamford, Inc.	CT	100%	100%
CLF Holdings Alabama, Inc.	DE	100%	100%
Curaleaf Hemp, Inc.	DE	100%	—
Windy City Holding Company, LLC*	IL	—	—
Broad Horizon Holdings, LLC*	MA	—	—

[1] Based on % of voting interests held by Curaleaf, Inc. with the exception of the entities which Curaleaf, Inc. consolidates as variable interest entities.

* Consolidated by Curaleaf, Inc. as a variable interest entity. See *Note 3 — Significant accounting policies* and *Note 29 — Variable interest entities* of the Company's Consolidated Financial Statements as of and for the Years Ended December 31, 2024 and 2023 for further details.

Company Performance and Objectives

The Company is currently active in numerous cannabis programs, including the manufacture and distribution of hemp-derived THC products, across the U.S. and internationally. In the U.S., 48 states and the District of Columbia have legalized some form of cannabis use, including low dose THC/CBD medical programs, for patients with certain qualifying conditions. In most of these medical states, a regulatory framework is in place whereby patients can receive a

recommendation from a certified physician to purchase medical cannabis in approved dispensaries. In the U.S., 24 states, three territories and the District of Columbia have legalized cannabis for adult use. In many of these adult use states, customers can purchase cannabis from approved dispensaries by providing identification proving the customer is 21 years of age or older. In the European countries in which the Company operates only medical cannabis sales are allowed. Internationally, cannabis products can be sold between jurisdictions.

The Company plans to continue to support the growth of its consolidated U.S. operations via expansion in three dimensions: (i) the acquisition of licenses in limited-license markets, (ii) an accretive presence in current markets and (iii) the optimization of exposure in mass markets. The Company's growth plans are subject in each case to the applicable requirements of the TSX.

The Company also plans to continue investing internationally to best position itself to benefit from growth in existing medical cannabis programs, new national medical cannabis programs expected to be implemented and the potential legalization of adult use across Europe. In Germany, effective April 1, 2024, cannabis was removed from the narcotics list and the possession of cannabis for personal consumption is no longer illegal. In contemplation of these regulatory developments in Germany, the potential legalization of adult use cannabis and in anticipation of other countries following suit, the Company completed two strategic acquisitions aimed at expanding the Company's international operations and equipping the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP[1] flower supply. Curaleaf International continues to invest strategically in its cultivation and manufacturing facilities in order to support growing volumes in the European and Australasian markets and to reduce unit costs in order to ensure products can continue to compete profitably internationally.

Limited-License Markets. The majority of the markets in which the Company currently operates have formal regulations limiting the number of cannabis licenses that are awarded, thus forming high barriers to entry, limited market participants and protected market share in limited-license states. Curaleaf, Inc. intends to apply for new licenses or acquire businesses within certain limited-license markets in which the Company does not currently operate.

Increasing Presence in Current Markets. The Company plans to grow within its current markets by pursuing opportunities for vertical integration, acquiring additional dispensary licenses and/or entering into production and marketing relationships to further build its brand and expand its distributional footprint. The Company intends to apply for new licenses in jurisdictions deemed favorable, as determined by each jurisdiction and as applicable.

Optimizing Exposure in Mass Markets. The Company has established itself as a market leader in the U.S. and has become a dominant player due to its competitive pricing, experienced executive team, strong capitalization and strong brand goodwill. In mass markets, which exhibit a free market dynamic typical of other industries and may be pressured by certain aspects beyond the Company's control (e.g., unfavorable business and/or regulatory environment and/or lack of enforcement against the respective illicit markets), the Company's strategy for optimizing its exposure includes rationalizing its operations down to an asset-light structure and maintaining brand presence through licensing agreements.

International Expansion. The Company believes it is, currently, the largest operator in the cannabis markets of Europe, with leading market share and the broadest overall footprint. The Company will continue to invest in vertical integration across Europe, in the form of licenses, production facilities, medical clinics, branding and product diversity, so as to best position itself to benefit from expansion of medical cannabis programs and the potential legalization of adult use across Europe

Such acquisitive and organic growth, both in the U.S. and internationally, will likely increase the Company's acquisition-related costs as well as its marketing and selling expenses, which the Company anticipates will be offset by the resulting operating efficiencies and economies of scale.

Operating Segments

The Company determines its operating segments according to how the business activities are managed and evaluated by the Company's chief operating decision maker ("CODM").

[1] EU-GMP stands for European Union Good Manufacturing Practices.

As of December 31, 2024, the Company has two operating segments: (i) Domestic operations and (ii) International operations. These two segments reflect the manner in which the Company's operations are managed, how the CODM allocates resources and evaluates performance and how the Company's internal management of financial reporting is structured.

Domestic Operations

As of December 31, 2024, the Company through its controlling interest in Curaleaf, Inc. derives the majority of its revenues from operations in the U.S. As of December 31, 2024, over 92% of the Company's consolidated Total revenues, net were generated in the U.S. The Company's U.S. cannabis operations are based in the states of Arizona, Connecticut, Florida, Illinois, Maine, Maryland, Massachusetts, Missouri, Nevada, New Jersey, New York, North Dakota, Ohio, Pennsylvania and Utah. The Company has also partnered with an accredited medical school in the U.S. and obtained a "clinical registrant" license in Pennsylvania.

On January 17, 2024, Curaleaf DH, Inc., an entity in which the Company has an indirect controlling financial interest, acquired Half Moon Nursery, Inc. and all assets of Dark Heart Nursery from Grace & Co. via forgiveness of a $7.0 million promissory note plus interest and cash consideration of $1.7 million. For further details, see the section of this MD&A titled '*Research and Development*."

On April 6, 2023 the Company completed the acquisition of Deseret, the largest cannabis retail operator in Utah, with consideration consisting of cash and stock. The Deseret acquisition included three retail dispensaries located in the cities of Park City, Provo and Payson. The Deseret acquisition immediately strengthened the Company's retail footprint in Utah, providing the state's medical patients with a wide variety of quality products including cannabis flower, vape cartridges, edibles and concentrates.

Refer to the heading "*Regulatory Environment: Issuers With U.S. Cannabis-Related Operations*" of the Company's AIF for more information on the U.S. regulatory environment and the U.S. states in which the Company operates.

International Operations

As of December 31, 2024, the Company's primary international operations are based in the U.K., Canada, Germany, Poland, Portugal, Spain and Switzerland. The Company derives its retail cannabis revenues in the U.K., where it holds a pharmacy license that enables it to fulfill cannabis prescriptions directly to the patient through its online pharmacy. In other countries in Europe, including Germany, Italy, Poland, Czech Republic, Switzerland, Sweden, Norway and the U.K. as well as Australia and New Zealand, the Company supplies cannabis on a wholesale basis to pharmacies and/or other local distributors.

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of NGC for total consideration of approximately $23.8 million, paid in cash and equity consideration. The acquisition also resulted in contingent consideration that is dependent on NGC's future performance. NGC is a Canadian licensed cannabis producer and distributor focused primarily on expanding in the international market through its EU-GMP certified product offering. The acquisition of NGC equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower supply, which the Company considers essential to maintaining a leading position in Germany, Poland and the U.K. as well as supporting the Company's expansion into new international markets

On February 2, 2024, the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. ("Curaleaf Poland") for total consideration of €1.5 million, which consisted of equal parts cash consideration and equity consideration. Additionally, the transaction included deferred consideration based on Curaleaf Poland's future performance. Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company's international footprint.

On July 5, 2023, Curaleaf Portugal, LDA, a subsidiary of Curaleaf International, acquired the assets, including all equipment and lease rights, of Clever Leaves' EU-GMP certified cannabis processing and warehousing facility in Setubal, Portugal. The Clever Leaves acquisition strategically positioned the Company to expand its cultivation capacity at Curaleaf Portugal to meet the expected growth across Europe, especially within the Company's core markets: Germany and the U.K.

Refer to the heading "*Risk Factors – General Business Risks – Expansion into Foreign Jurisdictions* " of the Company's AIF for more information on the risks to which the Company's international operations are subjected.

Principal Products and Services

The Company and its affiliates operate in highly regulated markets that require expertise in cultivation, manufacturing, retail operations and logistics. The Company leverages its internal research and development capabilities to assist its licensed entities in manufacturing cannabis products in multiple formats with high standards for safety, effectiveness, consistent quality and customer care. Currently, the Company cultivates, processes, markets and/or dispenses a wide-range of permitted cannabis products across its operating markets, including: flower, pre-rolls and flower pods, dry-herb vaporizer cartridges, concentrates for vaporizing, such as pre-filled vaporizer cartridges and disposable vaporizer pens, concentrates for dabbing, mints and lozenges, topical balms and lotions, tinctures, capsules, edibles and beverages.

In most of the U.S. and European markets in which the Company operates, its licensed entities are vertically-integrated, meaning the Company manages the entire cannabis product lifecycle, from seed to sale: cultivating cannabis flower, processing the flower into manufactured products and selling the product to registered medical patients and/or adult consumers in jurisdictions where adult use is legalized. The Company's products are sold under its brands, including Curaleaf, Find, JAMS, Grassroots, Select and its line of Zero Proof seltzers. The Company remains focused on developing a trusted global brand.

The Company believes that it has developed the in-house resources to ensure its licensed entities maintain best practices in cannabis cultivation, processing and dispensing, and the Company is dedicated to staying at the forefront of technology in the industry. The Company continues to invest strategically in infrastructure to ensure its licensed entities maintain low overall production costs and adaptability in product mix to ensure timely response to the rapidly evolving cannabis markets. The Company intends to use its footprint to leverage know-how and technology throughout its operations.

- *Cultivation*: The Company's U.S. cultivation facilities have 179 unique cultivars in the production phase that have been tested and characterized for yield, cannabinoid content along with certain other properties. The Company cultivates cannabis using a variety of methods, including greenhouse, outdoor, indoor and two-tier indoor cultivation. The Company's international cultivation facilities have 23 unique cultivars in the production phase or final stages of research & development.
- *Extraction and Purification*: The Company's extraction facilities use proprietary processes for cannabis and terpene purification. The Company believes its manufacturers are industry leaders in achieving the desired composition of cannabinoids and terpenes in finished products through processing and purification; thereby enabling timely response to trends in medical product formulation.
- *Formulation and Quality Control*: The Company's processing facilities produce a wide spectrum of solid, liquid and inhaled products. By combining expert cultivation, manufacturing and analytical laboratory operations, the Company has developed a completely in-house quality assurance and quality control program. In-house quality assurance enables rapid product development cycles and production of higher quality consumer products.

Research and Development

The Company's research and development activities primarily focus on (i) optimizing cannabis cultivation and manufacturing techniques, (ii) developing new manufactured cannabis products and (iii) understanding the potential medical benefits of cannabis. The Company's research and development activities operate on an on-going basis, as the Company continually seeks to improve current methods for its licensed businesses.

The Company collects data on the number of grams of cannabis flower produced per watt of light, per square foot and per plant. This allows the Company's cultivators to gain insights on optimal cultivation methods by adjusting certain variables, such as strain variety and plant spacing. The Company's cultivators institute pest management techniques and document

successes and failures, sharing this knowledge across its cultivation operations. The Company also researches new methods of cannabis extraction for the development of new manufactured products.

The Company's acquisition of Dark Heart Nursery ("Dark Heart"), in the first quarter of 2024, was a pivotal step towards improving the Company's genetics and cultivation operations, including by (i) refinement of its cultivation practices, (ii) optimization of yield efficiency and (iii) exploration of new avenues for product innovation.

Internationally, the Company continues to develop its clinical research program. In 2021, the Company established the first bench-to-bedside medicinal cannabis research and drug development pipeline, with basic science and clinical research collaborations across leading universities, including Imperial College London and The Institute for Cancer Research. As of December 31, 2024, the Company has published 59 peer-reviewed research papers and 73 research conference presentations. In vitro experiments have been conducted via this bench-to-bedside medical research program, which resulted in the discovery of the mechanism of action of cannabinoids and terpenes in blocking pain signals and which have yielded the optimum ratios of cannabinoids and terpenes in pain treatment. These experiments have been published across four studies in the Journal of Pain Research and the International Journal of Molecular Sciences between 2021 and 2023.

The portfolio of preclinical research is supplemented by additional research collaborations to examine the effects of cannabinoids and other active cannabis-derived pharmaceutical ingredients on cancer, migraine and neuroprotection. In May 2024, in collaboration with researchers from Imperial College London, the Company published a peer-reviewed study, which examined the impact of cannabidiol on pancreatic cancer utilizing in vitro cell lines models. The Company also published a peer-reviewed study, in the Journal of Cannabis Research, that utilized a mouse model to study the impact of cannabidiol on pancreatic cancer, which in turn helped establish a novel mechanism by which cannabidiol causes pancreatic cell death in preclinical models.

In addition, the Company established the U.K. Medical Cannabis Registry (the "U.K. Registry"), the largest European real-world patient registry designed to collate outcomes on medical cannabis prescribing. The U.K. Registry has published five analyses of the Company's own branded and manufactured cannabis medicines for the treatment of chronic conditions in patients within the U.K., the most recent of which occurred in October 2024. These analyses revealed positive findings in patients' use of prescribed oils, dried flower and a combination of the Company's products to treat generalized anxiety disorder, chronic pain, fibromyalgia, headache disorders and attention-deficit/hyperactivity disorder ("ADHD"). The results of the four analyses have been presented at international scientific conferences and published in peer reviewed journals. In addition, the Company has published 17 further peer-reviewed research articles that demonstrate the value patients place in the Company's own research performed using the U.K. Registry and provide commentary from subject matter experts on the use of medical cannabis for the treatment of neurological disorders, inflammatory bowel disease, depression and ADHD.

As of December 31, 2024, 30 research publications have arisen from the U.K. Registry, covering chronic pain, anxiety, insomnia, fibromyalgia, autism spectrum disorder, ADHD, PTSD, depression, inflammatory bowel disease, headache disorders, multiple sclerosis, arthritis and childhood epilepsy. This collective research has received five awards to date from the Japanese Society of Neuropsychopharmacology and the journal 'Neuropsychopharmacology Reports'. The Company has published leading opinion pieces on the status of medical cannabis research and has conducted fundamental research on the perceived stigma of medical cannabis patients in the U.K. and the prevalence of illicit cannabis use for health reasons. The Company considers such research to be strategically important in the future education of patients, public and healthcare professionals.

For the years ended December 31, 2024 and 2023, the Company published 15 and 17 research papers in the U.K., respectively, with additional research papers accepted for publication in the near future. As of December 31, 2024, the Company has submitted nine studies for peer review, with the majority of these studies expected to be published during the first half of 2025.

Production and Sales

As of December 31, 2024, the Company had 19 cultivation facilities in the U.S. totaling approximately 1.3 million square feet as well as 20 U.S. processing facilities. Each new manufacturing site is built to ISO[2] 8 clean room specifications and employs advanced nutritional and pharmaceutical formulations technology for optimal delivery methods. Each production facility

[2] ISO stands for International Organization for Standardization.

(cultivation and processing) primarily focuses on the commercialization of cannabis products, with a strict focus on quality control and patient care.

Internationally, the Company has cultivation facilities in Canada and Portugal. NGC has indoor cultivation rooms totaling approximately 16,000 square feet, and Curaleaf Portugal has a total cultivation area of approximately 270,000 square feet across ten greenhouses. The cultivation facilities in Canada and Portugal, both have EU-GMP post-harvest processing and manufacturing facilities. In addition, the Company has pharma-grade cannabis processing and manufacturing facilities certified to EU-GMP standards in Germany, Spain and the U.K.

The Company's primary method of sales in the U.S. currently occurs through its U.S. state-licensed dispensaries. Most of the Company's U.S. state-licensed dispensaries offer customers the option to order online to pick-up in store. In Nevada, Utah and Florida, the Company offers drive-thru service at select dispensaries. Furthermore, in certain states, the Company's dispensaries offer home delivery services, in compliance in all material respects with applicable state regulations.

In Europe, the primary method of sales occurs through licensed distribution of cannabis in Germany, Poland, Canada, Switzerland and the U.K. In the U.K., the Company also operates a medical cannabis clinic and holds a pharmacy license, in England and Scotland, enabling the retail supply of medical cannabis directly to patients. Finally, the Company supplies cannabis on a wholesale basis to Australia, New Zealand, U.K. and across Europe, including Germany, Italy and Poland.

The Company aims to expand its dispensary e-commerce operations and delivery operations, where permitted, to offer convenient access to its customers and meet the demands of an evolving retail landscape.

Intellectual Property

The Company has spent considerable time and resources to establish premium and recognizable brands amongst consumers and retailers in the cannabis industry. The Company has developed multiple proprietary product formats, technologies and processes to ensure the high quality of licensees' premium cannabis products. These proprietary technologies and processes include its cultivation and extraction techniques, product formulations, cannabis delivery systems and cannabis monitoring systems. With regards to non-patented processes and materials, the Company ensures confidentiality through the use of non-disclosure and confidentiality agreements.

As of December 31, 2024, the Company has two federally registered patents with the United States Patent and Trademark Office ("USPTO") as well as four pending patent application. The Company also has 12 trademarks registered with the USPTO and five trademarks that are pending approval with the USPTO. All federal registered trademarks in the U.S. are subject to renewal 10 years from the date of registration. As of December 31, 2024, Curaleaf had 65 state trademark registrations and a significant number of trademarks registered and pending in various international jurisdictions. The Company is actively pursuing the filing of additional trademarks with the USPTO as well as other U.S. state and international jurisdictions.

In addition to its patent and trademarks, the Company owned, as of December 31, 2024, numerous website domains, including www.curaleaf.com and www.thehempcompany.com, and numerous accounts across all major social media platforms.

As long as cannabis remains illegal under U.S. federal law, as discussed further in the " *Regulatory Environment: Issuers With U.S. Cannabis-Related Operations*" section of this MD&A, the benefit of certain U.S. federal laws and protections, such as U.S. federal trademark and patent protection on a business' intellectual property, may not be available to the Company. The Company maintains an in-house legal team and engages outside legal counsel to actively monitor and identify potential infringements on its intellectual property. Refer to the heading "*Risk Factors – Intellectual Property Risks*" of the Company's AIF for more information.

Competitive Conditions

The cannabis industry is highly competitive. The Company competes on quality, price, brand recognition and distribution strength. The Company's cannabis products compete with other products for consumer purchases, retail dispensary shelf space and wholesaler preference. The Company competes with numerous cannabis producing companies with various business models, from small family-owned operations to multi-billion-dollar market capitalized multi-state operators.

Certain markets have a thriving black market with competition from illegal operators that is not limited to retail markets. The Company maintains an operational footprint in U.S. states with high barriers to entry and limited market participants, as a result of the limited availability of state licenses and/or local permitting as well as stringent operating requirements. The Company, through Curaleaf International, also faces competition from a number of companies operating in the European medical cannabis sector and in each specific country where the Company operates and intends to operate.

As cannabis remains federally illegal in the U.S., businesses seeking to enter the industry face additional challenges when accessing capital. Presently, there exists no reliable source of U.S. bank lending or equity capital available to fund operations in the U.S. cannabis sector. Nevertheless, the Company is well-capitalized and believes that the level of expertise and significant capital investment required to operate its large-scale, vertically-integrated cannabis operations make it difficult and inefficient for smaller cannabis operators to enter this sector of the market. As the cannabis industry continues to rapidly expand and its liberalization accelerates, the Company will face competition from other companies, some of which may have longer operating histories and more financial reserves, resources and/or experience than the Company.

Refer to the "*Risk Factors"* section of the Company's AIF for more information on the competition faced by the Company.

Components of Our Results of Operations

Revenue

Retail and wholesale revenue

The Company derives its domestic retail and wholesale revenues from U.S. states in which it is licensed to cultivate, process, distribute and sell cannabis and other hemp-derived products. The Company sells directly to customers at its retail dispensaries and sells wholesale to third-party dispensaries or processors.

Internationally, the Company derives retail revenues in the U.K., where it holds a pharmacy license that enables it to fulfill cannabis prescriptions directly to the patient through its online pharmacy. The Company also supplies cannabis on a wholesale basis to pharmacies and other distributors based in Australia, New Zealand, Canada and across Europe, including Germany, Italy and Poland. All products that are supplied to Italy are sold to wholesalers who import the Company's products. Non-cannabis revenues are all derived from wholesale operations in Germany, Spain and the U.K.

For most of its locations, the Company offers a loyalty reward program to its retail dispensary customers that allows customers who enroll in the program to earn reward points at point of sale for use on future purchases.

Management fee income

Management fee income is comprised primarily of revenue earned through MSAs pursuant to which the Company provides professional services, including cultivation, processing and retail know-how, back-office administration, intellectual property licensing, real estate leasing services and lending facilities to medical and adult use cannabis licensees. In addition, management fee income includes royalty fees earned on third-party use of certain of the Company's licenses, as well as logistics service fees and consultation fees earned in the Company's international operations.

