

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 28, 2023

**Commission file number 000-56021**

**ACREAGE HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

**British Columbia, Canada**

(State or other jurisdiction of incorporation or organization)

**366 Madison Ave, 14<sup>th</sup> floor**

(Address of Principal Executive Offices)

**New York**

**New York**

**98-1463868**

(I.R.S. Employer Identification No.)

**10017**

(Zip Code)

**(646) 600-9181**

Registrant's telephone number, including area code

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None.

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class E subordinate voting shares	ACRHF	OTC Markets Group Inc.
Class D subordinate voting shares	ACRDF	OTC Markets Group Inc.

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

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

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On June 28, 2023, Acreage Holdings, Inc. (the “Company” or “Acreage”) announced that it had appointed Carl B. Nesbitt to serve as the Company’s Chief Financial Officer, effective July 3, 2023.

Mr. Nesbitt, 51, brings over 25 years of financial leadership experience to Acreage, having spent more than two decades working within the consumer packaged goods industry. Before joining Acreage, Mr. Nesbitt served as chief financial officer at Nutritional Frontiers Inc., a vitamin and supplement distributor, from August 2022 to June 2023. Previously, he held the role of vice president of finance for GlaxoSmithKline’s North American Consumer Healthcare business from March 2015 to January 2020, where he also held other financial leadership roles of increasing responsibility from 2007 to 2015. Mr. Nesbitt also held financial management positions at Del Monte Foods, New World Pasta and RR Donnelley. Mr. Nesbitt holds a Bachelor of Science in Finance from Clarion University and a Masters of Business Administration from Lebanon Valley College.

On June 28, 2023, the Company entered into an offer letter (the “Nesbitt Offer Letter”) with Mr. Nesbitt with respect to his employment as Chief Financial Officer. The Nesbitt Offer Letter provides for Mr. Nesbitt to receive an annual base salary of \$315,000 and subject to approval by the Board, and to be granted as soon as is practicable, a one-time additional equity award with a value of \$315,000.

The Nesbitt Offer Letter also provides that Mr. Nesbitt will be eligible for (a) an annual bonus award with a target annual incentive of 75% of base salary with potential of up to 200% of his base salary, based on achievement of certain Acreage financial performance targets to be set by the Corporate Governance and Compensation Committee of the Board (the “Committee”); (b) an additional long-term equity award with target annual incentive potential of up to 300% of his base salary, based on achievement of certain Company financial performance targets to be set by the Committee; and (c) severance benefits equal to six months of Mr. Nesbitt’s base salary following his termination by the Company without cause.

There are no arrangements or understandings with any other person pursuant to which Mr. Nesbitt was appointed as the Company’s Chief Financial Officer, and there are no family relationships between Mr. Nesbitt and any director or executive officer of the Company. Additionally, there are no transactions between Mr. Nesbitt and the Company that would be required to be reported under Item 404(a) of Regulation S-K.

On June 28, 2023, Acreage issued a news release announcing Mr. Nesbitt’s appointment, a copy of which is furnished with this Current Report on Form 8-K as Exhibit 99.1. In addition, a copy of the Nesbitt Offer Letter is filed with this report as Exhibit 10.1. The foregoing description of the terms of the Nesbitt Offer Letter is a summary of select terms, is not complete, and is qualified in its entirety by reference to the full text thereof, which is incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

<b><u>Exhibit No.</u></b>	<b><u>Description of Exhibit</u></b>
<a href="#">10.1</a>	<a href="#">Offer Letter between Acreage Holdings, Inc. and Carl B. Nesbitt, dated June 28, 2023.</a>
<a href="#">99.1</a>	<a href="#">Press Release of Acreage Holdings, Inc., dated June 28, 2023.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ACREAGE HOLDINGS, INC.**

By: /s/ Corey Sheahan  
Corey Sheahan  
Executive Vice President, General Counsel and Secretary

Date: July 3, 2023

June 28, 2023

Carl Nesbitt  
XXXXXXXXXX  
XXXXXXXXXX

**Re: Offer of Employment**

Dear Carl:

1. Offer and Position

We are very pleased to extend an offer of employment to you for the position of Chief Financial Officer (“CFO”) of Acreage Holdings, Inc. (the “Company”). This offer is subject to the terms and conditions set forth in this letter (the “Offer Letter”). This Offer Letter will be binding upon execution (the “Execution Date”). The Board will take all such actions required for you to be appointed as CFO as of the Start Date (as defined below).

