VANCOUVER
NOV 14 2025
REGISTRY

This is the 1st affidavit
of Blake Holzgrafe in this case
and was made on November 14, 2025

No. S-258384
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985 c. C-36, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF AYR WELLNESS INC.

PETITIONER

AFFIDAVIT

I, Blake Holzgrafe, of 150 N Riverside Plaza, Suite 2400, Chicago, Illinois, Managing Director, AFFIRM THAT:

1. I am Managing Director of Ankura Consulting Group, LLC, and as such I have personal knowledge of the facts and matters to which I depose in this affidavit, except where stated to be based on information and belief, and where so stated, I verily believe them to be true.

2. I make this affidavit in support of an application by the Petitioner pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the "**CCAA**"), for an initial order (the "**Initial Order**") and ancillary relief including, among other things, the following:

   (a) a declaration that the CCAA applies to the Petitioner;

   (b) a stay of all proceedings and remedies taken or that might be taken in respect of the Petitioner or any of its property;

   (c) authorizing the Petitioner to carry on business in a manner consistent with the preservation of its property and business and to make certain payments in connection with its business during the CCAA proceeding;

   (d) appointing KSV Restructuring Inc. ("**KSV**" or the "**Proposed Monitor**") as monitor in these proceedings (the "**Monitor**");

(e) authorizing and directing the Petitioner to, *nunc pro tunc*, enter into and carry out the terms of the Moelis Engagement Letter (as defined below), including without limitation, making the payments to Moelis & Company LLC ("**Moelis**") contemplated thereunder;

(f) approving the appointment of Blake Holzgrafe of Ankura Consulting Group, LLC ("**Ankura**") as Chief Restructuring Offer ("**CRO**") of the Petitioner, and authorizing and directing the Petitioner to, *nunc pro tunc*, enter into and carry out the terms of the Ankura Engagement Letter (as defined below), including without limitation making the payments to Ankura contemplated thereunder;

(g) granting the following charges over the assets, properties and undertakings of the Petitioner, with the relative priorities set out in the Initial Order, as security for the obligations of the Petitioner to the beneficiaries of such charges:

(i) a charge in favour of the Proposed Monitor, counsel to the Proposed Monitor, and counsel to the Petitioner (the "**Administration Charge**"); and

(ii) a charge in favour of the directors and officers of the Petitioner (the **D&O Charge**"); and

(h) such further and other relief as this Honourable Court may deem just.

3. Unless otherwise provided, all amounts set out in this affidavit are provided in United States currency.

I. The AYR Group

4. AYR Wellness Inc. ("**AYR**", the "**Petitioner**" or the "**Company**") (formerly known as "Cannabis Strategies Acquisition Corp." and "AYR Strategies Inc.", respectively) was incorporated on July 31, 2017 under the *Business Corporations Act* (Ontario). AYR continued on May 24, 2019 into British Columbia under the *Business Corporations Act* (British Columbia) ("**BCBCA**"), and changed its name to "AYR Strategies Inc.".

5. The Company changed its name to "AYR Wellness Inc." on February 12, 2021. The registered office of AYR is located at 1133 Melville Street, Suite 2700, Vancouver, British Columbia, V6E 2X8.

6. The common shares (formerly the subordinate voting shares), restricted voting shares and limited voting shares of the Company (collectively, the "**Equity Shares**") are listed under the single symbol "AYR.A" on the Canadian Stock Exchange (the "**CSE**"). Effective June 5, 2025, the Equity Shares are subject to a cease trade order by the Ontario Securities Commission (OSC).

7. Attached hereto and marked as **Exhibit "A"** is the corporate search for AYR.

8. Through its subsidiaries (collectively, the "**AYR Group**"), AYR operates a U.S.-based national cannabis consumer packaged goods and retail business. A corporate chart for the AYR Group is attached hereto as **Exhibit "B"**.

9. The AYR Group includes the following direct and indirect subsidiaries of AYR, none of which are petitioners in these CCAA proceedings:

Entity Name	State of Formation	Entity Type	Ownership
242 Cannabis LLC	Florida, USA	Real Estate	100.00%
Amethyst Health LLC	New York, USA	Joint Venture	49.00%
AYR Foundation Inc.	Florida, USA	Not-for-Profit Community Engagement	100.00%
AYR NJ LLC	Nevada, USA	Corporate - Holding Company	100.00%
AYR Ohio LLC	Ohio, USA	Corporate - Holding Company	100.00%
AYR Virginia LLC	Virginia, USA	Cultivation, Production, Retail	100.00%
AYR Wellness Holdings, LLC	Nevada, USA	Corporate - Holding Company	100.00%
AYR Wellness Inc	Massachusetts, USA	Corporate - Holding Company	100.00%
AYR Wellness NJ LLC	New Jersey, USA	Cultivation, Production, Retail	100.00%
BP Solutions LLC	Nevada, USA	Payroll	100.00%
CannTech PA, LLC	Pennsylvania, USA	Cultivation, Production, Retail	100.00%
Connecticut Cultivation Solutions, LLC	Connecticut, USA	Joint Venture - Cultivation	35.00%
Connecticut Retail Solutions II LLC	Connecticut, USA	Joint Venture - Retail	49.35%
Connecticut Retail Solutions LLC	Connecticut, USA	Joint Venture - Retail	49.35%
CSAC Acquisition AZ Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition Connecticut LLC	Nevada, USA	Delivery	100.00%
CSAC Acquisition FL Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition IL Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition IL II Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition Inc	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition MA Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition MA II Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition NJ Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition NV Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition NY Corp	New York, USA	Corporate - Holding Company	100.00%
CSAC Acquisition PA Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition PA II Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Acquisition TX Corp	Texas, USA	Corporate - Holding Company	100.00%
CSAC Acquisition VA Corp	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Holdings Inc	Nevada, USA	Corporate - Holding Company	100.00%
CSAC Ohio, LLC	Ohio, USA	Corporate - Holding Company	100.00%
Cultivauna, LLC d/b/a Levia	Massachusetts, USA	Production	100.00%
DFMMJ Investments LLC d/b/a AYR Cannabis Dispensary	Florida, USA	Cultivation, Production, Retail	100.00%
Dochouse LLC	Pennsylvania, USA	Cultivation	100.00%
DWC Investments, LLC	Nevada, USA	Real Estate	100.00%
Eskar LLC	Massachusetts, USA	Corporate - Holding Company	100.00%
Green Light Holdings, LLC	Wyoming, USA	Corporate - Holding Company	100.00%
Green Light Management, LLC	Ohio, USA	Real Estate	100.00%
Herbal Remedies Dispensaries, LLC	Illinois, USA	Retail	100.00%
Klymb Project Management, Inc	Nevada, USA	Payroll	100.00%
Kynd-Strainz LLC	Nevada, USA	Retail	100.00%
Land of Lincoln Dispensary LLC	Illinois, USA	Retail	100.00%
Lemon Aide LLC	Nevada, USA	Retail	100.00%
Livfree Wellness LLC	Nevada, USA	Cultivation, Production, Retail	100.00%
Mercer Strategies FL, LLC	Nevada, USA	Payroll	100.00%
Mercer Strategies MA, LLC	Nevada, USA	Payroll	100.00%
Mercer Strategies PA, LLC	Nevada, USA	Payroll	100.00%
NV Green, Inc	Nevada, USA	Production	100.00%
PA Natural Medicine LLC	Pennsylvania, USA	Retail	100.00%
Parker RE MA, LLC	Nevada, USA	Real Estate	100.00%
Parker RE PA, LLC	Nevada, USA	Real Estate	100.00%
Parker Solutions CT LLC	Nevada, USA	Payroll	100.00%
Parker Solutions FL, LLC	Nevada, USA	Payroll	100.00%
Parker Solutions IL, LLC	Nevada, USA	Payroll	100.00%
Parker Solutions MA LLC	Nevada, USA	Payroll	100.00%
Parker Solutions NJ LLC	New Jersey, USA	Payroll	100.00%
Parker Solutions OH, LLC	Nevada, USA	Payroll	100.00%
Parker Solutions PA, LLC	Nevada, USA	Payroll	100.00%

Entity Name	State of Formation	Entity Type	Ownership
Parma Wellness Center LLC	Ohio, USA	Managed Services - Cultivation	49.00%
Sira Naturals, Inc	Massachusetts, USA	Cultivation, Production, Retail	100.00%
Tahoe Capital Company	Nevada, USA	Corporate - Holding Company	100.00%
Tahoe Hydroponics Company, LLC	Nevada, USA	Cultivation and Production	100.00%
Tahoe-Reno Botanicals, LLC	Nevada, USA	Cultivation	100.00%
Tahoe-Reno Extractions, LLC	Nevada, USA	Production	100.00%

10. The AYR Group is functionally integrated and is consolidated financially.

11. All financial statements of the AYR Group are reported on a consolidated basis.

II. The Business

12. AYR Group is focused on delivering high quality cannabis products and a premium customer experience throughout its footprint. As of October 1, 2025, AYR Group has operations in seven U.S. States and employs roughly 1,974 people.

13. AYR, through its subsidiaries and affiliates in the United States, holds, operates and manages licenses and permits in the States of Florida, Illinois, Massachusetts, Nevada, New Jersey, Ohio, Pennsylvania, New York and Virginia (the latter two not yet in operation as of the date hereof).

14. AYR Group's strategy, which it has been unable to fully implement as a result of federal cannabis restrictions in the United States, is to vertically integrate through the consolidation of cultivation, production, distribution, and dispensing of cannabis brands and products at scale.

15. AYR Group's current portfolio of consumer-packaged goods brands includes its three core brands Kynd, HAZE, and Later Days, and an additional portfolio of legacy and local brands. The three core brands can be further detailed as follows:

    (a) Kynd: AYR's flagship brand offering premium flower, vapes, edibles, and tinctures, known for small-batch indoor-grown cultivation and distributed across core markets.

    (b) HAZE: A high-potency concentrates and vapes brand specializing in live resin products.

    (c) Later Days: A craft cannabis brand focused on fruit-flavored disposable pens and vapes.

16. AYR Group distributes and markets its products both through AYR Group-owned retail stores and to third-party licensed retail cannabis stores throughout AYR Group's operating footprint in the United States, as allowed by state cannabis laws and regulations.

17. AYR Group owns and operates a chain of cannabis retail stores in the United States under brand names including AYR and The Dispensary by AYR Wellness. AYR Group also owns stores in the United States under other names, primarily where acquired stores still retain their pre-acquisition branding. The income of AYR Group's retail stores derives primarily from the sale of cannabis products, with an immaterial portion of income resulting from the sale of other merchandise (such as cannabis accessories).

18. As of October 1, 2025, AYR Group operates 89 retail stores and 7 cultivation and production facilities across seven U.S. states (Florida, New Jersey, Nevada, Ohio, Pennsylvania, Massachusetts, and Illinois):

State	Retail Locations	Cultivation / Production Facilities
Florida	64	2
Nevada	6	0
New Jersey	3	2
Pennsylvania	6	1
Ohio	6	2
Massachusetts	3	0
Illinois	4	0
Virginia	0	0 (license held, operations planned)
New York	0	0 (license held)

A. *Retail Business*

19. AYR, through its subsidiaries, distributes its products to both AYR Group-owned retail stores (AYR's "**Retail**" business) as well as selling to third-party licensed retail stores (AYR's "**Wholesale**" business).

20. For the last 12 months (LTM) ended March 31, 2025, total revenue, net of discounts, from its retail locations was approximately $382,500,000. The following table shows a breakdown of total retail revenue by state:

[illegible]	[illegible]
Florida	136.7
Nevada	93.3
New Jersey	55.5
Pennsylvania	51.4
Ohio	18.5
Massachusetts	19.0
Illinois	7.1
Connecticut	1.0
Total	**$ 382.5**

21. For the three months ended March 31, 2025 and 2024, total revenues net of discounts were $107,306,000 and $118,040,000 respectively, reflecting a decrease of $10,734,000 or 9.1%.

22. The revenue decline has been largely attributable to declining revenues to AYR's Retail business, as Retail revenues declined by $8,905,000 (approximately 8.9%) year-over-year in Q1. Same-store-sales have declined $12,183,000 or 12.2%, which has been partially offset by a $3,278,000 increase from new store openings. Wholesale revenue fell

by $1,829,000 (approximately 10.1%), primarily because of increased competition in New Jersey as new cultivation capacity became available statewide.

B. *Cannabis Licenses*

23. As of August 31, 2025, AYR Group's cannabis licenses were as follows (which are subject to change as the restructuring unfolds):

Owner	Jurisdiction	Description
DFMMJ Investments	Florida	OMMU – Medical Marijuana Treatment Center License
Parma Wellness Center LLC	Ohio	Dual Use Cultivator Operating License / CCC000044-00
CSAC Ohio LLC	Ohio	Dual Use Processor Operating License / CCP000051-00
Heaven Wellness LLC	Ohio	Dual Use Dispensary License / CCD000219-00
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 809 Sampson Street, New Castle, PA 16101
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 505 W. Germantown Pike, Plymouth Meeting, PA 19462
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 112 Northtowne Square, Gibsonia PA 15044
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 712 Lancaster Ave., Bryn Mawr, PA 19010
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 801 Horsham Rd, Montgomeryville, PA 18936
CannTech PA, LLC	Pennsylvania	Dispensary Facility Permit 2244 Oakland Ave, Indiana, PA 15701
CannTech PA, LLC	Pennsylvania	Grower/Processor Facility 535 Keystone Drive, Warrendale, PA 15086
DocHouse LLC	Pennsylvania	Grower/Processor Facility Permit 740 Ann St Pottsville, PA 17901
Kynd-Strainz LLC	Nevada	Adult-Use Retail Store 132 E. Second St., Reno, NV 89501
Lemon Aide, LLC	Nevada	Adult-Use Retail Store 340 Lemmon Drive, Reno, NV 89506
LivFree Wellness LLC	Nevada	Adult-Use Retail Store 8605 S Eastern Ave Las Vegas, NV 89123
LivFree Wellness LLC	Nevada	Adult-Use Distribution 3900 Ponderosa Way, Las Vegas, NV 89118

LivFree Wellness LLC	Nevada	Adult-Use Marijuana Cultivation 3900 Ponderosa Way, Las Vegas, NV 89118
LivFree Wellness LLC	Nevada	Adult-Use Marijuana Production 3900 Ponderosa Way, Las Vegas, NV 89118
LivFree Wellness LLC	Nevada	Adult-Use Retail Store 100 W. Plumb Lane, Reno, NV 89509
LivFree Wellness LLC	Nevada	Adult-Use Retail Store 50 N. Gibson, Henderson, NV 89014
LivFree Wellness LLC	Nevada	Adult-Use Retail Store 5347 S. Decatur, Las Vegas, NV 89118
NV Green Inc.	Nevada	Adult-Use Marijuana Cultivation 1475 Hymer Ave Suite A, Sparks, NV 89431
NV Green Inc.	Nevada	Adult-Use Marijuana Production 1475 Hymer Ave Suite A, Sparks, NV 89431
Tahoe Hydroponics Company LLC	Nevada	Adult-Use Distribution 3535 Arrowhead Dr Ste B, Carson City, NV 89706
Tahoe Hydroponics Company LLC	Nevada	Adult-Use Marijuana Cultivation 3535 Arrowhead Dr Ste B, Carson City, NV 89706
Tahoe-Reno Botanicals LLC	Nevada	Adult-Use Marijuana Cultivation 1645 Crane Way, Sparks, NV 89431
Tahoe-Reno Extractions LLC	Nevada	Adult-Use Production 1645 Crane Way, Sparks, NV 89431
AYR Wellness NJ LLC	New Jersey	Class 1 Cultivator 950 US Highway 1, Woodbridge, NJ 07095
AYR Wellness NJ LLC	New Jersey	Cultivate and Process Medicinal Marijuana 950 US Highway 1, Woodbridge, NJ 07095
AYR Wellness NJ LLC	New Jersey	Dispense Medicinal Marijuana 950 US Highway 1, Woodbridge, NJ 07095
AYR Wellness NJ LLC	New Jersey	Dispense Medicinal Marijuana 2536 Rt. 22, Union, NJ 07083
AYR Wellness NJ LLC	New Jersey	Dispense Medicinal Marijuana 59 NJ-35, Eatontown, NJ 07724
AYR Wellness NJ LLC	New Jersey	Manufacture Medicinal Marijuana 2000 East Park Blvd Suite 2002, South Brunswick, NJ 08512
AYR Wellness NJ LLC	New Jersey	Class 2 Manufacturer 2000 East Park Blvd Suite 2002, South Brunswick, NJ 08512

AYR Wellness NJ LLC	New Jersey	Class 5 Retailer 950 US Highway 1, Woodbridge, NJ 07095
AYR Wellness NJ LLC	New Jersey	Class 5 Retailer 2536 Rt. 22, Union, NJ 07083
AYR Wellness NJ LLC	New Jersey	Class 5 Retailer 59 NJ-35, Eatontown, NJ 07724
AYR Wellness NJ LLC	New Jersey	Cultivate and Process Medicinal Marijuana 1719 Oak Street Lakewood NJ 08701
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Retailer) 48 North Beacon Street, Watertown, MA 02472; License # MR283886; Licensure Date 06/09/22; Expires 09/13/25
Sira Naturals, Inc.	Massachusetts	Registered Marijuana Dispensary 48 North Beacon Street, Watertown, MA 02472
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Retailer) 827-829 Boylston Street Boston, MA 02116
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Retailer) 240 Elm Street, Somerville, MA 02144; License # MR283886; Licensure Date 08/11/2022; Expires 01/16/26
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Cultivation/Tier 2 – Indoor) 1 Industrial Way, Milford MA 01751
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Cultivation/Tier 8 – Indoor) 5-7 Industrial Way, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Cultivation) 1 Industrial Road, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Product Manufacturer) 1 Industrial Road, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Product Manufacturer) 5-7 Industrial Way, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Registered Marijuana Dispensary 29 Franklin Street, Needham, MA 02492
Sira Naturals, Inc.	Massachusetts	Registered Marijuana Dispensary 240 Elm Street, Somerville, MA 02144
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Cultivation/Tier 2 – Indoor) 13 Commercial Way, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Product Manufacturer) 13 Commercial Way, Milford, MA 01757
Sira Naturals, Inc.	Massachusetts	Marijuana Establishment License (Transporter) 5-7 Commercial Way, Milford, MA 01757
Herbal Remedies	Illinois	Registered Medical Cannabis Dispensing Organization 4440 Broadway Street Suite 1 Quincy, IL 62305

Dispensaries, LLC		
Herbal Remedies Dispensaries, LLC	Illinois	Adult Use Dispensing Organization 4440 Broadway Street Suite 1 Quincy, IL 62305
Herbal Remedies Dispensaries, LLC	Illinois	Adult Use Dispensing Organization 1837 Broadway Street Quincy, IL 62301
Land of Lincoln Dispensary LLC	Illinois	Adult Use Dispensing Organization 4140 SW Highway Hometown, IL 60456
Land of Lincoln Dispensary LLC	Illinois	Adult Use Dispensing Organization 1730 Bradford Lane Suite 185 Normal, IL 61761
Connecticut Retail Solutions II LLC	Connecticut	AMHF.0008275 License 185 Spencer Street Manchester, CT 06040
CSAC Acquisition Connecticut LLC	Connecticut	ACDS.0001017 License 185 Spencer Street Manchester, CT 06040
AYR Virginia LLC	Virginia	HAS Pharmaceutical Processor License

C. *Employees*

24. As of October 1, 2025, AYR Group's workforce consists of approximately 1,974 employees, approximately 1,611 of whom are full-time employees and approximately 363 of whom are part-time employees. Of the 1,974 employees, approximately 402 employees are salaried, and approximately 1,572 are paid on an hourly basis. Approximately 90 employees work remotely while other employees work at various locations across the states.

25. A number of employees are unionized in the United Food and Commercial Workers International Union (UFCW) across New Jersey, Nevada, Massachusetts, and Pennsylvania. More specifically, approximately 147 workers belong to UFCW NJ, 121 to UFCW NV, 39 to UFCW MA, and 105 to UFCW PA. The remainder, approximately 1,562 employees, are non-union employees. Union employees receive employer-paid benefits and a 401k match through the UFCW and Employer National Workforce Development

Fund, the UFCW National Health and Welfare Fund, and the UFCW Union Retirement & Savings Plan. Non-union employees may receive medical, dental, and vision insurance through Anthem and United Healthcare as well as a 401k match program through SaveDaily Financial Group. Employees receive HSA and FSA benefits through Flores & Associates as well.

D. *Cash Management & Banking Arrangement*

26. AYR Group maintains a robust and multi-layered cash management system across its dispensaries, production sites, and administrative offices. Cash receipts are primarily generated through point-of-sale (POS) transactions at dispensaries and wholesale payments, including cash, debit cards, and CanPay—a mobile debit application linked directly to customer bank accounts.