Cost of goods sold

Cost of goods sold is derived from retail purchases made by the Company from its third-party licensed producers and from costs related to the Company's internal cultivation and production of cannabis.

Gross profit

Gross profit is revenue less cost of goods sold. Due to the Company's strategic decision to build operations ahead of current capacity needs, in contemplation of its growth and market expansion plans, the Company does not utilize all of its available capacity.

Selling, general and administrative

Selling, general and administrative includes

- Salaries and benefits that have not been allocated to Cost of goods sold as well as corporate labor expenses. Also included is Sales and marketing, which includes branding, marketing and product development expenses. The Company expects personnel and selling costs to increase proportionally with each store opening and/or international expansion.

- Professional fees that consist of accounting, legal and acquisition-related expenses, which fluctuate as the Company continues to grow acquisitively and enters into complex transactions.

- Other general and administrative costs that consist of expenses for travel, general office supplies, monthly services, facilities and occupancy, insurance, director fees and new business development. The Company expects these operating expenses to level off as operations are scaled in each market.

Other Income (Expense)

Interest income

The Company has notes receivable with various parties and restricted cash equivalents that earned interest income.

Interest expense

Interest expense, which includes interest related to lease liabilities, financial obligations and deferred consideration, consists of the following components: (i) interest on the Company's outstanding borrowings under various promissory note agreements and other borrowing arrangements,(ii) amortization of debt discounts and deferred financing costs, (iii) interest accreted on outstanding lease and sale-leaseback arrangements and (iv) interest accrued on deferred consideration.

Other income, net

Other income, net primarily consists of gains (losses) related to fair value remeasurements and/or mark-to-market revaluation of contingent consideration, investments and marketable securities held by the Company, gains (losses) recognized on the disposal of assets and liabilities and gains (losses) recognized upon the extinguishment of debt.

Provision for income taxes

The Company's Provision for income taxes is comprised of current and deferred taxes. Current taxes are recognized on taxable income (loss) for the fiscal period, as adjusted for unrealized tax benefits, changes in tax receivables (payables) that arose in a prior period and recovery of taxes paid in a prior period. Current taxes are measured using tax rates and laws enacted during the period within which the taxable income (loss) arose. Current tax assets and liabilities are offset only if the right of offset exists.

Deferred taxes are recognized with respect to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax basis, with certain exceptions. Deferred taxes are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. If the Company determines, based on available evidence, that it is more likely than not that all or a portion of a deferred tax asset will not be realized, a valuation allowance is established to reduce the deferred tax asset by the amount expected to be unrealizable. The Company reassesses the need for a valuation allowance at the end of each fiscal quarter and takes into consideration, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability and the duration of statutory carryforwards.
For the years ended December 31, 2024 and December 31, 2023, the Company has adopted a new federal and state income tax position, supported by legal interpretations, asserting that the restrictions of Section 280E of the Internal Revenue Code ("Section 280E") do not apply to the Company's cannabis operations ("280E position"). The Company recorded an uncertain tax liability on the Consolidated Balance Sheets for tax positions taken based on the 280E Position. In addition, the Company filed amended federal and state income tax returns with refund claims for several of the Company's business entities for tax years prior to 2023. If the Company's interpretation is upheld, the Company's financial position could be

significantly enhanced by the ability to deduct additional ordinary and necessary business expenses that are non-deductible under Section 280E.

While the Company believes its position is supported by sound legal reasoning, the cannabis industry remains in a complex regulatory environment. The illegality of cannabis under U.S. federal law poses unique challenges and uncertainties, including the potential for differing interpretations and enforcement actions. The Company is prepared to vigorously defend its tax position, if challenged, and will continue to monitor legal developments in this matter closely; however, the Company cannot be certain that it will prevail on this issue with the Internal Revenue Services (the "IRS"). As a precautionary measure, if the Company were not to prevail, reserves have been established to mitigate the potential financial impact of such a determination. The Company believes it is reasonably possible that its Uncertain tax position liability will continue to increase over the next 12 months, while its 280E position is reviewed by the IRS and certain state tax authorities.

Refer to the heading "*Risk Factors*" of the Company's AIF for further detail.

Selected Financial Information

The following tables set forth select financial information and were derived from the Consolidated Financial Statements. The following financial information may not be indicative of the Company's future performance.

The following table summarizes the Company's Consolidated Statements of Operations for the years ended December 31, 2024, December 31, 2023 and December 31, 2022:

	Years Ended December 31,			Variance			
				2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	$	%	$	%
Revenues, net	$ 1,342,802	$ 1,346,632	$ 1,275,420	$ (3,830)	0 %	$ 67,382	5 %
Cost of goods sold	703,554	732,183	649,001	(28,629)	(4)%	54,553	8 %
Gross profit	639,248	614,449	626,419	24,799	4 %	12,829	2 %
Operating expenses	619,051	571,566	561,431	47,485	8 %	57,620	10 %
Other expense, net	(137,826)	(167,249)	(151,476)	29,423	(18)%	13,650	(9)%
Income tax expense	(98,592)	(114,589)	(178,822)	15,997	(14)%	80,230	(45)%
Net loss from continuing operations	(216,221)	(238,955)	(265,310)	22,734	(10)%	49,089	(19)%
Net loss from discontinued operations	(5,786)	(51,382)	(111,622)	45,596	(89)%	105,836	(95)%
Net loss	(222,007)	(290,337)	(376,932)	68,330	(24)%	154,925	(41)%
Less: Net loss attributable to non-controlling interest	(6,584)	(9,140)	(6,833)	2,556	(28)%	249	(4)%
Net loss attributable to Curaleaf Holdings, Inc.	$ (215,423)	$ (281,197)	$ (370,099)	$ 65,774	(23)%	$ 154,676	(42)%
Net loss per share attributable to Curaleaf Holdings, Inc. – basic and diluted	$ (0.32)	$ (0.39)	$ (0.52)	$ 0.07	(18)%	$ 0.20	(38)%

The following tables summarize the Company's revenue by segment for the years ended December 31, 2024, 2023 and 2022:

	Years Ended December 31,			Variance			
				2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	$	%	$	%
Domestic revenues:							
Retail revenue	$ 994,718	$ 1,076,101	$ 991,316	$ (81,383)	(8)%	$ 3,402	0 %
Wholesale revenue	240,862	206,600	246,414	34,262	17 %	(5,552)	(2)%
Management fee income	1,671	2,924	3,256	(1,253)	(43)%	(1,585)	(49)%
Total domestic revenues	$ 1,237,251	$ 1,285,625	$ 1,240,986	$ (48,374)	(4)%	$ (3,735)	0 %

	Years Ended December 31,			Variance			
				2024 vs. 2023		2024 vs. 2022	
	2024	2023	2022	$	%	$	%
International revenues:							
Retail revenue	$ 38,047	$ 21,071	$ 10,220	$ 16,976	81 %	$ 27,827	272 %
Wholesale revenue	63,079	37,006	22,628	26,073	70 %	40,451	179 %
Management fee income	4,425	2,930	1,586	1,495	51 %	2,839	179 %
Total international revenues	$ 105,551	$ 61,007	$ 34,434	$ 44,544	73 %	$ 71,117	207 %

The following table summarizes total assets and long-term financial liabilities as of December 31, 2024 and 2023:

	As of	
	December 31, 2024	December 31, 2023
Total assets	$ 2,949,536	$ 3,096,576
Long-term liabilities	1,568,218	1,431,250

See "*Results of Operations for the years ended December 31, 2024 and 2023* " in this MD&A for further discussion of the key significant drivers of the Company's financial performance during the years ended December 31, 2024 and 2023.

Key Developments

2024 Fiscal Year Highlights

The Company's performance in 2024 was shaped by a combination of strategic actions and external challenges:

- **Strategic Initiatives:** Management revisited its organizational structure, streamlined operational processes and completed divestitures of its discontinued operations to support the Company's long-term growth strategy. These initiatives focused on aligning resources with high-priority objectives, fostering effective decision-making and driving operational efficiency.
- **Market Dynamics:** While legislative headwinds tempered management's expectations, the Company's ability to innovate and adapt allowed the Company to mitigate risks and seize new opportunities.

As a result, in 2024, the Company achieved significant milestones amidst navigating the complex and evolving regulatory landscape. Key accomplishments include:

- **Market Expansion:** Achieved successful entry into the adult-use cannabis markets of New York and Ohio, establishing the Company as an early player in nascent domestic markets.
- **Retail Growth:** Opened seven new dispensaries across Florida and New York , expanding the Company's retail footprint and providing additional points of access to new and existing customers.

- **Product Innovation:** Launched innovative products nationally, including Select Terpologist, Zero Proof Stir, and JAMS Remix Fast-Acting Ratio Jellies, further diversifying the Company's product portfolio.

- **Diversified Offerings:** Introduced a new hemp-derived product line and launched The Hemp Company, an e-commerce marketplace, leveraging the Company's expertise and innovation to expand its reach into the growing THC edibles and beverages market.

- **International Growth:** Completed strategic acquisitions in Europe and Canada with the acquisitions of Curaleaf Poland and NGC, establishing a stronger foothold in emerging international markets.

- **Increased Liquidity:** Secured a revolving line of credit with Needham Bank, providing up to $40.0 million in funding, with an option for an additional $20.0 million starting in May 2026. Additionally, the Company modified and extended several loan agreements, including amendments to the NGC Note and the ABL Facility. These strategic moves enhanced the Company's liquidity and financial flexibility, positioning the Company for sustained growth.

2025 Fiscal Year Outlook

Key Trends and Predictions for 2025

In 2025, several key trends are expected to shape the cannabis industry and the Company's strategic focus, such as:

- *Rapid growth in the market for cannabis beverages*, driven by shifting consumer preferences, particularly among Gen Z, who are seeking alternatives to alcohol. The Company plans to capitalize on this trend by expanding its cannabis beverage offerings and introducing innovative products driven at increasing the accessibility and decreasing stigma of cannabis amongst consumers.

- *Further consolidation*, as smaller operators face financial pressures, including price compression and regulatory challenges. The Company remains committed to applying a disciplined approach to potential acquisition opportunities, focusing on strategic acquisitions that align with the Company's long-term goals and financial stability.

- *Organic expansion in growth markets* domestically, such as in New York and Ohio, and internationally, within Europe. The Company is positioned to be a market leader in these nascent and/or growing domestic and international markets.

- *Price compression in the U.S. cannabis industry* in oversaturated markets such as New Jersey and Florida. The Company is addressing this challenge through increased operational efficiency, premium product innovation and differentiation and proprietary technology.

- *Potential U.S. federal reforms*, including Rescheduling (as defined within), banking regulations and elimination of the applicability of Section 280E tax provisions to cannabis operators. The Company is actively engaged in coordinated lobbying efforts with other leading cannabis operators and retailers to advice these critical initiatives. In January 2025, the Company aligned with other multi-state cannabis operators, single-state cannabis operators, cannabis retailers and ancillary cannabis businesses aligned to form the U.S. Cannabis Roundtable, to serve as the leading authority representing the cannabis industry at the U.S. federal level.

- *Increased financial flexibility and cash flow optimization*, including the settlement, in January 2027, of the Company's remaining obligation under the Bloom Notes – 2024, in its entirety, through the issuance of 4,282,599 SVS. The Company also refinanced the Bloom Notes – 2025 through such notes into senior secured notes, due January 17, 2027, with an aggregate principal balance of $67 million. With these strategic initiatives, the Company has strengthened its financial flexibility, enhancing its ability to support continued growth and operational needs while preserving cash for strategic investments and long-term sustainability.

The Company believes it is well-positioned to navigate the headwinds facing the cannabis industry, to capitalize on opportunities and to deliver sustainable growth in 2025 and beyond. In January 2025, the Company refinanced the Bloom Notes – 2025, extending its maturity to January 17, 2027. With this refinancing, the Company has further positioned itself

to capitalize on future opportunities, drive organic growth and operational efficiency and adapt effectively to evolving market conditions. Refer to *Note 30 — Subsequent events* of the Consolidated Financial Statements for further detail.

Results of Operations – Consolidated

The following discussion summarizes the Company's results of operations for the years ended December 31, 2024 and 2023:

Comparison of the years ended December 31, 2024 and 2023

	Years Ended		Variance 2024 vs. 2023	
	December 31, 2024	December 31, 2023	$	%
Revenues, net:				
Retail revenues	$ 1,032,765	$ 1,097,172	$ (64,407)	(6)%
Wholesale revenues	303,941	243,606	60,335	25 %
Management fee income	6,096	5,854	242	4 %
Total revenues, net	1,342,802	1,346,632	(3,830)	0 %
Cost of goods sold	703,554	732,183	(28,629)	(4)%
Gross profit	639,248	614,449	24,799	4 %
Gross profit margin	48 %	46 %		
Operating expenses	619,051	571,566	47,485	8 %
Income from operations	20,197	42,883	(22,686)	(53)%
Total other expense, net	(137,826)	(167,249)	(29,423)	(18)%
Loss before provision for income taxes	(117,629)	(124,366)	6,737	(5)%
Provision for income taxes	(98,592)	(114,589)	15,997	(14)%
Net loss from continuing operations	(216,221)	(238,955)	22,734	(10)%
Net loss from discontinued operations	(5,786)	(51,382)	45,596	(89)%
Net loss	(222,007)	(290,337)	68,330	(24)%
Less: Net loss attributable to non-controlling interest	(6,584)	(9,140)	2,556	(28)%
Net loss attributable to Curaleaf Holdings, Inc.	$ (215,423)	$ (281,197)	$ 65,774	(23)%

Revenues, net

Total revenues, net for the year ended December 31, 2024 was $1,342.8 million, a decrease of $3.8 million, from $1,346.6 million for the year ended December 31, 2023. Total revenues, net was impacted by a sequential decline of $64.4 million, or 6%, in the Company's Retail revenues, primarily driven by the Company's efforts to refine and optimize margins, product mix and cashflow as well as increased competition, oversaturation in certain markets and pricing pressures in select states. Partially offsetting this decline was the favorable impact of the commencement of adult use sales in Ohio and New York in 2024 along with significant growth in the Company's wholesale operations, as it strategically expanded its brand presence within select states. Additionally, the Company's international wholesale operations grew 70% to meet rising demand in Germany and the U.K.

Cost of goods sold

Cost of goods sold for the year ended December 31, 2024 was $703.6 million, a decrease of $28.6 million, or 4%, compared to Cost of goods sold of $732.2 million for the year ended December 31, 2023.

In the current year ended, the Company improved utilization of its production facilities, as compared to the prior year ended, during which the Company's focus on reducing its inventory levels resulted in lower production and decreased utilization of its production facilities. In the current year ended, the Company also invested in the modernization of several cultivation facilities, resulting in improved yields and a reduction in the Company's grow canopy requirements. These

improvements combined with the failure of the November 2024 Florida ballot initiative to legalize adult use cannabis prompted the Company to reassess its cultivation capacity by state. As a result, the Company's Cost of goods sold for the current year ended was positively impacted by the identification of assets for closure, partial abandonment or a halt in ongoing construction.

Gross profit

Gross profit for the year ended December 31, 2024 was $639.2 million, an increase of $24.8 million compared to $614.4 million for the year ended December 31, 2023. Gross profit margin improved by 200 basis points during the year to 48% for the year ended December 31, 2024 from 46% for the year ended December 31, 2023.

The drivers of the change in Gross profit during the year ended December 31, 2024 are correlated with those discussed above within *Revenues, net and Cost of goods sold.*

Total operating expenses

Refer to the corresponding sub-section on page 91.

Total other expense, net

Refer to the corresponding sub-section page 92.

Provision for income taxes

The Company recorded Provision for income taxes of $98.6 million for the year ended December 31, 2024, a decrease of $16.0 million, or 14%, compared to $114.6 million in the prior year ended.

The decrease in Provision for income taxes was primarily due to changes in certain tax rates and receipt of prior refunds in certain state jurisdictions, as well as new state jurisdictions that have adopted non-280E positions, which resulted in a decrease in the Company's state income tax liabilities as compared to the prior year ended.

Net loss from continuing operations

Net loss from continuing operations for the years ended December 31, 2024 and 2023 was $216.2 million and $239.0 million, respectively, a decrease of $22.7 million, or 10%. The drivers of the change in Net loss from continuing operations during the year ended December 31, 2024 are correlated with the aggregate net impact of the aforementioned factors discussed in the "*Results of Operations – Consolidated*" section of this MD&A.

Net loss from discontinued operations

Net loss from discontinued operations for the years ended December 31, 2024 and 2023 was $5.8 million and $51.4 million, respectively, representing a decrease of $45.6 million, or 89%. As of December 31, 2024, the Company has deconsolidated and discontinued all operations classified as discontinued operations in 2023. For further details, see *Note 6 — Discontinued operations* of the Company's accompanying Consolidated Financial Statements.

Total operating expenses

Comparison of the years ended December 31, 2024 and 2023

	Years Ended		Variance 2024 vs. 2023	
	December 31, 2024	December 31, 2023	$	%
Salaries and benefits	$ 228,287	$ 206,787	$ 21,500	10 %
Sales and marketing	48,485	41,992	6,493	15 %
Rent and occupancy	54,292	48,983	5,309	11 %
Travel	6,662	5,741	921	16 %
Professional fees	24,436	38,631	(14,195)	(37)%
Office supplies and services	44,757	46,999	(2,242)	(5)%
Other operating expense	14,613	25,640	(11,027)	(43)%
Total selling, general and administrative expense	421,532	414,773	6,759	2 %
Depreciation and amortization	171,823	136,783	35,040	26 %
Share-based compensation	25,696	20,010	5,686	28 %
Total operating expenses	$ 619,051	$ 571,566	$ 47,485	8 %

Total operating expenses for the year ended December 31, 2024 was $619.1 million, an increase of $47.5 million, or 8%, compared to $571.6 million for the year ended December 31, 2023.

The increase in Total operating expenses was primarily attributable to the Company's organic and acquisitive growth in both its retail and wholesale operations during the current year ended, which increased the Company's (a) workforce as reflected in Salaries and benefits and Share-based compensation, (b) branding and marketing spend, as reflected in Sales and marketing, (c) lease portfolio, as reflected in Rent and occupancy and (d) in-service property and equipment, as reflected in Depreciation and amortization.

Partially offsetting these aforementioned factors was the non-recurrence of certain unique transactions that commenced or were consummated during the prior year ended, as reflected in Professional fees and improved collections efforts during the current year ended as well as non-recurring non-cash adjustments during the prior year ended, as reflected in Other operating expense.

The decrease in Other operating expense was primarily driven by lower excise taxes, non-recurring adjustments in 2023 and improved collection efforts, which favorably adjusted the Company's provision for credit losses. Additionally, Boris Jordan's assumption of the Company's CEO role, while continuing as the Company's Chairman, resulted in a reallocation of expenses, further reducing Other operating expense.

Total operating expenses represented 46% and 42% of Total revenues, net for the years ended December 31, 2024 and 2023, respectively.

Total other expense, net

Comparison of the years ended December 31, 2024 and 2023

	Years Ended		Variance 2024 vs. 2023	
	December 31, 2024	December 31, 2023	$	%
Interest income	$ 776	$ 23	$ 753	3,274 %
Interest expense	(59,353)	(57,966)	(1,387)	(2)%
Interest expense related to lease liabilities and financial obligations	(41,263)	(42,416)	1,153	3 %
Loss on impairment	(54,245)	(67,076)	12,831	19 %
Other income, net	16,259	186	16,073	8,641 %
Total other expense, net	$ (137,826)	$ (167,249)	$ 29,423	(18)%

Total other expense, net for the year ended December 31, 2024 was $137.8 million, a decrease of $29.4 million, or 18%, compared to $167.2 million for the year ended December 31, 2023.

Total other expense, net decreased primarily due to a 19% decline in one-time impairment losses that the Company recognized in the current year ended, which were related to planned closures and retirement of excess and/or obsolete facilities and equipment, compared to the prior year ended, which were driven by the Company's discontinuation of certain operations. During the current year ended, the Company realized gains from asset disposals compared to the prior year ended, during which the Company's asset disposals generated losses. In addition, the Company recognized acquisition-related gains from the settlement of its deferred consideration obligation incurred with its acquisition of Tryke Companies (dba Reef Dispensaries) ("Tryke") and the revaluation of its outstanding contingent consideration obligations.

Total other expense, net was burdened by higher Interest expense during the current year ended, driven by debt financings the Company consummated in 2024.