2. Duties, Authority and Responsibilities

In your capacity as CFO, you will have such duties, authorities and responsibilities as are (a) commensurate with such title (including managing the day-to-day business activities of the Company and its subsidiaries subject to oversight by the Chief Executive Officer (“CEO”) of the Company), (b) required of such position, and (c) assigned to you from time to time by the CEO that are reasonably consistent with your position. You will report directly to CEO and will be subject to and comply with the Company’s written policies during your employment with the Company (including but not limited to policies related to prohibited harassment, discrimination, and retaliation, and prohibited insider trading). You agree to devote substantially all of your business time and attention to the performance of your duties; provided that (x) you shall not be precluded from engaging in civic, charitable or religious activities, (y) you shall not be precluded from serving on the board of directors of a corporation or similar governing body of another company that is not a competitor to the Company or its subsidiaries and that is approved in advance by the Board, *provided however*, that while you are CFO you will not serve on more than two other boards of directors for any other for-profit business and may be required to resign from these boards in the event that such service interferes with your ability to perform the duties of CFO for the Company, and (z) you shall not be precluded from managing your passive investments. Notwithstanding the foregoing, any outside activities must be in compliance with the Company’s policies, including its Code of Ethics, including approval procedures, and must not materially interfere with your duties as CFO.

3. Start Date

Your start date as CFO will be **July 3, 2023** (the “Start Date”).

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4. Base Salary

In consideration of your services, you will be paid an initial base salary of \$315,000, subject to periodic reviews by the Compensation and Corporate Governance Committee of the Board (the “Committee”), as determined in its sole and absolute discretion, payable in accordance with the standard payroll practices of the Company and subject to all withholdings and deductions as required by law. This is a full-time, exempt position meaning you are not eligible for overtime pay should you work more than forty hours in a work week. Your initial base salary and any such adjustment in initial base salary shall constitute “Base Salary” for the purposes of this Offer Letter.

5. Annual Bonus Award

In addition to your Base Salary, you are eligible for a short-term annual incentive bonus of 75% of your Base Salary (the “Annual Bonus Award”), with a payout range of zero to two times your base salary contingent upon your achievement of certain performance criteria set by the Compensation and Corporate Governance Committee (“Committee”) and the Board. Your Annual Bonus Award is based on eligible Base Salary earnings during the year inclusive of Paid Time Off (PTO).

The decision to provide any Annual Bonus Award and the amount and terms of any Annual Bonus Award shall be in the sole and absolute discretion of the Committee and the Board. The Committee shall determine achievement of all of the financial performance targets for the Annual Bonus Award.

6. Long-Term Equity Award

During your employment with the Company, you will be eligible to participate in the Company’s Omnibus Equity Incentive Plan, as amended from time to time (the “Omnibus Plan”), and receive equity awards thereunder in the form and at the time(s) as may be determined by the Committee and the Board, and subject to vesting and other conditions as set forth in the Omnibus Plan and the applicable award agreements. Your long-term equity award will be calculated at 300% of base salary beginning in 2024.

7. One-Time Equity Grant

Subject to approval of the Board the Company will also grant you an equity award under the Omnibus Plan (the “Initial Award”) on your start date. The initial award shall consist of an amount equal to your Base Salary. The Fixed Options and Floating Options included in the Initial Award shall have the lowest possible exercise price determined on the date that the Initial Award is granted, for purposes of the policies of the CSE, based on the date the Board approves the grant. In no circumstance, however, will the exercise price be less than the “market price” as determined on the date that the Initial Award is granted for purposes of the policies of the CSE.

The Initial Award will be granted under and subject to the terms of the Stock Plan and evidenced in writing by, and subject to the terms of the RSU award agreement.