27. At the dispensary level, cash is reconciled daily by budtenders using the Dutchie POS system, which interfaces automatically with AYR Group's general ledger (Sage Intacct). The POS system tracks all transactions completed by the budtender logged into the system. Each shift begins with a pre-counted cash bank and ends with a reconciliation between physical cash and POS records. Discrepancies are reviewed and signed off by the Dispensary Manager. Deposits are stored in secure safes and picked up by third-party transport companies (e.g., Empyreal) at least once per week, with signed deposit slips and weekly reconciliations performed by the accounting team. At the end of each business day, after the deposits are counted and stored, the Dispensary Manager prepares the cash bank for the beginning of the following day as well as the "End of Day" cash packet, which includes the Dutchie POS daily sales report and the physical deposits count. This packet is then sent to the regional accounting team for reconciliation, and the same cycle continues the next business day.

28. In Nevada, AYR Group uses reverse ATMs integrated with Green Check Verified and Dutchie to deposit cash directly into bank accounts, with built-in variance alerts and API-based reconciliation.

29. Monthly reconciliations are performed between the general ledger, cash vault counts, and bank statements, in accordance with AYR Group's Account Reconciliation Policy. Petty cash is maintained at select locations, subject to manager approval and monthly reconciliation.

30. Banking relationships are managed by Finance Leadership or the CFO, who approve all account openings, closures, and access changes. Online banking access is role-based and reviewed annually to ensure compliance.

31. These procedures are supported by a suite of internal controls, including:

    (a) Restricted access to cash safes and banking portals;

    (b) Daily and monthly reconciliations;

    (c) Automated POS-to-GL integration;

    (d) Annual access reviews; and

(e) Managerial oversight of petty cash and deposit preparation.

32. AYR Group's cash handling framework ensures transparency, accountability, and compliance with internal policies and external regulatory expectations.

E. Intellectual Property

33. AYR Group owns and maintains a valuable portfolio of intellectual property assets that are material to their business operations across multiple jurisdictions. The intellectual property portfolio is primarily held by CSAC Holdings Inc. and includes registered and pending trademark applications across various U.S. states and at the federal level. The portfolio comprises approximately 160 state-level trademarks across Florida (19), Ohio (6), Pennsylvania (11), Nevada (39), New Jersey (10), Massachusetts (37), and Arizona (29), along with 9 U.S. federal trademark registrations and 1 patent. These trademarks cover cannabis and cannabis-derivative products, including vaping cartridges, concentrates, tinctures, and infused pre-rolls, as well as cannabis retail store services and dispensary operations. Notable brands and trademarks include KYND, Later Days, and Entourage, among others, which enhance the Company's market presence. The trademark portfolio also includes marks related to educational services concerning cannabinoid medicine.

34. In addition to trademarks, certain AYR Group entities (not including the Petitioner) hold various regulatory licenses and permits necessary for cannabis operations, including licenses in Nevada, New Jersey, Pennsylvania, Illinois, Massachusetts, Florida, Virginia, and NY covering dispensary and grower/processor facilities, as well as operating similar regulatory authorizations in Ohio. These intellectual property assets are integral to the Group's business operations and brand recognition in the regulated cannabis market.

III. Historical Background

35. In 2017, the Company completed its initial public offering.

36. On September 12, 2018, AYR incorporated a wholly-owned subsidiary in Nevada, United States, named CSAC Holdings Inc., to facilitate the Qualifying Transaction (as defined below).

37. On September 17, 2018, CSAC Holdings Inc. incorporated a wholly-owned subsidiary in Nevada, United States, named CSAC Acquisition Inc. ("**CSAC AcquisitionCo**").

38. On May 24, 2019, the Company completed its acquisitions of control of the target businesses of: (i) Washoe Wellness, LLC ("**Washoe**"), a Nevada limited liability company, (ii) The Canopy NV, LLC ("**Canopy**"), a Nevada limited liability company, (iii) Sira Naturals, Inc. ("**Sira**"), a Massachusetts corporation, (iv) LivFree Wellness, LLC ("**LivFree**"), a Nevada limited liability company, and (v) CannaPunch of Nevada LLC, a Nevada limited liability company, and entered into either a services agreement or operations agreement with Washoe, Canopy and LivFree pending regulatory approval for the consummation of the transaction (the "**Qualifying Transaction**").

39. Subsequent to the Qualifying Transaction, AYR Group expanded its operations into the States of Pennsylvania, Florida, New Jersey, Massachusetts, Nevada, Ohio, Illinois, Connecticut and Virginia.

40. AYR Group previously provided administrative, consulting, and operations services to licensed cannabis establishments in the State of Nevada, specifically to the businesses of Washoe, Canopy and LivFree, through separate services and operations agreements governed by Nevada law, pending regulatory approval to transfer the applicable Washoe, Canopy and LivFree cannabis licenses to the Company.

41. Washoe, Canopy, and LivFree received regulatory approval to transfer such licenses to AYR Group on April 27, 2021. Effective September 21, 2021, the Washoe, Canopy and LivFree licensed entities were transferred to AYR Group, such that CSAC AcquisitionCo now wholly-owns LivFree Wellness LLC, Tahoe-Reno Botanicals, LLC, Tahoe-Reno Extractions, LLC, Kynd-Strains LLC and Lemon-Aide LLC.

A. *The 2024 Notes*

42. AYR's 12.5% senior secured notes due December 10, 2024 (the "**2024 Notes**") began trading on the CSE effective April 21, 2021 under the symbol "AYR.NT.U".

43. The 2024 Notes, in the aggregate principal amount of $110 million, were initially issued on December 10, 2020 through a private placement led by Canaccord Genuity Corp.

44. On November 12, 2021, an additional approximately $147 million in 2024 Notes were issued. Pursuant to the Arrangement (as defined below), on February 7, 2024, 100% of the issued and outstanding 2024 Notes were assigned by the holders thereof (the "**2024 Noteholders**") to AYR Wellness Canada Holdings Inc. ("**AYR Wellness Canada**"), a wholly owned subsidiary of the Company, in exchange for, among other things, an equivalent aggregate principal amount of new 13.0% senior secured notes due December 10, 2026 of AYR Wellness Canada (the "**2026 Exchange Notes**").

B. *The 2023 Restructuring*

45. Beginning in late 2022, AYR began to evaluate potential strategic options to address its upcoming significant debt maturities. At the time, AYR and its subsidiaries had approximately $391 million of outstanding indebtedness in the aggregate, with approximately $243 million of 2024 Notes and approximately $148 million attributable to seller notes, vendor take back notes, or assumed debt, in each case from historical M&A transactions (collectively, the "**Seller Notes**").

46. In October 2022, AYR engaged Moelis as financial advisor and investment banker in connection with a potential transaction or series of transactions to address a material portion of AYR Group's liabilities, including to assist in engaging in negotiations with various holders of Seller Notes (collectively, the "**Seller Noteholders**") as well as the 2024 Noteholders.

47. In January 2023, the board of directors of AYR (the "**Board**") met with Moelis, and its legal advisors at such meeting, and various strategic options were discussed. Following the discussion and analysis provided by AYR's advisors, the Board authorized Moelis to

initiate outreach to AYR Group's existing lenders to pursue an extension of AYR Group's indebtedness.

48. In February 2023, Moelis initiated outreach to the largest holders of Seller Notes and certain other debt obligations to negotiate maturity date extensions and other amendments.

49. In June 2023, Moelis contacted certain known 2024 Noteholders to let them know that AYR was interested in discussing a potential amendment to the 2024 Notes to extend the maturity date.

50. Following such discussions, certain holders of 2024 Notes (the "**Initial Supporting Senior Noteholders**") engaged Ducera as a financial advisor, Paul Hastings as U.S. counsel, and Goodmans as Canadian counsel.

51. Over the course of the next few months, the Initial Supporting Senior Noteholders, AYR and its financial and legal advisors continued to negotiate terms, including economic terms, covenants, collateral, milestones and implementation process, and dilution to existing AYR shareholders.

52. In parallel to the negotiations with the Initial Supporting Senior Noteholders, with the support of the special committee of independent members (the "**Special Committee**") of the Board, Moelis contacted select third-party debt capital providers to evaluate the possibility of a partial or total financing to determine if there was an opportunity to refinance the 2024 Notes on more favourable terms than those being offered by the Initial Supporting Senior Noteholders.

53. Following such efforts, the Special Committee was advised by Moelis that there were no reasonable prospects at the time to refinance the 2024 Notes.

54. On October 29, 2023, the Special Committee met with AYR's legal and financial advisors and received a presentation on the latest terms negotiated with the Initial Supporting Senior Noteholders. In light of the advice and recommendation of its advisors, the Special Committee was satisfied that there had been material improvements in the terms of the proposed transaction for AYR and its shareholders compared to earlier proposals from the Initial Supporting Senior Noteholders, including in respect of the proposed dilution of shareholders. Consequently, the Special Committee determined that the transaction was in the best interests of AYR.

55. On February 7, 2024, the Company announced that it had completed its previously announced plan of arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* involving AYR and AYR Wellness Canada, pursuant to which:

    (a) 100% of the issued and outstanding 2024 Notes, in an aggregate principal amount of $243.25 million, were assigned by the 2024 Noteholders to AYR Wellness Canada in exchange for an equivalent aggregate principal amount of new 2026 Exchange Notes, which obligations are guaranteed by the Company and each of the Company's other direct and indirect subsidiaries and secured by all or substantially all of the assets and properties of AYR Wellness Canada, the Company and each guaranteeing subsidiary, subject to certain exemptions;

(b) 29,040,126 Equity Shares (the "**New Exchange Shares**") were issued to the 2024 Noteholders (being equal to approximately 24.9% of the issued and outstanding shares of the Company on closing of the Arrangement (excluding the Anti-Dilutive Warrants and certain other warrants and treasury shares));

(c) a 2024 Noteholder (i) subscribed for $50 million aggregate principal amount of additional 13.0% senior secured notes due December 10, 2026 of AYR Wellness Canada (the "**Additional 2026 Notes**", and together with the 2026 Exchange Notes, the "**Senior Notes**"), issued at a 20% original issue discount (resulting in $40 million of gross proceeds to the Company), and (ii) was issued 5,947,980 Equity Shares (the "**Backstop Premium**") in consideration for the commitment to purchase the Additional 2026 Notes pursuant to a backstop commitment letter in favour of the Company dated October 31, 2023;

(d) in order to reduce the dilutive effect of the New Exchange Shares and the Backstop Premium on existing shareholders, the existing shareholders of the Company as of the close of business on February 5, 2024 (i.e., including the holders of the Multiple Voting Shares and Exchangeable Shares (as defined below) but excluding the recipients of the New Exchange Shares and the Backstop Premium) were issued 23,045,965 Equity Share purchase warrants to acquire approximately 16.5% of the outstanding shares of the Company (including the New Exchange Shares and the Backstop Premium, but excluding certain warrants and treasury shares) on a fully-diluted and pro-forma basis (assuming their exercise in full) (the "**Anti-Dilutive Warrants**"). If fully exercised, the Anti-Dilutive Warrants will dilute the New Exchange Shares and the Backstop Premium from approximately 30% to approximately 24.9% of the fully diluted outstanding shares of the Company. The Anti-Dilutive Warrants are exercisable at $2.12 per share until February 7, 2026, presenting about 16.5% of the pro forma fully diluted share capital, and are only exercisable by non-U.S. persons and accredited investors as such terms are defined under applicable United States securities laws;

(e) certain Senior Noteholders holding approximately 99% of the aggregate outstanding principal amount of the 2024 Notes (the "**Majority Senior Noteholders**") were granted (i) the right to appoint one independent director (with no affiliation to competitors of the Company) to the Board, (ii) the right to continue to nominate one independent director at each annual meeting of the Company until the earlier of the repayment or refinancing of the 2026 Exchange Notes or the Majority Senior Noteholders cease to hold a majority of the 2026 Exchange Notes held as of closing of the Arrangement, and (iii) customary pre-emptive rights to acquire additional equity of the Company to maintain their respective proportionate equity interests.

56. The Company wound up AYR Wellness Canada on March 31, 2024, pursuant to which all of the assets and liabilities of AYR Wellness Canada, including the Senior Notes, became the assets and liabilities of AYR. Upon completion of same, the 2024 Notes were cancelled and the Senior Notes became direct obligations of AYR.

57. As a result of the Arrangement and related, previously disclosed transactions, AYR retired or extended the maturity of nearly $400 million in debt (including the 2024 Notes and certain Seller Notes) and obtained extended debt maturities until 2026.

IV. Financial Position of the Petitioner

58. As a publicly traded company, AYR files consolidated financial statements with SEDAR (the System for Electronic Document Analysis and Retrieval). These financial statements include the consolidated results of both the U.S. and Canadian entities for the entirety of the AYR Group. Most recently, AYR filed unaudited interim consolidated financial statements for the three months ended March 31, 2025.

59. On May 30, 2025, the Company was unable to meet the deadline to file its interim financial report, management's discussion and analysis, and related CEO and CFO's certificates for the three-month period ended March 31, 2025 as required under applicable Canadian securities laws. As a result, the Ontario Securities Commission (OSC) issued a failure to file cease trade order (FFCTO) effective June 5, 2025.

60. Copies of AYR's audited consolidated financial statements for the years ended December 31, 2024 and 2023 are attached hereto as **Exhibit "C"**. A copy of AYR Group's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2025 and 2024, is attached hereto as **Exhibit "D"**. These financial statements are the AYR Group's most recent annual and quarterly financial statements.

A. Assets

61. As of March 31, 2025, the AYR Group had total assets of with a book value of approximately $1,256,022,000 broken down as follows:

(a) cash of approximately $37.638 million;

(b) accounts receivable of approximately $14.477 million;

(c) inventory of approximately $108.929 million;

(d) other current assets of approximately $18.949 million;

(e) property, plant and equipment of approximately $283.282 million;

(f) intangible assets and intellectual property of approximately $594.276 million;

(g) right-of-use assets (operating) of approximately $165.770 million;

(h) right-of-use assets (finance) of approximately $25.021 million; and

(i) other non-current assets of approximately $7.680 million.

B. Liabilities

62. As of March 31, 2025, the AYR Group had total liabilities of approximately $946,673,000 broken down as follows:

(a) current liabilities of approximately $365.437 million, comprised of, notably:

(i) trade payables of approximately $36.637 million;

(ii) accrued liabilities of approximately $26.878 million;

(iii) current portion of debts payable of approximately $265.746 million; and

(iv) other current liabilities of approximately $36.176 million: and

(b) non-current liabilities of approximately $581.236 million, comprised of, notably:

(i) tax liabilities (deferred and uncertain) of approximately $201.320 million;

(ii) lease liabilities (operating and finance) of approximately $201.439 million;

(iii) long-term debts payable of approximately $150.686 million[1]; and

(i) other long-term liabilities of approximately $27.791 million.

C. *Shareholder Equity*

63. As of March 31, 2025, the shareholders' equity in respect of AYR was valued for accounting purposes at $309.349 million.

D. *Earnings*

64. For the year ended December 31, 2024, the AYR Group reported approximately $362.36 million in net loss, which compares to approximately $279.50 million net loss for the year ended December 31, 2023.

65. For the year ended December 31, 2024, the AYR Group reported adjusted EBITDA from continuing operations of approximately $100.014 million, compared to approximately $113.971 million for the same period in the preceding year.

66. For the three months ended March 31, 2025, AYR Group had a net loss of approximately $57.446 million, which compares to a net loss of approximately $108.336 million for the same period in the preceding year.

E. *Secured Debt*

67. AYR Group's secured debt is approximately $507 million. The following table summarizes the secured debt of AYR Group, which is comprised of the Senior Notes, the Bridge Facility, and Seller Notes listed by State as of November 2025:

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[1] As of March 31, 2025, the Company reclassified $239.371 million of its Senior Notes from long-term to current liabilities under debts payable – current portion. This reclassification was made in accordance with ASC 470-10-45-11 due to uncertainty regarding the Company's ability to comply with its liquidity covenant to maintain an unrestricted cash balance of no less than $20.0 million for the next twelve months.

Note	Principal Amount (in 1,000)	Rate (%)	Amount Due (in 1,000)		Maturity	Security	Guarantor	Debtor Entity	Holder/ Lender
			2025	2026					
Senior Notes	$293,250	13	$0.00	$293,250	12/10/2026	Substantially all assets of the AYR Group	Ayr Wellness, Inc. and Restricted Subsidiaries	Ayr Wellness, Inc. and Ayr Wellness Canada Holdings Inc.	Senior Noteholders
Tranche A Bridge	$28,868	14	$0	$28,868[2]	TBD[3]	Substantially all assets of the AYR Group	AYR Wellness Holdings LLC and Subsidiaries	CSAC Holdings Inc.	Senior Noteholders
Tranche B Bridge	$3,640	14	$0	$3,640[2]	TBD[4]	Substantially all assets of the AYR Group	AYR Wellness Holdings, LLC and Subsidiaries	CSAC Holdings Inc.	Senior Noteholders
NV – Livfree	$17,000	10	$0.00	$17,000	05/24/26	All Assets of LivFree	CSAC (SPAC)	CSAC Acquisition Inc.	Steve Menzies
NV – Tahoe Hydro	$888.75	8.00	$395	$395	04/01/27	All Assets of Tahoe Hydro	AYR Wellness Inc.	CSAC Acquisition NV Corp.	Mark Bruno
NV – Green	$1,406.67	8.00	$496.67	$606.67	07/01/27	All Assets of NV - Green	AYR Wellness Inc.	CSAC Acquisition NV Corp.	Mark Bruno
NJ – GSD	$5,375.87	13.5 - 14.5	$3,583.92	$1,791.96	09/15/26	All Assets of GSD NJ LLC	AYR Wellness Inc.	CSAC Acquisition NJ Corp.	Elk Spring Partners LLC, JJE Special Assets, LLC
NJ – GSD	$12,679.07	13.5	$1,479.07	$11,200	12/15/26	All Assets of GSD NJ LLC	AYR Wellness Inc.	CSAC Acquisition NJ Corp.	Elk Spring Partners LLC, Strategic Healthcare Initiatives LLC, JJE Special Assets, LLC

[2] Rather than a cash payment, this will be converted to equity upon maturity.
[3] The Tranche A Loan Maturity Date is variable.
[4] The Tranche B Loan Maturity Date is variable.

Note	Principal Amount (in 1,000)	Rate (%)	Amount Due (in 1,000)		Maturity	Security	Guarantor	Debtor Entity	Holder/ Lender
			2025	2026					
PA – Canntech	$11,071.42	10 - 11	$0.00	$11,071.42	06/23/26	All Assets of CannTech	AYR Wellness Inc.	CSAC Acquisition PA Corp.	Canna Research LLC JJE Special Assets, LLC
PA – Nature's Medicine	$17,720	8.00	$1,000	$16,720	10/01/26	All Assets of PA Nature's Medicine	AYR Wellness Inc.	CSAC Acquisition PA II Corp.	A BDC Warehouse II, Anthony J. DePaul, Austin Meehan, Sunrising Health and Wellness
PA – Nature's Medicine	$9,058.38	8.00	$2,000	$2,000	03/01/27	All Assets of PA Nature's Medicine	AYR Wellness Inc.	CSAC Acquisition PA II Corp.	AFC BDC Warehouse LLC
MA – Sira (Mortgage-Backed Loans)	$24,159.62	4.63	$163.72	$671.29	04/01/32	Mortgage on Real Property	AYR Wellness Inc.	Parker RE MA, LLC	BCB Community Bank
MA – Sira (Mortgage-Backed Loans)	$9,641.06	8.00	$42.27	$175.72	04/01/32	Mortgage on Real Property	AYR Wellness Inc.	Parker RE MA, LLC	BCB Community Bank
MA – Sira (Earnout)	$24,750	6.00	$2,750	$22,000	12/10/26	All Assets of Sira	Cannabis Strategies Acquisition Corp. (SPAC)	CSAC Acquisition Inc.	Green Partners Lender I LLC
FL – Millstreet (Mortgage-Backed Loans)	$47,665.44	8.27	$165.75	$1,056.39	07/05/33	Mortgage on Real Property	Ayr Wellness holdings, CSAC Holdings Inc., CSAC Acquisition Inc, CSAC Acquisition FL Corp, DFMMJ Investments LLC	242 Cannabis LLC	Millstreet

F. *Unsecured Debt*

68. AYR Group's unsecured debt is approximately $20 million. The following table summarizes the unsecured debt of AYR Group by State:

Note	Amount as of FY24 (in 1,000)	Rate (%)	Amount Due (in 1,000)		Maturity	Security	Guarantor	Debtor Entity	Holder/ Lender
			2025	2026					
IL– Herbal Remedies	$4,000	8.00	$4,000	$0	12/31/25	n.a.	AYR Wellness Inc.	CSAC Acquisition IL Corp.	Robert J. Lansing
IL– Herbal Remedies	$9,000	8.00	$1,200	$1,200	05/20/27	n.a.	AYR Wellness Inc.	CSAC Acquisition IL Corp.	Robert J. Lansing
IL – Land of Lincoln (Settlement Agreement)	$413	0.00	$413	$0	07/01/25	n.a.	n.a.	n.a.	n.a.
PA – Dochouse	$1,908.90	8.00	$1,908.90	$0	11/18/25	n.a.	AYR Strategies Inc.	CSAC Acquisition Inc.	Matthew Radebach, Justin Moriconi
PA – Canntech (Assumed Debt)	$1,500	10.00	$1,500	$0	07/10/25	n.a.	AYR Strategies Inc.	CannTech PA, LLC	CannaPharmacy, LLC
NJ – GSD (Assumed Debt)	$3,000	11.00	$3,000	$0	08/06/25	n.a.	n.a.	GSD NJ LLC	JJE Special Assets, LLC

V. Events Leading to the CCAA Filing

A. *Debt Burden of the Petitioner*

69. AYR Group is over-leveraged and has recurring operating losses and insufficient cash flow to meet its obligations, leading to it breaching its financial covenants under the Amended and Restated Indenture dated February 7, 2024 (the "**Indenture**") governing the Senior Notes.