Financial Condition, Liquidity and Capital Resources

Liquidity and Capital Resources

The Company's primary need for liquidity is to fund working capital requirements of the business, capital expenditures, acquisitions, debt service and other general corporate requirements. To date, the Company's primary source of liquidity has been from funds generated by financing activities, including the private placement of $475 million aggregate principal amount of Senior Secured Notes – 2026 (as defined below) completed in December 2021 and the overnight marketed public offering of SVS completed on October 3, 2023. The Company's ability to fund the Company's operations to make planned capital expenditures, complete planned acquisitions, make scheduled debt and lease payments and repay or refinance indebtedness depends on future operating performance and cash flows, which are subject to prevailing economic conditions and financial, business and other factors, some of which are beyond the Company's control. See the "*Financial Instruments and Financial Risk Management*" section herein and the "*Risk Factors*" section of the AIF for additional details.

The Company has also generated cash through asset sales and dispositions, while strategically allocating its capital reserves to support ongoing operations and pursue new acquisitions aimed at driving long-term earnings growth.

Working capital is defined as current assets minus current liabilities. As of December 31, 2024 and 2023, the Company had positive working capital of $41.8 million and negative working capital of $75.4 million, respectively, of which Cash, cash equivalents and restricted cash represented $107.2 million and $91.8 million, respectively.

The increase of $117.2 million in positive working capital was primarily due to the Company's recently adopted position that its federal and state income tax liability should not be computed based on the restrictions of Section 280E. The change in the Company's position resulted in a reduction of its current income tax liability offset by an increase in the Company's Uncertain tax position, which is classified as a long-term liability on the Consolidated Balance Sheets in the accompanying Consolidated Financial Statements. Domestically, certain state jurisdictions also lowered their imposed income tax rates, which resulted in a decrease in the Company's state income tax liabilities as compared to tax year 2023. Finally, the Company's focus on building its brand presence and wholesale operations is reflected in its increasing accounts receivable balance and increased utilization of its production facilities. For further details, see sections *Results of Operations – Consolidated* and *Regulatory Environment: Issuers With U.S. Cannabis-Related Operations* of this MD&A as well as *Note 3 — Significant accounting policies* of the accompanying Consolidated Financial Statements.

The Company expects that its cash on hand and cash flows from operations, along with private and/or public financing, will be adequate to meet its capital requirements and operational needs for the next 12 months.

Outstanding Financing Obligations

Senior Secured Notes – 2026

In December 2021, the Company closed on a private placement of senior secured notes due 2026, for aggregate gross proceeds of $475 million ("Senior Secured Notes – 2026"). The note indenture, dated December 15, 2021, governing the Senior Secured Notes – 2026 (the "Note Indenture") enables the Company to issue additional senior secured notes on an ongoing basis as needed, subject to maintaining leverage ratios and complying with other terms and conditions of the Note Indenture. The principal restrictions on incurring indebtedness include the requirement that post-incurrence of the additional debt, a fixed charge coverage ratio of 2.5:1 and consolidated debt to consolidated EBITDA ratio of 4:1 be maintained. The issue of additional senior secured notes or other debt pari passu to the existing notes is permitted, provided that post-incurrence of the additional debt, the consolidated secured debt to consolidated EBITDA ratio of 3:1 is maintained and provided certain other conditions are met. The Company and certain of its guarantor entities are required to grant a first lien security interest in their respective assets to the trustee appointed under the Note Indenture, including assets acquired after the issue of the Notes, subject to limited exceptions. Despite the first lien granted to the holders of the Notes, the Note Indenture permits the Company to grant a more senior lien to secure up to $200 million of additional financing from commercial banks for revolving credit loans, such as the Needham LOC (as defined herein), provided that the interest rate applicable to such revolving credit loans is lower than the interest rate applicable to the Senior Secured Notes – 2026.

Subject to the consent of Needham Bank under the Needham LOC, the Senior Secured Notes – 2026, inclusive of accrued and unpaid interest, may be redeemed early, but are subject to a prepayment premium that is dependent on the loan year as follows:

Loan year	Prepayment redemption prices
June 15, 2024 to June 14, 2025	102.00%
June 15, 2025 and thereafter	100.00%

Purchase of Senior Secured Notes - 2026 for Cancellation

In connection with the Company's overall strategy to reduce debt and interest, on April 30, 2024, in an arms-length transaction, the Company paid $14.3 million to purchase for cancellation Senior Secured Notes – 2026, that had a face value of $15.0 million. The Company also reduced accrued interest by $3.2 million that had been accruing from December 15, 2023 through April 30, 2024 specific to the notes purchased for cancellation.

Bloom Notes

In connection with the Bloom acquisition, the Company issued three sets of secured promissory notes (collectively, the “Bloom Notes”) to the former Bloom owners (the “Bloom Lenders”). As of December 31, 2024, the second set of promissory notes (the “Bloom Note – 2024”) and the third set of promissory notes (the “Bloom Note – 2025”) remained outstanding. The Bloom Note – 2024 was settled in full in January 2025 through the issuance of 4,282,599 SVS, representing a conversion amount of $16.5 million, with each of the Bloom Lenders receiving its proportionate share of SVS. Fractional shares were settled in cash.

On January 17, 2025, the Company entered into an agreement with the Bloom Lenders (the “Note Exchange Agreement”), pursuant to which the Company agreed to accept from the Bloom Lenders, and the Bloom Lenders agreed to transfer to Holdings, the Bloom Notes – 2025 in exchange for senior secured notes of the Company that have an aggregate principal balance of $67 million (the “Senior Secured Notes — 2027”), consisting of the $60 million principal of the Bloom Notes – 2025 plus $7 million of accrued interest on such notes (the “Note Exchange”). In connection with the Note Exchange, the Company paid in cash (i) $0.6 million, representing the remaining balance of interest accrued on the Bloom Notes – 2025 as of the date of the Note Exchange and (ii) $1.0 million of origination fees. The Senior Secured Notes – 2027 mature on January 17, 2027 and bear interest at 10% per annum, compounded monthly and computed daily on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is payable monthly in arrears, beginning February 17, 2025, with principal repayments beginning August 17, 2025. There are no prepayment penalties on the Senior Secured Notes – 2027.

Needham Bank

On November 6, 2024, the Company entered into a loan agreement (the “Loan Agreement”) with Needham Bank, establishing a revolving line of credit for up to $40.0 million (the “Needham LOC”). The Loan Agreement provides the Company with the option, beginning on May 6, 2026, to request an additional borrowing of up to $20.0 million, subject to Needham Bank’s discretion and credit approval process. Pursuant to the Loan Agreement, Needham Bank holds a first priority lien on the mortgages, business assets and collateral of all loan parties under the Note Indenture, including a pledge of equity of all underlying borrowers and guarantors. Additionally, the Company has provided a limited guaranty for the value of its equity interest in Curaleaf, Inc. The Loan Agreement contains financial covenants, including a requirement that the total outstanding debt remains within an 80% loan-to-value ratio, based on the “as-is” fair market value of the real estate collateral. The Needham LOC may be utilized for various corporate purposes, including working capital and operational expenses, as defined in the Loan Agreement. As of December 31, 2024 the Company had drawn down $11.1 million of the Needham LOC.

Tangela Holdings, LTD

On June 11, 2024, the Company executed the First Amendment to the NGC Note (the “First Amendment”). The First Amendment modified the maturity date from July 11, 2024 to 10 business days following a demand made by Tangela. All other terms of the NGC Note remain unchanged. On September 3, 2024, the Company executed the Second Amendment to

the NGC Note ("the Second Amendment"). The Second Amendment modified the interest rate to 12% per annum and extended the maturity date to December 16, 2024. On December 12, 2024, the Company executed the Third Amendment to the NGC Note ("the Third Amendment"). The Third Amendment extended the maturity date to March 31, 2025.

Asset-based revolving credit facility

On August 25, 2023, the Company entered into an asset-based revolving credit facility (the "ABL Facility") with EWB that provided for borrowings up to $6.5 million immediately drew down $6.5 million (the "EWB Note") with a maturity date of August 25, 2024. On March 26, 2024, the Company signed an agreement (the "1st Change in Terms Agreement"), increasing the ABL Facility to $10 million and extending the maturity date of the EWB Note to August 25, 2025. On June 14, 2024, the Company executed an amendment to the 1st Change in Terms Agreement, increasing the ABL Facility by an additional $2 million to $12 million. No other changes were made to the asset-based revolving credit facility.

Equity Offering

In order for the Company to comply with the conditions precedent to the TSX Listing, on October 3, 2023, the Company closed a marketed offering of SVS, for total gross proceeds to the Company of C$16.2 million. The SVS were offered in each of the Provinces of Canada, other than Québec, pursuant to a prospectus supplement dated September 28, 2023, to the Company's base shelf prospectus dated December 30, 2022 and, in the U.S., on a private placement basis to "qualified institutional buyers" pursuant to exemptions from the registration requirements of the Securities Act and applicable state securities laws.

Cash Flows

The following table summarizes the sources and uses of cash for each of the periods presented:

	Years Ended		Variance	
	December 31, 2024	December 31, 2023	$	%
Net cash provided by (used in) operating activities from:				
Continuing operations	$ 163,293	$ 91,244	$ 72,049	79 %
Discontinued operations	(723)	(15,983)	15,260	(95)%
Net cash provided by operating activities	162,570	75,261	87,309	116 %
Net cash (used in) provided by investing activities from:				
Continuing operations	(96,174)	(80,953)	(15,221)	19 %
Discontinued operations	2,345	2,266	79	3 %
Net cash used in investing activities	(93,829)	(78,687)	(15,142)	19 %
Net cash (used in) provided by financing activities from:				
Continuing operations	(54,094)	(66,994)	12,900	(19)%
Discontinued operations	(144)	(23)	(121)	526 %
Net cash used in financing activities	(54,238)	(67,017)	12,779	(19)%
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 14,503	$ (70,443)	$ 84,946	(121)%

Operating Activities

Net cash provided by operating activities was $162.6 million and $75.3 million during the years ended December 31, 2024 and 2023, respectively.

For the year ended December 31, 2024, Net cash provided by operating activities from continuing operations was $163.3 million, driven primarily by income from operations, partially offset by cash interest payments for debt service and lease obligations, a planned build up in accounts receivable reflecting the Company's expansion of its wholesale operations and a build in inventory to support expected operational growth. In addition, the Company's revised position on Section

280E and its applicability to the Company, resulted in a significant reduction in the Company's current income tax liabilities. For further details, see sections *Components of Our Results of Operations* and *Regulatory Environment: Issuers With U.S. Cannabis-Related Operations* of this MD&A as well as *Note 3 — Significant accounting policies* and *Note 23 — Income Taxes* of the accompanying Consolidated Financial Statements.

For the year ended December 31, 2023, Net cash provided by operating activities from continuing operations of $91.2 million was primarily attributable to income from operations, partially offset by cash payments for taxes, operating and finance lease liabilities and debt service during the period.

The significant reduction in Net cash used in operating activities from discontinued operations during 2024 was primarily due to the completion of the wind-down of operations that were reclassified as discontinued operations in 2023.

Investing Activities

Net cash used in investing activities was $93.8 million and $78.7 million during the years ended December 31, 2024 and 2023, respectively.

For the year ended December 31, 2024, Net cash used in investing activities from continuing operations was $96.2 million, driven by the Company's strategic spend on capital expenditures, acquisitions and adult use licenses (classified as intangible assets) to support its growth trajectory and market expansion. These cash outflows were partially offset by proceeds the Company received from its asset sales, including divestitures of certain entities classified as held-for-sale or discontinued operations in 2023.

For the year ended December 31, 2023, Net cash used in investing activities from continuing operations of $81.0 million was primarily attributable to purchases of property and equipment.

The increase in Net cash provided by investing activities from discontinued operations during the current year ended is primarily due to the Company's consummation of certain dispositions that had been classified as discontinued operations in 2023.

Financing Activities

The Company's financing activities used $54.2 million and $67.0 million of cash during the years ended December 31, 2024 and 2023, respectively.

For the year ended December 31, 2024, Net cash used in financing activities from continuing operations was $54.1 million, driven largely by the Company's principal payments on the Bloom Notes (as defined herein) and Senior Secured Notes (as defined herein) as well as the Company's lease obligations. In addition, the Company settled its deferred consideration obligation in connection with the second anniversary of the Company's acquisition of Tryke. Offsetting these contractual obligation payments, in the current year ended, the Company (i) increased its asset-based revolving credit facility with EWB, borrowing an additional $5.5 million, and (ii) established a revolving line of credit with Needham Bank, upon which the Company drew down $11.1 million. For further details, see *Note 15 — Notes payable* of the accompanying Consolidated Financial Statements. Unlike the prior year ended, payments made by the Company on its contingent consideration obligations consisted of equity issuances only.

For the year ended December 31, 2023, Net cash used in financing activities from continuing operations of $67.0 million consisted primarily of principal payments on the Company's finance leases and long-term debt as well as deferred consideration and contingent consideration obligations resulting from acquisitions in prior years. Payments made by the Company on its deferred and contingent consideration obligations consisted of cash payments and equity issuances.

Contractual Obligations and Commitments

As of December 31, 2024, future principal payment obligations related to the Company's notes payable were as follows:

Fiscal year:	Amount
2025	$ 102,195
2026	471,395
2027	318
2028	2,304
2029 and thereafter	3,191
Total future principal payments	$ 579,403

Interest rates on the Company's various borrowings range from 4.0% to 15.0% per annum.

As of December 31, 2024, maturities of the Company's lease liabilities, under its non-cancelable leases, and financial obligations December 31, 2024 were as follows:

Fiscal year:	Operating Leases	Finance Leases	Financial Obligations
2025	$ 29,757	$ 27,753	$ 30,264
2026	28,524	28,175	31,078
2027	26,709	28,724	28,944
2028	24,856	28,061	29,763
2029	20,890	27,928	30,296
2030 and thereafter	41,203	126,741	209,491
Total undiscounted remaining minimum lease payments	171,939	267,382	359,836
Less: imputed interest	(48,414)	(105,704)	(150,941)
Total discounted remaining minimum lease payments	$ 123,525	$ 161,678	$ 208,895

The changes in the Company's contingent consideration liability as of December 31, 2024 and 2023 are as follows:

	HMS	EMMAC[1]	Sapphire	Four20	Tryke[3]	NGC[2]	Total
Total contingent consideration liability, December 31, 2022	$ 1,854	$ 10,361	$ 3,895	$ 4,690	$ 8,310	$ —	$ 29,110
Payments of contingent consideration	(1,854)	(4,529)	(4,112)	(3,414)	—	—	(13,909)
Revaluation of contingent consideration	—	(1,729)	—	1,163	989	—	423
Effect of exchange rate differences	—	621	217	163	—	—	1,001
Total contingent consideration liability, December 31, 2023	—	4,724	—	2,602	9,299	—	16,625
Contingent consideration recognized on acquisition	—	—	—	—	—	6,352	6,352
Issuance of SVS as settlement of contingent consideration	—	—	—	(3,581)	(9,299)	—	(12,880)
Revaluation of contingent consideration	—	(1,820)	—	1,058	—	(3,042)	(3,804)
Effect of exchange rate differences	—	(67)	—	(79)	—	—	(146)
Total contingent consideration liability, December 31, 2024	—	2,837	—	—	—	3,310	6,147
Less: Contingent consideration liability - current	—	—	—	—	—	(3,310)	(3,310)
Contingent consideration liability - net of current	$ —	$ 2,837	$ —	$ —	$ —	$ —	$ 2,837

[1] Consideration is contingent on the ability of EMMAC (as defined herein) to obtain a recreational cannabis license in Europe and is payable in both cash and SVS upon achievement. Payouts, if any, are expected in January 2027.

[2] Consideration was contingent on NGC achieving certain margin targets during the fiscal year ending December 31, 2024 and is payable in both cash and SVS. Payouts are expected to occur in the first quarter of 2025.

[3] Consideration was contingent on Tryke achieving certain EBITDA targets and resolution of certain indemnity claims. In January 2024, the Company issued 2,367,000 SVS to the sellers of Tryke upon expiration of the indemnification period, which expired 15 months after the closing date of the Tryke acquisition.

The changes in the Company's deferred consideration liability as of December 31, 2024 and 2023 are as follows:

	Deseret	Tryke[1]	NRPC[2]	Curaleaf Poland[3]	Total
Total deferred consideration liability, December 31, 2022	$ —	$ 59,300	$ 2,000	$ —	$ 61,300
Deferred consideration recognized on acquisition	12,553	—	—	—	12,553
Interest expense on deferred consideration	—	9,710	—	—	9,710
Change in fair value on deferred consideration paid	(2,637)	—	—	—	(2,637)
Payments of deferred consideration	(9,916)	(27,358)	—	—	(37,274)
Total deferred consideration liability, December 31, 2023	—	41,652	2,000	—	43,652
Deferred consideration recognized on acquisition	—	—	—	1,218	1,218
Interest expense on deferred consideration	—	5,913	—	—	5,913
Effect of exchange rate differences	—	—	—	82	82
Reversal of interest expense on deferred consideration	—	(11)	—	—	(11)
Change in fair value on deferred consideration paid	—	—	—	(796)	(796)
Post-closing purchase price adjustment[4]	—	(3,740)	—	—	(3,740)
Payments of deferred consideration	—	(11,250)	—	—	(11,250)
Total deferred consideration liability, December 31, 2024	—	32,564	2,000	504	35,068
Less: Deferred consideration liability - current	—	(32,564)	—	(504)	(33,068)
Deferred consideration liability - net of current	$ —	$ —	$ 2,000	$ —	$ 2,000

[1] Deferred consideration is related to the second and third anniversary payment due from the Company to the sellers of Tryke of $21.2 million and $25.0 million, respectively. The second anniversary payment consists of a lump sum payment and monthly installments through October 2025. The third anniversary payment is due in October 2025, and the implied interest rate is 10%.

[2] Deferred consideration is related to the settlement of pending litigation.

[3] Deferred consideration was related to Curaleaf Poland achieving certain earnings metrics and is payable in both cash and SVS. Payouts are expected to occur in the first quarter of 2025.

[4] On October 4, 2024, the Company entered into a settlement agreement with the sellers of Tryke Companies, pursuant to which the Company received a $3.7 million post-closing purchase price adjustment that reduced the Company's second anniversary payment.

Summary of Quarterly Results

	Three months ended							
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Revenues, net	$ 331,054	$ 330,530	$ 342,286	$ 338,932	$ 345,269	$ 333,172	$ 335,551	$ 332,640
Cost of goods sold	173,691	170,014	181,821	178,028	189,077	183,120	187,788	172,198
Gross profit	157,363	160,516	160,465	160,904	156,192	150,052	147,763	160,442
Operating expenses	166,644	151,287	152,918	148,202	142,225	134,838	152,040	142,463
Other expense, net	(67,950)	(21,011)	(24,709)	(24,156)	(74,593)	(51,169)	(20,360)	(21,127)
Net loss from continuing operations	(71,777)	(44,348)	(48,553)	(51,543)	(57,652)	(70,835)	(66,588)	(43,880)
Net (loss) income from discontinued operations	(6,696)	1,620	(1,277)	567	(7,995)	(22,894)	(7,904)	(12,589)
Net loss	(78,473)	(42,728)	(49,830)	(50,976)	(65,647)	(93,729)	(74,492)	(56,469)
Less: Net loss attributable to non-controlling interest	(910)	(2,032)	(945)	(2,697)	(2,419)	(1,382)	(3,250)	(2,089)
Net loss attributable to Curaleaf Holdings, Inc.	$ (77,563)	$ (40,696)	$ (48,885)	$ (48,279)	$ (63,228)	$ (92,347)	$ (71,242)	$ (54,380)
Net loss per share attributable to Curaleaf Holdings, Inc. – basic and diluted	$ (0.12)	$ (0.07)	$ (0.06)	$ (0.07)	$ (0.09)	$ (0.13)	$ (0.10)	$ (0.08)
Weighted average common shares outstanding – basic and diluted	748,936,695	742,535,355	740,787,287	736,147,618	733,514,919	725,319,477	719,269,057	718,117,628

Over the last eight quarters, Revenues, net has been impacted by the following factors:

- Organic and acquisitional growth over the period;
- Increased focus on increasing the Company's brand presence and wholesale operations;
- Divestiture of certain discontinued operations and
- Increased competition due to the launch and expansion of competing dispensaries in the Company's existing markets.

Over the last eight quarters, Net loss has been affected by the following factors:

- Impact of the items affecting revenue, as outlined above;
- Costs associated with adjustments to assets held for sale carrying values;
- Timing of leases signed and costs associated with the opening of new and/or expanded retail locations;
- Impact of lower fixed cost of goods sold absorption resulting from operational capacity adjustments throughout the period;
- Impact of failed adult use initiatives on inventory levels and strategic capital investments;
- Timing, nature and settlement of acquisition-related costs and obligations;
- Costs incurred in connection with debt issuances and debt refinancing;
- Costs incurred in connection with the TSX Listing and the Reorganization;
- Increased labor and product costs due to inflationary factors and
- Implementation of strategic cost optimization measures.

