



Acreage Deepens New Jersey Operations with Completion of Egg Harbor Facility Expansion

Increased canopy with new, premium genetics, and enhanced extraction, processing, and manufacturing capabilities positions Acreage to be a top in-state producer of edibles and concentrates

Expansion expected to increase employee headcount by ~15% at the facility, creating and fostering high-quality jobs within the Egg Harbor Township community

New York, December 7, 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 the completion of its infrastructure expansion at its facility in Egg Harbor Township, New Jersey. The multi-faceted cultivation and processing upgrades support the ongoing demand for products at both the retail and wholesale levels, as well as the broadening of the Company's brand and product offerings in the burgeoning New Jersey market. Additionally, with the expansion, the Company expects to increase headcount by approximately 15% at the facility as of Q1 2024.

"We are absolutely thrilled to have completed the expansion of our Egg Harbor Township facility," said Sharon Ali, Executive Vice President, Mid-Atlantic Region at Acreage. "New Jersey is one of our cornerstone markets, where we continue to bolster our position as a leading operator in the state. These enhancements are timely, as the state continues to present a tremendous opportunity for the expansion of our in-house brand product suite. Demand for our wholesale and retail offerings in New Jersey has remained persistent, as demonstrated by our record month of wholesale sales in August. This new capacity enables us to produce a larger and more diversified offering for two of the most popular segments in the market – premium flower and edibles – as well as top-selling concentrates for Superflux, which are anticipated to reach consumers by year-end."

Ali concluded, "With our expanded canopy, new genetics, and a wider breadth of extraction and processing capabilities, we will increase our competitive position in the state. These leading-edge upgrades position us strongly to meet the high market demand, and we expect to launch new, innovative products across a range of formats to New Jersey consumers in the first half of 2024."

Facility enhancements included:

- **Expanded canopy, which is expected to significantly increase high-quality flower yields.** The additional cultivation space will enable more efficient and consistent production of premium flower, which remains the leading product category in the state, and facilitate increased output of various product formats across our branded portfolio in New Jersey.
- **Introduced new premium plant genetics to diversify the Company's concentrates offering.** The genetics were hand-selected with the goal of setting a new standard in the industry for the quality and potency of Acreage's branded concentrates, which starts with the cultivation of top-tier cannabis plants.



- **Enhanced extraction capabilities with an expanded manufacturing space, featuring a new hydrocarbon extraction unit and specialized areas for solventless extraction capabilities.** The broader range of extraction techniques will allow for the expansion of the Company's premium concentrates offering, including the highly anticipated cured and live resin concentrate that will play a pivotal role in growing the Company's flagship brands in the New Jersey market, such as The Botanist and Superflux.
- **Launched a new kitchen with several new, advanced technologies, setting the stage for advanced culinary innovation in the cannabis industry.** The expanded space will be dedicated to producing a diverse range of new products, with a focus on gummies, to position the Company as a top producer of edibles within the New Jersey market.
- **Scaled packaging and processing infrastructure and implemented new automation technologies to unlock increased efficiencies, while maintaining the Company's dedication to rigorous standards of quality control and compliance.** The upgrades, which have been seamlessly integrated into the existing operations, are expected to significantly enhance the Company's output, enabling its products to reach the highly demanding market more rapidly.

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 Prime medical brand in Pennsylvania, 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 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 and with Canadian securities regulators and available under Acreage's profile on SEDAR at 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.

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