70. As of March 31, 2025, the AYR Group had total liabilities of approximately $947 million.

71. AYR Group's recent performance has been challenged, achieving only approximately $9.632 million in operating cash flow for year-ended 2024. In contrast, operating cash flow for year-ended 2023 was approximately $27.165 million. Additionally, revenue was approximately $464 million for fiscal 2023 and 2024, with a net loss from continuing operations of approximately $93 million in 2023 and $362 million in 2024.

72. AYR Group's equity market capitalization stood at approximately $18 million as of November 15, 2025, following a year-to-date decline of approximately 95%.

73. Management has, to date, been able to maintain adequate liquidity by closely managing working capital and payables and with additional support from a $31.750 million cash

injection from the Bridge Facility (as defined below) provided by certain Consenting Senior Noteholders (including funding $3.555 million to effectuate a court-supervised wind down of non-core assets pursuant to an approved Wind Down Budget (as defined below), including these CCAA proceedings).

B. *Challenges in the Cannabis Sector*

74. AYR Group's financial difficulties are in large measure symptomatic of the crisis facing the cannabis industry at large, which threatens the survival and growth of numerous businesses within this sector.

75. The cannabis sector is grappling with severe financial constraints due a lack of availability of new equity capital and highly restricted debt markets. These limitations have significantly hindered the ability of cannabis businesses to refinance existing obligations and restructure their operations. The absence of viable financial avenues has left many cannabis companies on the brink of insolvency, unable to secure the necessary funds to sustain operations and invest in future growth.

76. The industry is further destabilized by tremendous political uncertainty regarding the rescheduling of cannabis in the United States. The Drug Enforcement Administration (DEA) has not provided a clear timeline or direction on this matter, leaving cannabis businesses in a state of limbo. This lack of clarity impedes strategic planning and investment, as companies are unable to predict the regulatory landscape and adjust their operations accordingly. The ambiguity surrounding cannabis rescheduling continues to stifle innovation and growth within the sector. State level regulations are highly variable and prior speculative investments by competitors have left many states with an oversupply of cannabis, which has had the effect of depressing market prices.

77. Furthermore, the inaction of Congress on the SAFER Banking Act exacerbates the financial difficulties faced by the cannabis industry in the United States. The absence of legislative progress on this crucial issue prevents cannabis businesses from accessing traditional banking services, thereby complicating financial transactions and increasing operational risks. Additionally, the uncertainty regarding the current U.S. administration's stance on cannabis adds another layer of unpredictability to U.S. federal cannabis policy. This unpredictability hampers the ability of businesses to make informed decisions and undermines investor confidence in the sector.

C. *Management Instability*

78. Prior to the appointment of Scott Davido as Interim Chief Executive Officer and the engagement of Ankura on April 4, 2025, AYR had been operating under the leadership of Interim CEO Steven M. Cohen since September 18, 2024, following the resignation of former CEO David Goubert.

79. Further compounding the leadership challenges, CFO Brad Asher announced his resignation on February 3, 2025, effective following the filing of the 2024 annual financial statements.

80. On July 31, 2024, Jonathan Sandelman resigned and stepped down from his role as director and executive chairman of the Company, with Louis Karger replacing him as the chairman of the Board.

81. The Petitioner believes that the engagement of Ankura has brought much needed stability as it restructures its affairs.

VI. The Restructuring Support Agreement, the UCC Sale, and the Bridge Facility

82. The AYR Group is insolvent and is in need of comprehensive restructuring in order to provide the business with critical liquidity in the near term to address solvency issues and to provide for an orderly restructuring of its operations and assets.

83. Because AYR Group grows and sells cannabis, the U.S. entities within the group cannot access the protection of the U.S. Bankruptcy Code and thus cannot enter a coordinated Chapter 11 proceeding or a Chapter 15 recognition of the CCAA proceedings.

84. Moelis was engaged by the Petitioner in March 2025 to assist in evaluating strategic options to address (i) AYR Group's declining liquidity, (ii) covenant constraints under the Indenture governing the Senior Notes, and (iii) AYR Group's significant debt load, including approximately $409 million of obligations maturing by December 2026.

85. As part of its efforts to restructure, the AYR Group commenced discussions in or about April 2025, with an ad hoc committee of holders of AYR's Senior Notes (the "**Ad Hoc Committee**") regarding the terms on which they would support a restructuring of the AYR Group.

86. Beginning on April 3, 2025, Moelis initiated outreach to potential strategic acquirers and financial investors regarding a sale of AYR Group and a potential refinancing of AYR Group's capital structure. Moelis contacted three strategic counterparties (other cannabis MSOs) and five financial investors, and also engaged with AYR Group's creditors. Initial outreach was conducted via phone calls and email, and Moelis held discussions with each party. All eight parties declined within one week, concluding on April 10, 2025. None of the parties executed NDAs or accessed the data room. Strategic counterparties indicated they were not interested in acquiring AYR at a value in excess of its outstanding debt, and financial investors advised they were not prepared to refinance AYR's debt at par. Moelis provided the Board with a comprehensive update on April 7, 2025, and continued to keep the Special Committee apprised through subsequent updates during the months of April and May. No actionable proposals or indications of interest were received for either a refinancing or a sale at that time.

87. However, the good faith, arm's length negotiations between the AYR Group and the Ad Hoc Committee were fruitful and, on July 30, 2025, the Petitioner and certain other AYR Group entities entered into a Restructuring Support Agreement (the "**RSA**") with consenting holders of AYR's Senior Notes (the "**Consenting Senior Noteholders**"), holding 73% of the outstanding principal amount of the Senior Notes. A slightly redacted copy of the RSA, as made publicly available on SEDAR+, alongside an email amendment thereto dated November 13, 2025, is attached hereto as **Exhibit "E"**.

88. The RSA outlines a comprehensive restructuring plan designed to facilitate the continued operation and orderly transition of the AYR Group's core business under new ownership

through the UCC Sale, while maximizing value for stakeholders and minimizing liabilities associated with non-core assets in connection with a liquidation and wind-down of the Petitioner and the assets of the AYR Group not acquired in the UCC Sale.

89. To support the restructuring, certain Consenting Senior Noteholders further agreed to provide a senior secured multiple draw term loan facility in an aggregate principal amount of up to $50 million (the "**Bridge Facility**"). The Bridge Facility is funded in accordance with a budget approved by the requisite Bridge Facility lenders and will bear interest at 14% per annum, payable in kind. The Bridge Facility is secured by properly perfected liens and security interests in all assets and properties of the Bridge Facility loan parties (which loan parties do not include the Petitioner), ranking *pari passu* with the existing Senior Notes liens. On the effective date of the Asset Sale Transaction, all outstanding principal and accrued but unpaid interest under Tranche A of the Bridge Facility will convert into a new take-back debt facility (the "**Take-Back Debt Facility**") to be issued by the entity that will acquire certain specified assets and equity interests of certain U.S. subsidiaries of AYR under the Asset Sale Transaction ("**NewCo**").

A. *The UCC Sale*

90. In accordance with the RSA, and following the occurrence of certain events of default under the Indenture, Senior Noteholders holding over two-thirds in aggregate principal amount of the Senior Notes (the "**Majority Noteholders**") delivered a written direction to Odyssey Trust Company, in its capacity as collateral trustee under the Indenture (the "**Trustee**"), to accelerate the Senior Notes and commence a public disposition of collateral under the UCC Sale pursuant to sections 9-610 and 9-611 of the UCC.

91. Pursuant to the Majority Noteholders' direction, the Trustee initiated the UCC Sale process for the going concern sale of the specified assets. The UCC Sale was conducted in accordance with formal bid procedures (the "**Bid Procedures**") distributed by the Trustee at the direction of the Majority Noteholders. The Bid Procedures contemplated a credit bid by the Senior Noteholders pursuant to an agreement substantially in the form of the proposed purchase agreement attached to the Bid Procedures. A copy of the Bid Procedures is attached hereto as **Exhibit "F"**.

92. Capitalized terms not otherwise defined in this section have the meaning ascribed to them in the Bid Procedures.

93. The Bid Procedures established a structured and competitive sale process, based on the following criteria for qualification:

Qualification Criterion	**Description**
Identification and Authority	Submit documentation identifying the Interested Party, its principals, and authorized representatives.
Bona Fide Interest	Provide a statement and factual support demonstrating genuine interest and ability to fund a cash purchase price sufficient to satisfy all Secured Obligations.
Regulatory Compliance	Submit cannabis license disclosures and criminal conviction statements for bidder and its principals.

Financial Capacity	Provide audited financial statements or other acceptable financial disclosures and demonstrate ability to close the transaction.
Due Diligence Cooperation	Comply with reasonable requests for information and access from advisors and the Trustee.
Automatic Qualification	Trustee, on behalf of the Senior Noteholders, and the Bridge Agent, on behalf of the Bridge Lenders, are automatically deemed Qualifying Bidders.

94. The Successful Bid was to be selected by the Trustee at the direction of the Majority Noteholders, based on the following criteria:

(a) **Satisfaction of Secured Obligations**: Any bid that pays the full amount of the Senior Notes and Bridge Facility obligations in cash would be deemed a winning bid.

(b) **Evaluation Factors**: The Trustee and Majority Noteholders considered:

(i) Changes to the proposed purchase agreement.

(ii) Likelihood and timing of closing.

(iii) Total consideration to be received.

(iv) Execution risk (e.g., financing certainty, regulatory approvals).

(v) Any other relevant factors.

(c) **Auction Process**: If multiple Qualifying Bids are received, an Auction is held. Bidders submit successive bids in open outcry format. The highest and best bid is selected as the Successful Bid. A Back-Up Bidder is also designated in case the Successful Bidder fails to close.

95. The key milestones of the Bid Procedures were as follows:

Date	Event
October 30, 2025	Deadline for non-binding indications of interest
November 6, 2025	Deadline to submit Qualifying Bids
November 10, 2025	Auction date
November 11, 2025	Deposit due from Successful Bidder (10% of purchase price)
November 11, 2025	Execution of purchase agreement
November 14, 2025	Submission of regulatory filings
January 19, 2026	Target date for consummation of the Sale

96. Outreach for the UCC Sale commenced in September 2025 and intensified on October 9, 2025. Moelis undertook a comprehensive marketing process to identify potential participants, contacting a total of **53** parties. The contacted parties represented a diverse range of potential bidders, including individuals and family offices, financial sponsors, strategic acquirers, real estate developers and property managers, as well as consulting firms and law firms acting on behalf of clients. Of these, **40** parties received the Bid Procedures, and **4** executed non-disclosure agreements and accessed the virtual data

room. Despite this outreach, no party submitted an indication of interest, and no qualifying bids were received at the conclusion of the auction.

97. As a result, no competing bid was submitted that would satisfy the outstanding Secured Obligations under the Senior Notes and the Bridge Facility, which as of November 10, 2025 totaled approximately $325.8 million in principal and $50.5 million in accrued interest and premiums. Accordingly, the credit bid of the Senior Noteholders was deemed to be the Successful Bid in the UCC Sale process.

B. *Asset Sale Transaction*

98. In accordance with the RSA, the credit bid of the Senior Noteholders will be implemented under a master purchase agreement (the "**MPA**") under which (a) in exchange for the cancellation of the credit bid portion of the Senior Notes, the Senior Noteholders will receive their pro rata share of 100% of the new equity interests issued by NewCo (subject to dilution by a management incentive plan and the equitization of certain Bridge Facility premiums); and (b) Newco will acquire certain assets and assume certain liabilities of AYR Group subsidiaries located in Florida, Ohio, Nevada, New Jersey, Pennsylvania, Massachusetts and Virginia.

99. The consideration under the Asset Sale Transaction includes a credit bid of a portion of the Secured Obligations and the assumption of liabilities. Secured Obligations of approximately $48.3 million remain outstanding and will not be released or discharged in connection with the Asset Sale Transaction. These outstanding Secured Obligations constitute the senior-ranking claims against the Petitioner and other loan parties in the AYR Group, and the holders of such claims are entitled to the residual value of the Petitioner's estate up to the remaining outstanding amount.

100. The AYR Group is now working to obtain necessary regulatory approvals in the United States and satisfy other closing conditions to complete the Asset Sale Transaction and proceed with the closing of the MPA.

101. On November 13, 2025, counsel to the Ad Hoc Committee delivered an email amendment to the RSA and the Bridge Facility, which is attached as part of Exhibit "E". Pursuant to this amendment, the Consenting Senior Noteholders consented to extend certain milestones under both agreements as follows:

(a) **APA (MPA) Execution Date:** Extended to November 14, 2025 under both the RSA and the Bridge Facility.

(b) **Regulatory Filings**: The deadline for submission of state-level regulatory applications is extended to December 31, 2025, and the deadline for submission of municipal-level regulatory applications is extended to a future date to be determined by the Required Consenting Senior Noteholders.

(c) **Asset Sale Transaction Effective Date**: Extended to June 1, 2026 under both agreements.

102. The amendment affirms that all prior milestones (other than those extended) have been satisfied or waived and provides that the extended milestones are retroactively incorporated into the RSA and the Bridge Facility, *mutatis mutandis*, to amend and

supersede any conflicting milestones previously set forth therein. Except as expressly set forth in the amendment, no waiver of any default or obligation is granted, and all rights and remedies under the RSA, the Bridge Facility, and applicable law are reserved.

C. *The Bridge Facility*

103. On August 29, 2025, CSAC Holdings Inc. (the "**Bridge Borrower**"), an indirect wholly-owned subsidiary of AYR, entered into a senior secured bridge term loan agreement (the "**Bridge Credit Agreement**") with certain Consenting Senior Noteholders, as lenders (the "**Bridge Lenders**") and Acquiom Agency Services LLC, as administrative agent and collateral agent (the "**Bridge Agent**"). The Bridge Credit Agreement provides for a multiple-draw senior secured bridge facility in an aggregate principal amount of up to $50 million (the "**Bridge Facility**"), composed of Tranche A term loans in the amount of $46,445,000 (the "**Tranche A loans**") and Tranche B term loans in the amount of $3,555,000 (the "**Tranche B loans**"). A redacted copy of the Bridge Facility, as made publicly available on SEDAR+, is attached hereto as **Exhibit "G"**.

104. The Bridge Facility is guaranteed on a joint and several basis by AYR Wellness Holdings LLC and all direct and indirect subsidiaries of the Bridge Borrower (collectively, the "**Bridge Guarantors**"). The obligations under the Bridge Facility are secured by first-priority liens on all present and future assets of the Bridge Borrower and the Bridge Guarantors, ranking *pari passu* with the liens securing the Senior Notes and senior to all unsecured indebtedness.

105. The Bridge Facility bears interest at a rate of 14% per annum, payable-in-kind and capitalized monthly. The maturity date for the Tranche A loans is the earlier of: (i) 60 days after the closing date of August 29, 2025 (as may be extended), or (ii) the occurrence of certain acceleration events. The maturity date for the Tranche B loans is the earlier of: (i) 95 days after consummation of the Asset Sale Transaction (as defined in the RSA), or (ii) February 19, 2026.

106. The proceeds of the Tranche A loans may be used for working capital and general corporate purposes in accordance with a 13-week cash-flow budget approved by Bridge Lenders holding a majority of commitments, as well as for costs associated with the Asset Sale Transaction and restructuring. The proceeds of the Tranche B loans are to be used to fund a court-supervised wind down of non-core assets pursuant to a wind down budget approved by the Consenting Senior Noteholders in accordance with the RSA (the "**Wind Down Budget**"), including these CCAA proceedings.

107. In connection with the Bridge Facility, the Bridge Borrower is required to pay the following premiums, each of which is fully earned on closing, payable-in-kind, and may be converted into equity in NewCo at the election of a particular Bridge Lender:

    (a) A Commitment Premium equal to 10% of the aggregate commitments;

    (b) A Backstop Premium equal to 15% of the aggregate commitments; and

    (c) An Exit Premium equal to 10% of the aggregate commitments.

108. As previously outlined, on the effective date of the Asset Sale Transaction, all outstanding principal, accrued payment-in-kind interest, and unpaid premiums under Tranche A of the

Bridge Facility will automatically convert, on a dollar-for-dollar basis, into the Take-Back Debt Facility, being a new senior secured term facility to be issued by NewCo.

109. The Bridge Credit Agreement contains customary affirmative and negative covenants, including:

(a) Weekly cash-flow reporting and budget variance testing (for the first 8 weeks) and then bi-weekly cash-flow reporting thereafter;

(b) Maintenance of a minimum liquidity covenant of $17.5 million, after giving consideration to undrawn commitments under Tranche A;

(c) Restrictions on additional indebtedness, liens, investments, asset sales, and affiliate transactions; and

(d) Maintenance of cannabis licenses and compliance with restructuring milestones.

110. Events of default under the Bridge Facility include, among other things, non-payment, breaches of covenants, cross defaults, unauthorized insolvency events, change of control, termination events under the RSA, and failure to satisfy restructuring milestones or the granting of any relief in these CCAA proceedings that restricts, prevents, delays or otherwise affects the Asset Sale Transaction.

111. The proceed of Tranche B loans under the Bridge Facility provide the interim financing for these proceedings and provide AYR with the liquidity required to:

(a) Maintain ordinary-course operations of AYR's core business pending completion of the Asset Sale Transaction;

(b) Fund restructuring and transaction expenses; and

(c) Facilitate an orderly, court-supervised wind-down of non-core assets.

112. The Bridge Facility is therefore an important element of the restructuring contemplated by the RSA and positions the AYR Group to consummate the Asset Sale Transaction within the agreed milestones and liquidate and wind-down the remaining business and assets that are not acquired in the Asset Sale Transaction. While the Petitioner is not a party to the Bridge Facility, the Petitioner is permitted to access funding provided under the Bridge Facility, subject to the Wind Down Budget and the RSA, to fund its orderly wind-down and liquidation in these CCAA proceedings.

113. The AYR Group, with the assistance of the Proposed Monitor has prepared cash flow projections for the period from November 16, 2025, to February 21, 2026 (the "**Cash-Flow Forecast**"). The Cash-Flow Forecast indicates that the Bridge Facility and the Wind Down Budget are forecasted to provide the Petitioner with sufficient funding during the extended Stay Period as will be requested at the Comeback Hearing (i.e., February 20, 2026). A copy of the Cash-Flow Forecast is attached hereto as **Exhibit "H"**.

114. The funds available under the Tranche B of the Bridge Facility will be used to meet the Petitioner's immediate funding requirements during the CCAA proceeding and to implement the restructuring in accordance with the Cash-Flow Forecast. The Petitioner

believes that it is crucial and necessary to have access to sufficient funding to ensure there is enough flexibility and sufficient time to implement the necessary transactions and conduct the restructuring.

VII. Initial Relief Sought

A. *Stay of Proceedings*

115. The Petitioner is insolvent and requires a stay of proceedings and other protections provided by the CCAA in order to preserve value, pursue opportunities for the maximization of value of its remaining assets, and complete an orderly wind-down in these CCAA proceedings. The proposed Amended and Restated Initial Order provides a stay of proceedings until November 27, 2025 (the "**Stay Period**") following the expiration of the initial 10-day period of the Initial Order.

B. *Appointment of Monitor*

116. The Proposed Monitor has consented to act as the Monitor of the Petitioner under the CCAA. A copy of the Monitor's consent is attached hereto as **Exhibit "I"**.

117. KSV has acted as a monitor in this and other Canadian jurisdictions and is qualified and competent to act as a monitor in these proceedings. At no time in the past two years has KSV or any of its partners or managers been:

(a) a director, officer, or employee of the Petitioner;

(b) related to the company or any director or officer of the Petitioner; or

(c) the auditor, accountant or legal counsel, or a partner or an employee of the auditor, accountant or legal counsel, of the Petitioner.

118. KSV is not under a trust indenture or power of attorney related to the Petitioner, nor is it related to a holder of any such indenture or power of attorney.

C. *Approval of the Ankura and Moelis Engagement Letters*

119. In March 2025, the Board approved the engagement of Moelis as financial adviser to the Company in the context of the present turnaround efforts, all in accordance with the terms set out in an engagement letter dated March 13, 2025 (the "**Moelis Engagement Letter**"). Attached hereto as **Exhibit "J"** is a true copy of the Moelis Engagement Letter.