Acquisitions Completed During the Years Ended December 31, 2024 and 2023

During the year ended December 31, 2024, the Company completed the following acquisitions:

- Q1 2024: Dark Heart;
- Q1 2024: Curaleaf Poland S.A;

- Q2 2024: Northern Green Canada Inc.

During the year ended December 31, 2023, the Company completed the following acquisitions:

- Q2 2023: Deseret Wellness, LLC;
- Q3 2023: Clever Leaves.

Further details on the acquisitions completed during the years ended December 31, 2024 and 2023 are as follows:

2024

Dark Heart

On January 17, 2024, Curaleaf DH, Inc., an entity in which the Company has an indirect controlling financial interest, acquired Half Moon Nursery, Inc. and all assets of Dark Heart Nursery from Grace & Co. via forgiveness of a $7.0 million promissory note plus interest and cash consideration of $1.7 million. The acquisition provided the Company with the opportunity to continue expanding its domestic and international operations, as assets consisted of proprietary cannabis genetics and know-how (including all equipment and lease rights associated with Dark Heart Nursery's laboratory); the strains from which will be distributed to the Company's various other cultivation facilities, both domestic and international.

Curaleaf Poland S.A.

On February 2, 2024 the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. ("Curaleaf Poland") for total consideration of €1.5 million, which consisted of equal parts cash consideration and equity consideration. Additionally, the transaction included deferred consideration based on Curaleaf Poland's future performance. Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company's international footprint.

NGC

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of NGC for total consideration of approximately $23.8 million, paid in cash and equity consideration. NGC is a Canadian licensed cannabis producer and distributor focused primarily on expanding in the international market through its European Union Good Manufacturing Practice ("EU-GMP") certified product offering. The acquisition of NGC has equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower supply, which the Company considers essential to maintaining a leading position in Germany, Poland and the U.K. as well as supporting the Company's expansion into new international markets.

2023

Deseret

On April 6, 2023 the Company completed the acquisition of Deseret, the largest cannabis retail operator in Utah, with consideration consisting of cash and stock. The Deseret acquisition included three retail dispensaries located in the cities of Park City, Provo and Payson. The Deseret acquisition immediately strengthened the Company's retail footprint in Utah, providing the state's medical patients with a wide variety of quality products including cannabis flower, vape cartridges, edibles and concentrates.

Clever Leaves' Asset Acquisition

On July 5, 2023, Curaleaf Portugal LDA, a subsidiary of Curaleaf International, acquired the assets, including all equipment and lease rights, of Clever Leaves' EU-GMP certified cannabis processing and warehousing facility in Setubal, Portugal, for cash consideration, inclusive of direct transaction costs, of €2.7 million. The Clever Leaves acquisition strategically positioned the Company to expand its cultivation capacity at Curaleaf Portugal to meet the expected growth across Europe, especially within the Company's core markets: Germany and the U.K.

Off-Balance Sheet Arrangements

The Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following table summarizes the Company's transactions with related parties during the years ended December 31, 2024 and 2023:

	Related party transactions			
	Years Ended		Balance receivable (payable) as of	
Transaction	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Consulting fees [1]	$ 3,975	$ 915		
Travel and reimbursement [2]	28	45		
Rent expense [3]	236	—		
Platform fees [4][5]	3,274	2,069		
Senior Secured Notes - 2026 [6]	883	886	$ 10,000	$ 10,000
	$ 8,396	$ 3,915	$ 10,000	$ 10,000

(1) Consulting fees relate to real estate management and general advisory services provided by (i) Frontline Real Estate Partners, LLC, a company controlled by Mitchell Kahn, a Board member, (ii) Measure 8 Venture Management, LLC ("Measure 8"), an investment company controlled by Boris Jordan, CEO, Chairman and control person of the Company (including funds managed by Measure 8), (iii) Architecture & Engineering Solutions, LLC, a company controlled by an immediate family member of Luke Flood, a senior vice president of the Company and (iv) PNP Construction LLC, a company controlled by an immediate family member of Karim Bouaziz, a former senior vice president of the Company. There are on-going contractual commitments related to these transactions. Consulting fees incurred for Architecture & Engineering Solutions, LLC and PNP Construction LLC were $0.2 million and $3.8 million for the year ended December 31, 2024, respectively. No fees were paid to Frontline Real Estate Partners, LLC or Measure 8 during the year ended December 31, 2024. Consulting fees incurred for Frontline Real Estate Partners, LLC and Measure 8 were $0.4 million each for the year ended December 31, 2023. No consulting fees were incurred for Architecture & Engineering Solution, LLC and PNP Construction during the year ended December 31, 2023.

(2) Travel and reimbursement relate to payments made to various Board members for reimbursements of expenses incurred while performing their duties in that capacity.

(3) Rent expense relates to a lease between GR Companies, Inc. and FREP Elm Place II, LLC, a company owned in part by Mitchell Kahn, a Board member. There are on-going contractual commitments related to the lease arrangement.

(4) Leaf Trade and Sweed provide Curaleaf with their B2B platform for the Company's wholesale operations in exchange for fees to use the platform. Measure 8 acquired a 6.19% stake in High Tech Holdings, Inc. ("High Tech Holdings"), the parent holding company of Leaf Trade and Sweed, and received a seat on the board of directors of High Tech Holdings.

(5) Platform fees for Fyllo. Mitchell Kahn, a Board member, is also on Fyllo's board of directors.

(6) Baldwin Holdings, LLC ("Baldwin Holdings"), in which Joseph F. Lusardi, the Company's Executive Vice Chairman, owns a direct equity interest, holds $10 million of the Company's Senior Secured Notes - 2026; and therefore, a portion of interest expense recognized by the Company under the Senior Secured Notes - 2026 is attributable to Baldwin Holdings. The Senior Secured Notes – 2026 contain certain repayment and interest components that represent on-going contractual commitments.

The Company's key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Company and consist of the Company's executive management team and management directors.

Compensation related to key management personnel compensation for the years ended December 31, 2024 and 2023 were as follows:

	Years Ended	
Key management personnel compensation	**December 31, 2024**	**December 31, 2023**
Share-based payments	$ 12,102	$ 6,323
Short-term employee benefits	4,541	5,326
Other long-term benefits	39	34
	$ 16,682	$ 11,683

Changes in or Adoption of Accounting Principles

The Company has implemented all applicable accounting standards recently issued by the Financial Accounting Standards Board, as well as applicable pronouncements from certain other standard-setting bodies, within the prescribed effective dates. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded.

Recently Adopted Accounting Standards

Effective January 1, 2024, the Company adopted ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 is intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. Upon adoption, ASU 2023-07 did not materially impact the Consolidated Financial Statements, other than to expand the disclosures within *Note 25 — Segment reporting* of the Company's Consolidated Financial Statements. There was no impact to the Company's consolidated financial position, results of operations or cash flows.

Effective January 1, 2024, the Company adopted ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging— Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* ("ASU 2020-06"). ASU 2020-06 is intended to simplify the accounting for convertible instruments and contracts in an entity's own equity by (i) eliminating certain separation models, such as the beneficial conversion feature and cash conversion models, which previously required issuers to separately account for conversion features in equity instruments, (ii) requiring the dilutive earnings per share impact of convertible instruments to be determined based on the if-converted method and (iii) reducing the scope of ASC 815-40, *Derivatives and Hedging*, so that additional types of instruments qualify for equity classification. Upon adoption, ASU 2020-06 did not impact the Company's consolidated financial position, results of operations or cash flows, as the Company did not possess any in-scope equity instruments. The Company applies the if-converted method to calculate the dilutive impact to the Company's earnings per share of the Conversion Amount (as defined within) associated with the Company's Bloom Notes 2025 (as defined within). See *Note 15 — Notes payable* and *Note 24 — Earnings per share* of the Company's Consolidated Financial Statements for further details.

Global Minimum Tax Rules - Pillar Two

Numerous foreign jurisdictions have enacted or are in the process of enacting legislation to adopt a minimum effective tax rate, as described in the Global Anti-Base Erosion Model Rules (otherwise known as Pillar Two) issued by the Organization for Economic Co-operation and Development. Under Pillar Two, a minimum effective tax rate of 15% would apply to multinational companies with consolidated revenues above €750 million. Pillar Two is effective for fiscal years beginning on or after January 1, 2024, in several jurisdictions in which the Company operates. Upon enactment, Pillar Two did not have a material impact on the Company's Consolidated Financial Statements, and there was no material impact to the Company's consolidated financial position, results of operations or cash flows.

Recently Issued Accounting Standards

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversion and Other Options* ("ASU 2024-04"). ASU 2024-04 clarifies the requirements for accounting for a settlement of a convertible debt instrument as an induced conversion and applies to convertible debt instruments with cash conversion features as well as debt instruments that are not currently convertible. ASU 2024-04 is effective for all entities for annual periods beginning after December 15, 2025, and interim periods within those annual periods, and can be applied either on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2024-04 to the Company and its consolidated financial statements upon adoption.

In November 2024, the FASB issued ASU 2024-03, *Reporting Comprehensive Income - Expense Disaggregation Disclosures* ("ASU 2024-03"). ASU 2024-03 requires public business entities to provide disaggregated disclosures of specific income statement expense categories, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, depletion and selling expenses. The amendments introduced by ASU 2024-03 aim to enhance transparency by offering investors more detailed insights into an entity's expense structure. This additional information is intended to improve investors' ability to understand an entity's cost structure and to forecast future cash flows. ASU 2024-03 is effective for all entities for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, and can be applied either on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2024-03 to the Company and its consolidated financial statements upon adoption.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09, among other things, requires that public business entities on an annual basis (1) disclose specific categories in the effective tax rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income [or loss] by the applicable statutory income tax rate). ASU 2023-09 is effective for all other entities for annual periods beginning after December 15, 2025. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2023-09 to the Company and its consolidated financial statements upon adoption.

In October 2023, the FASB issued ASU 2023-06, *Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* ("ASU 2023-06"). ASU 2023-06 incorporates certain SEC disclosure requirements into the FASB Codification. The amendments introduced by ASU 2023-06 are expected to clarify or improve disclosure and presentation requirements of a variety of Codification Topics, allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements and align the requirements in FASB's Codification with the SEC's regulations. ASU 2023-06 is effective for all other entities, two years after the effective date of the SEC's removal of the related disclosure requirements from Regulation S-X or Regulation S-K. Early adoption is prohibited. The Company does not anticipate ASU 2023-06 will impact its consolidated financial statements upon adoption.

In August 2023, the FASB issued ASU 2023-05, *Business Combinations— Joint Venture Formations* ("ASU 2023-05"). ASU 2023-05, among other things, (1) defines a joint venture as the formation of a new entity without an accounting acquirer and (2) requires that a joint venture measure its identifiable net assets and goodwill, if any, at the formation date, such that the initial measurement of a joint venture's total net assets is equal to the fair value of 100% of the joint venture's equity, including any noncontrolling interest in the net assets of the joint venture. ASU 2023-05 is effective for all joint ventures with a formation date on or after January 1, 2025. Early adoption is permitted. The Company will comply with ASU 2023-05 on joint ventures formed on or after January 1, 2025.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and contingencies. Although actual results in subsequent periods may differ from these estimates, such estimates are developed based on the best information available to management and management's best judgments at the time. The Company relies upon historical experience, observable trends and various other assumptions to develop reasonable significant estimates and assumptions, which are then regularly reviewed and updated, as needed, by management. Changes in estimates are accounted for prospectively and are based upon on-going trends or subsequent settlements and the sensitivity level of the estimates and assumptions to changes in

facts and circumstances. Although the Company believes that all estimates are reasonable, actual results could differ from these estimates.

The most significant assumptions and estimates underlying the Consolidated Financial Statements are described below:

Consolidation

When determining the appropriate basis of accounting for the Company's interests in affiliates, the Company makes judgements about the degree of influence that it exerts directly or indirectly through an arrangement over the investees' relevant activities. The Company consolidates legal entities in which it holds a controlling financial interest. Determining whether the Company has a controlling financial interest of a legal entity in which it does not have a majority voting interest is subject to significant judgment and estimates. Considerations include, but are not limited to, voting interests of the VIE, management, service and other agreements with the VIE, involvement in the VIE's initial design and the existence of explicit or implicit financial guarantees. See *Note 29 — Variable interest entities* of the Consolidated Financial Statements for further detail.

Accounting for acquisitions and business combinations

Classification of an acquisition as a business combination or asset acquisition hinges on whether the asset acquired constitutes a business, which can be a complex judgment.

In determining the fair value of all identifiable assets, liabilities and contingent liabilities acquired, the most significant estimates are related to the valuation of contingent consideration and intangible assets. Management exercises judgement in estimating the probability and timing of when earn-outs are expected to be achieved, which is used as the basis for estimating fair value. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert may be engaged to apply the appropriate valuation techniques to management's forecast of the total expected future net cash flows in order to estimate fair value.

The primary intangible assets typically acquired in a business combination within the cannabis industry are cannabis licenses, as they provide companies with the ability to operate in additional markets. To estimate the fair value of intangible assets, management exercises judgement in developing cash flow projections and choosing discount and terminal growth rates. The estimated fair value of intangible assets is most sensitive to changes in the discount rate applied. The terminal growth rate represents the rate at which businesses will continue to grow into perpetuity. Other significant assumptions include revenue, gross profit, operating expenses and anticipated capital expenditures, which are based on the historical operations of the acquiree together with management's projections. These valuations are closely linked to the assumptions made by management regarding future performance of the assets acquired and any changes in the discount rate applied.

Contingent consideration payable as a result of a business combination is recorded at fair value at the date of acquisition. The fair value of contingent consideration is subject to significant judgments and estimates, such as projected future revenues. See *Note 4 — Acquisitions* of the Consolidated Financial Statements for further detail.

Share-based compensation - Stock options

The Company uses the Black-Scholes valuation model to determine the fair value of stock options granted to employees and directors under share-based awards, where appropriate. In instances where stock options or stock units have performance or market conditions, the Company utilizes the Monte Carlo valuation model to simulate the various outcomes that might affect the fair value of the stock option or stock units. In estimating fair value, management is required to make certain significant assumptions and estimates, such as the expected life of stock options, expected volatility in the future price of the Company's outstanding SVS, expected risk-free rates and future dividend yields. Changes in assumptions used to estimate fair value could result in materially different results. See *Note 18 — Share-based compensation* of the Consolidated Financial Statements for further detail.

Goodwill impairment

Goodwill is not subject to amortization and is tested annually for impairment, or more frequently, if events or changes in circumstances indicate that goodwill might be impaired. In order to determine the amount, if any, the carrying value of its

goodwill might be impaired, the Company performs the analysis on a reporting unit level, using both an income and a market approach. Under the income approach, fair value is estimated on the present value of estimated cash flows (i.e. discounted cash flows). The market approach estimates fair value using comparable marketplace fair value data from within a comparable industry grouping. Not only is the determination of the Company's reporting units subject to significant management judgment, management has to apply significant judgments in assessing the various inputs that drive the fair value of a reporting unit, such as historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the estimated fair value of the reporting units and the implied fair value of goodwill. See *Note 12 — Intangible assets, net and Goodwill* of the Consolidated Financial Statements for further detail.

Impairment of long-lived assets

The Company evaluates the recoverability of its long-lived assets (or asset groups) whenever events or changes in circumstances indicate that their carrying value may not be recoverable. This evaluation requires significant management judgment and involves identifying and interpreting key factors, such as significant adverse changes in (i) the market price of a long-lived asset; (ii) the extent or manner in which a long-lived asset is used; or (iii) legal factors or the business climate. Additionally, management's considerations may include whether (iv) the Company's accumulated investment in its long-lived asset(s) significantly exceeds the amount originally expected; (v) the Company is experiencing or projecting ongoing operating or cash flow losses; or (vi) it is more likely than not that a long-lived asset will be sold or otherwise disposed of significantly earlier than its previously estimated useful life. If management determines the recoverability of the Company's long-lived asset(s) may not be recoverable, management exercises significant judgment in estimating the undiscounted future cash flows of the affected long-lived asset(s). Changes in the underlying assumptions or conditions can materially affect the value of the Company's long-lived assets as reported in its consolidated financial statements. See *Note 10 — Property, plant and equipment, net, Note 11 - Leases and Note 12 — Intangible assets, net and Goodwill* for further detail.

Inventories, net

In measuring the value of its inventories, net at the end of the reporting period, the Company compares inventoried costs to estimated NRV. The NRV of inventories, net represents the estimated selling price for the Company's goods in the ordinary course of business, less all estimated costs of completion and costs necessary to sell. The determination of NRV requires significant judgment, including consideration of factors such as shrinkage, the aging of and future demand for inventory, expected future selling prices and contractual arrangements with customers. Reserves for excess and obsolete inventory are also based upon quantities on hand and projected volumes from demand forecasts. The Company's estimates are made at a point in time, using available information, expected business plans and expected market conditions. The future realization of these inventories may be affected by market-driven changes that reduce future selling prices. As a result, the actual amount received from sale of inventories, net could differ from estimates. See *Note 8 — Inventories, net* of the Consolidated Financial Statements for further detail.

Income taxes

The Company records tax benefits for all years subject to examination based upon management's evaluation of the facts, circumstances and information available at the reporting date. There is inherent uncertainty in quantifying income tax positions, especially considering the complex tax laws and regulations for federal, state and foreign jurisdictions in which the Company operates. The Company has recorded tax benefits for those tax positions where it is more likely than not that a tax benefit will result upon ultimate settlement with the relevant tax authority that has all relevant information.

Assets and liabilities held for sale

The Company classifies assets held for sale in accordance with ASC 205 *, Presentation of Financial Statements* ("ASC 205"). When the Company makes the decision to sell an asset, disposal group or to cease operations for a portion of its business, the Company assesses whether such assets and related liabilities should be classified as held for sale. To be classified as held for sale, the asset or disposal group must meet all of the following conditions at the end of the reporting period:

i. available for immediate sale in its present condition;
ii. management is committed to a plan to sell;

iii. an active program to locate a buyer and complete the plan has been initiated;

iv. the asset or disposal group is being actively marketed at a sales price that is reasonable in relation to its fair value;

v. the sale is highly probable within one year from the date of classification to held for sale and

vi. actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn.

An asset held for sale is measured at the lower of its carrying amount or fair value less cost to sell, unless the asset held for sale meets the exceptions as prescribed by ASC 205. Fair value is the amount obtainable from the sale of the asset in an arm's length transaction, less the costs of disposal. See *Note 5 — Assets and liabilities held for sale* of the Consolidated Financial Statements for further detail.

Discontinued Operations

Pursuant to ASC 205, the Company classifies held for sale assets and liabilities as discontinued operations if the disposal represents a strategic shift that has, or will have, a major effect on the Company's operations and financial results. The held for sale classification criteria is presented above under *'Assets and liabilities held for sale'* .

When the Company makes the decision to sell an asset or disposal group, management makes significant assumptions in its evaluation of whether the asset or disposal group can be classified as held for sale and discontinued operations. See *Note 6 — Discontinued operations* of the Consolidated Financial Statements for further detail.

Redeemable Non-controlling Interest

Valuation and classification of redeemable non-controlling interests involve significant management judgment and estimates. Determining the estimated redemption value of redeemable non-controlling interests requires a discounted cash flow analysis that incorporates assumptions about the Company's projected revenue, operating margins and cash flows as well as anticipated economic conditions. The Company also has to assess whether the underlying equity instruments are currently redeemable or likely to become redeemable in the future, adding complexity to their classification on the balance sheet. Changes in redemption value are influenced by forward-looking factors and may require adjustments that impact retained earnings and/or additional paid-in capital. These estimates and judgments are inherently subjective and sensitive to future economic and market conditions. *See Note 17 — Redeemable non-controlling interest* of the Consolidated Financial Statements for further detail.

New, amended and future accounting pronouncements

The Company has implemented all applicable accounting standards recently issued by the Financial Accounting Standards Board ("FASB"), as well as applicable pronouncements from certain other standard-setting bodies, within the prescribed effective dates. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded herein.

Summary of Outstanding Security Data

The Company had the following securities issued and outstanding as of February 27, 2025:

Securities	Number of Securities
Multiple Voting Shares	93,970,705
Subordinate Voting Shares	660,736,626
Restricted Share Units	7,647,827
Stock Options	29,339,347

Financial Instruments and Financial Risk Management

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 three levels of the fair value hierarchy are:

- 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.

The Company's financial instruments consist of cash, cash equivalents, restricted cash, notes receivable, equity investments, accounts payable, accrued expenses, long-term debt, contingent and deferred consideration liabilities and a redeemable non-controlling interest contingency.