8. Minimization of Tax Consequences

The Company agrees to use commercially reasonable efforts in cooperation with you to minimize any tax consequences that you may have as a result of any compensation earned under this Offer Letter, including but not limited to the structure, transfer or payment of stock options or restricted stock units that you have earned or may earn in the future, provided however, that the Company shall not be required to take any actions that would result in an adverse tax, business, financial or other negative impact on the Company or an increase in cost for the Company, and further provided that the Company shall comply with all applicable laws, statutes, and regulations.

9. Other Benefits and Perquisites

Beginning on the first month following your date of hire, you will be continue to be eligible to participate in the employee benefit plans and programs generally available to the Company's employees and consistent with such plans and programs of the Company as in effect as of the date hereof, including but not limited to medical, life and disability insurance, retirement, vacation/paid time off, fringe benefit, perquisite, business expense reimbursement and travel plans or programs, in accordance with and subject to eligibility and other terms and conditions of such plans and programs, as in effect from time to time. The Company reserves the right to amend, modify or terminate any of its benefit plans or programs at any time and for any reason except as set forth in this Offer Letter.

10. Withholding

All forms of compensation paid to you as an employee of the Company shall be less all applicable withholdings.

11. Termination Without Cause

If the Company terminates your employment without Cause (as defined below in this Section 11), then upon execution of a reasonable and customary separation agreement and general release of claims satisfactory to the Company (which shall be governed by New York law, and referred to as the "Release"), the Company shall provide you with the following severance benefits (the "Severance Benefits"):

(a) Severance Benefits. Commencing on the first payroll date following the effective date of the Release, the Company will pay Severance Benefits equal to your Base Salary for a period of six months, payable in instalments on the Company's regular payroll dates, subject to required and authorized normal withholdings and deductions. Notwithstanding the foregoing, in the event that the period during which you can consider, adopt, and/or revoke the Release shall cross calendar years, all payments made during such period shall accumulate and be made in the succeeding calendar year.

(b) Medical Benefits. If you timely elect continuation of medical coverage under the Consolidated Omnibus Budget and Reconciliation Act of 1985, as amended, or, if

applicable, state insurances laws (collectively, “COBRA”), then, as part of your Severance Benefits, the Company will pay the employer portion of the premiums necessary to continue your medical coverage (including coverage for eligible dependents, if applicable) through the period starting on the termination date and ending on the earliest to occur of: (i) the six-month anniversary of your termination date, (ii) the date you and your eligible dependents, if applicable, become eligible for group health insurance coverage through a new employer; or (iii) the date you cease to be eligible for COBRA continuation coverage for any reason, including plan termination. If you become eligible for coverage under another employer’s group health plan, you must notify the Company of such event.

(c) Breach of Severance Obligations. If at any time while you are receiving Severance Benefits from the Company, you materially breach any contractual or other obligation to the Company (to be determined at the discretion of the Board), the Severance Benefits as described above shall immediately cease. Following termination of your employment, any benefits to which you may be entitled pursuant to the Company’s employee benefit plans and policies shall be determined and paid in accordance with the terms of such plans and policies, and you shall have no further right to receive any other compensation, or to participate in any other plan, arrangement or benefit, with respect to future periods after such termination.

(d) Cause. For purposes of this Section 11, “Cause” means any of the following: (i) you have engaged in material acts of dishonesty, or acts of fraud against or at the expense of the Company; (ii) you have been convicted of, or pleaded nolo contendere, to any felony or crime of moral turpitude; (iii) your gross negligence or willful misconduct in the performance of your duties to the Company that remains uncured (to the extent such misconduct is subject to cure) for a period of 30 days after written notice; (iv) you have engaged in any conduct which materially and adversely affects the business affairs of the Company, or materially violates the policies of the Company; (v) you have refused to substantially perform your duties and responsibilities, or persistently neglect your duties, or experience chronic unapproved absenteeism, in each case which continues uncured after you receive 30 days’ written notice thereof from the Company; (vi) your unauthorized disclosure of trade secrets or other confidential information (as defined in writing by the Company) of the Company; or (vii) you materially breach any fiduciary duty owed to the Company. The determination of whether “Cause” exists shall be made by the Board, and its determination shall be final, conclusive and binding, subject to challenge by process of law.