120. Throughout the restructuring process, Moelis has worked closely with the Board, the Special Committee, and senior management to evaluate strategic alternatives, analyze financial options, and negotiate key elements of the transaction. Over the course of nine months, Moelis engaged directly with dozens of individual creditors and their advisors, as well as numerous strategic counterparties and potential capital providers, to advance a comprehensive solution for the Company's liquidity and capital structure challenges..

121. In April 2025, the Board engaged Ankura to assist the AYR Group with the assessment of its operations and consider potential restructuring options, all in accordance with the terms set out in an engagement letter dated April 3, 2025 (the "**Ankura Engagement Letter**" and together with the Moelis Engagement Letter, the "**Engagement Letters**"). Attached hereto as **Exhibit "K"** is a true copy of the Ankura Engagement Letter.

122. Since its engagement in April 2025, Ankura has provided critical leadership and advisory support to the Company throughout its restructuring efforts. Ankura deployed senior professionals, including Scott Davido and Blake Holzgrafe, to stabilize operations, manage liquidity, and develop a comprehensive restructuring strategy in coordination with the Board, the Special Committee, and key stakeholders. Ankura has overseen the preparation of cash-flow forecasts, assisted in negotiations with secured creditors, and supported the design and implementation of the wind-down plan for non-core assets. Its team has also played an integral role in planning for the UCC Sale process and ensuring continuity of management during the transition, positioning the Company to maximize value for stakeholders while maintaining operational stability during these proceedings.

123. The Petitioner asks this Honourable Court to approve the Engagement Letters, *nunc pro tunc* to the date these insolvency proceedings were commenced, and authorize the Company, subject to the Wind Down Budget and the RSA, to continue to honor its obligations under these agreements, including all indemnification obligations thereunder and payment by the Company of all fees and expenses in accordance with the terms thereunder.

D. *Appointment of CRO*

124. As the AYR Group considered potential restructuring options, it was determined that a CRO would be accretive to the process. I was accordingly appointed as the CRO of AYR pursuant to the terms of the Ankura Engagement Letter.

125. I understand that, following the closing of the Successful Bid under the UCC Sale process, Mr. Davido is expected to continue in his role as CEO of the entity acquiring AYR's assets. Given this anticipated continuity in leadership and my ongoing involvement in AYR's restructuring efforts, I have agreed to assume the role of CEO of AYR as of the commencement of these CCAA proceedings, in addition to my role as CRO. My continued involvement is intended to ensure consistency in the execution of AYR's restructuring strategy and to support a smooth transition through the Canadian proceedings.

126. Scott Davido has significant restructuring advisory experience and is a Senior Managing Director at Ankura, a global advisory and business consulting firm. He previously served in the same role at FTI Consulting, leading companies in financial and operational transitions. Among his roles, Mr. Davido has previously served as Interim CEO of DCL Corporation, CEO of Advantage Rent a Car, and CEO of Experience.com (formerly Social Survey). Mr. Davido has also held senior executive roles at Calpine Corporation and NRG Energy. Attached as **Exhibit "L"** hereto is a copy of my Mr. Davido's CV.

127. I am a Managing Director at Ankura, specializing in corporate restructuring and performance improvement. Over the course of my career, I have advised various stakeholder groups in complex restructuring matters, including Chapter 11 proceedings and out-of-court workouts. My experience includes leading the $1.3 billion restructuring of Associated Materials, the liquidation of Harvest Sherwood and managing organizations

through complicated liquidity positions, winding down operating assets, and effectuating reorganization activities. I have developed and implemented liquidity management strategies, operational turnarounds, and stakeholder negotiation frameworks across a range of distressed situations. I am familiar with the financial and operational challenges facing AYR and believe I am well-positioned to serve as its CEO and CRO, providing leadership and strategic direction through its restructuring process. Attached as **Exhibit "M"** hereto is a copy of my current CV.

E. *Administration Charge*

128. The Petitioner proposes that the Monitor, its counsel, and counsel to the Petitioner be granted a court-ordered charge on the Property (as such term is defined in the Initial Order) as security for their respective fees and disbursements relating to services rendered in respect of the Petitioner (the "**Administration Charge**"). The Administration Charge is in priority the D&O Charge (as hereinafter defined). With the concurrence of the Proposed Monitor, the Petitioner is proposing that the Administration Charge for the first ten days be limited to $250,000 CAD and will be seeking to increase the charge at the comeback hearing to $500,000 CAD.

129. I believe that the Administration Charge is reasonable and necessary to ensure the continued assistance of these professionals, and is necessary and beneficial to the process itself.

F. *Directors' and Officers' Charge*

130. The completion of an orderly liquidation of the Petitioner, and the completion of the Asset Sale Transaction in the United States, will only be possible with the continued participation of the AYR Group's directors, officers, management, and employees.

131. I am advised by Arad Mojtahedi, counsel to the Petitioner in these CCAA proceedings, and believe that, in certain circumstances, directors of a Canadian company can be held liable for certain obligations of the company owing to employees and government entities, and may be exposed to certain liabilities by virtue of their role as a directors or officers of the company.

132. The current primary D&O and corporate liability insurance policy is with Berkley Professional Liability. It is active from May 24, 2025 through May 24, 2026 The premium amount is $255,000.

133. It is my understanding that the Petitioner's present and former directors and officers are among the potential beneficiaries of a directors' and officers' insurance policy, however, coverage under that policy is expected to be $2.5 million.

134. In my view, this amount is wholly inadequate for an enterprise of the size of the AYR Group with its cross-border operations. I have reviewed the existing insurance policy and I believe that it does not have sufficient coverage against the potential liability that the directors and officers could incur in relation to these CCAA proceedings. Additional coverage is not available.

135. In light of the complexity and scope of the AYR Group's operations and potential liabilities, and the uncertainty surrounding available insurance, the directors and officers of AYR have indicated that their continued service to AYR and involvement in these CCAA proceedings is conditional upon the granting of an order under the CCAA that grants a charge in favour of the directors and officers of AYR (the "**D&O Charge**") to secure any obligations that they may incur in their role as directors and officers of AYR from and after the commencement of the CCAA proceedings. The Petitioner is proposing that the D&O Charge for the first ten days be limited to $500,000 CAD and to be increased at the comeback hearing to $1,000,000 CAD.

136. The D&O Charge is proposed to rank subordinate to the Administration Charge. The D&O Charge is necessary so that the AYR Group may benefit from the experience and industry knowledge of the Petitioner's directors and officers while it completes an orderly restructuring and liquidation process.

137. I believe the D&O Charge is reasonable and necessary in the circumstances, and is necessary and beneficial to the process itself.

VIII. Conclusion

138. I am confident that granting the Initial Order sought by the Petitioner is in the best interests of the AYR Group and its stakeholders, generally. Without the stay of proceedings, the Petitioner faces significant liquidity constraints as a result of its over-leveraged balance sheet, recurring operating losses, working capital deficiencies, and insufficient cash flow. I believe that these CCAA proceedings are the only viable method to complete the restructuring of the AYR Group for the benefit of its stakeholders.

139. During the period leading up to the AYR Group seeking protection under the CCAA, the AYR Group worked tirelessly to negotiate and finalize a restructuring plan which would ensure access to sufficient capital to complete the process, a fair and fulsome canvassing of the market to realize the greatest value for the AYR Group's assets and/or business, and a path forward supported by the AYR Group's key stakeholders.

140. I acknowledge the solemnity of making a sworn statement and acknowledge the consequences of making an untrue statement.

141. I was not physically present before the person before whom this affidavit was sworn or affirmed but was in that person's presence using video conferencing.

AFFIRMED BEFORE ME at Vancouver, British Columbia on November 14, 2025

A Commissioner for taking Affidavits for British Columbia.

BLAKE HOLZGRAFE

Barrister & Solicitor
DLA Piper (Canada) LLP
Suite 2700, 1133 Melville St
Vancouver, BC V6E 4E5

Arad Mojtahedi
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

This is **Exhibit " A "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

AYR WELLNESS INC.

Date and Time of Search: **November 10, 2025 04:06 PM Pacific Time**

Currency Date: August 26, 2025

ACTIVE

Incorporation Number: BC1291251

Name of Company: AYR WELLNESS INC.

Business Number: 701847493 BC0002

Recognition Date and Time: February 26, 2021 08:50 AM Pacific Time as a result of an Amalgamation

In Liquidation: No

Last Annual Report Filed: February 26, 2025

Receiver: No

AMALGAMATING CORPORATION(S) INFORMATION

Name of Amalgamating Corporation	Incorporation Number in BC
AYR WELLNESS INC.	C1210067
LIBERTY HEALTH SCIENCES INC.	BC1291177

REGISTERED OFFICE INFORMATION

Mailing Address:
SUITE 1700, PARK PLACE
666 BURRARD STREET
VANCOUVER BC V6C 2X8
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666 BURRARD STREET
VANCOUVER BC V6C 2X8
CANADA

RECORDS OFFICE INFORMATION

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Delivery Address:
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MIAMI FL 33133
UNITED STATES

NO OFFICER INFORMATION FILED AS AT February 26, 2025.

Corporate Information

Back | New Search

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pg38148

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Corporate Name Index
Corporate Information
Corporate Summary

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Corporate Information	Free
Corporate Details and documents	$7

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HELP DESK: 1 800 663-6102 (Toll free)

November 10, 2025 4:05 PM

Date and Time of Search: **November 10, 2025 4:05 PM Pacific Time**
Currency Date: **August 26, 2025**
Paper filings received at the Corporate Registry after the currency date may not have been file

Active

HELP ?

Number: **BC1291251**
Name: **AYR WELLNESS INC.**
Type: **BC Company**
Business Number: **701847493BC0002**

There is a $7 charge to view any or all electronic documents listed below including the Corporate Summary. HELP ?

Documents that are available on paper only may be accessed at the Corporate Registry for a fee.

Proceed to Payment

How long can I view documents after I pay?

Corporate Summary

Click the "View Corporate Summary" button below to see a summary of information about the company, including office addresses and directors. HELP ?

View Corporate Summary

Corporate History

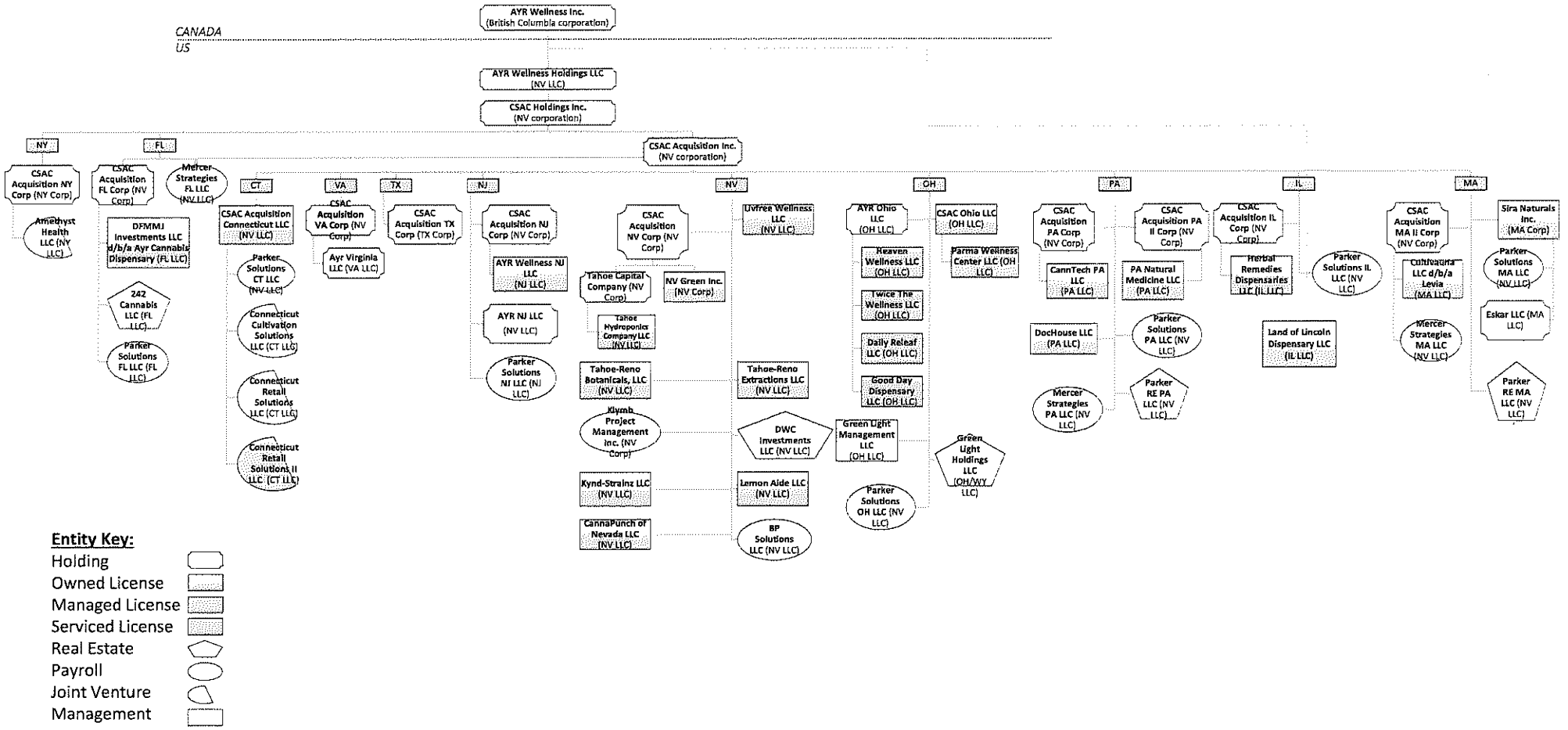
HELP ?

Corporate History	Date and Time Filed (Pacific Time)	Details	View Documents
BC Annual Report - FEB 26, 2025	March 19, 2025 11:50 AM		BC Annual Report - FEB 26, 2025
Notice of Change of Directors	April 10, 2024 3:08 PM	Date of Change: March 15, 2024	Notice of Change of Directors Notice of Articles
BC Annual Report - FEB 26, 2024	February 27, 2024 9:58 AM		BC Annual Report - FEB 26, 2024
Notice of Change of Directors	August 04, 2023 3:16 PM	Date of Change: July 17, 2023	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	July 10, 2023 11:32 AM	Date of Change: June 22, 2023	Notice of Change of Directors Notice of Articles
BC Annual Report -	April 26, 2023 10:35		BC Annual Report - FEB 26,

This is **Exhibit " B "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

AYR Legal Entity Structure



This is **Exhibit " C "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.



A Commissioner for taking Affidavits for British Columbia



Ayr Wellness Inc.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(EXPRESSED IN UNITED STATES DOLLARS)

Ayr Wellness Inc.
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Report of Independent Registered Public Accounting Firm (PCAOB ID 688)	1
Consolidated Balance Sheets *("Balance Sheets")*	2
Consolidated Statements of Operations *("Statements of Operations")*	3
Consolidated Statements of Shareholders' Equity *("Statements of Shareholders' Equity")*	4
Consolidated Statements of Cash Flows *("Statements of Cash Flows")*	5
Notes to the Consolidated Financial Statements	6-43

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
Ayr Wellness Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Ayr Wellness Inc. (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, shareholders' equity and cash flows for the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph - Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 3.20, the Company has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3.20. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2021.

New York, NY
March 21, 2025

Ayr Wellness Inc.
Consolidated Balance Sheets
(Expressed in United States Dollars, in thousands, except share amounts)

	As of December 31, 2024	As of December 31, 2023
ASSETS		
Current		
Cash, cash equivalents and restricted cash	$ 35,482	$ 50,766
Accounts receivable, net	13,226	13,491
Inventory	112,558	106,093
Prepaid expenses, deposits, and other current assets	6,120	22,032
Asset held for sale	7,770	16,210
Total Current Assets	175,156	208,592
Non-current		
Property, plant, and equipment, net	277,749	310,379
Intangible assets, net	616,661	673,745
Right-of-use assets - operating, net	164,260	126,131
Right-of-use assets - finance, net	27,644	40,671
Goodwill	—	94,108
Deposits and other assets	7,689	6,229
TOTAL ASSETS	$ 1,269,159	$ 1,459,855
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Trade payables	$ 30,892	$ 24,036
Accrued liabilities	27,022	40,836
Lease liabilities - operating - current portion	11,763	9,582
Lease liabilities - finance - current portion	5,385	9,789
Income tax payable	2,406	87,951
Debts payable - current portion	24,828	23,152
Accrued interest payable - current portion	1,249	1,983
Liabilities held for sale	5,774	3,850
Total Current Liabilities	109,319	201,179
Non-current		
Deferred tax liabilities, net	50,763	64,965
Uncertain tax position liabilities	136,719	—
Lease liabilities - operating - non-current portion	179,602	125,038
Lease liabilities - finance - non-current portion	14,661	18,007
Construction finance liabilities	—	38,205
Long-term debts payable, net	385,646	411,306
Accrued interest payable - non-current portion	5,632	5,530
Other long- term liabilities	21,967	24,973
TOTAL LIABILITIES	904,309	889,203
Commitments and contingencies		
Shareholders' equity		
Multiple Voting Shares - no par value, unlimited authorized. Issued and outstanding - nil and 3,696,486 shares, respectively	—	—
Subordinate, Restricted, and Limited Voting Shares - no par value, unlimited authorized. Issued and outstanding - 108,759,747 and 64,574,077 shares, respectively	—	—
Exchangeable Shares: no par value, unlimited authorized. Issued and outstanding - 8,013,860 and 9,645,016 shares, respectively	—	—
Additional paid-in capital	1,518,670	1,370,600
Treasury stock - nil and 645,300 shares, respectively	—	(8,987)
Accumulated other comprehensive income	3,266	3,266
Accumulated deficit	(1,142,410)	(783,101)
Equity of Ayr Wellness Inc.	379,526	581,778
Noncontrolling interest	(14,676)	(11,126)
TOTAL SHAREHOLDERS' EQUITY	364,850	570,652
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,269,159	$ 1,459,855

The accompanying notes are an integral part of these consolidated financial statements.

Ayr Wellness Inc.
Consolidated Statements of Operations
(Expressed in United States Dollars, in thousands, except per share amounts)

	Year Ended	
	December 31, 2024	December 31, 2023
Revenues, net of discounts	$ 463,633	$ 463,630
Cost of goods sold	286,952	261,188
Gross profit	176,681	202,442
Operating expenses		
Selling, general, and administrative	167,134	177,800
Impairment of goodwill and other assets	118,113	6,320
Depreciation and amortization	48,061	51,364
Acquisition and transaction costs	4,358	4,080
Total operating expenses	337,666	239,564
Loss from continuing operations	(160,985)	(37,122)
Other income (expense), net		
Fair value gain on financial liabilities, net	—	23,023
Loss on the extinguishment of debt	(79,172)	–
Loss on sale of assets	(3,665)	(91)
Interest expense, net	(78,258)	(39,403)
Interest income	323	743
Other income, net	2,671	7,094
Total other (expense) income, net	(158,101)	(8,634)
Loss from continuing operations before income taxes and noncontrolling interest	(319,086)	(45,756)
Income taxes		
Current tax provision	(57,474)	(54,839)
Deferred tax benefit	14,200	7,448
Total income taxes	(43,274)	(47,391)
Net loss from continuing operations	(362,360)	(93,147)
Discontinued operations		
Loss from discontinued operations, net of taxes (including loss on disposal of $182,464 for the year ended December 31, 2023)	—	(186,353)
Loss from discontinued operations	—	(186,353)
Net loss	(362,360)	(279,500)
Net loss attributable to noncontrolling interest	(3,051)	(7,067)
Net loss attributable to Ayr Wellness Inc.	$ (359,309)	$ (272,433)
Basic and diluted net loss per share		
Continuing operations	$ (3.24)	$ (1.16)
Discontinued operations	—	(2.52)
Total (basic and diluted) net loss per share	$ (3.24)	$ (3.68)
Weighted average number of shares outstanding (basic and diluted)	110,832	74,096

The accompanying notes are an integral part of these consolidated financial statements.