The fair values of cash, restricted cash, cash equivalents, notes receivable, accounts payable and accrued expenses approximate their carrying values due to the relatively short-term to maturity. The carrying values of the Company's contingent consideration liabilities approximate fair value as they are measured at fair value on a recurring basis. The carrying values of the Company's deferred consideration liabilities, which are initially recorded at fair value on the acquisition date, approximate fair value, as these liabilities accrete in value each reporting period until payment is due. The carrying value of the Company's Redeemable NCI approximates fair value. The carrying value of the Company's Redeemable NCI is impacted by both the share of comprehensive income (loss) attributable to the Company's non-controlling interest holder as well as the recurring remeasurement of the estimated redemption value of the Redeemable NCI.

The carrying value and fair value of the Company's Notes payable was $568.6 million and $560.0 million, respectively, as of December 31, 2024. The carrying value and fair value of the Company's Notes payable was $587.8 million and $530.9 million, respectively, as of December 31, 2023.

Non-recurring fair value measurements

The Company's assets measured at fair value on a nonrecurring basis include its long-lived assets and goodwill. The Company reviews the carrying amounts of such assets whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable or, at minimum, annually for goodwill. Any resulting asset impairment would require that the asset be recorded at its fair value. Fair value measurements of these assets are derived using inputs that are not based on observable market data and are classified within Level 3 of the fair value hierarchy. See *Note 10 — Property, plant and equipment, net* , *Note 11 — Leases* and *Note 12 — Intangible assets, net and Goodwill* for further details.

Recurring fair value measurements

The Company's assets measured at fair value on a recurring basis include certain equity investments and contingent consideration liabilities. Fair value measurements of these financial instruments are derived using inputs that are not based on observable market data and are, therefore, classified within Level 3 of the fair value hierarchy.

For further details about the Company's financial instruments and financial risk management, see *Note 28 — Fair value measurements and financial risk management.*

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of a potential financial loss to the Company, if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's accounts receivable and notes receivable. The maximum credit exposure as of December 31, 2024 and 2023 equates to the carrying amount of cash, cash equivalents, restricted cash, accounts receivable and notes receivable. The Company does not have significant credit risk with respect to its customers, as 77% and 81%, as of December 31, 2024 and 2023, respectively, were derived from the

Company's retail dispensaries. All of the Company's cash, cash equivalents and restricted cash are placed with major U.S. financial institutions, and accounts at each institution are insured by the FDIC up to $250,000. The Company's cash balances in certain bank deposit accounts, at times, may exceed federally insured limits.

The Company provides credit to its wholesale and MSA customers in the normal course of business and has established processes to mitigate credit risk. Pursuant to ASC 310, *Receivables*, the Company recognizes its accounts receivable, net of an allowance for credit losses, on the Consolidated Balance Sheets, in order to present its accounts receivable at the expected realizable value. The Company's allowance for credit losses is reviewed by management each reporting period, and adjustments are made, if necessary, based on the Company's historical experience and management's assessment of the current economic environment. The Company has not adopted standardized credit policies and assesses credit on a customer-by-customer basis in an effort to minimize associated risks.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to settle its financial obligations and liabilities when due. The Company manages liquidity risk through the management of its capital structure.

In December 2021, the Company closed a private placement of Senior Secured Notes - 2026, for aggregate gross proceeds of $475 million to the Company, under which $460 million and $475 million aggregate principal amount remained outstanding as of December 31, 2024 and 2023, respectively. See *Note 15 — Notes payable – Senior Secured Notes - 2026*. The Note Indenture governing the Senior Secured Notes - 2026 contains numerous positive and financial negative covenants. If the Company breaches a covenant under the Note Indenture, the trustee may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateral granted by the Company over its assets. Such a breach could have a material adverse impact on the Company's financial position.

In connection with the Bloom acquisition, the Company issued three sets of Bloom Notes for aggregate gross proceeds of $160 million. As of December 31, 2024 and 2023, $76.5 million and $107.5 million of aggregate principal amount remained outstanding, respectively. See *Note 15 — Notes payable – Bloom Notes* for further details. If the Company fails to make scheduled payments under the Bloom Notes or breaches the covenants under the pledge and security agreement governing the Bloom Notes, the Bloom Lenders may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateralized assets pledged under the Bloom Notes. Such a breach could have a material adverse impact on the Company's financial position.

In November 2024, the Company entered into the Loan Agreement with Needham Bank, establishing a revolving line of credit for up to $40.0 million, under which the Company had drawn down $11.1 million as of December 31, 2024. See *Note 15 — Notes payable – Needham Bank* for further details. The Loan Agreement contains numerous positive and negative financial covenants. If the Company breaches a covenant under the Loan Agreement, Needham Bank may, under certain circumstances, accelerate the maturity of the principal amount outstanding or realize on the collateral granted by the Company over its assets. Such a breach could have a material adverse impact on the Company's financial position.

Currency Risk

The operating results and financial position of the Company are reported in U.S. dollars. Some of the Company's financial transactions have been and may be denominated in currencies other than the U.S. dollar. The results of the Company's operations are subject to currency transaction and translation risks.

As of December 31, 2024 and 2023, the Company had no hedging agreements in place with respect to foreign exchange rates. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cash, cash equivalents and restricted cash bear interest at market rates. The Company's notes receivable and financial debts have fixed rates of interest and are carried at amortized cost. The Company does not account for any fixed-rate financial assets or financial liabilities at fair value; therefore, a change in interest rates at the reporting date would not affect its results of operations.

Regulatory Environment: Issuers With U.S. Cannabis-Related Operations

In response to the on-going conflict between U.S. federal and U.S. state regulatory frameworks governing cannabis-related activities, the Canadian Securities Administrators issued Staff Notice 51-352, *Issuers with U.S. Marijuana-Related Activities,* which outlines industry-specific disclosure requirements for Canadian reporting issuers with operations or investments in the U.S. cannabis industry.

Pursuant to Staff Notice 51-352, the following disclosure is aimed at providing further details regarding:

- the Company's involvement in the U.S. cannabis industry and quantifying the Company's balance sheet and operating statement exposure to U.S. cannabis-related activities
- statements and other available guidance made by federal authorities or prosecutors regarding the risk of enforcement action as a result of the Company's involvement with cannabis-related activities;
- the risks related to the Company's involvement in cannabis-related activities, including, among others, (i) the risk that third party service providers could suspend or withdraw services and (ii) the risk that regulatory bodies could impose certain restrictions on the Company's ability to operate in the U.S.;
- the Company's and its affiliates' ability to access both public and private capital as well as the financing options that are and are not available to the Company and its affiliates to support continuing operations;
- the cannabis-related regulations and applicable licensing requirements of each U.S. state in which the Company and its affiliates operate as well as the Company's program for monitoring compliance with these regulations and licensing requirements; and
- the status of the Company's compliance with the cannabis-related regulatory framework and applicable licensing requirements of each U.S. state in which the Company and its affiliates operate.

The Company's Involvement in the U.S. Cannabis Industry

In the U.S., the cannabis industry remains illegal under U.S. federal law, with cannabis listed as a Schedule I drug under the Controlled Substances Act (the "CSA").

In the U.S., the Company and its affiliates are directly involved in the cannabis industry in certain U.S. states that have legalized the medical and/or adult use of cannabis. Currently, the Company and its affiliates hold the requisite licenses to engage in the cultivation, manufacture, processing, distribution and sale of cannabis, as permitted, in the states of Arizona, Connecticut, Florida, Illinois, Maine, Maryland, Massachusetts, Missouri, Nevada, New Jersey, New York, North Dakota, Ohio, Pennsylvania and Utah. In addition, the Company has partnered with an accredited medical school and obtained a "clinical registrant" license in Pennsylvania and on November 14, 2024, was granted the license to operate the first Marijuana Research Facility in Massachusetts.

For the year ended December 31, 2024, 92.0% of the Company's Total revenues, net were directly derived from U.S. cannabis-related activities. The Company does not differentiate its net assets between those directly derived from cannabis-related activities and those that are unrelated; therefore, such information is not presented.

Regulatory Frameworks Governing Cannabis-Related Activities in the U.S.

Overview of U.S. Federal Regulatory Framework

The Controlled Substances Act

The U.S. federal government regulates drugs, such as cannabis, through the CSA, which places controlled substances in one of five different schedules. Currently, cannabis, except hemp containing less than 0.3% (on a dry weight basis) of tetrahydrocannabinol ("THC"), the psychoactive ingredient in cannabis, is classified as a Schedule I drug. As a Schedule I drug, the DEA considers cannabis to have a high potential for abuse, no currently accepted medical use in treatment in the

U.S. and a lack of accepted safety for use of the drug under medical supervision [1]. As a result, under U.S. federal law, the possession, use, cultivation and transfer of cannabis and any related drug paraphernalia is illegal, and any such acts are criminal acts.

While most jurisdictions have a uniform national framework for regulation of cannabis-related activities, in the U.S., cannabis is also regulated at the U.S. state and local jurisdictional levels. As a result, the U.S. states that have legalized the medical and.or adult use of cannabis have regulatory frameworks that are in direct conflict with that of the U.S. federal government.

The Supremacy Clause of the U.S. Constitution establishes that the U.S. Constitution and U.S. federal laws made pursuant to it are paramount and, in case of conflict between U.S. federal and U.S. state law, U.S federal law shall apply. Consequently, although the Company's activities are compliant with applicable cannabis-related state and local regulations, strict compliance with these state and local regulations may neither absolve the Company of liability under U.S. federal law nor provide a defense to federal criminal charges that may be brought against the Company.

To address the inconsistent treatment of cannabis under US. federal and U.S. state laws:

- O n August 29, 2013, then U.S. Deputy Attorney General James Cole issued a memorandum (the "Cole Memorandum") offering guidance to federal enforcement agencies as to how to prioritize civil enforcement, criminal investigation and prosecution of cannabis-related activities in all U.S. states. The Cole Memorandum acknowledged that jurisdictions that have legalized cannabis in some form(s) have also implemented strong and effective regulatory and enforcement systems to control the cultivation, processing, distribution, sale and possession of cannabis. As such, conduct in compliance with those laws and regulations is less likely to be a priority at the U.S. federal level. While the Cole Memorandum did not provide specific guidelines for what regulatory and enforcement systems would be deemed sufficient by the Department of Justice (the "DOJ"), the Cole Memorandum was seen by many U.S. state-legal cannabis companies as a safe harbor for their licensed operations that were conducted in full compliance with all applicable state and local regulations.

- On January 4, 2018, then U.S. Attorney General Jeff Sessions rescinded the Cole Memorandum, and in the absence of a uniform federal policy, U.S. Attorneys with state-legal cannabis programs within their jurisdictions became responsible for establishing enforcement priorities for their respective offices. Despite the rescission of the Cole Memorandum, U.S. federal prosecutors appeared to continue to use the Cole Memorandum's priorities as an enforcement guide. Certain U.S Attorneys, such as Andrew Lelling, a former U.S. Attorney for the District of Massachusetts, would focus cannabis enforcement efforts on: (i) overproduction; (ii) targeted sales to minors and (iii) organized crime and interstate transportation of drug proceeds. Other U.S. attorneys provided less assurance, promising to enforce federal law, including the CSA in appropriate circumstances.

- On March 10, 2021, Merrick Garland was appointed U.S. Attorney General. During his confirmation hearing, Garland indicated that, under his leadership, the DOJ would focus its resources on violent crime and cartel activity and deprioritize the enforcement of U.S. federal cannabis laws against individuals and state-licensed cannabis businesses.

- On December 2, 2022, H.R. 8454, known as the Medical Marijuana and Cannabidiol Research Expansion Act (the "Research Expansion Act") was signed into law. The Research Expansion Act, the first piece of standalone federal cannabis reform legislation in U.S. history , established a new, separate registration process for researchers and manufacturers in the cannabis industry, and amongst other things, (i) directs the DEA to register practitioners to conduct cannabis and cannabidiol ("CBD") research and manufacturers to supply cannabis for research purposes; (ii) expressly allows the DEA to register manufacturers and distributors of cannabis or CBD for the purposes of commercial production of a drug approved by the Food and Drug Administration (the "FDA"); (iii) requires the DEA to assess whether there is an adequate and uninterrupted supply of cannabis for research purposes; (iii) permits registered entities to manufacture, distribute, dispense, or possess cannabis or CBD for purposes of medical research; (iv) clarifies that physicians do not violate the CSA when they discuss the potential harms and benefits of cannabis and CBD with patients; and (v) directs the HHS to coordinate with the National Institutes of Health and other agencies to report on the "therapeutic potential" of cannabis for conditions such as epilepsy and the impact of cannabis on adolescent brain development.

[1] 21 U.S.C. 812(b)(1).

- On April 30, 2024, the Department of Health and Human Services (the "HHS"), in coordination with the DOJ, recommended to the Drug Enforcement Administration (the "DEA") that cannabis be rescheduled from Schedule I to Schedule III of the CSA (the "Rescheduling"), and on May 21, 2024, the DEA published a Notice of Proposed Rulemaking (the "NPRM") signed by U.S. Attorney General Merrick Garland. Rescheduling, which is supported by the National Institute on Drug Abuse, is supported by research studies that concluded cannabis has an accepted medical use in the U.S. and relatively low potential for abuse. The NPRM is subject to evidentiary hearings, a procedural process that allows stakeholders — such as scientists, medical experts, advocacy groups, industry representations and others — to provide testimony and evidence supporting or opposing the NPRM.

- On August 27, 2024, the DEA announced that it would hold a hearing before an administrative law judge on the cannabis rescheduling proposal, a process effectively resembling a trial. The hearing commenced on December 2, 2024. However, on January 23, 2025, the hearing was suspended indefinitely by the administrative law judge in response to a motion submitted by a pro-rescheduling participant in the hearing requesting the DEA to take various corrective actions to address asserted anti-rescheduling bias demonstrated by the DEA. As of the date of this MD&A, no schedule has been set for appeal to the DEA Administrator. At this time, it is unclear time when such appeal may take place or what its outcome may be.

Rescheduling is anticipated to have a substantial impact on the U.S. cannabis industry, including easing restrictions on clinical research into cannabis-based treatments, eliminating the applicability of Section 280E tax provisions and U.S. federal anti-money laundering regulations to state-licensed cannabis businesses, improving access to U.S. banking services and capital markets and reducing insurance liabilities associated with Schedule I substances. It may also contribute to the destigmatization of cannabis use and cannabis-related businesses. However, Rescheduling will not legalize the cultivation, manufacture, processing, distribution and sale of cannabis by state-licensed cannabis business under the CSA.

Companies that operate in the U.S. medical cannabis industry receive a measure of protection from federal prosecution through a "rider" provision to the Consolidated Appropriations Acts, which governs the allocation of federal funding for government operations, programs and agencies. The primary purpose of the rider, known as the "Rohrabacher-Farr Amendment", is to prohibit the DOJ from using congressionally appropriated funds to interfere with the the rights of U.S. states to regulate and manage the medical use of cannabis. The Rohrabacher-Farr Amendment must be renewed annually as part of the appropriations process; otherwise, the DOJ will regain the ability to use congressionally appropriated funds to enforce federal cannabis prohibitions in U.S. states where medical use of cannabis is permitted. Since fiscal year 2015, Congress has renewed the Rohrabacher-Farr Amendment, and as of the issuance of this MD&A, remains in effect. However, there is no guarantee that the Rohrabacher-Farr Amendment will be renewed by Congress in subsequent fiscal years, and the Rohrabacher-Farr Amendment does not legalize the use of cannabis on the U.S. federal level.

In recent years, numerous bills have been introduced in the Congress of the United States ("Congress") to directly address directly various aspects of U.S. federal cannabis policies, including the decriminalization of cannabis, the imposition of federal taxes, the establishment of national public health and safety standards and the promotion of social equity and economic opportunities in communities disproportionately impacted by the War on Drugs. Notable amongst these are the Cannabis Administration and Opportunity Act (the "CAOA") and the Marijuana Opportunity Reinvestment and Expungement ("MORE") Act. While neither the CAOA nor the MORE Act succeeded in passing Congress, the increasing frequency of cannabis-related legislation being introduced in Congress reflects a growing consensus among industry stakeholders and many members of Congress that relying solely on prosecutorial discretion and temporary legislative riders, such as the Rohrabacher-Farr Amendment, to regulate the U.S. cannabis industry is insufficient to protect state-licensed medical cannabis businesses and medical cannabis patients.

Currently, there is no guarantee that U.S. state laws legalizing and regulating cannabis-related activities will not be repealed or overturned or that local governmental authorities will not limit the applicability of U.S. state laws within their respective jurisdictions. In addition, there is no guaranty that comprehensive U.S. federal legislation to de-schedule and decriminalize cannabis will be passed in the near future or at all, or that if such legislation is passed, it will include provisions that preserve the current state-based cannabis programs under which the Company operates and/or are favorable the Company's U.S. state-licensed operations. Unless and until Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments, there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law against U.S. state-licensed business.

Although the Cole Memorandum has been rescinded, the Company continues to adhere to the operating policies and procedures that became industry best practice while the Cole Memorandum was in effect to ensure the Company's

(1) operations are compliant with all licensing requirements as established by the applicable U.S. state, county, municipality, town, township, borough and other political/administrative divisions;

(2) cannabis related activities adhere to the scope of the licensing obtained — for example: in U.S. states where only medical cannabis is permitted, the products are only sold to patients who hold the necessary permits and in U.S states where cannabis is permitted for adult use, the products are only sold to individuals who meet the requisite age requirements;

(3) policies and procedures are effective in restricting the distribution of cannabis products to minors;

(4) policies and procedures are effective in preventing the distribution of funds to criminal enterprises, gangs or cartels;

(5) inventory tracking system(s) and necessary procedures are effective in tracking the Company's inventory and preventing the diversion of cannabis or cannabis-derived into those states where cannabis is not permitted by state law or across any U.S. state lines;

(6) U.S. state-licensed cannabis business activity is not used as a cover or pretense for the trafficking of other illegal drugs or engaged in any other illegal activity or any activities that are contrary to applicable anti-money laundering statutes; and

(7) cannabis and cannabis-derived products comply with applicable regulations and contain necessary disclaimers about the contents of such products to prevent adverse public health consequences from cannabis use and to prevent impaired driving.

In addition, the Company conducts (i) background checks to ensure that its principal officers and management are of good character and are not involved, or engaged, with other illicit drugs or activities, including activities involving violence or the use of firearms in the cultivation, manufacturing or distribution of cannabis or cannabis-related products; and (ii) ongoing reviews of its cannabis-related operations, the premises on which these operations occur and the policies and procedures established by the Company to regulate the possession of cannabis or cannabis products outside of its licensed premises. See "*Compliance and Monitoring*" section herein for additional details.

Reform of Federal Legislation on Industrial Hemp

On December 20, 2018, the Agriculture Improvement Act of 2018, Pub. L. 115-334 (the "2018 Farm Bill") was signed into law. The 2018 Farm Bill amended the definition of cannabis in the CSA, to exclude hemp and defined hemp as the plant *Cannabis sativa L*. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol ("Delta 9") concentration of not more than 0.3 percent on a dry weight basis. The 2018 Farm Bill granted to U.S. states the authority to license and regulate the cultivation, production, distribution and sale of hemp and hemp-derived products, such as CBD. Unlike cannabis, hemp and certain hemp-derived products can be distributed and/or sold across state lines, provided that the hemp from which any product is derived was cultivated under a license issued by an authorized state program approved by the U.S. Department of Agriculture.

Despite the redefinition of hemp under the 2018 Hemp Bill, the FDA (i) has approved only one prescription drug containing CBD, Epidiolex, (ii) prohibits the marketing of CBD as a dietary supplement, as it is an active ingredient in Epidiolex and (iii) prohibits the addition of CBD, THC or other hemp-derived extracts to food or beverages that are sold across state lines. While the FDA permits the use of CBD in cosmetic products, the product must comply with with the Federal Food, Drug, and Cosmetic Act and cannot make therapeutic claims. In January 2023, the FDA announced that existing regulatory frameworks for foods and supplements are not appropriate for cannabidiol and expressed its intent to work with Congress to develop a new regulatory pathway for CBD products.

Anti-Money Laundering Laws and Access to Capital

Under U.S. federal law, it may potentially be a violation of U.S. federal anti-money laundering statutes for financial institutions to provide services to U.S. state-licensed cannabis businesses, including taking any proceeds from the sale of any Schedule I controlled substance or otherwise introducing them into the U.S. banking system. Due to the CSA categorization of cannabis as a Schedule I drug, U.S. federal law makes it illegal for financial institutions that depend on the Federal Reserve's money transfer system to take any proceeds from cannabis sales as deposits. Pursuant to the U.S. Currency and Foreign Transactions Reporting Act of 1970 (the "Bank Secrecy Act"), U.S. banks and other U.S. financial institutions that provide cannabis businesses with a checking account, debit or credit card, small business loan or any other banking service could be charged with money laundering or conspiracy.

