CRESCO LABS

NEWS RELEASE

Cresco Labs Acquires Nine Pennsylvania Dispensaries in Accretive Transaction to Strengthen Market Leadership

2026-09-02

CHICAGO--(BUSINESS WIRE)-- Cresco Labs Inc. (CSE: CL) (OTCQX: CRLBF) (FSE: 6CQ) (“Cresco Labs” or the “Company”) today announced the closing of its acquisition of 100% of the outstanding equity interests in PharmaCann Penn, LLC (“PharmaCann”) for an aggregate consideration of US$50 million (the “Transaction”). The Transaction consists of nine operational retail medical marijuana dispensaries in Pennsylvania, advancing Cresco’s leadership position in the second-largest medical marijuana market, which generated more than US$1.1 billion[1] in annual sales last year.

“We are focused on deploying capital into opportunities that strengthen our competitive position and generate attractive long-term returns. This transaction expands our retail footprint in a core market through a highly strategic acquisition while creating additional opportunities to leverage our existing infrastructure,” said Charlie Bachtell, CEO of Cresco Labs. “Pennsylvania is one of our core markets, where scale and vertical integration create durable competitive advantages. Pairing more retail doors with our scaled cultivation and leading wholesale business reinforces our position as the consolidator of choice in the markets that matter most.”

Following closing, Cresco will be the #1 retailer providing medical marijuana to patients across the state. Together with its position as Pennsylvania’s #1 wholesaler, Cresco is uniquely positioned to leverage its scale and brand strength across the market. The Transaction is expected to be immediately accretive to revenue, margins, and cash flow.

Transaction Details

The consideration amount for the Transaction is fifty million dollars (US$50,000,000) (the “Purchase Price”), satisfied through the payment of cash and seller note. The Transaction was completed on a cash-free, debt-free basis with a mutually agreed upon normalized target level of working capital. This news release constitutes a “designated news release” for the purposes of the Company’s prospectus supplement dated January 29, 2026, to its short form base shelf prospectus dated October 3, 2025.

About Cresco Labs Inc.

Cresco Labs’ mission is to normalize and professionalize the medical marijuana industry through a CPG approach to building national brands and a customer-focused retail experience, while acting as a steward for the industry on legislative and regulatory-focused initiatives. As a leader in cultivation, production, and branded product distribution, the Company is leveraging its scale and agility to grow its portfolio of brands that include Cresco, High Supply, FloraCal, Good News, Wonder Wellness Co., Mindy’s, and Remedi, on a national level. The Company also operates highly productive dispensaries nationally under the Sunnyside brand that focus on building patient and consumer trust and delivering ongoing education and convenience in a wonderfully traditional retail experience. Through year-round policy, community outreach and SEED initiative efforts, Cresco Labs embraces the responsibility to support communities through authentic engagement, economic opportunity, investment, workforce development, and legislative initiatives designed to create the most responsible, respectable and robust medical marijuana industry possible. Learn more about Cresco Labs’ journey by visiting **www.crescolabs.com** or following the Company on **X** or **LinkedIn**.

Forward-Looking Statements

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). Such forward-looking statements are not representative of historical facts or information or current condition but instead represent only the Company’s beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company’s control. Generally, such forward-looking statements can be identified by the use of forward-looking terminology such as, ‘may,’ ‘will,’ ‘should,’ ‘could,’ ‘would,’ ‘expects,’ ‘plans,’ ‘anticipates,’ ‘believes,’ ‘estimates,’ ‘projects,’ ‘predicts,’ ‘potential,’ or ‘continue,’ or the negative of those forms or other comparable terms. The Company’s forward-looking statements, including with regard to the integration of PharmaCann and the anticipated impact of the acquisition, involve known and unknown risks, uncertainties, and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to those risks discussed under “Risk Factors” in the Company’s Annual Information Form for the year ended December 31, 2025, filed on SEDAR+ and EDGAR, in other documents filed by the Company with Canadian securities regulatory authorities; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Because of these uncertainties, you should not place undue reliance on the Company's forward-looking statements. No assurances are given as to the future trading price or trading volumes of Cresco Labs' shares, nor as to the Company's financial performance in future financial periods. The Company does not intend to update any of these factors or to publicly announce the result of any revisions to any of the Company's forward-looking statements contained herein, whether as a result of new information, any future event, or otherwise. Except as otherwise indicated, this press release speaks as of the date hereof. The distribution of this press release does not imply that there has been no change in the affairs of the Company after the date hereof or create any duty or commitment to update or supplement any information provided in this press release or otherwise.

[1] Hoodie Analytics

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