Ayr Wellness Inc.
Consolidated Statements of Shareholders' Equity
(Expressed in United States Dollars, in thousands)

	Multiple Voting Shares	Subordinate, Restricted, and Limited Voting Shares	Exchangeable Shares	Additional paid-in capital	Treasury stock		Accumulated other comprehensive income	Accumulated Deficit	Noncontrolling interest	Total
	#	#	#	$	#	$	$	$	$	$
Balance, December 31, 2023	3,696	64,574	9,645	1,370,600	(645)	(8,987)	3,266	(783,101)	(11,126)	570,652
Stock-based compensation	—	4,402	—	17,982	—	—	—	—	—	17,982
Tax withholding on stock-based compensation awards	—	(1)	—	(283)	—	—	—	—	—	(283)
Conversion of Exchangeable Shares	—	1,689	(1,689)	—	—	—	—	—	—	—
Conversion of Multiple Voting Shares to Subordinate Voting Shares	(3,696)	3,696	—	—	—	—	—	—	—	—
Retirement of Treasury Shares	—	(645)	—	(8,987)	645	8,987	—	—	—	—
Shares issued in connection with debt extinguishment	—	34,988	—	94,302	—	—	—	—	—	94,302
Acquisition of variable interest entity	—	44	58	(2,020)	—	—	—	—	(499)	(2,519)
Warrants issued in connection with debt extinguishment	—	—	—	47,049	—	—	—	—	—	47,049
Warrants exercised	—	13	—	27	—	—	—	—	—	27
Net loss	—	—	—	—	—	—	—	(359,309)	(3,051)	(362,360)
Balance, December 31, 2024	—	108,760	8,014	1,518,670	—	—	3,266	(1,142,410)	(14,676)	364,850
Balance, December 31, 2022	3,696	60,909	6,044	1,349,713	(645)	(8,987)	3,266	(510,668)	2,000	835,324
Stock-based compensation	—	3,262	—	16,412	—	—	—	—	—	16,412
Tax withholding on stock-based compensation awards	—	(93)	—	(366)	—	—	—	—	—	(366)
Shares issued for consulting services	—	66	—	79	—	—	—	—	—	79
Acquisition of variable interest entity	—	—	233	115	—	—	—	—	(6,059)	(5,944)
Share issuance - earn-out consideration	—	—	3,798	4,647	—	—	—	—	—	4,647
Conversion of Exchangeable Shares	—	430	(430)	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	(272,433)	(7,067)	(279,500)
Balance, December 31, 2023	3,696	64,574	9,645	1,370,600	(645)	(8,987)	3,266	(783,101)	(11,126)	570,652

The accompanying notes are an integral part of these consolidated financial statements.

Ayr Wellness Inc.
Consolidated Statements of Cash Flows
(Expressed in United States Dollars, in thousands)

	Year Ended	
	December 31, 2024	December 31, 2023
Operating activities		
Consolidated net loss	$ (362,360)	$ (279,500)
Less: Loss from discontinued operations	—	(3,889)
Net loss from continuing operations before noncontrolling interest	(362,360)	(275,611)
Adjustments for:		
Fair value gain on financial liabilities	—	(23,023)
Stock-based compensation	17,982	16,412
Shares issued for consulting services	—	79
Depreciation and amortization	28,230	32,303
Amortization of intangible assets	58,072	58,646
Amortization of financing costs	20,930	2,341
Amortization of financing discount	7,696	—
Amortization of financing premium	(53)	(3,018)
Provision for credit losses	1,006	—
Employee retention credits recorded in other income	(318)	(5,238)
Impairment of goodwill and other assets	118,113	6,320
Deferred tax (benefit) expense	(14,200)	(7,448)
Loss on sale of assets	3,665	91
Loss on the extinguishment of debt	79,172	—
Loss on the disposal of Arizona business	—	182,464
Changes in operating assets and liabilities:		
Accounts receivable	(741)	(6,053)
Inventory	(6,763)	(6,252)
Prepaid expenses, deposits, and other current assets	5,424	(657)
Trade payables	4,703	(296)
Accrued liabilities	(6,617)	2,804
Accrued interest payable, current and non-current portions	(632)	(42)
Lease liabilities - operating	5,204	2,712
Income tax payable	(85,600)	47,848
Uncertain tax position liabilities	136,719	—
Cash provided by continuing operations	9,632	24,382
Cash provided by discontinued operations	—	2,783
Cash provided by operating activities	9,632	27,165
Investing activities		
Purchase of property, plant, and equipment	(17,716)	(27,697)
Capitalized interest	(6,428)	(9,981)
Proceeds from the sale of assets	2,955	—
Cash paid for business combinations and asset acquisitions, net of cash acquired	—	(1,500)
Cash paid for business combinations and asset acquisitions, working capital	—	(2,600)
Cash paid for bridge financing	—	(73)
Purchase of intangible asset	(625)	(1,925)
Cash used in investing activities from continuing operations	(21,814)	(43,776)
Proceeds from sale of Arizona business - discontinued operation	—	18,684
Cash received for working capital - discontinued operations	—	1,583
Cash used in investing activities of discontinued operations	—	(44)
Cash used in investing activities	(21,814)	(24,153)
Financing activities		
Proceeds from exercise of warrants	27	—
Proceeds from notes payable	40,000	10,665
Proceeds from financing transaction, net of financing costs	8,309	39,100
Debt issuance costs paid	(9,216)	(9,049)
Payment for settlement of contingent consideration	(10,094)	(10,475)
Tax withholding on stock-based compensation awards	(283)	(366)
Repayments of debts payable	(22,242)	(52,029)
Repayments of lease liabilities – finance (principal portion)	(9,603)	(10,608)
Cash used in financing activities by continuing operations	(3,102)	(32,762)
Cash used in financing activities from discontinued operations	—	(124)
Cash used in financing activities	(3,102)	(32,886)
Net decrease in cash and cash equivalents and restricted cash	(15,284)	(29,874)
Cash, cash equivalents and restricted cash at beginning of the period	50,766	76,827
Cash included in assets held-for-sale	—	3,813
Cash, cash equivalents and restricted cash at end of the period	$ 35,482	$ 50,766
Supplemental disclosure of cash flow information:		
Interest paid during the period, net	$ 58,252	$ 49,914
Income taxes paid during the period, net	6,405	7,078
Non-cash investing and financing activities:		
Recognition of right-of-use assets for operating leases	58,483	19,184
Recognition of right-of-use assets for finance leases	3,150	5,470
Issuance of promissory note related to business combinations	1,820	1,580
Conversion of convertible note related to business combination	700	2,800
Issuance of Equity Shares related to business combinations and asset acquisitions	210	115
Issuance of Equity Shares related to settlement of contingent consideration	—	4,647
Issuance of promissory note related to settlement of contingent consideration	—	14,000
Settlement of contingent consideration	—	38,420
Capital expenditure for cultivation facility	13,233	2,024
Extinguishment of construction finance liabilities for lease reclassification of cultivation facility	39,176	—
Extinguishment of note payable related to sale of Arizona business	—	22,505
Extinguishment of accrued interest payable related to sale of Arizona business	—	1,165
Reduction of lease liabilities related to sale of Arizona business	—	16,734
Reduction of right-of-use assets related to sale of Arizona business	—	16,739
Reclassification of right-of-use assets to property, plant, and equipment due to exercise of repurchase option at lease expiration	7,976	—
Retirement of Treasury Shares	8,987	—
Issuance of warrants in connection with debt extinguishment	47,049	—
Issuance of Equity Shares in connection with debt extinguishment	94,302	—

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

Ayr Wellness Inc. ("Ayr" or the "Company") is a vertically integrated cannabis multi-state operator in the United States of America; through its operating companies in various states throughout the U.S., Ayr is a leading cultivator, manufacturer, and retailer of cannabis products and branded cannabis packaged goods.

The Company is a reporting issuer in the U.S. and Canada. The Company's subordinate, restricted, and limited voting shares ("Equity Shares") are trading on the Canadian Stock Exchange ("CSE"), under the symbol "AYR.A." The Company's Equity Shares are also quoted on the OTCQX® Best Market in the U.S. under the symbol "AYRWF." The Company's warrants ("Warrants") are trading on the CSE under the symbol "AYR.WT.U". Ayr's headquarter office is 2601 South Bayshore Drive, Suite 900, Miami, FL 33133.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and in accordance with the rules and regulations of Canadian securities regulators and the United States Securities and Exchange Commission.

The consolidated financial statements are presented in United States dollars ("US$" or "$"). The functional currency of the entity is determined separately in accordance with Accounting Standards Codification ("ASC") 830 – *Foreign Currency Matters* and is measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of Ayr is US$.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The consolidated financial statements as of and for the years ended December 31, 2024 and 2023 include the accounts of the Company, its wholly-owned subsidiaries, and entities over which the Company has a controlling interest. Entities over which the Company has control are presented on a consolidated basis from the date control commences until the date control ceases. Equity investments where the Company does not exert a controlling interest are not consolidated. All intercompany balances and transactions involving controlled entities are eliminated on consolidation. The accompanying consolidated balance sheets reflect the activity related to Illinois as assets and liabilities held for sale, see Note 7. Noncontrolling interest, summarized in Note 6, represents equity interests owned by parties that are not shareholders of the Company in consolidated subsidiaries.

3.2 Revenue

The Company applies Accounting Standards Codification "ASC" Topic 606 ("ASC 606"), which specifies how and when revenue should be recognized based on a five-step model, which is applied to all contracts with customers. Through the application of ASC 606, the Company applies the following five-step model to determine the amount and timing of revenue to be recognized:

- Identifying the contract with a customer
- Identifying the performance obligations within the contract
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognizing revenue when/as performance obligation(s) are satisfied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Revenue (Continued)

In some cases, judgment is required in determining whether the customer is a business or the end consumer. This evaluation is made based on whether the business obtains control of the product before transferring to the end consumer. Control of the product transfers at a point in time either upon shipment to or receipt by the customer, depending on the contractual terms. In determining the appropriate time of sale, the Company takes into consideration: a) the Company's right to payment for the goods or services; b) customer's legal title; c) transfer of physical possession of the goods; and d) timing of acceptance of goods.

Revenue is recognized based on the sale of cannabis products and branded packaged goods for a fixed price when control is transferred. The amount recognized reflects the consideration that the Company expects to receive, taking into account any variation that is expected to result from rights of return and discounts. Dispensary revenue is recognized at the point of sale while wholesale revenue is recognized once the Company transfers the significant risks and rewards of ownership of the goods and does not retain material involvement associated with ownership or control over the goods sold. Revenue from the wholesale of cannabis to customers is recognized upon delivery to the customer. In accordance with ASC 606, the Company has elected to account for its sales and excise tax on a net basis, within its statements of operations.

3.3 Cash and cash equivalents and restricted cash

The Company considers the following to be cash and cash equivalents: cash deposits in financial institutions, and cash held in Company safes or lockboxes at operational locations, that are readily convertible into cash within three months or less. Amounts included in restricted cash represent amounts pledged as collateral for financing arrangements as contractually required by a lender. Cash and cash equivalents and restricted cash are stated at fair value and the Company did not hold significant cash equivalents or restricted cash balances as of December 31, 2024 and 2023. The Company has banking or similar relationships in all jurisdictions in which it operates. In addition, the Company has cash balances in excess of Federal Deposit Insurance Corporation and Canada Deposit Insurance Corporation limits. The Company has historically not experienced losses related to these deposits.

3.4 Accounts receivable

In accordance with ASU 2016-13 the Company assesses all information available, including past due status, credit ratings, the existence of third-party insurance, and forward-looking macro-economic factors in the measurement of the expected credit losses associated with its assets carried at amortized cost.

The Company measures expected credit loss by considering the risk of default over the contract period and incorporates forward-looking information into its measurement. Accounts receivable from wholesale sales are recorded net of an allowance for credit losses. The Company estimates allowance for credit losses based on various factors such as historical data and customer credit worthiness. Accounts receivable are written off after exhaustive collection efforts occur and the receivable is deemed uncollectible. As of December 31, 2024 and 2023, the Company had approximately $1,712 and $706 in allowance for credit losses, respectively. For the years ended December 31, 2024 and 2023, the Company wrote off approximately $1,500 and $221, respectively.

3.5 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method in accordance with ASC 805 – *Business Combination* ("ASC 805"). The Company performs an assessment whether the acquisition is a business combination or asset acquisition based on the conditions surrounding the event(s) using guidance from ASC 805. If the acquisition is determined to be a business combination, the Company measures goodwill as the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed, all measured at fair value as of the acquisition date.

Consideration transferred includes the fair value of the assets transferred (including cash), the liabilities incurred by the Company on behalf of the acquiree, any contingent consideration and any equity interests issued by the Company. Transaction costs, other than those directly associated with the issuance of debt or equity securities that the Company incurs in connection with a business combination, are expensed as incurred.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Business combinations (Continued)

The acquisition date is the date when the Company obtains control of the acquiree. Contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as a liability is re-measured at subsequent reporting dates in accordance with the criteria and guidance provided under ASC 450 – Contingencies and ASC 820 – Fair Value Measurement, as appropriate with corresponding gain or loss recorded in the statements of operations, see Note 15.

3.6 Inventory

Inventory is primarily comprised of finished goods, work-in-process, raw materials, and supplies. Inventory is valued at the lower of cost and net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the weighted average cost method.

Costs incurred during the growing process are capitalized as incurred to the extent that cost is less than net realizable value. Any subsequent post-harvest costs, including direct costs such as materials, labor, related overhead, and depreciation expense on equipment attributable to processing, are capitalized to inventory to the extent that cost is less than net realizable value. Inventories of purchased finished goods and packing materials, other than inventory acquired through business combinations, are initially valued at cost and subsequently at the lower of cost and net realizable value. The Company reviews inventories for obsolete, spoiled, and slow-moving goods and any such inventories are written down to net realizable value.

3.7 Property, plant, and equipment ("PPE")

PPE is stated at cost less accumulated depreciation, amortization, and impairment losses, if any. The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. PPE acquired in a business combination is recorded at fair value using various methodologies including cost approach, sales comparison approach or income approach.

Depreciation and amortization are calculated using the straight-line method over the following expected useful lives:

Furniture and fixtures	5 to 7 years
Office equipment	3 to 5 years
Machinery and equipment	5 to 15 years
Auto and trucks	5 years
Leasehold improvements	the shorter of the useful life or life of the lease
Buildings	39 years
Land	not depreciated
Construction in progress	not depreciated until placed in service

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset and reclassified to assets held for sale on the balance sheet when held for sale. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statements of operations.

Construction in progress is transferred to the appropriate asset class when available for use and depreciation or amortization of the assets commences at that point of time.

The Company conducts a periodic assessment of the residual balances, useful lives, and depreciation or amortization methods being used for PPE and any changes arising from the assessment are applied by the Company prospectively.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Property, plant, and equipment ("PPE") (Continued)

Where an item of PPE comprises major components with different useful lives, the components are accounted for as separate items of PPE. Expenditures incurred to replace a component of an item of PPE that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

The Company capitalizes interest on debt in projects under construction. Upon the asset becoming available for use, capitalized interest costs, as a portion of the total cost of the asset, are depreciated over the estimated useful life of the related asset, see Note 9 for additional information.

3.8 Intangible assets

Intangible assets are recorded at cost less accumulated amortization and impairment losses, if any. Intangible assets, separately identifiable according to ASC 805, acquired in a business combination are measured at fair value as of the acquisition date. Amortization periods of assets with finite lives are based on management's estimates at the date of acquisition and are amortized over their estimated useful lives. Intangible assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

(a) Goodwill

The Company measures goodwill at the fair value of the consideration transferred, including the recognized amount of any noncontrolling interest in the acquiree, less the net recognized amount of the identifiable assets and liabilities assumed, all measured at fair value as of the acquisition date. Goodwill is allocated to a specific reporting unit upon acquisition. The Company's policy is to first perform a qualitative assessment to determine if it was more-likely-than-not that the reporting unit's carrying value is less than the fair value, indicating the potential for goodwill impairment. The amount of goodwill impairment, if any, is determined as the excess of the carrying value over the fair value of that reporting unit. The impairment of goodwill is limited to the amount of goodwill in a reporting unit. Impairment testing is performed annually by the Company, or more frequently, if events or changes in circumstances indicate that goodwill might be impaired. Management makes estimates during impairment testing as judgment is required to determine indicators of impairment and estimates are used to determine the fair value that is used to measure impairment losses. The Company assesses the fair values of its intangible assets, and its reporting unit for goodwill testing purposes, as necessary, using an income-based approach. Under the income approach, fair value is based on the present value of estimated future cash flows.

(b) Finite-lived intangible assets

Intangible assets are recorded at cost unless acquired through a business combination and recorded at fair value, less accumulated amortization and impairment losses. Amortization is recorded on a straight-line basis over the following estimated useful lives, which do not exceed the contractual period, if any:

Licenses/permits	15
Right-to-use licenses	15
Host community agreements	15
Trade name / brand	5

Such assets are tested for impairment if events or changes in circumstances indicate that they might be impaired. The estimated useful lives, residual values, and amortization methods are reviewed periodically, and any changes in estimates are accounted for prospectively.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Intangible assets (Continued)

(c) Impairment of long-lived assets

The Company reviews long-lived assets, including PPE, right-of-use assets, and finite-lived intangible assets for impairment on a quarterly basis or whenever events or changes in circumstances indicated that the carrying value of an asset may not be recoverable. Factors which could trigger an impairment review include significant underperformance relative to historical or projected future operating results, significant changes in the manner of use of the assets or the strategy of the business, a significant decrease in the market value of the assets or significant negative industry or economic trends.

The Company performs impairment testing at the asset group level that represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable and the expected undiscounted future cash flows attributable to the asset group are less than the carrying amount of the asset group, an impairment loss equal to the excess of the asset's carrying value over its fair value is recorded and recognized within Impairment of goodwill and other assets on the consolidated statement of operations, during the period in which the impairment is identified. Fair value is determined at the reporting unit level based upon estimated discounted future cash flows.

3.9 Leases and sale and leaseback accounting

The Company applies the accounting guidance in ASC 842 – *Leases* and assesses whether a contract is or contains a lease, at inception of a contract. The Company assesses whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration, in which case it is classified as a lease. Each lease is further analysed to check whether it meets the classification criteria of a finance or operating lease. Certain arrangements require significant judgement to determine if an asset is specified in the contract and if the Company directs how, and for what purpose, the asset is used during the term of the contract. Leases are recognized as a right-of-use asset ("ROU") and corresponding liability at the commencement date based on the present value of the future minimum lease payments over the lease term. Operating leases are included in *Right-of-use assets – operating, net* and *Lease liabilities – operating – current portion* and *Lease liabilities – operating – non-current portion* on the balance sheets. For operating leases, the Company records operating lease expense. Finance leases are included in *Right-of-use assets – finance, net* and lease liabilities are included in *Lease liabilities – finance – current portion* and *Lease liabilities – finance – non-current portion* on the balance sheets based on their payment dates. For finance leases, the Company records interest expense on the lease liability in addition to amortizing the ROU (generally straight-line) over the shorter of the lease term or the useful life of the right-of-use asset. The Company primarily leases space for corporate offices, retail, cultivation, and manufacturing under non-cancellable operating leases. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease.

Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), variable lease payments that are not based on an index or a rate or subject to a fair market value renewal, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The Company allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company's incremental borrowing rate. The period over which the lease payments are discounted is the reasonably certain lease term, including renewal options that the Company is reasonably certain to exercise. Renewal options are included in a number of leases across the Company.

Payments associated with short-term leases are recognized as an expense on a straight-line basis in the statements of operations. Short-term leases are leases with a lease term of 12 months or less. Variable lease payments that depend on an index or a rate or are subject to a fair market value renewal are expensed as incurred and recognized in the statements of operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 Leases and sale and leaseback accounting (Continued)

A sale and leaseback transaction involves the transfer of an asset to another entity and the leaseback of the same asset. The Company applies ASC 606 and ASC 842 when accounting for sale and leaseback transactions. Significant estimates and judgments applied include determination of the fair value of the underlying asset, transfer of control, and determination of the implicit interest rate. The Company recognizes gains or losses related to the transfer of rights of the asset to the buyer-lessor and measures the ROU asset arising from the leaseback at the retained portion of the previous carrying amount. In cases where the transaction does not qualify for sale and leaseback accounting treatment, the asset is not derecognized, and no gain or loss is recorded. The transaction is treated as a financing transaction. See Note 11 for additional information.

3.10 Equity investments

An equity method investee is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy of the investee but without control or joint control over those policies. Interests in associates are accounted for using the equity method and are initially recognized at cost. Subsequent to initial recognition, the carrying value of the Company's interest in an associate is adjusted for the Company's share of income or loss and distributions of the investee. The carrying value of associates is assessed for impairment at each balance sheet date. Significant influence is presumed if the Company holds between 20% and 50% of the voting rights unless evidence exists to the contrary.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investees in which the Company has joint control and rights to the net assets thereof are defined as joint ventures. Joint ventures are also accounted for under the equity method. There were no joint ventures as of December 31, 2024.

3.11 Noncontrolling interests

Equity interests owned by parties that are not shareholders of the Company in consolidated subsidiaries are considered noncontrolling interests. The share of net assets attributable to noncontrolling interests is presented as a component of equity while the share of net income or loss is recognized in the statements of operations. Changes in the Company's ownership interest that do not result in a loss of control of these less than wholly owned subsidiaries are accounted for as equity transactions, see Note 3.18.