While there has been no change in U.S. federal banking laws to accommodate businesses in the large and increasing number of U.S. states that have legalized medical and/or adult use cannabis, in 2014, the Department of the Treasury Financial Crimes Enforcement Network ("FinCEN") issued guidance (the "FinCEN Guidance") to U.S. prosecutors and certain U.S. financial institutions on how to engage with U.S. state-licensed cannabis businesses in compliance with U.S. federal law. The FinCEN Guidance advised U.S. prosecutors not to focus their enforcement efforts on U.S. banks and other financial institutions that serve cannabis-related entities, provided that the cannabis-related business activities are legal in the respective U.S. state(s) and none of the federal enforcement priorities referenced in the Cole Memorandum are violated — such as keeping cannabis away from children and out of the hands of organized crime. The FinCEN Guidance also clarifies how U.S. banks and other financial institutions can provide depository services to cannabis-related businesses that are consistent with their obligations under the Bank Secrecy Act obligations, including exhaustive customer due diligence and reporting requirements.

While the FinCEN Guidance decreased a certain amount of risk for U.S. banks and other financial institutions considering serving the industry, it does not contain provisions providing such institutions with immunity from prosecution, and it significantly increased the time and cost to U.S. banks and other financial institutions of performing due diligence procedures on each cannabis-related business that they accept as a customer. As such, in practice, the FinCEN Guidance has not increased the willingness of U.S. banks and other financial institutions to provide services to cannabis businesses, and most of these financial institutions continue to decline to operate under the strict requirements provided under the FinCEN Guidance.

The few U.S. state-chartered banks and credit unions that have agreed to work with U.S. state-licensed cannabis businesses are limiting such accounts to small percentages of their total deposits to avoid creating a liquidity risk. As the U.S. federal government can change U.S. banking laws applicable to cannabis-related businesses, at any time and without notice, these U.S. state-charted banks and credit unions must keep sufficient cash on hand to be able to return the full value of all deposits derived from cannabis-related businesses in a single day, while also keeping sufficient liquid capital on hand to serve their other noncannabis business customers. In addition, these state-chartered banks and credit unions charge cannabis-related businesses high fees as a means of passing on the added cost of ensuring compliance with the FinCEN Guidance.

In the absence of comprehensive reform of U.S. federal cannabis legislation that would decriminalize the cannabis industry, various legislative bills have been introduced to Congress that would grant U.S. banks and other financial institutions with immunity from U.S. federal prosecution for servicing cannabis-related businesses that are authorized by, and in compliance with, U.S. state's regulatory frameworks. Such legislation include the the Secure and Fair Enforcement Regulation ("SAFER") Banking Act, which the Senate Banking Committee voted to pass by a bipartisan majority of 14-9 The SAFER Banking Act is awaiting a Senate floor vote that while pending is not guaranteed. Despite increasing support from the public and within Congress for the SAFER Banking Act and similar legislation, there can be no assurance that such legislation will ever be passed.

The Company requires equity and/or debt financing to support on-going operations, capital expenditures and acquisitive growth, and traditional bank financing is typically not available to U.S. state-licensed cannabis businesses. Until Congress passes legislation to ease the risks, restrictions and administrative burden to U.S.banks and other financial institutions of servicing cannabis-related businesses, there can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable., and the Company will continue to be subject to restrictions from financial institutions that could limit the Company's ability to fund on-going operations, capital expenditures or acquisitions. In addition, while the Company has the ability to raise additional funds through issuances of equity or convertible debt

securities, existing Company shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to existing holders of SVS.

Service Providers

As a result of any adverse change to the approach in enforcement of U.S. cannabis laws, adverse regulatory or political change, additional scrutiny by regulatory authorities, adverse change in public perception in respect of the consumption of marijuana or otherwise, third party service providers to the Company could suspend or withdraw their services, which may have a material adverse effect on the Company.

Heightened Scrutiny by Regulatory Authorities

As outlined above, the Company's existing operations in the U.S., along with any future operations or investments of the Company, may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities. This heightened scrutiny could lead to restrictions on the Company's ability to operate or invest in certain jurisdictions. Additionally, it could have implications for the Company's listings on the TSX and NYSE, as well as its reporting obligations in Canada and the U.S.

Adverse changes in government policies or public opinion could significantly influence the regulation of the cannabis industry in Canada, the U.S. and other jurisdictions. A negative shift in public perception regarding medical and/or adult use cannabis could impact future legislation, regulation or enforcement, potentially leading to the abandonment of initiatives or proposals to legalize medical and adult use cannabis. Violations of U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, civil settlements and/or criminal charges.

Following the TSX Listing, the Company became subject to TSX Requirements [2], which prohibit direct or indirect ownership or investment in entities engaged in the cultivation, distribution, or possession of cannabis in the U.S. in violation of federal law. In addition, Curaleaf, Inc. and the Company is subject to certain restrictions on cash or cash-equivalent transfers, whereby, amongst other things:

i. Curaleaf Holdings, Inc. is prohibited from transferring cash to Curaleaf, Inc. or its operations engaged in activities that violate U.S. federal cannabis laws.

ii. Curaleaf, Inc. and its subsidiaries or entities under its control are prohibited from transferring cash to Curaleaf Holdings, Inc., whether through dividends or other means.

Noncompliance with TSX requirements could result in the denial of applications for certain approvals, such as the listing of additional securities or delisting from the TSX.

The clearing of the Company's SVS is dependent on the Clearing and Depository Services Inc. ("CDS") for SVS quoted on the TSX and the Depository Trust Company ("DTC") for SVS quoted on the OTCQX. If the CDS and/or DTC were to impose a ban on the clearing of securities of issuers with cannabis-related activities in the U.S., or if the Company otherwise became ineligible with the CDS and/or DTC, the SVS SVS would become highly illiquid, preventing investors from trading the Company's shares on the TSX and/or OTCQX.

See the "*Risk Factors*" section of the AIF for further risk factors associated with the Company and the operations of its U.S. affiliates.

Compliance and Monitoring

The Company uses reasonable commercial efforts to ensure it is in material compliance with the cannabis regulatory environment in the U.S. In addition, the Company actively participates in the regulatory and legislative processes at all levels of the U.S. government—federal, state, and local—through its compliance and government relations departments, legal counsel, third-party consultants and engagement with cannabis industry groups

[2] Sections 306 (Minimum Listing Requirements) and 325 (Management) and Part VII (Halting of Trading, Suspension and Delisting of Securities) of the TSX Company Manual and TSX Staff Notice 2017-0009 (collectively, the "TSX Requirements").

i. holds all required licenses to cultivate, manufacture, possess and/or distribute cannabis in the respective U.S. state and

ii. remains in good standing and in material compliance with the cannabis regulatory program of each respective U.S. state.

While the Company may occasionally be cited or fined by state regulators for non-compliance with cannabis regulations—such as those related to product labeling, testing, potency, the use of banned additives, or similar matters—the Company is not aware of any circumstances that would likely result in regulatory actions with a material impact to the Company.

The Company is compliant, in all material respects, with the laws and regulations applicable to the cannabis operations of its U.S. affiliates.

The Company's Compliance Department consists of two vice presidents, three regional directors and state-level compliance officers, reporting up to the Company's Chief Legal Officer ("CLO"). Each compliance officer monitors local regulatory processes and updates governing bodies in their assigned states, reporting developments to the CLO, and designs and implements strategies in response to regulatory changes. The Company's compliance department collaborates with third-party legal counsel to ensure compliance with U.S. cannabis laws and regulations.

The Company's Government Relations Department consists of two vice presidents, Matt Harrell and Don Williams, who work closely with the Company's management team to develop (i) relationships with U.S. state and local regulators, elected officials and cannabis industry groups and (ii) strategies to protect the Company's and its' U.S. affiliates right and ability to participate in the U.S. cannabis industry.

See the "*Risk Factors*" section of the AIF for further risk factors associated with the Company and the operations of its U.S. affiliates.

Overview of U.S. State Regulatory Frameworks

Despite the continued illegality of cannabis under U.S. federal law, 48 U.S. states, the District of Columbia and the territories of Puerto Rico, the U.S. Virgin Islands, Guam and the Northern Mariana Islands have legalized some form of cannabis for medical use. In addition, 24 states, the Northern Mariana Island, Guam and the District of Columbia have legalized cannabis for adult use.

Each U.S. state that has legalized medical and/or adult use cannabis imposes unique licensing requirements, limits on the number of facilities a license holder may operate, caps on the number of license holders, and other regulations In addition, all of the U.S. states in which the Company operates have laws permitting the use of cannabis for specific qualifying conditions when recommended by a medical doctor. Adult use, or recreational, cannabis, is sold in licensed dispensaries to adults aged 21 or older.

The Company is compliant, in all material respects, with the laws and regulations applicable to the cannabis operations of its U.S. affiliates in each respective U.S. state.

The following table provides an overview of (i) the U.S. states in which the Company and its U.S. affiliates operate, (ii) the dates on which cannabis was legalized for medical and/or adult use in those U.S. states, (iii) the categories of permitted cannabis-derived products and (iv) the number of dispensaries, processing facilities and cultivation sites owned and/or operated by the Company as of December 31, 2024:

State[9]	Medicinal legalization*	Adult use legalization*	Dispensaries	Manufacturing facilities	Cultivation sites	Square feet	Permitted products				
							Oil	Edibles	Flower	Delivery	Wholesale
AZ	2010	2020	16	1	3	178,750	X[1]	X	X	X[4]	X
CT	2012	2021	4	1	1	24,510	X[1]	X	X	—	X
FL	2014	—	66	2	2	386,110	X[1]	X	X	X	X
IL	2013	2019	10	1	1	104,418	X[2]	X	X	—	X[3]
MA	2012	2016	4	1	1	59,474	X[2]	X	X	X[5]	X
MD	2013	2022	4	1	1	30,982	X[1]	X	X	X	X
ME	1999	2019	4	1	1	79,926	X	X	X	—	X
MO	2018	2022	—	1	—	—	—	—	X	—	—
ND	2016	—	4	1	1	16,500	X[2]	X	X	X[5]	X
NJ	2010	2020	3	1	2	88,700	X[1]	X	X	X	X
NV	2013	2016	6	2	1	33,866	—	—	X	—	—
NY	2014	2021	6	1	1	110,496	X[1]	X	X	X[5]	X[3]
OH	2016	2023	2	1	1 Level 1	20,100	X	—	X	X[3]	X
PA	2016	—	18	2	2	131,500	X[1]	X[8]	X	X	X
UT	2018	—	4	2	1	67,500	X[2]	—	X	—	—
KY	—	—	—	1[6]	—	—	—	X[7]	—	—	—
			151	**20**	**19**	**1,332,832**					

* Legalization dates outlined above indicate when legislation was passed to legalize the use of cannabis products.

(1) Extracted oils only

(2) Oil-based formulations only

(3) Permitted with approval

(4) Medical only

(5) Permitted, but the Company's dispensaries are not yet participating in home delivery.

(6) In 2024, the Company repurposed its existing leased facility in Lexington, Kentucky, to support its entrance into the hemp market.

(7) In Kentucky, edibles include hemp-derived edibles and beverages.

(8) Edibles are explicitly prohibited in the Pennsylvania market. Troches (sublingual) are allowed and commercialized.

(9) Note the Company has a brand licensing agreement in the state of Oregon that is not included in this chart.

Arizona

Arizona Licensing Scheme

In Arizona, the Arizona Department of Health Services (“AZ DHS”) licenses and regulates medical and adult use cannabis. Licenses allow one dispensary, one processing site, and one cultivation site per licensee. Vertical integration is not required, and off-site processing and cultivation can be shared by cannabis establishments. As of December 31, 2024, there were 185 operating adult use dispensaries.

Arizona Medical Patient Requirements

Qualifying medical conditions in Arizona include, but are not limited to, Alzheimer's; ALS; cancer; chronic pain; Crohn's disease; glaucoma; HIV/AIDS; hepatitis C; PTSD; severe nausea and severe or persistent muscle spasms, such as those associated with multiple sclerosis (“MS”) and epilepsy.

For a comprehensive list of qualifying conditions, refer to the AZ DHS’ Medical Marijuana Program: https://www.azdhs.gov/licensing/medical-marijuana/index.php#qualifying-home.

Arizona Recent and Proposed Legislation

Proposed Arizona legislation includes: HB2770, allowing interstate cannabis sales if permitted under U.S. federal law; SB1262, empowering social equity licensees to report predatory practices and enabling state investigations and HB2301, prohibiting landlords from evicting tenants for cannabis use.

Connecticut

Connecticut Licensing Scheme

In Connecticut, the Connecticut Department of Consumer Protection ("CT DCP") licenses and regulates medical and adult use cannabis. Cannabis licensing is divided into five main categories: (i) retail, (ii) cultivation, (iii) manufacturing, (iv) delivery and (v) individual licenses and registrations, and there are 14 distinct license types. Medical dispensaries are required to have a board-certified pharmacist on-site to dispense cannabis. As of December 31, 2024, Connecticut had one medical dispensary and 27 hybrid retailer licenses approved by the CT DCP.

Connecticut Medical Patient Requirements

Qualifying medical conditions include, but are not limited to,

- **For Individuals Aged 18 and Over**: cancer; glaucoma; HIV/AIDS; neurological disorders (e.g., Parkinson's, MS, epilepsy, ALS); chronic pain; PTSD; autoimmune diseases; gastrointestinal conditions (e.g., Crohn's disease, ulcerative colitis); sickle cell disease and fibromyalgia).

- **For Individuals Under 18:** cerebral palsy; cystic fibrosis; muscular dystrophy; severe epilepsy; terminal illnesses requiring end of life care and intractable neuropathic pain that is unresponsive to standard medical treatments.

For a comprehensive list of qualifying conditions, refer to the DCP's Medical Marijuana Program: https://portal.ct.gov/dcp/medical-marijuana-program/qualification-requirements.

Connecticut Recent and Proposed Legislation

Retail sales of adult use cannabis commenced in Connecticut on January 10, 2023. Recent legislation defined edible cannabis products, established off-site event permits for retailers and introduced regulations for cannabis labeling and packaging.

Florida

Florida Licensing Scheme

In Florida, the Florida Department of Health Office of Medical Marijuana Use ("FL OMMU") licenses and regulates medical cannabis. The FL OMMU oversees 27 Medical Marijuana Treatment Centers, which encompass all vertically integrated operations, including cultivation, processing, fulfillment/storage and dispensing. Licenses are not capped; however, local zoning approval is required for each dispensary. As of December 31, 2024, Florida had 702 dispensaries throughout the State.

Florida Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, cancer; epilepsy; glaucoma; HIV/AIDS; PTSD; ALS; Crohn's disease; Parkinson's disease; MS; chronic non-malignant pain and terminal conditions.

For a comprehensive list of qualifying conditions, refer to the FL OMMU's Medical Marijuana Use Program: https://knowthefactsmmj.com/patients/cards/.

Florida Recent and Proposed Legislation

On November 5, 2024, the ballot initiative in Florida to legalize cannabis for adult use and decriminalize the possession of up to three ounces of cannabis failed to secure approval, representing a setback for the expansion of Florida's cannabis market.

Illinois

Illinois Licensing Scheme

In Illinois, the cannabis licensing framework is overseen by two departments: the Illinois Department of Financial and Professional Regulation for retail licenses and the Illinois Department of Agriculture for cultivation/processing licenses. Licenses types include (i) retail, (ii) cultivation, (iii) craft growers, (iv) infusers and (v) transporters. Regulations limit each entity to a maximum of three cultivation licenses and 10 retail locations. As of December 31, 2024, Illinois had 242 adult use operational dispensaries.

Illinois Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, cancer; HIV/AIDS; ALS; Crohn's disease; glaucoma; MS; PTSD; intractable pain; fibromyalgia; hepatitis C; Tourette's syndrome and rheumatoid arthritis. Patients with valid opioid prescriptions may also qualify.

For a comprehensive list of qualifying conditions, refer to the Illinois Department of Public Health's Medical Cannabis Program: https://www.dph.illinois.gov/topics-services/prevention-wellness/medical-cannabis.

Illinois Recent and Proposed Legislation

Effective January 22, 2024, the Illinois Department of Agriculture amended the Cannabis Regulation and Tax Act to, amongst other things, allow craft growers to maintain up to 14,000 square feet of canopy space on their premises for plants in the flowering stage.

Maine

Maine Licensing Scheme

In Maine, the Maine Department of Administrative and Financial Services Office of Cannabis Policy is responsible for licensing and regulating medical and adult use cannabis. Licenses are not capped; however, (i) municipalities must opt-in for adult use and (ii) medical dispensary owners must be residents of Maine. Medical licensees can be vertically integrated, with one license allowed per dispensary and one license per entity, subject to local approval and relevant licensing (e.g., tobacco or food licenses). Adult-use cannabis licensing is divided into three categories: retail, cultivation and manufacturing, with licensees permitted to hold licenses in multiple categories. As of December 31, 2024, Maine had 236 operational adult use and 71 medical use dispensaries.

Maine Medical Patient Requirements

Qualifying conditions are determined by a practitioner and include any condition where cannabis is deemed therapeutically or palliatively beneficial.

Maine Recent and Proposed Legislation

Legislation enacted in 2023 introduced key updates to the State Medical Use of Cannabis Act and the Cannabis Legalization Act. The legislation

- defined "cannabis paraphernalia";
- authorized caregivers to sell or provide such paraphernalia to qualifying patients for medical cannabis use;

- clarified that the medical use of cannabis does not allow for the sale, offering or furnishing of products containing tobacco, nicotine or synthetic nicotine, without first obtaining a retail tobacco license; and

- mandated the implementation of a comprehensive seed-to-sale tracking system for cannabis plants, cannabis and cannabis-derived products.

Maryland

Maryland Licensing Scheme

In Maryland, the Maryland Medical Cannabis Commission ("MD MCC") licenses and regulates medical and adult use cannabis. Licenses are divided into five license types: (i) dispensary, (ii) grower/cultivator, (iii) processor, (iv) independent testing laboratory and (v) ancillary business. Each license is linked to a single facility. Regulations limit an individual or entity to holding an interest in, or control over, no more than one grower license, one processor license and four dispensary licenses. As of December 31, 2024, Maryland had 98 operational dispensaries.

Edible cannabis products are permitted, provided they are shelf-stable, and topicals.

Maryland Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, cachexia; chronic pain; severe nausea; severe or persistent muscle spasms; glaucoma; HIV/AIDS; Crohn's disease; PTSD and other severe chronic conditions unresponsive to standard medical treatment. Additionally, all dispensaries must have a clinical director available electronically.

For a comprehensive list of qualifying conditions, refer to the MD MCC's Medical Cannabis Program: https://cannabis.maryland.gov/Pages/Medical_Cannabis.aspx.

Maryland Recent and Proposed Legislation

Effective July 1, 2023, Maryland legalized the purchase and possession of cannabis for personal use by adults aged 21 and older. Other cannabis-related legislation enacted in 2023 (i) renamed the Alcohol and Tobacco Commission to the Alcohol, Tobacco and Cannabis Commission, (ii) established the Maryland Cannabis Administration (the "Administration") as an independent state agency and (iii) created a regulatory and licensing framework for adult use cannabis. This framework includes the imposition of a sales and use tax on adult use cannabis sales. Additionally, the Administration is tasked with establishing and maintaining a state-run cannabis testing laboratory to ensure product safety and compliance.

Massachusetts

Massachusetts Licensing Scheme

In Massachusetts, the Massachusetts Cannabis Control Commission ("MA CCC") licenses and regulates medical and adult use cannabis. Medical licenses are granted to Medical Treatment Centers ("MTCs"), which are vertically integrated businesses engaged in the cultivating, processing and retailing of their own cannabis and cannabis-derived products for medical use. Adult-use licenses are divided into a range of license types, including (i) retail, (ii) cultivation, (iii) product manufacturing, (iv) testing laboratories, (v) transporters, (vi) couriers, (vii) research facilities, (viii) social consumption establishments, (ix) microbusinesses and (x) delivery services. Licensees are permitted to holding no more than three licenses within a single license type. Additionally, canopy space is capped at 100,000 square feet, which must be distributed across no more than three cultivation licenses and three MTCs. As of December 31, 2024, Massachusetts had 96 operational MTCs.

Massachusetts Medical Patient Requirements

Qualifying conditions include, but are not limited to, cancer; glaucoma; HIV/AIDS; hepatitis C; ALS; Crohn's disease; Parkinson's disease and MS, when such diseases are debilitating. Other debilitating conditions require the attestation of a Qualifying Patient's healthcare provider.

For a comprehensive list of qualifying conditions, refer to the MA CCC's Medical Use of Marijuana Program: https://www.mass.gov/info-details/massachusetts-law-about-medical-marijuana.

