

Cresco Labs Announces Commitments to Refinance its Senior Secured Credit Facility

2025-08-06

Will Reduce Debt and Reinforces Commitment to Prudent Capital Management

CHICAGO--(BUSINESS WIRE)-- Cresco Labs Inc. (CSE: CL) (OTCQX: CRLBF) (FSE: 6CQ) ("**Cresco Labs**" or the "**Company**"), today announced that it has successfully obtained commitments to refinance its senior secured credit facility (the "Senior Loan").

The refinancing, upon closing, will provide for a new senior secured term loan totaling US\$325 million, bearing an interest rate of 12.5% per annum, and maturing on the 5th year anniversary of the closing of the refinancing. The new facility will replace the Company's existing US\$360 million credit facility, providing enhanced financial flexibility and favorable terms, including provisions that will allow for the prepayment of up to US\$125 million at a reduced prepayment premium.

The refinancing comes at a time when access to capital remains highly constrained across the U.S. cannabis sector. With an estimated \$2 billion in industry debt maturities coming due over the next 18 months, Cresco Labs' ability to refinance its credit facility underscores the resilience of its business model and enables it to execute on its multi-year growth plan.

"Securing this refinancing is a testament to the strength of our business and the trust we've built with top-tier institutional lenders," said Charlie Bachtell, CEO of Cresco Labs. "In an environment where capital is scarce, Cresco stands out. We've extended our maturity, improved our balance sheet position, and done so without dilution. This positions us to play offense instead of focusing on refinancing risk. It's a strategic win in a capital-constrained market."

Proceeds from the new facility, together with cash on hand, will be used to repay in full the existing term loan, fund capital expenditures, and support targeted growth initiatives across Cresco's core U.S. markets.

The refinancing was negotiated at arm's length and includes customary financial and operational covenants. The facility contains no equity or convertible features. A.G.P. Canada Investments ULC and Cormark Securities Inc. acted as lead financial advisors and lead arrangers on the transaction. The lead lenders were advised by Paul Hastings LLP. The refinancing is expected to close on or about August 13, 2025, subject to customary closing conditions.

About Cresco Labs Inc.

Cresco Labs' mission is to normalize and professionalize the cannabis 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 cannabis industry possible. Learn more about Cresco Labs' journey by visiting www.crescolabs.com or following the Company on **Facebook**, **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 and in this press release includes statements relating to, among other things: the timing and ability to close the refinancing, including satisfying all conditions precedent in the commitment letter; any prepayments under the new facility; access to

capital; the Company executing on its multi-year growth plan; and the anticipated use of proceeds from the new facility. The Company's forward-looking statements 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, 2024, filed on SEDAR+ and EDGAR, 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.

Media

Press@crescolabs.com

Investors

TJ Cole, Cresco Labs

SVP, Corporate Development & Investor Relations

investors@crescolabs.com

For general Cresco Labs inquiries:

312-929-0993

info@crescolabs.com

Source: Cresco Labs