3.12 Derivative liabilities and long-term debt

The Company's debt instruments contain a host liability and freestanding Warrants. The Company uses the guidance under ASC Topic 815 – Derivatives and Hedging ("ASC 815") and ASC Topic 480 – Distinguishing Liabilities from Equity ("ASC 480") to determine if the embedded conversion feature must be bifurcated and separately accounted for as a derivative under ASC 815. It also determines whether any embedded conversion features requiring bifurcation and/or freestanding Warrants qualify for any scope exceptions contained within ASC 815. Generally, contracts issued or held by a reporting entity that are both (i) indexed to its own stock; and (ii) classified in shareholders' equity, would not be considered a derivative for the purposes of applying ASC 815. Any embedded conversion features and/or freestanding Warrants that do not meet the scope exception noted above are classified as derivative liabilities, initially measured at fair value and remeasured at fair value each reporting period with changes in fair value recognized in the consolidated statements of operations. Any embedded conversion feature and/or freestanding Warrants that meet the scope exception under ASC 815 are initially recorded at their relative fair value in paid-in-capital and are not remeasured at fair value in future periods. The Company concluded that the Warrants met the criteria to be classified as equity and should be measured at fair value on the date of issuance. There were no derivative liabilities as of December 31, 2024.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Derivative liabilities and long-term debt (Continued)

The host debt instrument is initially recorded at its relative fair value in non-current senior secured notes. The host debt instrument is accounted for in accordance with guidance applicable to non-convertible debt under ASC Topic 470 – Debt ("ASC 470") and is accreted to its face value over the term of the debt with accretion expense and periodic interest expense recorded in the consolidated statements of operations. Issuance costs are allocated to each instrument (the host debt, embedded conversion feature and/or freestanding Warrants) in the same proportion as the proceeds that are allocated to each instrument other than issuance costs directly related to an instrument are allocated to that instrument only. Issuance costs allocated to the host debt instrument is netted against the proceeds allocated to the host debt. Issuance costs allocated to freestanding Warrants classified in equity are recorded in additional paid-in-capital.

3.13 Earnings per share

The basic loss per share is computed by dividing the net loss by the weighted average number of shares outstanding, including Equity Shares, multiple voting shares of the Company and Exchangeable Shares, as defined below, during the period. The diluted loss per share reflects the potential dilution of shares by adjusting the weighted average number of shares outstanding to assume conversion of potentially dilutive shares, such as Warrants, restricted stock units ("RSUs"), and vested options of the Company ("Vested Options"). The treasury stock method is used for the assumed proceeds upon the exercise of the Warrants, and Vested Options that are used to purchase Equity Shares at the average market price during the period. If the Company incurs a net loss during a reporting period, the calculation of fully diluted loss per share will not include potentially dilutive equity instruments such as Warrants, RSUs, and Vested Options, because their effect would be anti-dilutive, therefore, basic loss per share and diluted loss per share will be the same. For the years ended December 31, 2024 and 2023, the potentially dilutive financial instruments excluded from the calculation of earnings per share included nil and nil Warrants, nil and nil options and 701 and 1,908 RSUs, totaling 701 and 1,908 shares of potentially dilutive securities, respectively.

3.14 Stock-based payments

(a) Stock-based payment transactions

Certain employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of stock-based payment transactions, whereby employees render services as consideration for equity instruments.

Stock-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, whichever is more readily determinable. Stock-based payment transactions are primarily for individuals whose compensation has been classified as part of general and administrative expenses in the statements of operations.

The costs of equity settled transactions with employees are measured by reference to the fair value of the stock price at the date on which they are granted, using an appropriate valuation model. The value of the transaction is expensed straight line through the vesting period. Market and performance based RSUs are fair valued through Monte-Carlo simulations and are expensed over the indicative service period once the condition becomes probable. Market and performance RSUs are recorded once the condition is probable to occur, refer to Note 16.

The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date").

The cumulative expense is recognized for equity settled transactions at each reporting date until the vesting date as the Company's policy is to account for forfeitures as they occur. The income or loss for a period represents the movement in cumulative expense recognized in the statement of operations. At the end of each reporting period, the Company assesses if any forfeitures occurred and recognizes the impact in the statements of operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Stock-based payments (Continued)

(a) Stock-based payment transactions (Continued)

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting for expense purposes irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense is recognized for any modification which increases the total fair value of the stock-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification. When an award is cancelled by the Company or the counterparty, any remaining element of the fair value of the award is derecognized at that time through the statements of operations.

RSUs are issued on the vesting dates, sometimes net of the applicable statutory tax withholding to be paid by the Company on behalf of the employees. In those instances, lower shares are issued than the number of RSUs vested and the tax withholding is recorded as a reduction to paid-in capital. The terms of the stock-based payment awards allow an entity with a statutory income tax withholding obligation to withhold shares with a fair value up to the maximum statutory tax in the employee's applicable jurisdiction.

(b) Warrants

The Company determines the accounting classification for equity-linked financial instruments such as warrants, as either liability or equity, by assessing ASC 480 – *Distinguishing Liabilities from Equity* and ASC 815 – *Derivatives and Hedging*. Under ASC 480, warrants are considered a liability if the warrants are mandatorily redeemable, obligate the Company to settle the warrants or the underlying shares by paying cash or other assets, or warrants that must or may require settlement by issuing a variable number of shares.

Under ASC 815, warrants are considered liabilities if contracts require or may require the issuer to net settle the contract for cash. Such derivatives are recorded as a liability at fair value until they are settled or expire, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. After all relevant assessments, the Company concludes whether the warrants are classified as liability or equity. Liability classified warrants require fair value accounting at issuance and subsequent to initial issuance with all changes in fair value after the issuance date recorded in the statements of operations. Equity classified warrants only require fair value accounting at issuance with no changes recognized subsequent to the issuance date unless the warrants are modified.

The Company determined that all of its outstanding warrants are freestanding instruments which do not meet the characteristics of a liability and therefore are classified as equity.

3.15 Loss contingencies

Loss contingencies are recognized when the Company has a present obligation that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. Loss contingencies are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.16 Financial instruments

(a) Recognition and initial measurement

Financial assets and financial liabilities, including derivatives, are recognized when the Company becomes a party to the contractual provisions of a financial instrument or non-financial derivative contract. All financial instruments are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVTPL (as defined below), are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statements of operations.

(b) Classification and subsequent measurement

The Company classifies financial assets, at the time of initial recognition, according to the Company's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are classified in the following measurement categories:

a) amortized cost ("AC").
b) fair value through profit or loss ("FVTPL"); and
c) fair value through other comprehensive income ("FVTOCI").

Financial assets are subsequently measured at amortized cost if both of the following conditions are met and they are not designated as FVTPL: a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortized cost using the effective interest rate method, less any impairment, with gains and losses recognized in the statements of operations in the period that the asset is derecognized or impaired. All financial assets not classified at amortized cost as described above are measured at FVTPL or FVTOCI depending on the business model and cash flow characteristics. The Company has no financial assets measured at FVTOCI.

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method with gains and losses recognized in the statements of operations in the period that the liability is derecognized, except for financial liabilities classified as FVTPL.

(c) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are recognized in the statements of operations.

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Taxation

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, the Company determines deferred tax assets and liabilities based on the differences between the consolidated financial statements and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The Company recognizes deferred tax assets to the extent that the Company believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize our deferred tax assets in the future more than their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company is subject to ongoing tax exposures, examinations, and assessments in various jurisdictions. Accordingly, the Company may incur additional tax expense based upon the outcomes of such matters. FASB ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense.

The Internal Revenue Service ("IRS") has taken the position that cannabis companies are subject to the limits of IRC Section 280E under which they are only allowed to deduct expenses directly related to costs of goods sold. The Company has taken a position that it does not owe taxes attributable to the application of Section 280E of the Internal Revenue Code.

3.18 Variable Interest Entities ("VIE")

Under certain provisions of ASC Topic 810 – *Consolidations* ("ASC 810"), the Company determines whether we are the primary beneficiary of a VIE. We assess whether we have the power to direct matters that most significantly impact the activities of the VIE and the obligation to absorb losses or the right to receive the benefits from the VIE that could potentially be significant to the VIE.

A VIE is a legal entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support or is structured that such equity investors lack the ability to make significant decisions relating to the entity's operations through voting rights or do not substantively participate in the gains or losses of the entity. The primary beneficiary has both the power to direct the activities of the VIE that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. We assess all variable interests in the entity and use our judgment when determining whether a particular entity is a VIE and if we are the primary beneficiary. Other qualitative factors that are considered include decision-making responsibilities, the VIE capital structure, risk and rewards sharing, contractual agreements with the VIE, voting rights, and level of involvement of other parties. We assess the primary beneficiary determination for a VIE on an ongoing basis if there are any reconsideration events related to a VIE. See Note 6.

Where we determine we are the primary beneficiary of a VIE, we consolidate the accounts of that VIE, under the guidance of ASC 805. The equity owned by other shareholders of the VIE is shown as noncontrolling interests in the accompanying consolidated financial statements.

3.19 Significant accounting judgments and estimates

Significant estimates made by management include, but are not limited to: economic lives of leased assets; expected credit losses of accounts receivable; provisions for inventory obsolescence; impairment assessment of goodwill and long-lived assets; depreciable lives of property, plant and equipment; useful lives of intangible assets; accruals for contingencies, including tax contingencies; valuation allowances for deferred income tax assets; contingent consideration obligations resulting from business combinations; estimates of fair value of debt; estimates of lease guarantees; estimates on uncertain tax positions; incremental borrowing rates and rates implicit in the lease used for leases; and estimates of the fair value of stock-based payment awards.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Significant accounting judgments and estimates (Continued)

Management's best estimates concerning the future are based on the facts and circumstances available at the time estimates are made. Management uses historical experience, general economic conditions, and assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically, and the effects of any changes are recognized at that time. Actual results could differ from the estimates used.

(a) Business combinations

The following areas require management's critical estimates and judgments:

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. The total consideration paid for the acquisition is the aggregate of the fair values of assets acquired, liabilities assumed, and equity instruments issued in exchange for control of the acquiree at the acquisition date. The acquisition date is the date when the Company obtains control of the acquiree.

Contingent consideration is measured at its acquisition date fair value and is included as part of the consideration transferred in a business combination, subject to the applicable terms and conditions.

Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as a liability is remeasured at subsequent reporting dates in accordance with the criteria and guidance provided under ASC 805.

Based on the facts and circumstances that existed at the acquisition date, management will perform a valuation analysis to allocate the consideration transferred based on the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date. Management is required to finalize its allocation on the earlier of the date that information becomes known, but no later than one year from the acquisition date. Until such time, these values might be provisionally reported and are subject to change. During the measurement period, adjustments to provisional purchase price allocations are recognized if new information is obtained about the facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date.

In determining the fair value of all identifiable assets acquired and liabilities assumed, the most significant estimates generally relate to contingent consideration and intangible assets. Management exercises judgment in estimating the probability and timing of when contingent consideration targets are expected to be achieved, which is used as the basis for estimating fair value. Identified intangible assets are recognized at fair value using appropriate valuation techniques which are generally based on a forecast of the total expected future net cash flows of the acquiree. Valuations are highly dependent on the inputs used and assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Judgment is applied in determining whether a transaction is a business combination or an asset acquisition by considering the nature of the assets acquired and the processes applied to those assets, or if the integrated set of assets and activities is capable of being conducted and managed for the purpose of providing a return to investors or other owners.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Significant accounting judgments and estimates (Continued)

(b) Inventory

In calculating the value of inventory, management is required to make a number of estimates, including estimating the stage of growth of the cannabis up to the point of harvest, expected yields for the cannabis plants, harvesting costs, net realizable value, selling costs, average or expected selling prices, fair value of inventory acquired in a business combination and impairment factors. In calculating final inventory values, management compares the inventory costs to estimated net realizable value as well as investigates slow moving inventory, if applicable. The estimates are judgmental in nature and are made at a point in time, using available information, such as expected business plans and expected market conditions. Periodic reviews are performed on the inventory balance with the changes in inventory reserves reflected in cost of goods sold.

(c) Estimated useful lives and depreciation of PPE

Depreciation of PPE is dependent upon estimates of useful lives, which are determined through the exercise of judgments. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(d) Valuation, estimated life and impairment of intangible assets

Management uses significant judgment in estimating the useful lives and impairment. Impairment tests rely on judgments and estimates related to growth rates, discount rates, and estimated margins.

(e) Goodwill impairment

Goodwill is tested for impairment annually on December 31st of each fiscal year and whenever events or changes in circumstances indicate that the carrying amount of goodwill may have been impaired. In order to determine that the value of goodwill may have been impaired, the Company may perform a qualitative assessment to determine if it was more-likely-than-not that the reporting unit's carrying value is less than the fair value, indicating the potential for goodwill impairment. Several factors, including historical results, business plans, forecasts, and market data are used to determine the fair value of the reporting unit. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill.

(f) Leases

Each lease is evaluated to determine if the Company would exercise any of the renewal options offered. Several material factors are considered in determining if the renewal options would be exercised, such as length of the renewal, renewal rate, and ability to transfer locations. When measuring lease liabilities, the Company used discounted lease payments using a weighted-average rate in the range of 7.8% to 19.47% per annum. The weighted-average rate is based on the Company's incremental borrowing rate or implicit rate, which relies on judgments and estimates.

(g) Provisions and contingent liabilities

When the Company is probable to incur an outflow of resources to settle an obligation and the amount can be reasonably estimated, a contingent liability is recorded. The contingent liability is recorded at management's best estimates of the expenditure required to settle the obligation at period end, discounted to the present value, if material.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Significant accounting judgments and estimates (Continued)

(h) Financial instruments

To determine the fair value of financial instruments, the Company develops assumptions and selects certain methods to perform the fair value calculations. Various methods considered include but are not limited to: (a) assigning the value attributed to the transaction at the time of origination; (b) re-measuring the instrument if it requires concurrent fair value measurement; and (c) valuing the instrument at the issuance value less any amortized costs. As judgment is a factor in determining the value and selecting a method, as well as the inherent uncertainty in estimating the fair value, the valuation estimates may be different.

Application of the option pricing model requires estimates in expected dividend yields, expected volatility in the underlying assets, and the expected life of the financial instruments. These estimates may ultimately be different from amounts subsequently realized, resulting in an overstatement or understatement of net loss.

3.20 Going concern, liquidity and management plan

In accordance with the FASB Accounting Standards Update ("ASU") 2014-15, Presentation of Financial Statements – Going Concern, the Company's management evaluated whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the financial statements' issuance date. The following matters raise substantial doubt about the Company's abilities to continue as a going concern within one year after the date the consolidated financial statements are issued.

As reflected in the consolidated financial statements, the Company had cash and cash equivalents of $35,482, has incurred operating losses since inception, and an accumulated deficit of $1,142,410 as of December 31, 2024. These financial factors are indicators that raise substantial doubt of our ability to continue as a going concern. Management believes that substantial doubt of our ability to continue as a going concern for at least one year from issuance of our consolidated financial statements can be mitigated by, but not limited to: (i) growth of sales from entering into new markets; (ii) continued cost-savings and efficiency optimization efforts; (iii) receiving or selling the remaining employee retention credit; (iv) divesture of non-core assets including but not limited to the current asset groups held for sale; (v) addressing our debt maturity profile, (vi) managing the timing and amount of certain expenses as well as capital expenditures; and (vii) seeking to take advantage of future potential financing (equity and/or debt) opportunities (viii) a strong working relationship with bondholders and continued collaboration on strategic initiatives. Management cannot provide any assurances that the Company will continue to be successful in accomplishing its business plans; if it is not, the Company may be forced to take other steps, including among others decelerating its growth or curtailing certain of its operations pending obtaining additional capital.

As of December 31, 2024, the consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from uncertainty related to the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to successfully execute its business plans, as detailed above, to address the conditions and events that raise substantial doubt about its ability to continue operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Discontinued operations

Strategic changes in the Company's operations can be considered a discontinued operation if both the operations and cash flows of the discontinued business have been (or will be) eliminated from the ongoing operations of the Company and the Company will not have any significant continuing involvement in the operations of the discontinued business after the disposal transaction. Under ASC Subtopic 205-20, "Presentation of Financial Statements – Discontinued Operations" ("ASC Subtopic 205-20"), a component of an entity that is classified as discontinued operations is presented separately from continuing operations in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows for all periods presented. All assets and liabilities related to such discontinued operations are classified as held for sale and presented separately in the Consolidated Balance Sheets for all periods prior to the disposal by sale. Accordingly, the presentation of prior period balances may not agree to previously issued financial statements. See Note 4 for additional information regarding the results of operations and major classes of assets and liabilities of discontinued operations.

3.22 Assets and liabilities held for sale

The Company classifies its long-lived assets and related liabilities to be sold as held for sale in the period (i) it has approved and committed to a plan to sell the asset, (ii) the asset is available for immediate sale in its present condition, (iii) an active program to locate a buyer and other actions required to sell the asset have been initiated, (iv) the sale of the asset is probable, (v) the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value, and (vi) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company initially measures a long-lived asset that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a long-lived asset until the date of sale. Upon designation as an asset held for sale, the Company no longer records depreciation expense on the asset. The Company assesses the fair value of a long-lived asset less any costs to sell at each reporting period and until the asset is no longer classified as held for sale, see Note 7.

3.23 Operating segment information

The Company has determined that it operates in a single operating and reportable segment, the production and sale of cannabis. This is consistent with how the chief operating decision maker ("CODM") allocates resources and assesses performance. The Company's products have similar characteristics due to the same raw material ingredient (cannabis), similar nature of cultivation process, the type or class of customer and the regulatory nature of the industry. Refer to note 20.

3.24 Change in accounting standards

Recently Issued and Adopted Accounting Standards

The Company is treated as an "emerging growth company" as defined under the Jumpstart Our Business Start-ups Act of 2012, as amended (the "JOBS Act"). Under the JOBS Act, emerging growth companies may delay adopting new or revised accounting standards until the standards apply to private companies, however, emerging growth companies are not precluded from early adopting new accounting standards that allow so.

In June 2022, the FASB issued ASU No. 2022-03 Topic 820 – Fair Value Measurement – Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions ("ASU 2022-03"), (1) to clarify the guidance in Topic 820, Fair Value Measurement, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security, (2) to amend a related illustrative example, and (3) to introduce new disclosure requirements for equity securities subject to contractual sale restrictions that are measured at fair value in accordance with Topic 820. ASU 2022-03 will be effective for public business entities for fiscal years beginning after December 15, 2023, including interim periods therein, with early adoption permitted. The Company would be required to adopt this ASU for fiscal years beginning after December 15, 2024 and interim periods therein. The Company's historical accounting policy has been to reflect discounts for contractual restrictions which will no longer be permissible once the ASU is adopted. The adoption of the ASU will not have an impact on previous measurements as retrospective adoption is not required.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.24 Change in accounting standards (Continued)

Recently Issued and Adopted Accounting Standards (Continued)

On March 27, 2023, the FASB issued ASU No. 2023-01 Topic 842 – Leases – Common Control Arrangements ("ASU 2023-01"), in response to private company stakeholder concerns about applying Topic 842 to related party arrangements between entities under common control. ASU 2023-01 was effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years, early adoption was permitted. The adoption of this ASU on January 1, 2024, did not have a material impact on the Company's consolidated financial statements.

In November 2023, the FASB issued ASU No. 2023-07 Topic 280 – Segment Reporting ("ASU 2023-07") to improve the disclosures about a public entity's reportable segments and address requests from investors for additional, more detailed information about a reportable segment's expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, early adoption is permitted. The adoption of this ASU resulted in enhanced disclosure in segment reporting, see Note 20.

On December 14, 2023, the FASB issued ASU No. 2023-09 Topic 740 – Income Taxes ("ASU 2023-09") to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this Update address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2023-09 may have on the Company's consolidated financial statements.

On March 21, 2024, the FASB issued ASU No. 2024-01 Topic 718 – Stock Compensation ("ASU 2024-01") which clarifies how an entity determines whether a profits interest or similar award is within the scope of ASC 718 or not a share-based payment arrangement and therefore within the scope of other guidance. ASU 2024-01 is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2024-01 may have on the Company's consolidated financial statements.

On November 4, 2024, the FASB issued ASU No. 2024-03 Subtopic 220-40 – Disaggregation of Income Statement Expenses ("ASU 2024-03") to improve the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expense captions (such as cost of sales, SG&A, and research and development). ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2024-01 may have on the Company's consolidated financial statements.

On November 26, 2024, the FASB issued ASU No. 2024-04 Subtopic 470-20 – Debt – Debt with conversion and other options ("ASU 2024-04") which clarifies the circumstances in which an entity is required to account for a settlement of a debt instrument as an induced conversion. ASU 2024-04 is effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2024-04 may have on the Company's consolidated financial statements.

4. DISCONTINUED OPERATIONS

On March 27, 2023, the Company closed the sale of Blue Camo, LLC ("Blue Camo") which comprised the Company's Arizona business and included two licensed entities operating three Oasis-branded dispensaries in the greater Phoenix area, a cultivation and processing facility in Chandler, a cultivation facility in Phoenix, and the Company's majority interest in Willcox OC, LLC, a joint venture developing an outdoor cultivation facility. Total consideration consisted of $20,000 in cash before working capital adjustments and the assumption of lease obligations eliminating approximately $16,734 in long-term lease liabilities. In a separate agreement, all debt outstanding and potential earn-out contingent consideration, related to the 2021 acquisition of Blue Camo, was eliminated, reducing the Company's long-term debt by $22,505, along with accrued interest thereon of approximately $1,165 and potential earn-out contingent consideration to $nil.