Missouri

Missouri Licensing Scheme

In Missouri, the Missouri Department of Health and Senior Services ("MD HSS") licenses and regulates medical and adult use (also known as "comprehensive licenses") cannabis. License types are divided into (i) cultivation, (ii) infused product manufacturing, (iii) dispensary, (iv) transportation, (v) testing and (vi) microbusiness. Missouri does not require vertical integration, and each license is tied to a single facility. Facilities are prohibited from being owned, in whole or in part, or managed by any individual with a disqualifying felony offense. Additionally, no owner may hold more than 10% of the total number of medical and adult use licenses within each license type. As of December 31, 2024, Missouri had 215 operational dispensaries.

Missouri Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, cancer; epilepsy; glaucoma; intractable migraines; persistent muscle spasms (e.g., MS and Parkinson's); PTSD; Crohn's disease; HIV/AIDS and terminal illnesses. Physicians may certify other chronic, debilitating conditions.

For a comprehensive list of qualifying conditions, refer to the MD HSS' Medical Marijuana Regulation Program: https://health.mo.gov/safety/cannabis/patient-services.php.

Nevada

Nevada Licensing Scheme

In Nevada, the Nevada Cannabis Compliance Board ("NV CCB") licenses and regulates medical and adult use cannabis. Cannabis licenses types include (i) cultivation, (ii) product manufacturing, (iii) distribution, (iv) dispensary/retail, (v) testing laboratory and (vi) consumption lounge. Licenses are not capped; however, they are issued only during designated licensing rounds, which are conducted only on an as needed, based on jurisdictional regulations. As of December 31, 2024, Nevada had one medical, 101 hybrid and 102 adult-use operational dispensaries.

Nevada Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, HIV/AIDS; cancer; anorexia nervosa; epilepsy; glaucoma; an autism spectrum disorder; opioid addiction; muscle spasms (including, without limitation, spasms caused by MS) and neuropathic conditions, whether or not such condition causes seizures.

For a comprehensive list of qualifying conditions, refer to the NV CCB's Medical Marijuana Program: https://dpbh.nv.gov/Reg/MM-Patient-Cardholder-Registry/.

Nevada Recent and Proposed Legislation

Legislation, enacted in 2023, granted the CCB with the authority to take various actions against unlicensed cannabis activities, including seizing and destroying associated cannabis and cannabis-derived products. The CCB is also empowered to allocate resources and take measures to address unlicensed cannabis operations, including investigating and referring cases to appropriate state and/or local law enforcement agencies. In addition, all dispensaries are required to verify consumers ages before selling cannabis or cannabis-derived products to them.

New Jersey

New Jersey Licensing Scheme

In New Jersey, the New Jersey Cannabis Regulatory Commission ("NJ CRC") licenses and regulates medical and adult use cannabis. Medical licenses are granted to Alternative Treatment Centers, which are vertically integrated businesses

engaged in the cultivating, manufacturing and dispensing of their own cannabis and cannabis-derived products for medical use. Adult use licenses are divided into the following types: (i) cultivation, (ii) manufacturing, (iii) wholesale, (iv) distribution, (v) retail and (vi) delivery. Adult-use licensees may vertically integrate by holding any combination of of the license types simultaneously or by holding wholesale and distributor licenses simultaneously. Licenses are not capped; however, adult use licensees are limited to operating one business per license type. As of December 31, 2024, New Jersey had five medical, 48 hybrid and 146 adult use dispensaries operational.

New Jersey Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, ALS; anxiety; cancer; chronic pain; epilepsy; glaucoma; HIV/AIDS; Crohn's disease; PTSD; MS and terminal illnesses with a prognosis of less than 12 months.

For a comprehensive list of qualifying conditions, refer to the NJ CRC's Medicinal Cannabis Program: https://www.nj.gov/cannabis/medicinalcannabis/medicinal/.

New Jersey Recent and Proposed Legislation

Legislation, enacted in 2023, allows licensees to deduct, from taxable income, expenditures that are disallowed currently by the IRS, due to cannabis being a controlled substance under U.S. federal law.

New York

New York Licensing Scheme

In New York, the New York Cannabis Control Board ("NY CCB"), within the Office of Cannabis Management, licenses and regulates medical and adult use cannabis. Medical licenses are granted to 'registered organizations', which are vertically integrated businesses permitted to manage one medical cultivation/processing facility and up to four medical dispensaries. Adult use license types include (i) cultivation, (ii) processing, (iii) distribution, (iv) retail and (v) microbusiness operations. As of December 31, 2024, New York had 39 operational registered organization dispensary locations and 282 operational adult use dispensaries.

New York Medical Patient Requirements

Under the OCM's Medical Cannabis Program certification and registration system, practitioners are authorized to certify patients for medical cannabis use for any condition they believe can be effectively treated with medical cannabis.

For a comprehensive list of qualifying conditions, refer to the NY CCB's Medical Cannabis Program: https://cannabis.ny.gov/medical-cannabis.

New York Recent and Proposed Legislation

On November 21, 2022, the NY CCB released draft regulations implementing the adult use cannabis program. These regulations included specific provisions outlining the licensing requirements and processes for registered organizations to participate in the adult use market. The draft regulations were published in the New York State Register on June 14th, 2023 and were subsequently approved by the NY CCB on September 12th, 2023. In 2023, litigation was filed challenging the constitutionality of these regulations, resulting in an injunction against the issuance of certain licenses. This litigation was settled in November 2023. As part of the settlement, one group of litigants, military veterans, was granted dispensary licenses, and existing medical operators, including the Company, were permitted to open three dispensaries each.

North Dakota

North Dakota Licensing Scheme

In North Dakota, the North Dakota Department of Health and Human Services ("ND HHS") licenses and regulates medical cannabis. There are two categories of licenses: manufacturing facilities (which are subdivided into cultivation-only and manufacturing-only) and dispensaries. Each license permits the operation of one dispensary or manufacturing facility per

licensee. Currently, the ND HHS is permitted to issue a maximum of two manufacturing facilities licenses and eight dispensary licenses. As of December 31, 2024, all available licenses have been awarded.

Manufacturing facilities are restricted to activities that fall under (i) producing, (ii) processing, (iii) acquiring, (iv) possessing, (v) storing, (vi) transferring and (vii) transporting medical cannabis or medical cannabis-derived products (excluding edibles). Dispensaries are only permitted to purchase cannabis from licensed manufacturing facilities and engage in the storing, delivering, transferring and transporting of medical cannabis.

North Dakota Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, cancer; HIV/AIDS; ALS; PTSD; epilepsy; MS; Crohn's disease; neuropathies; Tourette's syndrome; Ehlers-Danlos syndrome; autism spectrum disorder; brain injuries and terminal illnesses.

For a comprehensive list of qualifying conditions, please refer to the ND HHS' Medical Marijuana Program: https://www.health.nd.gov/mm.

North Dakota Recent and Proposed Legislation

On November 5, 2024, the ballot initiative in North Dakota to legalize cannabis for adult use did not pass, representing a setback for the expansion of North Dakota's cannabis market.

Ohio

Ohio Licensing Scheme

As of January 1, 2024, regulatory oversight of Ohio's cannabis program is shared between two departments. The Division of Cannabis Control ("OH DCC"), within the Ohio Department of Commerce, oversees the registration of patients and caregivers and licenses medical cultivators, processors, dispensaries and testing laboratories; The State Medical Board of Ohio certifies physicians to recommend medical cannabis and approve qualifying conditions. The OH DCC is also responsible for licensing and regulating the adult-use cannabis.

The medical market is divided into the following license types: (i) cultivator (Level I and Level II), (ii) processor, (iii) dispensary and (iv) testing. Each license is tied to a single facility. As of December 31, 2024, Ohio had 127 operational dispensaries, with 124 of those operating as both medical and adult use dispensaries.

Ohio Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, ALS; epilepsy; severe chronic or intractable pain; PTSD; MS; Parkinson's disease; Crohn's disease; glaucoma; HIV/AIDS; Tourette's syndrome; traumatic brain injuries; ulcerative colitis and terminal illnesses.

For a comprehensive list of qualifying conditions, refer to the OH DCC's Medical Marijuana Control Program Patient & Caregiver Registry: https://com.ohio.gov/divisions-and-programs/cannabis-control/patients-caregivers.

Ohio Recent and proposed Legislation

Ohio became the 24th state to legalize adult use cannabis when voters approved Issue 2 in November 2023. The possession and home cultivation of cannabis were legalized effective December 7, 2023. The first proposed rules for adult-use license applications were published on January 29, 2024. License applications opened on June 7, 2024, and provisional licenses were issued on September 7, 2024. All final adult use regulations have been promulgated.

Pennsylvania

Pennsylvania Licensing Scheme

In Pennsylvania, the Pennsylvania Department of Health ("PA DHS") licenses and regulates medical cannabis. There are three license types: (i) grower/processor, (ii) dispensary and (iii) clinical registrant. As of December 31, 2024, Pennsylvania had 181 operational dispensaries and 12 operational grower/processors. PA DHS also requires each licensed dispensary to have a pharmacist or physician on-site during operating hours.

Pennsylvania Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, ALS; anxiety disorder; cancer; epilepsy; glaucoma; HIV/AIDS; PTSD; MS; severe chronic or intractable pain; neurodegenerative diseases; Huntington's disease; opioid use disorder (unresponsive to standard medical treatment) and terminal illnesses.

For a comprehensive list of qualifying conditions, refer to the PA DHS' Medical Marijuana Program: https://www.pa.gov/agencies/health/programs/medical-marijuana.html.

Pennsylvania Recent and Proposed Legislation

Legislation, enacted in 2023, introduced significant changes to the licensing structure for grower-processors and dispensaries. Previously, only five of the state's 25 grower/processor licensees could also hold dispensary licenses. All other grower/processors were required to sell their products exclusively to licensed dispensaries for resale to patients. Under the new legislation, 10 of the state's independent grower/processors are eligible to obtain a dispensary license that permits them to operate a maximum of three retail locations. In addition, all independent dispensaries are now eligible to grow and process cannabis-derived products.

Utah

Utah Licensing Scheme

As of January 1, 2024, regulatory oversight of Utah's medical-only cannabis program is shared between two departments: (i) the Utah Department of Agriculture and Food ("UT DAF"), which oversees the licensing of pharmacies (also known as "dispensaries") and couriers, and (ii) the newly established Cannabis Production Establishment Licensing Advisory Board, within the UT DAF, is responsible for licensing and regulating the cultivation and processing of cannabis for medical use. Licenses are not capped; however, all available pharmacy and cultivation licenses have been issued. Licensees are allowed to hold multiple types of licenses, and licenses are non-transferable and non-assignable. Changes in ownership of less than 50% are permitted without requiring a new license application. As of December 31, 2024, Utah had 15 operating medical dispensaries.

Utah Medical Patient Requirements

Qualifying medical conditions include, but are not limited to, Alzheimer's disease; ALS; cancer; epilepsy; chronic pain; autism spectrum disorder; Crohn's disease; ulcerative colitis; MS; HIV/AIDS, terminal illnesses with a life expectancy of less than six months and PTSD. PTSD qualifies if the patient is (i) treated and monitored by a licensed health therapist and (ii) diagnosed by a Veterans Administration healthcare provider or (iii) diagnosed or confirmed by a licensed psychiatrist, psychologist, clinical social worker, or psychiatric advanced practice registered nurse.

For a comprehensive list of qualifying conditions, refer to the Utah Department of Health and Human Services' Center for Medical Cannabis: https://medicalcannabis.utah.gov/.

Risk Factors

A discussion of the risk factors to which the Company is subject is presented in the section entitled " *Risk Factors*" of the Company's AIF, which section is incorporated by reference herein. The Company's shareholders should carefully evaluate the risk factors noted within the AIF, which is made available on SEDAR+ (www.sedarplus.ca) and EDGAR (www.sec.gov/edgar) under the Company's profile.

The risks and uncertainties outlined in the AIF and elsewhere in this MD&A are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company or currently deemed immaterial by the Company, may also impair the operations of the Company. If any such risks actually occur, shareholders of the Company could lose all or part of their investment; the business, financial condition, liquidity, results of operations and prospects of the Company could be materially adversely affected; and the ability of the Company to implement its growth plans could be adversely affected.

The acquisition of the Company SVS is speculative, involving a high degree of risk and should be undertaken only by persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company's disclosure and controls and procedures, as such term is defined in Rule 13a-15(e) under the Exchange Act, is a process designed by, or under the supervision of, the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and is effected by the Company's Board of Directors, management and other personnel, for the purpose of providing reasonable assurance regarding the reliability of the Company's financial reporting process and preparation of Consolidated Financial Statements in accordance with U.S. GAAP. The Company's disclosure controls and procedures include policies and procedures that (i) relate to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the Company; (ii) provide reasonable assurance of the recording of all transactions necessary to permit the preparation of the Company's Consolidated Financial Statements in accordance with U.S. GAAP and the proper authorization of receipts and expenditures in accordance with the Company's delegation of authority policies and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's Consolidated Financial Statements. Management, including the CEO and CFO, have evaluated the effectiveness of the Company's disclosure controls and procedures as of December 31, 2024 and have concluded that said disclosure controls and procedures were effective as of December 31, 2024.

Limitations on Effectiveness of Controls and Procedures

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that controls may become inadequate due to changing conditions or the degree of compliance with policies and procedures may deteriorate.

Management Report on Internal Controls over Financial Reporting

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control Integrated Framework (2013). Based on its assessment, management determined that the Company's internal control over financial reporting was effective as of December 31, 2024. PKF O'Connor Davies, LLP, an independent registered public accounting firm, has audited the effectiveness of the Company's internal control over financial reporting, as indicated in their report which is included herein.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Exhibit 99.3

CERTIFICATION

I, Boris Jordan, certify that:

1. I have reviewed this annual report on Form 40-F of Curaleaf Holdings, Inc. (the "report");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;
4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and
5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 3, 2025

By: /s/ Boris Jordan
Boris Jordan
Chief Executive Officer
(Principal Executive Officer)

Exhibit 99.4

CERTIFICATION

I, Ed Kremer, certify that:

1. I have reviewed this annual report on Form 40-F of Curaleaf Holdings, Inc. (the "report");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 3, 2025

By: /s/ Ed Kremer
Ed Kremer
Chief Financial Officer
(Principal Financial Officer)

Exhibit 99.5

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Curaleaf Holdings, Inc. (the "Company") on Form 40-F for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Boris Jordan, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 3, 2025

/s/ Boris Jordan
Boris Jordan
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Curaleaf Holdings, Inc. and will be retained by Curaleaf Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.6

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Curaleaf Holdings, Inc. (the "Company") on Form 40-F for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ed Kremer, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 3, 2025

/s/ Ed Kremer
Ed Kremer
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Curaleaf Holdings, Inc. and will be retained by Curaleaf Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.7

CONSENT OF PKF O'CONNOR DAVIES, LLP

We hereby consent to the incorporation by reference of:

- our report, dated March 3, 2025, on the consolidated financial statements of Curaleaf Holdings, Inc. (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023 and the consolidated statements of operations, comprehensive loss, temporary equity and shareholders' equity, and cash flows for each of the two years in the period ended December 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies, (collectively the "Financial Statement Report"); and our report, dated March 3, 2025, on the consolidated financial statements of Curaleaf Holdings, Inc. (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023 and the consolidated statements of operations, comprehensive loss, temporary equity and shareholders' equity, and cash flows for each of the two years in the period ended December 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies, (collectively the "Financial Statement Report"); and
- our report, dated March 3, 2025, on the effectiveness of internal control over financial reporting of the Company as of December 31, 2024 (the "Controls Report" and together with the Financial Statement Report, the "Reports") our report, dated March 3, 2025, on the effectiveness of internal control over financial reporting of the Company as of December 31, 2024 (the "Controls Report" and together with the Financial Statement Report, the "Reports")

into Registration Statements No. 333-250071 on Form S-8 and No. 333-284710 on Form F-10 of the Company and any amendments thereto, which Reports have been included in Exhibit 99.2 of this Annual Report on Form 40-F of the Company for the year ended December 31, 2024 (the "Form 40-F").

We further consent to filing of the Reports with, and the use of our name in reference to the Reports, in the Form 40-F and the above referenced registration statements.

/s/ PKF O'Connor Davies, LLP

New York, New York
March 3, 2025

Curaleaf Reports Fourth Quarter and Full Year 2024 Results

Fourth quarter 2024 total revenue of $331 million

Fourth quarter 2024 International revenue of $31 million

Fourth quarter adjusted gross margin[1] of 48%

Full year operating cash flow from continuing operations of $163 million and free cash flow from continuing operations of $70 million

Stamford, Conn,. March 3, 2025 – Curaleaf Holdings, Inc. (TSX: CURA) (OTCQX: CURLF) ("Curaleaf" or the "Company"), a leading international provider of consumer products in cannabis, today reported its financial and operating results for the fourth quarter ended December 31, 2024. All financial information is reported in accordance with U.S. generally accepted accounting principles (GAAP) and is provided in U.S. dollars unless otherwise indicated.

Boris Jordan, Chairman and CEO of Curaleaf, stated, "Fourth quarter revenue was $331 million, up slightly sequentially. Adjusted gross margin was 48% and adjusted EBITDA was $76 million or 23%. We ended the fourth quarter with $107 million in cash on the balance sheet, and for the year, generated operating and free cash flow from continuing operations of $163 million and $70 million, respectively. Over the past two quarters, my primary objective has been to amplify our strengths, address key challenges, and stabilize the business. Having successfully achieved this, we are now forging ahead with our "Return to our ROOTS" initiative—an ambitious strategy centered on driving organic growth, optimizing margins and cash flow, and reducing debt. With this sharp focus, I am confident that Curaleaf will not only maintain but expand its leadership position. We will build on the strong organic growth seen in our International business, Ohio, and New York, while harnessing our innovation pipeline to elevate our product offerings. As we step into 2025, there are tremendous opportunities ahead for Curaleaf."

Fourth Quarter 2024 Financial Highlights

- Net Revenue of $331.1 million, a year-over-year decrease of 4% compared to Q4 2023 revenue of $345.3 million. Sequentially, net revenue was flat compared to Q3 2024.
- Gross profit of $157.4 million and gross margin of 48%, an increase of 230 basis points year-over-year.
- Adjusted gross profit[1] of $158.7 million and adjusted gross margin[1] of 48%, an increase of 150 basis points year-over-year.
- Net loss attributable to Curaleaf Holdings, Inc. from continuing operations of $71.8 million or net loss per share from continuing operations of $0.10.
- Adjusted net income[1] from continuing operations of $12.4 million or adjusted net income per share from continuing operations of $0.02.
- Adjusted EBITDA[1] of $75.8 million and adjusted EBITDA margin[1] of 23%, a 117 basis point decrease year-over-year.
- Cash at quarter end totaled $107.2 million.

[1] Adjusted EBITDA, adjusted net income (loss), adjusted gross profit and free cash flow are non-GAAP financial measures, and adjusted EBITDA margin, adjusted net income (loss) per share and adjusted gross margin are non-GAAP financial ratios, in each case without a standardized definition under GAAP and which may not be comparable to similar measures used by other issuers. See "Non-GAAP Financial Performance Measures" below for definitions and more information regarding Curaleaf's use of non-GAAP financial measures and non-GAAP financial ratios. See "Reconciliation of Non-GAAP financial measures" below for a reconciliation of each non-GAAP financial measure used in this press release from the most directly comparable GAAP financial measure.

Full Year 2024 Financial Highlights

- Net revenue of 1.34 billion, flat year-over-year
- International revenue of $105.6 million, an increase of 73% compared to 2023 revenue of $61.0 million
- Gross profit of $639.2 million and gross margin of 48%
- Adjusted gross profit[(1)] of $644.5 million and adjusted gross margin[(1)] of 48%
- Operating cash flow from continuing operations of $163.3 million and free cash flow from continuing operations of $70.1 million
- Net loss from continuing operations of $216.2 million or net loss per share from continuing operations of $0.29
- Adjusted net loss[(1)] from continuing operations of $116.8 million or adjusted net loss per share from continuing operations of $0.16
- Adjusted EBITDA[(1)] of $300.8 million and adjusted EBITDA margin of 22%

Fourth Quarter 2024 Operational Highlights

- In Florida, opened two new dispensaries in Port St. Lucie and Miami, bringing the state total to66 retail stores and the U.S. total to 151 U.S. retail stores
- Successfully introduced Curaleaf and Find flower into the German market
- Rebranded our three Nevada stores to Curaleaf stores
- Secured a $40 million revolving credit facility directly with a major commercial regional bank at a7.99% interest rate that matures December 15, 2026, a milestone for a cannabis company

Post Fourth Quarter 2024 Operational Highlights

- The Hemp Company by Curaleaf began distributing its line of hemp derived THC seltzers in Total Wine across nine states and in over 100 stores
- Introduced a 2.5mg formulation of our Select Zero Proof seltzers
- Launched Reef flower brand in Florida

Revenues, net by Segment

($ thousands)

	Three Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
Domestic revenues:			
Retail revenue	$ 235,698	$ 243,253	$ 270,473
Wholesale revenue	64,322	57,199	56,094
Management fee income	361	504	709
Total domestic revenues	$ 300,381	$ 300,956	$ 327,276

	Three Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
International revenues:			
Retail revenue	$ 11,703	$ 9,997	$ 6,641
Wholesale revenue	17,635	18,484	10,469
Management fee income	1,335	1,093	883
Total international revenues	$ 30,673	$ 29,574	$ 17,993

	Years Ended December 31,	
	2024	2023
Domestic revenues:		
Retail revenue	$ 994,718	$ 1,076,101
Wholesale revenue	240,862	206,600
Management fee income	1,671	2,924
Total domestic revenues	$ 1,237,251	$ 1,285,625

	Years Ended December 31,	
	2024	2023
International revenues:		
Retail revenue	$ 38,047	$ 21,071
Wholesale revenue	63,079	37,006
Management fee income	4,425	2,930
Total international revenues	$ 105,551	$ 61,007

Balance Sheet and Cash Flow

As of December 31, 2024, the Company had $107.2 million of cash and $568.6 million of outstanding debt net of unamortized debt discounts.