## 12. At-will Employment

Your employment with the Company will be for no specific period of time. Rather, your employment will be at-will, meaning that you or the Board may terminate your employment relationship at any time, with or without cause, and with or without notice and for any reason or no particular reason. Nothing in this Offer Letter shall be construed to alter the at-will nature of your employment with the Company. Although your compensation and benefits may change from time to time, the at-will nature of your employment may only be changed by an express written agreement signed on behalf of the Company by an authorized officer of the Company. Upon the termination of your employment with the Company for any reason, you will

immediately and without the need for any additional action be deemed to have resigned from all officer positions with the Company, as a member of the governing boards of the Company, and a member of the Board if you are ever appointed to the Board. This offer of employment is contingent upon your provision of proof of authorization to work in the United States, acceptable references, and background verifications. You will also be asked to read and acknowledge receipt of the Employee Handbook and to sign and comply with the Non-Disclosure Agreement (the “NDA”), which prohibits, among other things, the unauthorized use or disclosure of the Company’s confidential and proprietary information.

13. Governing Law; Entire Agreement

This Offer Letter shall be governed by the laws of the State of New York, without regard to conflict of law principles. Unless specifically provided herein, this Offer Letter and its Exhibits contain all of the understandings and representations between you and the Company pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter between you and the Company. However, for the avoidance of doubt, this Offer Letter shall not supersede or terminate any agreements award agreements between you and the Company for awards issued under the Company’s incentive plan.

14. Indemnification

The Company shall defend, indemnify and hold you harmless to the maximum extent permitted by applicable law, against all claims, liabilities, costs, charges and expenses incurred or sustained by you in connection with any action, lawsuit, arbitration, mediation or other proceeding to which you may be made a party or may be required to respond to a lawful subpoena by reason of being an Officer, Director or employee of the Company, to the extent based on actions taken in the course and scope of your employment with the Company. This provision shall survive termination of your employment with the Company.

15. Mandatory Arbitration

Any dispute, controversy or claim arising out of or related to this Offer Letter or any breach of this Offer Letter, or arising out of or related to your employment with the Company, shall be submitted to and decided by mandatory binding arbitration administered under New York law and venued in New York City. You and the Company agree that each is giving up the right to a jury trial or to file a lawsuit in court against the other, as well as the right to bring a class or collective action against the other in court or in arbitration. The parties agree to jointly select a retired Judge as the single arbitrator, who shall have the power and authority, with the parties’ input, to set a schedule and process for pre-hearing and hearing matters. The parties shall share equally the cost of arbitration, although any party may make application for cost-shifting to the Arbitrator, who shall have the power and authority to apportion any and all costs in his or her discretion. If the parties are unable to agree on an arbitrator, then the arbitration shall be administered by the American Arbitration Association and shall be conducted consistent with the rules, regulations, and requirements thereof as well as any requirements imposed by state law. Any arbitral award determination shall be final and binding upon the parties.



16. Representations

You represent that you are not party to any agreement that would limit your ability to accept this Offer Letter and to discharge your duties to the Company. By accepting employment with us, you acknowledge that you have no continuing non-competition obligations to any previous employer(s). Additionally, you agree that during your employment you will not engage in any conduct that would violate any continuing obligations you may have to any previous employer(s) with respect to solicitations or confidentiality.

17. Section 409A

The intent of the parties is that the payments and benefits under this Offer Letter comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the rules and regulations and Internal Revenue Service notices thereunder, and accordingly, to the maximum extent permitted, this Offer Letter shall be interpreted to be in compliance therewith.

If any payment, compensation or other benefit provided to you under this Offer Letter in connection with your “separation from service” (within the meaning of Section 409A) is determined, in whole or in part, to constitute “nonqualified deferred compensation” within the meaning of Section 409A and you are a specified employee as defined in Section 409A(2)(B)(i), no part of such payments shall be paid before the day that is six months plus one day after the date of termination or, if earlier, 10 business days following your death (the “New Payment Date”). The aggregate of any payments and benefits that otherwise would have been paid and/or provided to you during the period between the date of termination and the New Payment Date shall be paid to you in a lump sum on such New Payment Date. Thereafter, any payments and/or benefits that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Offer Letter. Notwithstanding anything to the contrary herein, to the extent that the foregoing delay applies to the provision of any ongoing welfare benefits, you shall pay the full cost of premiums for such welfare benefits due and payable prior to the New Payment Date and the Company will pay you an amount equal to the amount of such premiums which otherwise would have been paid by the Company during such period within five (5) business days following its conclusion.