The Company accounted for this sale as a disposal under ASC Subtopic 360-10, "Impairment or Disposal of Long-Lived Assets". The Company has reclassified the operations of Arizona as discontinued operations for all periods presented prior to the sale as the disposal represents a strategic shift that will have a major effect on the Company's operations and financial results. The Company determined the business to be held for sale as the criteria established under ASC 205-20-45-1E had been satisfied due to the sale occurring during the first quarter of 2023.

The following table details the components comprising net loss from discontinued operations:

	Year Ended December 31, 2023
Revenues from discontinued operations, net of discounts	$ 10,260
Cost of goods sold	9,074
Gross profit	1,186
Operating expenses from discontinued operations:	
Selling, general, and administrative	2,115
Depreciation and amortization	2,675
Total operating expenses from discontinued operations	4,790
Loss from operations	(3,604)
Other expense	
Interest Expense	(580)
Income taxes	
Current tax provision	(575)
Deferred tax benefit	870
Total income taxes	295
Loss from discontinued operations	
Loss from discontinued operations, net of taxes	(3,889)
Loss on disposal of discontinued operations	(182,464)
Loss from discontinued operations	**$ (186,353)**

The loss on disposal of discontinued operations of approximately $182,464 was derived from the gross proceeds of $49,336, made up of $20,000 of cash consideration and a $5,666 working capital adjustment and the elimination of $23,670 of debt outstanding from the sale of Arizona, less the carrying value of Arizona of approximately $231,800. As of December 31, 2023, the Company finalized the settlement of the working capital adjustment, receiving $1,583 in cash proceeds and $4,083 in consideration other than cash.

5. BUSINESS COMBINATIONS AND ASSET ACQUISITIONS

2023 Fourth Quarter Acquisition

Asset acquisition

On November 2, 2023, the Company completed its acquisitions in Land of Lincoln Dispensary LLC ("Land of Lincoln") through a membership interest purchase agreement. As part of the purchase accounting for this acquisition, the Company recorded intangible assets of $200, which was associated with two conditional adult use dispensary licenses that allow for the retail sales of cannabis. The amortization period for the licenses was determined to be 15 years, which reasonably reflects the useful lives of the assets.

The Land of Lincoln acquisition did not meet the definition of a business according to ASC 805 and as such, it was recorded as an asset acquisition. Purchase consideration for the acquisition was $200, paid in cash, all of which was allocated to intangible assets - licenses.

6. VARIABLE INTEREST ENTITIES ("VIE")

In April 2023, the Company finalized the acquisition of Tahoe Hydro and assumed 100% of the membership interest. Based on the changes in circumstances, the Company re-evaluated the status of Tahoe Hydro as a variable interest entity, concluding that the Company had acquired a controlling interest in Tahoe Hydro. Purchase consideration for the acquisition included $1,382 in cash, net of transaction expenses, promissory note of $1,580, the conversion of a convertible note of $2,800, and $115 in the form of 233 Exchangeable Shares. These shares have contractual restrictions on their ability to be sold for six to twelve months. The fair value of the shares was determined by the share price on the CSE at the date of acquisition and a 19.45% discount rate attributed to the contractual restrictions.

During 2023, the Company entered into an option and support service agreement with Daily Releaf, LLC, Heaven Wellness, LLC and Twice the Wellness, LLC, (collectively "Ohio Dispensaries"), each is licensed to operate a medical marijuana dispensary in Ohio. The option agreement provides the Company with the future ability to acquire 100% of the equity interests in dispensaries.

On July 11, 2024, the Company finalized the acquisition of NV Green, Inc. ("NVG") and assumed 100% ownership of the membership interest. Based on the changes in circumstances, the Company re-evaluated the status of NVG as a variable interest entity, concluding that the Company had acquired a controlling interest. Purchase consideration for the acquisition included a promissory note of $1,820, the conversion of a convertible note of $700, and $115 in the form of 58 Exchangeable Shares.

In 2022, the Company entered into a Management Services Agreement ("MSA") with Connecticut Retail Solutions II, LLC and Connecticut Cultivation Solutions, LLC ("CT Solutions"), which holds a provisional license to operate a marijuana dispensary and cultivation facility in Connecticut. Under the MSA, the Company is responsible for providing operational oversight, administrative support, and key management services seek to ensure regulatory compliance and facilitate the successful launch of both retail and cultivation operations.

In July 2024, the Company entered into an Option Agreement and Support Service Agreement with Good Day Dispensary, LLC ("Good Day"), which holds a provisional license to operate a medical marijuana dispensary in Ohio. The option agreement provides the Company with the future right to acquire 100% of the equity interests in the entity on fulfillment of certain conditions. The purchase consideration will be $2,000, settled through subsuming a bridge loan and the remainder in equity shares. As of December 31, 2024, this entity is not operational, and the fair value of Good Day's assets and liabilities is de minimis.

6. VARIABLE INTEREST ENTITIES ("VIE") (Continued)

The following tables present the summarized financial information about the Company's consolidated VIEs which are included in the balance sheets as of December 31, 2024 and 2023 and statements of operations for years ended December 31, 2024 and 2023. All these entities were determined to be VIEs as the Company possesses the power to direct activities and obligation to absorb losses through management services agreements.

	As of December 31, 2024				*As of* December 31, 2023			
	CT Solutions	Parma	Ohio Dispensaries	Total	TH/NVG	Parma	Ohio Dispensaries	Total
Current assets	$ (80)	$ 16,545	$ 4,686	$ 21,151	$ (351)	$ 10,616	$ (2,257)	$ 8,008
Non-current assets	2,732	11,816	6,326	20,874	1,077	13,210	6,441	20,728
Total assets	**$ 2,652**	**$ 28,361**	**$ 11,012**	**$ 42,025**	**$ 726**	**$ 23,826**	**$ 4,184**	**$ 28,736**
Current liabilities	$ 671	$ 25,721	$ 1,969	$ 28,361	$ 604	$ 18,962	$ 1,647	$ 21,213
Non-current liabilities	801	132	3,238	4,171	383	1,280	3,369	5,032
Total liabilities	**1,472**	**25,853**	**5,207**	**32,532**	**987**	**20,242**	**5,016**	**26,245**
Noncontrolling interest	(652)	(10,058)	(3,966)	(14,676)	796	(10,158)	(1,764)	(11,126)
Equity (deficit) attributable to Ayr Wellness Inc.	1,832	12,566	9,771	24,169	(1,057)	13,742	932	13,617
Total liabilities and equity	**$ 2,652**	**$ 28,361**	**$ 11,012**	**$ 42,025**	**$ 726**	**$ 23,826**	**$ 4,184**	**$ 28,736**

	Year Ended December 31, 2024					*Year Ended* December 31, 2023			
	CT Solutions	NVG	Parma	Ohio Dispensaries	Total	TH/NVG	Parma	Ohio Dispensaries	Total
Revenues, net of discounts	$ 533	$ —	$ 8,938	$ 13,318	$ 22,789	—	$ 3,170	$ 462	$ 3,632
Net income (loss) attributable to noncontrolling interest	(652)	(392)	100	(2,107)	(3,051)	(673)	(4,630)	(1,764)	(7,067)
Net income attributable to Ayr Wellness Inc.	—	—	96	—	96	—	(1,275)	—	(1,275)
Net income (loss)	**$ (652)**	**$ (392)**	**$ 196**	**$ (2,107)**	**$ (2,955)**	**$ (673)**	**$ (5,905)**	**$ (1,764)**	**$ (8,342)**

	CT Solutions	TH/NVG	Parma	Ohio Dispensaries	Total
Noncontrolling interest at January 1, 2023	$ —	$ 7,528	$ (5,528)	$ —	$ 2,000
Acquisition of Tahoe Hydro	—	(6,059)	—	—	(6,059)
Net loss attributable to noncontrolling interest during the period	—	(673)	(4,630)	(1,764)	(7,067)
Noncontrolling interest at December 31, 2023	—	**796**	**(10,158)**	**(1,764)**	**(11,126)**
Acquisition of variable interest entity	—	(404)	—	(95)	(499)
Net income (loss) attributable to noncontrolling interest during the period	(652)	(392)	100	(2,107)	(3,051)
Noncontrolling interest at December 31, 2024	**$ (652)**	**—**	**$ (10,058)**	**$ (3,966)**	**$ (14,676)**

7. ASSETS AND LIABILITIES HELD FOR SALE

During 2024, the Company committed to a plan to sell its Illinois operations. Accordingly, certain of the assets and liabilities held by the Company's Illinois entity was presented as a disposal group held for sale on the consolidated balance sheet as of December 31, 2024. In accordance with ASC 205-20-50-1(a) the Company has retrospectively reflected the reclassification of assets and liabilities of this entity as held for sale on the balance sheet as of December 31, 2023 and excluded from the accompanying notes.

The planned disposal as of December 31, 2024 did not represent a strategic shift of the Company that had or will have a major effect on the Company's operations and financial results. Accordingly, the operations were not segregated and were presented as continuing operations in the consolidated statements of operations for the years ended December 31, 2024 and 2023. The disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

	As of	
	December 31, 2024	December 31, 2023
Assets held for sale		
Inventory and other current assets	$ 759	$ 838
Property, plant, and equipment, net	966	236
Intangible assets, net	5,375	14,243
Right-of-use assets, net	613	893
Long term deposits	57	—
Total assets held for sale	**$ 7,770**	**$ 16,210**
Liabilities held for sale		
Trade payables	$ 1,182	$ 750
Lease liabilities	2,395	895
Income tax payable	2,068	2,123
Accrued liabilities	129	82
Total liabilities held for sale	**$ 5,774**	**$ 3,850**

During the year ended December 31, 2024, the Company recorded a loss on the impairment of the held for sale assets of $10,962, which is recorded as a part of impairment of goodwill and other assets on the consolidated statements of operations.

8. INVENTORY

The Company's inventory includes the following:

	December 31, 2024	December 31, 2023
Materials, supplies, and packaging	$ 8,085	$ 7,505
Work in process	77,764	69,632
Finished goods	26,709	28,956
Total inventory	**$ 112,558**	**$ 106,093**

The amount of inventory included in cost of goods sold during the years ended December 31, 2024 and 2023, was $246,303 and $218,587, respectively. The Company reviews inventory on hand for estimated obsolescence or unmarketable items, as compared to future demand requirements and the shelf life of the various products. Based on the review, the Company records inventory write-downs, when necessary, when costs exceed expected net realizable value. Such write-downs were de minimis for the year ended December 31, 2024 and 2023.

9. PROPERTY, PLANT, AND EQUIPMENT

As of December 31, 2024 and 2023, property, plant, and equipment, net consisted of the following:

	December 31, 2024	December 31, 2023
Furniture and equipment	$ 65,144	$ 52,727
Auto and trucks	1,385	1,393
Buildings	93,082	94,914
Leasehold improvements	152,242	172,838
Land	10,478	13,878
Construction in progress	8,779	12,571
Total	331,110	348,321
Less: Accumulated depreciation and amortization	53,361	37,942
Total property, plant and equipment, net	**$ 277,749**	**$ 310,379**

Capitalized interest for the years ended December 31, 2024 and 2023, totaled $6,428 and $9,981, respectively. Depreciation and amortization expense for the years ended December 31, 2024 and 2023, totaled $21,104 and $25,226, respectively, of which $14,677 and $15,846 respectively, is included in cost of goods sold.

As part of our evaluation, an impairment test was performed on long-lived assets as of December 31, 2024 and 2023. As a result, the Company concluded that the carrying amount of certain long-lived assets exceeded the fair value and recorded an impairment loss on PPE assets of $12,107 and $4,858 during 2024 and 2023, respectively.

10. GOODWILL AND INTANGIBLE ASSETS

Goodwill

As of December 31, 2024 and 2023, the Company's goodwill is as follows:

(In thousands)	
As of January 1, 2023	**$ 94,108**
Impairment of goodwill	—
As of December 31, 2023	**94,108**
Impairment of goodwill	**(94,108)**
As of December 31, 2024	**$ —**

Intangible Assets

In December 2022, an entity co-owned by the Company was awarded a provisional Disproportionately Impacted Area cultivator license in Connecticut, which included the rights to two retail dispensary licenses of which one is operational. An intangible asset of $3,000 was recorded in connection with the cash payment, with 50% allocated to cultivation and 50% to retail. Also, in December 2023, the Company acquired a standalone delivery license in Connecticut and recorded an intangible asset of $200 in connection with the cash payment for the cost of the license. The cultivation and delivery operations in Connecticut are not currently active, as such, no amortization expense has been recorded as of December 31, 2024 and 2023.

Amortization expense is recorded within cost of goods sold and total operating expenses. The amount in cost of goods sold for the years ended December 31, 2024 and 2023 was $16,577 and $16,825, respectively.

10. GOODWILL AND INTANGIBLE ASSETS (Continued)

Intangible Assets (Continued)

The following table represents intangible assets, net of accumulated amortization:

	Amortization period (# of years)	December 31, 2024	December 31, 2023
Licenses/permits	15	$ 574,712	$ 626,793
Right-to-use licenses	15	15,097	16,407
Host community agreements	15	24,415	26,954
Trade name / brand	5	2,437	3,591
Total		**$ 616,661**	**$ 673,745**

The following table presents the future amortization expense as of December 31, 2024:

	Amortization Expense
2025	$ 56,348
2026	56,348
2027	56,348
2028	56,348
2029	56,348
2030 and beyond	333,221
Total	**$ 614,961**

Impairment of goodwill

As part of the annual impairment test as of December 31, 2024 and 2023, a one-step quantitative impairment test was performed over Florida, the only reporting unit with goodwill acquired through an acquisition. The following significant assumptions were applied in the determination of the fair value of the reporting unit using a discounted cash flow model:

- Cash flows: estimated cash flows were projected based on actual operating results from internal sources, as well as industry and market trends. The forecasts were extended to a total of five years (with a terminal value thereafter);
- Terminal value growth rate: The terminal growth rate of 3% was based on historical and projected consumer price inflation, historical and projected economic indicators and projected industry growth;
- Post-tax discount rate: the post-tax discount rate of 15% and 20%, respectively, is reflective of the weighted average cost of capital ("WACC"). The WACC was estimated based on the risk-free rate, equity risk premium, beta premium, and after-tax cost of debt based on corporate bond yields; and
- Tax rate: the tax rates used in determining future cash flows were those substantively enacted at the respective valuation date.

The Company compared the fair value of the reporting unit to its carrying value to determine whether the carrying value exceeded fair value. The Company recorded impairment of goodwill of $94,108 for the year ended December 31, 2024, reducing the remaining carrying value of goodwill in the Company's Florida reporting unit. The carrying value of goodwill for the years ended December 31, 2024 and 2023 was $nil and $94,108, respectively.

10. GOODWILL AND INTANGIBLE ASSETS (Continued)

Impairment of long-lived assets

The Company evaluates the recoverability of long-lived assets, including finite-lived intangible assets, to determine whether events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company determined that changes in market expectations as a result of increased competition and price compression at the reporting units were indicators that an impairment test was required as of December 31, 2024 and 2023.

The impairment test for long-lived assets is a three-step test, whereby management first determines the grouping of long-lived assets to be held and used, and next determines the recoverable amount by calculating the future undiscounted cash flows of each asset group, which is performed prior to the goodwill impairment test described above. If the recoverable amount is lower than the carrying value of the asset group, then impairment is indicated. The Company then determines the fair value of the asset group and allocates the impairment to the assets. The Company compared the carrying value of the asset group to its future undiscounted cash flows and determined that the carrying value did not exceed the future undiscounted cash flows. As such, the Company was not required to perform the impairment loss calculation (Step 3).

The future undiscounted cash flows of the specific assets that were evaluated for impairment were determined using the multi period excess earnings method based on the following key assumption:

- Cash flows: estimated cash flows were projected based on actual operating results from internal sources, net of interest and depreciation/amortization, as well as industry and market trends. The forecasts were extended through the estimated useful lives of the assets.

During the year ended December 31, 2024, the Company committed to a plan to sell its Illinois operations. Based on an analysis of the fair value of these assets, the carrying value of the intangible asset was written down by $8,729 and impairment charges were recognized in the consolidated statement of operations see Note 7 for additional information.

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Information related to operating and finance leases is as follows:

	December 31, 2024		December 31, 2023	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Incremental borrowing or implicit rate (weighted average)	13.10 %	10.73 %	11.83 %	10.37 %
Weighted average remaining lease term	11.82 yrs	5.04 yrs	12.12 yrs	4.76 yrs

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

The maturities of the contractual lease liabilities as of December 31, 2024 are as follows:

	Operating Leases	Finance Leases	Total
2025	$ 41,554	$ 7,044	$ 48,598
2026	42,105	5,041	47,146
2027	41,334	3,897	45,231
2028	40,853	3,058	43,911
2029	39,420	2,213	41,633
2030 and beyond	311,330	4,499	315,829
Total undiscounted lease liabilities	**516,596**	**25,752**	**542,348**
2025 Tenant allowance	(19,388)	–	(19,388)
Impact of discounting	(305,843)	(5,706)	(311,549)
Total present value of minimum lease payments	**$ 191,365**	**$ 20,046**	**$ 211,411**

In June 2022, the Company closed on a real estate financing transaction resulting in $27,599 of cash proceeds for the sale and simultaneous leaseback of a cultivation facility. The transaction included a construction financing allowance of up to $14,187. Control was never transferred to the buyer-lessor because the transaction did not qualify for sale-leaseback treatment. On April 5, 2024, the Company amended the lease, terminating the option to repurchase the facility at the end of the lease term. This amendment was accounted for as a lease modification that resulted in the reclassification of the lease from a finance to an operating lease. As a result, the Company divested $35,804 of machinery, building and improvements and $510 of land and derecognized the construction finance liability of $39,176. The Company recognized a gain of $2,862 recorded within gain on sale of assets on the statements of operations. The resulting lease was recorded as an operating lease and resulted in a lease liability of $35,034 and a right-of-use ("ROU") asset of $34,428.

On June 10, 2024, the Company closed on a real estate financing transaction for a 16-acre property, encompassing 145,000 square feet of industrial space located in Florida. The lease has a tenure of 15 years, with an option to extend for an additional 10-year term. The agreement includes a $30,000 tenant improvement allowance to be allocated towards enhancements to the facility. The tenant allowance is reimbursed when the related expense is incurred. The lease was recorded as an operating lease by using the rate implicit in the lease of 19.47% and resulted in a lease liability of $2,863 and an ROU asset of $2,569, with the tenant improvement allowance expected to increase the lease liability as incurred.

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

On November 20, 2024, the Company completed a sale and lease back transaction to sell real estate in Massachusetts for a purchase price of $3,000. The Company leased back the facilities and continues to operate and manage them under a long-term agreement. The transaction qualified for sale-leaseback treatment under ASC 842. As a result of the sale, the Company derecognised of $4,615 of buildings and improvements, and $5,079 of land. The Company recognized a loss on sale related to the transaction of $6,694 which was recorded within loss on sale of assets on the consolidated statements of operations. The lease was recorded as an operating lease and resulted in a lease liability of $2,565 and an ROU asset of $2,563.

Payments related to capitalized leases during the years ended December 31, 2024 and 2023, are as follows:

	Year Ended	
	December 31, 2024	**December 31, 2023**
Lease liabilities - operating		
Lease liabilities - operating expense, COGS	$ 15,187	$ 8,783
Lease liabilities - operating expense, G&A	18,307	16,366
Lease liabilities - finance		
Amortization of right-of-use assets, COGS	6,988	6,913
Amortization of right-of-use assets, G&A	139	165
Interest on lease liabilities - finance, COGS	2,407	3,017
Interest on lease liabilities - finance, G&A	23	37
Total lease expense	**$ 43,051**	**$ 35,281**

As of December 31, 2024 and 2023, the Company concluded that the carrying amount of certain ROU operating assets exceeded the fair value and recorded an impairment loss of $3,169 and $1,462, respectively.

12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are defined as management and shareholders of the Company and/or members of their immediate family and/or other companies and/or entities in which a board member or senior officer is a principal owner or senior executive. Other than disclosed elsewhere in the consolidated financial statements, related party transactions and balances are as follows:

Mercer Park, L.P., a company owned by a former executive of Ayr, entered into a month-to-month management agreement with the Company dated May 24, 2019. The management fee is paid monthly and varies based on actual costs incurred by the related entity when providing the Company administrative support. In addition, the management fees paid to the related party also reimbursed them for other corporate or centralized expenses based on actual cost, including but not limited to legal and professional fees, software, and insurance. Lease fees included in the operating lease during the years ended December 31, 2024 and 2023, were $914 and $858, respectively.

