

# Cresco Labs to Operate Kentucky's Largest Medical Cannabis Cultivation License

2025-03-10

CHICAGO--(BUSINESS WIRE)-- Cresco Labs Inc. (CSE: CL) (OTCQX: CRLBF) (FSE: 6CQ) ("**Cresco Labs**" or the "**Company**"), the industry leader in branded cannabis products with a portfolio of America's most popular brands and the operator of Sunnyside dispensaries, today announced its management services agreement with a Tier 3 Cultivation License in Kentucky (the "**Cultivation License**"). The agreement entitles Cresco Labs to manage and operate a cultivation facility with up to 25,000 square feet of canopy, marking a significant milestone for the Company and establishing Cresco Labs as one of only two operators of Kentucky's coveted Tier 3 cultivation licenses.

"I look forward to showing Kentucky residents why Cresco Labs' portfolio is the most popular choice in both medical markets like Pennsylvania and adult use markets like Illinois. The Cultivation License allows for the construction of a state-of-the-art cultivation facility with up to 25,000 square feet of canopy, enabling us to deliver the quality and scale we are known for," said Charlie Bachtell, CEO of Cresco Labs. "We've spent the last two years focused on solidifying the core and increasing our free cash flow. Kentucky is our first of many opportunities to reinvest that free cash flow back into high ROIC growth initiatives as we continue expanding into new markets."

Kentucky's medical cannabis program, launched on January 1, 2025, represents a significant milestone for the state. The program includes a maximum of 115,000 square feet of approved canopy space and 48 retail licenses, with industry analysts forecasting the market to generate over \$135 million in revenue by 2026, growing to over \$228 million by 2028<sup>1</sup>. The Cultivation License positions the Company at the forefront of this burgeoning market, with the opportunity to shape its growth and success.

**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](http://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. 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, 2023, 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.

<sup>1</sup> MJBiz Factbook 2024

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Source: Cresco Labs