A termination of employment shall not be deemed to have occurred for purposes of any provision of this Offer Letter providing for the payment of any amounts or benefits subject to Section 409A upon or following a termination of employment unless such termination is also a “separation from service” within the meaning of Section 409A, and for purposes of any such provision of this Offer Letter, references to a “resignation,” “termination,” “terminate,” “termination of employment” or like terms shall mean separation from service.

All expenses or other reimbursements as provided herein shall be payable in accordance with the Company’s policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which you incurred the expenses. With regard to any provision herein that provides for reimbursement of costs and

expenses or in-kind benefits, except as permitted by Section 409A: (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit; and (ii) the amount of expenses eligible for reimbursements or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

For purposes of Section 409A, your right to receive any instalment payments pursuant to this Offer Letter shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Offer Letter specifies a payment period with reference to a number of days (e.g., payment shall be made within 30 days following the date of termination), the actual date of payment within the specified period shall be within the sole discretion of the Company.

If you wish to accept this position, please sign below and return this Offer Letter to me within eight days. This offer is open for you to accept until July 6, 2023, at which time it will be deemed to be withdrawn.

Sincerely,

Acreage Holdings, Inc.

By: /s/ Peter Caldini  
Name: Peter Caldini  
Title: Chief Executive Officer

Acceptance of Offer

I have read, understood and accept all the terms of this Offer Letter. I have not relied on any agreements or representations, express or implied, with respect to such employment which are not set forth expressly in this Offer Letter or in the documents referred herein, and this Offer Letter supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to my employment by the Company.

/s/ Carl Nesbitt  
Carl Nesbitt

June 28, 2023  
Date





## **Acreage Announces Appointment of Chief Financial Officer**

*Carl Nesbitt, seasoned CPG executive, to lead the Company's finance and accounting functions*

**New York, June 28, 2023** - **Acreage Holdings, Inc.** ("Acreage" or the "Company") (CSE: ACRG.A.U, ACRG.B.U) (OTCQX: ACRHF, ACRDF), a vertically integrated, multi-state operator of cannabis cultivation and retailing facilities in the U.S., announced today that it has appointed Carl Nesbitt to Chief Financial Officer, effective July 3, 2023.

Mr. Nesbitt brings to Acreage over 25 years of financial leadership experience, having spent more than two decades working within the Consumer Packaged Goods industry. Most recently, he served as Chief Financial Officer at Nutritional Frontiers Inc., a vitamin and supplement distributor. Previously, Mr. Nesbitt held the role of Vice President of Finance for GlaxoSmithKline's North American Consumer Healthcare business. During his 13-year tenure, he held additional financial leadership roles and oversaw the development of the finance support function, which contributed to business growth. Mr. Nesbitt has also held financial management positions at Del Monte Foods, New World Pasta, and RR Donnelley.

"I am delighted to welcome Carl to the leadership team during this momentous time for Acreage," said Dennis Curran, incoming Chief Executive Officer of Acreage. "Carl's strong financial acumen and strategic oversight will be instrumental to Acreage as we continue to drive our near-term growth initiatives and prime our operations for Canopy USA."

Mr. Nesbitt added, "I am thrilled to join Acreage, and look forward to helping guide the Company in preparation for completing one of its biggest milestones."

### **About Acreage Holdings, Inc.**

Acreage is a multi-state operator of cannabis cultivation and retailing facilities in the U.S., including the Company's national retail store brand, The Botanist. With its principal address in New York City, Acreage's wide range of national and regionally available cannabis products include the award-winning brands The Botanist and Superflux, the Tweed brand, the Prime medical brand in Pennsylvania, the Innocent brand in Illinois, and others. Since its founding in 2011, Acreage has focused on building and scaling operations to create a seamless, consumer-focused, branded experience. Learn more at [www.acreageholdings.com](http://www.acreageholdings.com) and follow us on [Twitter](#), [LinkedIn](#), [Instagram](#), and [Facebook](#).