During the year ended December 31, 2024, Curaleaf invested $93.2 million in capital expenditures, focused on facility upgrades, automation, and selective retail expansion in strategic markets.

Shares Outstanding

For the fourth quarter of 2024 and 2023, the Company's weighted average Subordinate Voting Shares plus Multiple Voting Shares outstanding amounted to 748,936,695 and 733,514,919 shares, respectively.

For the years ended December 31, 2024 and 2023, the Company's weighted average Subordinate Voting Shares plus Multiple Voting Shares outstanding amounted to 740,825,099 and 724,124,894 shares, respectively.

Conference Call Information

The Company will host a conference call and audio webcast for investors and analysts on Monday, March 3, 2025 at 5:00 P.M. ET to discuss Q4 2024 earnings results. The call can be accessed by dialing 1-844-512-2926 in the U.S., Canada 1-416-639-5883, or internationally from 1-412-317-6300. The conference pin # is 4167856.

A replay of the conference call can be accessed at 1-877-344-7529 in the U.S., Canada 1-855-669-9658, or internationally from 1-412-317-0088, using the replay pin # 5547953.

A webcast of the call can be accessed on the investor relations section of the Curaleaf website at ir.curaleaf.com. The teleconference will be available for replay starting at approximately 7:00 P.M. ET on Monday, March 3, 2025 and will end at 11:59 P.M. ET on March 10, 2025.

Non-GAAP Financial and Performance Measures

Curaleaf reports its financial results in accordance with GAAP and uses a number of financial measures and ratios when assessing its results and measuring overall performance. Some of these financial measures and ratios are not calculated in accordance with GAAP. Curaleaf refers to certain non-GAAP financial measures and ratios, such as “adjusted gross profit”, “adjusted gross margin”, “adjusted net income (loss)”, “adjusted EBITDA”, “adjusted EBITDA margin” and “Free cash flow from operations”. These measures do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other issuers. Curaleaf defines “adjusted gross profit” as gross profit net of cost of goods sold and related other add-backs. “Adjusted gross margin” is defined by Curaleaf as adjusted gross profit divided by total revenues. “Adjusted net income (loss)” is defined by Curaleaf as net income (loss) from continuing operations net of (gain) loss on impairments and other add-backs. “Adjusted EBITDA” is defined by Curaleaf as earnings before interest, taxes, depreciation and amortization less share-based compensation expense and other add-backs related to business development, acquisition, financing and reorganization costs. “Adjusted EBITDA margin” is defined by Curaleaf as adjusted EBITDA divided by total revenue. “Free cash flow from operations” is defined by Curaleaf as net cash provided by operating activities from continuing operations less the purchases of property, plant and equipment (i.e. net capital expenditures). Curaleaf considers these measures to be an important indicator of the financial strength and performance of our business. Curaleaf believes the adjusted results presented provide relevant and useful information for investors, because they clarify our actual operating performance, make it easier to compare our results with those of other companies and allow investors to review performance in the same way as our management. Since these measures are not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, our reported GAAP financial results as indicators of our performance, and they may not be comparable to similarly named measures from other companies. The tables below provide reconciliations of Non-GAAP measures to the most directly comparable GAAP measures.

Reconciliation of Non-GAAP financial measures

Adjusted Gross Profit from Continuing Operations

($ thousands)

	Three Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
Gross profit from continuing operations	$ 157,363	$ 160,516	$ 156,192
Other add-backs[1]	1,324	772	4,205
Adjusted gross profit from continuing operations [2]	$ 158,687	$ 161,288	$ 160,397
Adjusted gross profit margin from continuing operations [2]	47.9 %	48.8 %	46.5 %

[1] Other add-backs reflect the impact of various non-recurring and/or non-routine transactions to cost of goods sold related to severance, inventory adjustments and facility-related expenses.

[2] Represents a Non-GAAP measure or Non-GAAP ratio. See preceding "Non-GAAP Financial and Performance Measures" section for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Gross profit from continuing operations, the most comparable GAAP measure, to Adjusted gross profit from continuing operations, a non-GAAP measure.

Gross profit from continuing operations was $157.4 million in the fourth quarter of 2024, compared with $156.2 million in the prior year period. Adjusted gross profit from continuing operations for the fourth quarter of 2024 was $158.7 million compared with $160.4 million in the fourth quarter of 2023. Adjusted gross profit margin from continuing operations for the fourth quarter of 2024 was 48%, an increase of 150 basis points compared with the fourth quarter of 2023. The year-over-year increase in adjusted gross profit margin was due to lower production costs, an increase in vertical mix and higher utilization, partially offset by price compression and discounts.

	Years Ended	
	December 31, 2024	December 31, 2023
Gross profit from continuing operations	$ 639,248	$ 614,449
Other add-backs[1]	5,269	10,639
Adjusted gross profit from continuing operations [2]	$ 644,517	$ 625,088
Adjusted gross profit margin from continuing operations [2]	48.0 %	46.4 %

[1] Other add-backs reflect the impact of various non-recurring and/or non-routine transactions to cost of goods sold related to severance, inventory adjustments and facility-related expenses.

[2] Represents a Non-GAAP measure or Non-GAAP ratio. See preceding "Non-GAAP Financial and Performance Measures" section for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Gross profit from continuing operations, the most comparable GAAP measure, to Adjusted gross profit from continuing operations, a non-GAAP measure.

Gross profit from continuing operations was $639.2 million in the year ended December 31, 2024, compared with $614.4 million in the year ended December 31, 2023. Adjusted gross profit from continuing operations for the year ended December 31, 2024 was $644.5 million compared with $625.1 million in the year ended December 31, 2023. Adjusted gross profit margin from continuing operations for the year ended December 31, 2024 was 48%, an increase of 160 basis points compared with the year ended December 31, 2023.

Adjusted Net Loss from Continuing Operations

($ thousands)

	Three Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
Net loss from continuing operations	$ (71,777)	$ (44,348)	$ (57,652)
Loss on impairments	55,790	642	42,287
Other add-backs[1]	28,363	5,435	10,352
Adjusted net income (loss) from continuing operations [2]	$ 12,376	$ (38,271)	$ (5,013)
Adjusted net income (loss) per share from continuing operations[2]	$ 0.02	$ (0.05)	$ (0.01)
Weighted average common shares outstanding – basic and diluted	748,936,695	742,535,355	733,514,919

[1] Other add-backs in Q4 2024 primarily include costs related to salaries and benefits, accounting, legal and professional fees and cost of good sold.

[2] Represents a non-GAAP measure or Non-GAAP ratio. See preceding "Non-GAAP Financial and Performance Measures" section for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Net loss from continuing operations, the most comparable GAAP measure, to Adjusted net loss from continuing operations, a non-GAAP measure.

	Years Ended	
	December 31, 2024	December 31, 2023
Net loss from continuing operations	$ (216,221)	$ (238,955)
Loss on impairments	54,245	67,076
Other add-backs[1]	45,175	45,774
Adjusted net loss from continuing operations [2]	$ (116,801)	$ (126,105)
Adjusted net loss per share from continuing operations [2]	$ (0.16)	$ (0.17)
Weighted average common shares outstanding – basic and diluted	740,825,099	724,124,894

[1] Other add-backs in the current year ended December 31, 2024 primarily include costs related to salaries and benefits, cost of goods sold, accounting, legal and professional fees and lobbyist/PR spend.

[2] Represents a non-GAAP measure or Non-GAAP ratio. See preceding "Non-GAAP Financial and Performance Measures" section for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Net loss from continuing operations, the most comparable GAAP measure, to Adjusted net loss from continuing operations, a non-GAAP measure.

Adjusted EBITDA

($ thousands)

	Three Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
Net loss	$ (78,473)	$ (42,728)	$ (65,647)
Net (loss) income from discontinued operations	(6,696)	1,620	(7,995)
Net loss from continuing operations	(71,777)	(44,348)	(57,652)
Interest expense, net	24,170	25,097	28,422
(Benefit) provision for income taxes	(5,454)	32,566	(2,974)
Depreciation and amortization[1]	74,891	54,612	52,861
Share-based compensation	5,327	6,017	5,833
Loss on impairment	55,790	642	42,287
Total other (income) expense, net	(12,010)	(4,728)	3,884
Other add-backs[2]	4,863	5,435	10,352
Adjusted EBITDA[3]	$ 75,800	$ 75,293	$ 83,013
Adjusted EBITDA Margin[3]	22.9%	22.8%	24.0 %

[1] Depreciation and amortization expense include amounts charged to Cost of goods sold on the Statement of Operations.

[2] Other add-backs in Q4 2024 primarily include costs related to salaries and benefits, accounting, legal and professional fees and cost of good sold.

[3] Represents a non-GAAP measure or Non-GAAP ratio. See "Non-GAAP Financial and Performance Measures" below for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Net loss, the most comparable GAAP measure to Adjusted EBITDA, a non-GAAP measure.

Adjusted EBITDA was $75.8 million for the fourth quarter of 2024, compared to $83.0 million for the fourth quarter of 2023, and Adjusted EBITDA margin declined to 23%.

	Years Ended	
	December 31, 2024	December 31, 2023
Net loss	$ (222,007)	$ (290,337)
Net loss from discontinued operations	(5,786)	(51,382)
Net loss from continuing operations	(216,221)	(238,955)
Interest expense, net	99,840	100,359
Provision for income taxes	98,592	114,589
Depreciation and amortization[1]	233,233	195,880
Share-based compensation	25,696	20,010
Loss on impairment	54,245	67,076
Total other income, net	(16,259)	(186)
Other add-backs[2]	21,674	45,774
Adjusted EBITDA[3]	$ 300,800	$ 304,547
Adjusted EBITDA Margin[3]	22.4%	22.6%

[1] Depreciation and amortization expense include amounts charged to Cost of goods sold on the Statement of Operations.

[2] Other add-backs in the current year ended December 31, 2024 primarily include costs related to salaries and benefits, cost of goods sold, accounting, legal and professional fees and lobbyist/PR spend.

[3] Represents a non-GAAP measure or Non-GAAP ratio. See "Non-GAAP Financial and Performance Measures" below for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Net loss, the most comparable GAAP measure, to Adjusted EBITDA, a non-GAAP measure.

Adjusted EBITDA was $300.8 million in the year ended December 31, 2024, compared with $304.5 million in the prior year period, and Adjusted EBITDA margin declined to 22%.

Free Cash Flow

($ thousands)

	Year ended December 31, 2024
Net cash provided by operating activities from continuing operations	$ 163,293
Less: Capital expenditures	(93,153)
Free cash flow from continuing operations [1]	$ 70,140

[1] Represents a Non-GAAP measure or Non-GAAP ratio. See "Non-GAAP Financial and Performance Measures" above for definitions and more information regarding Curaleaf's use of Non-GAAP financial measures and Non-GAAP ratios. The table above provides a reconciliation of Net cash provided by operating activities from continuing operations, a GAAP measure, to Free cash flow from continuing operations, a non-GAAP measure.

Condensed Consolidated Balance Sheets

($ thousands)

	As of	
	December 31, 2024	December 31, 2023
Assets		
Cash, cash equivalents and restricted cash	$ 107,226	$ 91,818
Other current assets	322,455	326,785
Property, plant and equipment, net	546,426	571,627
Right-of-use assets, finance lease, net	105,168	143,203
Right-of-use assets, operating lease, net	116,519	118,435
Intangible assets, net	1,085,397	1,172,445
Goodwill	628,884	626,628
Other long-term assets	37,461	45,635
Total assets	$ 2,949,536	$ 3,096,576
Liabilities, Temporary equity and Shareholders' equity		
Total current liabilities	$ 387,925	$ 494,034
Total long-term liabilities	1,568,218	1,431,250
Total shareholders' equity	861,214	1,050,642
Redeemable non-controlling interest contingency	132,179	120,650
Total liabilities, temporary equity and shareholders' equity	$ 2,949,536	$ 3,096,576

Consolidated Statements of Operations

($ thousands, except for share and per share amounts)

	Three months ended December 31,		Years ended December 31,	
	2024	2023	2024	2023
Revenues, net:				
Retail and wholesale revenues	$ 329,358	$ 343,678	$ 1,336,706	$ 1,340,778
Management fee income	1,696	1,591	6,096	5,854
Total revenues, net	331,054	345,269	1,342,802	1,346,632
Cost of goods sold	173,691	189,077	703,554	732,183
Gross profit	157,363	156,192	639,248	614,449
Operating expenses:				
Selling, general and administrative	101,337	98,458	421,532	414,773
Share-based compensation	5,327	5,833	25,696	20,010
Depreciation and amortization	59,980	37,934	171,823	136,783
Total operating expenses	166,644	142,225	619,051	571,566
(Loss) income from operations	(9,281)	13,967	20,197	42,883
Other income (expense):				
Interest income	176	—	776	23
Interest expense	(14,113)	(17,837)	(59,353)	(57,966)
Interest expense related to lease liabilities and financial obligations	(10,233)	(10,585)	(41,263)	(42,416)
Loss on impairment	(55,790)	(42,287)	(54,245)	(67,076)
Other income (expense), net	12,010	(3,884)	16,259	186
Total other expense, net	(67,950)	(74,593)	(137,826)	(167,249)
Loss before provision for income taxes	(77,231)	(60,626)	(117,629)	(124,366)
Benefit (provision) for income taxes	5,454	2,974	(98,592)	(114,589)
Net loss from continuing operations	(71,777)	(57,652)	(216,221)	(238,955)
Net loss from discontinued operations	(6,696)	(7,995)	(5,786)	(51,382)
Net loss	(78,473)	(65,647)	(222,007)	(290,337)
Less: Net loss attributable to non-controlling interest	(910)	(2,419)	(6,584)	(9,140)
Net loss attributable to Curaleaf Holdings, Inc.	$ (77,563)	$ (63,228)	$ (215,423)	$ (281,197)
Per share – basic and diluted:				
Net loss per share from continuing operations – basic and diluted	$ (0.10)	$ (0.08)	$ (0.29)	$ (0.33)
Weighted average common shares outstanding – basic and diluted	748,936,695	733,514,919	740,825,099	724,124,894

About Curaleaf Holdings

Curaleaf Holdings, Inc. (TSX: CURA) (OTCQX: CURLF) ("Curaleaf") is a leading international provider of consumer products in cannabis with a mission to enhance lives by cultivating, sharing and celebrating the power of the plant. As a high-growth cannabis company known for quality, expertise and reliability, the Company and its brands, including Curaleaf, Select, Grassroots, JAMS, Find, The Hemp Company and Zero Proof provide industry-leading service, product selection and accessibility across the medical and adult use markets. Curaleaf International is powered by a strong presence in all stages of the supply chain. Its unique distribution network throughout Europe, Canada and Australasia brings together pioneering science and research with cutting-edge cultivation, extraction and production. Curaleaf is listed on the Toronto Stock Exchange under the symbol CURA and trades on the OTCQX market under the symbol CURLF. For more information, please visit https://ir.curaleaf.com.

Curaleaf IR X Account: https://x.com/Curaleaf_IR

Investor Relations Website: https://ir.curaleaf.com/

Contact Information:

Investor Contact:

Curaleaf Holdings, Inc.
Camilo Lyon, Chief Investment Officer
ir@curaleaf.com

Media Contact:
Curaleaf Holdings, Inc.
Jordon Rahmil, VP Public Relations
media@curaleaf.com

Disclaimer

This press release contains “forward-looking information” and “forward-looking statements” within the meaning of Canadian securities laws and U.S. securities laws (collectively, “forward-looking statements”). Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on management’s current beliefs, expectations or assumptions regarding the future of the business, plans and strategies, operational results and other future conditions of the Company. In addition, the Company may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Company that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “assumptions”, “assumes”, “guidance”, “outlook”, “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal” or the negative of those words or other similar or comparable words. In particular, but without limiting the foregoing, disclosure in this press release as well as statements regarding the Company’s objectives, plans and goals, including benefits of recent or future acquisitions, rebranding and product offering expansion, as well as future operating results and economic performance are forward-looking statements. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations.

Holders of securities of the Company are cautioned that forward-looking statements are not based on historical facts but instead are based on reasonable assumptions and estimates of management of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: risks and uncertainties related to the legality of cannabis in the U.S., including the fact that cannabis is a controlled substance under the United States Federal Controlled Substances Act; anti-money laundering laws and regulations; the lack of access to U.S. bankruptcy protections; financing risks, including risks related to additional financing and restricted access to banking; general regulatory and legal risks, including the potential constraints on the Company’s ability to expand its business in the U.S. by virtue of the restrictions of the TSX following the TSX listing; risk of legal, regulatory or political change; general regulatory and licensing risks; limitation on ownership of licenses; risks relating to regulatory action and approvals from the U.S. Food and Drug Administration (“FDA”); the fact that cannabis may become subject to increased regulation by the FDA; potential heightened scrutiny by regulatory authorities following the TSX listing; loss of foreign private issuer status; risks related to internal controls over financial reporting; litigation risks; increased costs as a result of being a public company in Canada and the U.S.; recent and proposed legislation in respect of U.S. cannabis licensing; environmental risks, including risks related to environmental regulation and unknown environmental risks; general business risks including risks related to the Company’s expansion into foreign jurisdictions; future acquisitions or dispositions; service providers; enforceability of contracts; the ability of our shareholders to resell their subordinate voting shares on the Toronto Stock Exchange; the Company’s reliance on senior management and key personnel, and the Company’s ability to recruit and retain such senior management and key personnel; competition risks; risks inherent in an agricultural business; unfavorable publicity or consumer perception; product liability; product recalls; the results of future clinical research; dependence on suppliers; reliance on inputs; risks related to limited market data and difficulty to forecast; intellectual property risks; constraints on marketing products; fraudulent or illegal activity by employees, consultants

and contractors; increased labor costs based on union activity; information technology systems and cyber-attacks; security breaches; the Company's reliance on management services agreements with subsidiaries and affiliates; website accessibility; high bonding and insurance coverage; risks of leverage; management of the Company's growth; the fact that past performance may not be indicative of future results and that financial projections may prove materially inaccurate or incorrect; risks related to conflicts of interests; challenging global economic conditions; currency fluctuations; risks related to the Company's business structure and securities; including the status of the Company as a holding company; no dividend record; risks related to the senior secured notes of the Company; concentrated voting control; risks related to the sale of a substantial amount of the Company's subordinate voting shares; the volatility of the market price for the subordinate voting shares; liquidity risks associated with an investment in the subordinate voting shares; risks associated with securities or industry analysts not publishing or ceasing to publish research or reports or publishing misleading information about the Company; the potentially limited market for the subordinate voting shares for holders of the Company's securities who live in the U.S.; shareholders having little to no rights to participate in the Company's business affairs; enforcement against directors and officers outside of Canada may prove difficult; and tax risks; as well as those risk factors discussed under "Risk Factors" in the Company's Annual Information Form dated March 3, 2025 for the fiscal year ended December 31, 2024, and additional risks described in the Company's Annual Management's Discussion and Analysis for the year ended December 31, 2024 (both of which documents have been or will be filed on the Company's SEDAR+ profile at www.sedarplus.ca and on its EDGAR profile at www.sec.gov/edgar/html), and as described from time to time in documents filed by the Company with Canadian securities regulatory authorities. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. You should not place undue reliance on forward-looking statements contained in this press release. Such forward-looking statements are made as of the date of this press release. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Neither the Toronto Stock Exchange nor its Regulation Service Provider has reviewed and does not accept responsibility for the adequacy or accuracy of the content of this press release.