## Forward Looking Statements

This news release and each of the documents referred to herein contains “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian and United States securities legislation, respectively. All statements, other than statements of historical fact, included herein are forward-looking information. Often, but not always, forward-looking statements and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of Acreage or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including, but not limited to: the occurrence of changes in U.S. federal Laws regarding the cultivation, distribution or possession of marijuana; the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory, court and Floating Shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Floating Share Arrangement Agreement; the ability of Canopy Growth Corporation (“Canopy”), Canopy USA, LLC (“Canopy USA”) and Acreage to satisfy, in a timely manner, the closing conditions to the floating share arrangement among Canopy, Canopy USA and Acreage (the “Floating Share Arrangement”); risks relating to the value and liquidity of the Floating Shares and the common shares of Canopy; Canopy maintaining compliance with the Nasdaq Global Stock Market (the “Nasdaq”) and Toronto Stock Exchange listing requirements; the rights of the Floating Shareholders may differ materially from those of shareholders in Canopy; expectations regarding future investment, growth and expansion of Acreage’s operations; the possibility of adverse U.S. or Canadian tax consequences upon completion of the Floating Share Arrangement; if Canopy USA acquires the Fixed Shares pursuant to the Existing Arrangement Agreement without structural amendments to Canopy’s interest in Canopy USA, the listing of the Canopy Shares on the Nasdaq may be jeopardized; the risk of a change of control of either Canopy or Canopy USA; restrictions on Acreage’s ability to pursue certain business opportunities and other restrictions on Acreage’s business; the impact of material non-recurring expenses in connection with the Floating Share Arrangement on Acreage’s future results of operations, cash flows and financial condition; the possibility of securities class action or derivatives lawsuits; in the event that the Floating Share Arrangement is not completed, but the acquisition by Canopy of the Fixed Shares (the “Acquisition”) is completed pursuant to Existing Arrangement Agreement and Canopy becomes the majority shareholder in Acreage, the likelihood that the Floating Shareholders will have little or no influence on the conduct of Acreage’s business and affairs; risk of situations in which the interests of Canopy USA and the interests of Acreage or shareholders of Canopy may differ; Acreage’s compliance with Acreage’s business plan for the fiscal years ending December 31, 2020 through December 31, 2029 pursuant to the Existing Arrangement Agreement; in the event that the Floating Share Arrangement is completed, the likelihood of Canopy completing the Acquisition in accordance with the Existing Arrangement Agreement; risks relating to certain directors and executive officers of Acreage



having interests in the transactions contemplated by the Floating Share Arrangement Agreement and the connected transactions that are different from those of the Floating Shareholders; risks relating to the possibility that holders of more than 5% of the Floating Shares may exercise dissent rights; other expectations and assumptions concerning the transactions contemplated between Canopy, Canopy USA and Acreage; the available funds of Acreage and the anticipated use of such funds; the availability of financing opportunities for Acreage and Canopy USA and the risks associated with the completion thereof; regulatory and licensing risks; the ability of Canopy, Canopy USA and Acreage to leverage each other's respective capabilities and resources; changes in general economic, business and political conditions, including changes in the financial and stock markets; risks relating to infectious diseases, including the impacts of the COVID-19; legal and regulatory risks inherent in the cannabis industry, including the global regulatory landscape and enforcement related to cannabis, political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation and the interpretation of various laws regulations and policies; public opinion and perception of the cannabis industry; and such other risks disclosed in the Circular, the Company's Annual Report on Form 10-K for the year ended December 31, 2022, dated May 1, 2023 and the Company's other public filings, in each case filed with the SEC on the EDGAR website at [www.sec.gov](http://www.sec.gov) and with Canadian securities regulators and available under Acreage's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Although Acreage has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

Although Acreage believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release and Acreage does not undertake any obligation to publicly update such forward-looking information or forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Service Provider, nor any securities regulatory authority in Canada, the United States or any other jurisdiction, has reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

**For more information, contact:**

Carl Nesbitt  
Chief Financial Officer  
[investors@acreegeholdings.com](mailto:investors@acreegeholdings.com)  
646 600 9181

Courtney Van Alstyne  
MATTIO Communications  
[acreege@mattio.com](mailto:acreege@mattio.com)