During the years ended December 31, 2024 and 2023, the Company incurred fees from a company partially owned by a board member of Ayr. The total incurred fees were $nil and $54 of office expenses, and $nil and $24 of development fees, $1,257 and $1,083 of rental fees, and $9 and $83 of interest expense, respectively, for the years ended December 31, 2024 and 2023.

In addition to the fees above, on May 11, 2023, the Company reached an agreement to amend the terms of contingent consideration under the membership interest purchase agreement of Sira Naturals, Inc. ("Sira"), owned by the board member. The amendment for Sira represents a two-year deferral of the $27,500 of proceeds payable from the original May 2024 payment date, with an annual interest rate of 6.0% and 10% annual amortization payments. The deferred payment is classified within accrued liabilities and other long-term liabilities. The Company incurred $1,006 and $nil, of interest expense, respectively, for the years ended December 31, 2024 and 2023.

12. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

As part of the debt restructuring agreement dated February 7, 2024, the Majority Noteholders were granted the annual right to appoint one independent director (who must not be affiliated with a competitor) to the Company's Board of Directors, provided they continue to hold a majority of the aggregate principal amount of the 13% Senior Notes. The appointed director is recognized as one of the beneficial holders of the 13% Senior Notes. Subsequent to year-end, this director transitioned from a board member to a board observer. See Note 13 for further details on the debt restructuring agreement.

Refer below to the debts payable note for additional information regarding the debts payable to related parties, for the years ended December 31, 2024 and 2023.

13. DEBTS PAYABLE AND SENIOR SECURED NOTES

As of December 31, 2024 and December 31, 2023, the Company's total debts payable consisted of the following:

	Debts payable
As of January 1, 2023	**$ 480,206**
Discounted as of December 31, 2022	598
Debt issuance costs	(1,000)
Debt issuance costs amortized	2,341
Debt issued	66,245
Construction financing	2,024
Senior secured notes premium amortized	(3,018)
Less: extinguishment related to sale of Arizona business	(22,505)
Less: repayment	(52,029)
Less: discounted to fair value	(199)
As of December 31, 2023	**472,663**
Discounted as of December 31, 2022	199
Senior secured notes premium amortized	(2,867)
Senior secured notes discount	(24,486)
Senior secured notes discount amortized	7,696
Debt issuance costs	(57,188)
Debt issuance costs amortized	14,321
Debt issued	60,583
Construction financing	(38,205)
Less: repayment	(22,242)
Total debts payable as of December 31, 2024	**410,474**
Total accrued interest payable related to debts payable as of December 31, 2024	**$ 6,881**

The details of total debts payable are as follows:

	December 31, 2024 Total debt
Total debts payable, undiscounted	$ 179,992
Senior secured notes, undiscounted	293,250
Total debt obligations	**473,242**
Less: Unamortized debt issuance costs	(40,092)
Less: Unamortized debt discount	(16,791)
Less: Unamortized debt premium	(5,885)
Total debts payable, net	**410,474**
Less: current portion	(24,828)
Total long term debts payable, net	**$ 385,646**

13. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

The following table presents the future obligations under debts payable as of December 31, 2024:

Future debt obligations *(per year)*	
2025	$ 24,852
2026	357,139
2027	14,103
2028	2,176
2029	2,352
2030 and beyond	72,620
Total debt obligations	**$ 473,242**

Senior secured notes

On November 12, 2021, the Company completed a private placement offering of approximately $133,250 aggregate principal amount of 12.5% secured promissory notes at a premium price, resulting in approximately $147,000 of proceeds due December 2024, with a resulting yield-to-maturity of 9.8%. The notes were considered additional notes under the indenture governing the Company's existing notes of $110,000 which were entered into on December 10, 2020.

On February 7, 2024, following the receipt of court and other required regulatory approvals, the Company completed debt restructuring transactions contemplated by the Support Agreement entered into with the majority noteholders, pursuant to which: (i) all of the then outstanding secured notes were exchanged for an equivalent principal amount of new 13% senior secured notes due December 10, 2026 (the "13% Senior Notes" and such exchange, the "Exchange Transaction"); (ii) an additional $40,000 in gross cash proceeds was raised through the issuance of additional 13% Senior Notes in an aggregate principal amount of $50,000 (the "New Money Notes") (subject to a 20% original issue discount) concurrent with the completion of the Exchange Transaction; (iii) as the offering of the New Money Notes was backstopped by one of the majority noteholders, such backstop party received a backstop premium on closing payable in the form of 5,948 Equity Shares (the "Backstop Shares") in the Company; and (iv) holders of the 12.5% secured notes received 29,040 Equity Shares (the "New Shares") in the Company. The Backstop Shares and New Shares had contractual restrictions on their ability to be sold for six months, applicable to 50% of the shares issued, which expired on August 7, 2024. The fair value of the shares was based on the share price on the CSE at the date of closing and a 28.6% discount rate attributed to the equity security-specific restrictions, resulting in a fair value of $94,302 at issuance. The Backstop Shares and New Shares met the criteria to be recorded as equity under ASC 815 and the fair value is included in the loss on extinguishment.

In accordance with debt extinguishment accounting rules outlined in ASC 470, the Company recorded a loss on extinguishment of $79,172 for the year ended December 31, 2024 in the consolidated statement of operations related to the restructuring of debt. In connection with the extinguishment in the aggregate amount of $243,894, the Company issued new debt in the principal amount of $293,250, including additional proceeds of $40,000, which was recorded at fair value of $268,764 and the Backstop Shares and New Shares issued on the closing date. On the closing date, the Company fully amortized the debt premium of $2,615 related to the 12.5% secured notes that was extinguished and recognized a debt discount of $24,486 related to the new 13% Senior Notes.

In addition, 23,046 Warrants (the "Anti-Dilutive Warrants") were issued to all the existing shareholders of Ayr (excluding recipients of the New Shares and the Backstop Shares). The Anti-Dilutive Warrants are exercisable for an equal number of Equity Shares at a price of $2.12 per share until February 7, 2026.

The Anti-Dilutive Warrants are only exercisable by non-U.S. Persons and Accredited Investors in the U.S., as such terms are defined under U.S. securities laws. The Anti-Dilutive Warrants commenced trading on the CSE on February 14, 2024 under the ticker symbol AYR.WT.U. The Company evaluated the Warrants issued under ASC 480 and ASC 815. These Warrants do not have a redemption feature and are traded separately from our shares on the CSE exchange. They can be converted into shares, on a one-for-one conversion ratio, upon payment of a fixed exercise price. The Company determined that these Warrants are freestanding financial instruments that qualify for the scope exemption for being accounted as derivatives. The Company therefore concluded that the Warrants meet the criteria to be classified as equity and should be measured at fair value on the date of closing. No changes would be required to the measurement amount or the classification unless an event that requires a reclassification of the Warrants out of equity occurs.

13. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

Senior secured notes (Continued)

Additionally, the Company incurred financing costs of $65,314 related to the restructuring, which includes Warrants issued to shareholders that had a fair value of $47,049 at issuance, which was calculated using a Black-Scholes model and included assumptions such as volatility of 104.3% and a risk-free rate of 4.4%. The financing costs are being amortized to interest expense over the term of the loan using the straight-line method, approximating the effective interest method.

The 13% Senior Notes require the Company to comply with customary covenants, including restrictions on the payment of dividends, repurchase of stock, incurrence of indebtedness, dispositions, and acquisitions. The 13% Senior Notes also contain customary events of default including non-payment of principal or interest; violations of covenants; bankruptcy; cross defaults to other debt; and material judgment defaults. The 13% Senior Notes are guaranteed by all the Company's subsidiaries and are secured by substantially all the assets of the Company and its subsidiaries (subject to certain exceptions). No prepayment premium is required for prepayment.

The 13% Senior Notes also require the Company to comply with two financial covenants under the 13% Senior Notes. The Company shall maintain an amount of unrestricted cash balance of no less than $20,000, to be tested on the last day of each month, beginning on January 31, 2024. Additionally, commencing with the fiscal quarter ending September 30, 2024, the Company shall not permit the Consolidated Net Leverage Ratio (as defined in the Amended and Restated Indenture of the 13% Senior Notes) as of the end of any period of four (4) consecutive fiscal quarters ending on any date set forth below, as applicable, to be greater than the applicable leverage ratio set forth below:

Fiscal Quarter End	Consolidated Net Leverage Ratio
September 30, 2024	4.65:1.00
December 31, 2024	4.35:1.00
March 31, 2025	4.30:1.00
June 30, 2025	4.20:1.00
September 30, 2025	4.10:1.00
December 31, 2025	3.95:1.00
March 31, 2026	3.90:1.00
June 30, 2026	3.55:1.00
September 30, 2026	3.50:1.00

The Company has an equity cure right, through the new issuance of, or out of the net cash proceeds of, the sale of equity interests of the Company, for each of these financial covenants. The Company is in compliance with these covenants as of December 31, 2024.

As of December 31, 2024, the majority debt holders signed a written consent extending the post-closing covenant to use reasonable best efforts to raise $20,000 of equity by December 31, 2024 until March 31, 2025. The Company intends to continue using reasonable best efforts to pursue an equity raise in 2025.

Other debts payable

As part of business combinations and asset acquisitions, the Company issued and assumed notes with related and non-related parties. The related party notes are considered part of the purchase price to the former shareholders of the acquired businesses. As a result of the combinations and acquisitions, several of these individual shareholders are now considered related parties of the Company across various roles including directors, officers, and shareholders.

On March 24, 2023, the Company amended a loan agreement with a community bank and received additional total proceeds of $10,000, net of financing costs of $100, with an 8% annual interest rate payable monthly for the incremental proceeds.

13. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

Other debts payable (Continued)

Pursuant to the agreement to acquire Tahoe Hydro, the Company issued a non-related party promissory note in the amount of $1,580 to the former member of Tahoe Hydro that is secured by all the assets of and a pledge of membership interests in Tahoe Hydro. The note matures four years from the closing date of April 7, 2023, with an annual interest rate of 8% with quarterly straight-line amortization and interest payments over the life of the loan.

On May 11, 2023, the Company reached an agreement to amend the terms of contingent consideration under the membership interest purchase agreements of GSD NJ LLC ("GSD") and Sira Naturals, Inc. ("Sira"). The amendment for GSD settles the contingent consideration with total proceeds of $38,860, consisting of $10,000 in cash, promissory notes in an aggregate principal amount of $14,000, $10,925 in deferred cash, and $4,647 of Equity Shares. The $10,094, net of payments made of $831, in deferred cash is classified within accrued expenses on the balance sheet as of December 31, 2023. The deferred cash balance was paid in full subsequent to December 31, 2023. The $14,000 promissory notes are due December 2026 with monthly interest-only payments of 13.5% until May 2024 (with 1% monthly amortization thereafter). The number of Equity Shares was calculated based on a market price equal to $0.79 which represents 3,797 Equity Shares. The amendment for Sira represents a two-year deferral of the $27,500 of proceeds payable from the original May 2024 payment date, with an annual interest rate of 6.0% and 10% annual amortization payments. Refer to Note 15 for further details on the fair value loss recognized on the settlement of the contingent consideration.

In May 2023, the Company executed contingent agreements, securing a two-year deferral on principal or amortization payments of certain of its debt obligations, which included aggregate principal amount of approximately $69,000 of debt obligations, including contingent agreements with holders of approximately $60,500 aggregate principal amount of vendor take-back promissory notes. The effectiveness of the maturity and amortization deferrals was contingent on an extension of the Company's Senior Secured Notes to December 10, 2026, or a later date (or an exchange of the Senior Secured Notes for a new series of notes with a maturity date of December 10, 2026 or a later date). The effectiveness of the maturity and amortization deferrals was contingent on the closing of the Senior Secured Note extension transaction which closed February 7, 2024, or in some cases the execution of an agreement by a requisite threshold of Senior Noteholders to extend the maturity date of the Senior Secured Notes by at least two years. As of December 31, 2023, the Company and its subsidiaries had approximately $116,063 of indebtedness in respect of the vendor take-back promissory notes, of which approximately $77,110 were subject to subordination agreements in favor of the Senior Secured Notes. On October 31, 2023, the Company entered into a Support Agreement with the Majority Noteholders of the Senior Secured Notes to extend the maturity date by two years.

The Company finalized the amendments for the debt, generally contingent on the closing of the transaction contemplated in the Support Agreement. The modification for these loans did not meet the requirement of a debt extinguishment under ASC 470-50 – Debt Modifications and Exchanges and no gain or loss was recognized as of December 31, 2023.

On July 7, 2023, the Company entered into a loan agreement to refinance and upsize an existing mortgage which was due to mature in May 2024. The loan agreement included total proceeds of $40,000, with an interest rate of 5-year Federal Home Loan Bank Rate plus 4%, which implies a current rate of 8.27% with interest-only payments for the first 18 months. The note extends the maturity of the existing mortgage to 10 years. Proceeds from the loan were used to pay down the Company's existing mortgage of $25,219. Additionally, on March 26, 2024, the Company completed an $8,400 upsizing of its existing mortgage for the Gainesville cultivation facility, raising the principal amount to $48,400. These funds were utilized towards additional investments, as well as for general working capital needs. Aside from the upsizing, there were no modifications to the mortgage terms, including the interest rate or the maturity date set for 2033. The modification for this loan did not meet the requirement of a debt extinguishment under ASC 470 and no gain or loss was recognized.

13. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

Other debts payable (Continued)

On October 31, 2023, the Company entered into an agreement with LivFree Wellness, LLC ("LivFree") to amend certain terms of the promissory note dated May 24, 2019 (the "LivFree Note") executed in connection with the Company's acquisition of LivFree. The amendments to the LivFree Note provided, among other things, for a principal payment of $3,000, paid upon closing of the debt restructuring transactions on February 7, 2024, and a deferral of the maturity of the remaining $17,000 of principal and $5,530 of accrued payment-in-kind interest for a period of two years to May 24, 2026. In addition, the interest on the LivFree Note converted from payment-in-kind to monthly cash interest payments and the interest rate increased from 6.0% to 10.0%. The modification for this loan did not meet the requirement of a debt extinguishment under ASC 470 and no gain or loss was recognized.

On July 11, 2024, the Company issued a non-related party promissory note in the amount of $1,820 to the former member of NV Green that is secured by all the assets of and a pledge of membership interests in NV Green. The note matures three years from the closing date of July 2024 with an annual interest rate of 8% with quarterly straight-line amortization payments over the life of the loan.

Interest expense associated with related party debt payable for the years ended December 31, 2024 and 2023 was $9 and $83, respectively.

14. SHARE CAPITAL

The following activity occurred during the year ended December 31, 2024:

- In relation to the vesting of 4,402 RSUs, 4,402 Equity Shares were issued.
  - 358 shares were forfeited during the period.
- 92 Exchangeable Shares were exchanged for 92 Equity Shares related to the acquisition of PA CannTech.
- 7 Exchangeable Shares were exchanged for 7 Equity Shares related to the Q1 2022 acquisition of Levia.
- 225 Exchangeable Shares were exchanged for 225 Equity Shares related to the Q1 2022 acquisition of Tahoe Hydro.
- 3,696 Multiple Voting Shares were converted on a one-for-one basis to Subordinate Voting Shares due to the automatic conversion occurring 60 months from the date of first issuance.
- 645 Treasury Shares were retired.
- 34,988 Equity Shares were issued in connection with the debt restructuring.
- 23,046 Anti-Dilutive Warrants were issued to existing shareholders.
- 13 Equity Shares were issued in connection with the Exercise of Warrants.
- 2,874 outstanding Warrants issued on May 24, 2019 have expired as of May 24, 2024.
- 44 Equity Shares were issued in relation to the acquisition of a variable interest entity.
- 58 Exchangeable Shares were issued in relation to the Q3 2024 acquisition of NV Green.
- 1,365 Exchangeable Shares were exchanged for 1,365 Equity Shares related to the Oasis acquisition.

The following activity occurred during the year ended December 31, 2023:

- In relation to the vesting of 3,262 RSUs, 3,169 Equity Shares were issued due to net settlement.
  - 137 shares were forfeited during the period.
- 3,798 Exchangeable Shares were issued in connection with the GSD contingent consideration settlement.
- 233 Exchangeable Shares were issued in connection with the Q2 2023 acquisition of Tahoe Hydro.
- 52 Exchangeable Share was exchanged for 52 Equity Shares related to the Q1 2022 acquisition of Levia.
- 354 Exchangeable Shares were exchanged for 354 Equity Shares related to the Q2 2022 acquisition of Herbal Remedies.
- 9 Exchangeable Shares were converted into 9 Equity Shares.
- 66 Equity Shares were issued for consulting services.
- 15 Exchangeable Shares were exchanged for 15 Equity Shares related to the Oasis acquisition.

14. SHARE CAPITAL (Continued)

Warrants

The 2,874 outstanding Warrants that were issued on May 24, 2019 with a strike price of $9.07, all expired as of May 24, 2024. The average remaining life of the Anti-Dilutive Warrants is under one year and two months with an intrinsic value of $nil. The Anti-Dilutive Warrants have an exercise price of $2.12. The number and fair value of Warrants outstanding as of December 31, 2024 and December 31, 2023 is:

	Number	Fair Value
Balance as of January 1, 2023	**2,874**	**$ 1,786**
No activity	—	—
Balance as of December 31, 2023	**2,874**	**$ 1,786**
Warrants Issued	23,046	47,049
Exercise of Warrants	(13)	(26)
Forfeitures of Warrants, due to expiration	(2,874)	(1,786)
Balance as of December 31, 2024	**23,033**	**$ 47,023**

15. DERIVATIVE LIABILITIES

Purchase Consideration and Contingent Consideration

In May 2023, the Company reached an agreement to amend and settle the terms of contingent consideration under the membership interest purchase agreements of GSD and Sira. The Company recognized a fair value loss in 2023 of $918 on the settlement of the contingent consideration obligation for GSD and $3,660 on the settlement of the contingent consideration obligation for Sira.

The fair value adjustment relating to derivative liabilities has been included in the statements of operations under "Fair value gain on financial liabilities" as detailed below:

	Year ended December 31, 2023
Gain from FV adjustment on contingent consideration	$ 27,597
Loss from settlement of contingent consideration	(4,578)
Other	4
Total	**$ 23,023**

16. STOCK-BASED COMPENSATION

The stock-based compensation expense is based on either the Company's share price for service-based and market-based conditions on the date of the grant or the fair value of the performance-based RSU. The RSUs vest over a one to four-year period, based on service, market, and/or performance conditions. During the years ended December 31, 2024, there were 525 each of market and performance based RSUs outstanding, totaling 1,050. During the years ended December 31, 2024 and 2023, the Company recognized stock-based compensation relating to the granting of RSUs in the current and prior periods, except for the market and performance based RSUs as they did not meet the probable threshold. Any cumulative adjustment prior to vesting is recognized in the current period with no adjustment to prior periods for expense previously recognized. During the years ended December 31, 2024 and 2023, there were 358 and 137 forfeitures of nonvested RSUs, respectively.

16. STOCK-BASED COMPENSATION (Continued)

During the years ended December 31, 2024 and 2023, 4,402 Equity Shares vested, of which 4,401 were issued and 3,262 of which 3,169 were issued due to net settlement, respectively. During the years ended December 31, 2024 and 2023, the result of the net settlement was 1 Equity Shares were withheld with a total value of $283 and 93 Equity Shares were withheld with a total value of $366 to pay income taxes on behalf of the grantees, respectively. As of December 31, 2024, the average remaining life of unvested RSUs is approximately one year with an expected expense over the next 12 months of $6,045 with an aggregate intrinsic value of $8,226 using the stock price as of December 31, 2024 and as of December 31, 2023, the average remaining life of unvested RSUs is one year and eleven months with an expected expense over the next 12 months of $9,967 with an aggregate intrinsic value of $16,714 using the stock price as of December 31, 2023. The number of RSUs outstanding as of December 31, 2024 and 2023, were as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
RSUs outstanding and nonvested, as of January 1, 2023	6,628	$ 17.56
Granted	1,760	1.20
Vested	(3,262)	18.15
Forfeited	(137)	9.09
RSUs outstanding and nonvested, as of December 31, 2023	**4,989**	**$ 11.64**
Granted	2,652	2.10
Vested	(4,402)	11.27
Forfeited	(358)	7.43
RSUs outstanding and nonvested, as of December 31, 2024	**2,881**	**$ 3.95**

[1] *Includes Ayr granted but unvested market and performance based RSUs totaling 1,050 that do not meet the probability threshold*

Options

The range of exercise price is between $10.59 and $29.05. As of December 31, 2024 and 2023, the weighted average remaining life of the options is under five months, with an aggregate intrinsic value of $nil and $nil, respectively.

The number of vested options and weighted average fair value outstanding as of December 31, 2024 and December 31, 2023 is:

	Number of Options	Weighted Average Fair Value
Balance as of January 1, 2023	**165**	**$ 17.93**
Options exercised	(6)	17.93
Balance as of December 31, 2023	**159**	**$ 20.30**
Options expired/cancelled	(82)	20.35
Balance as of December 31, 2024	**77**	**$ 20.23**

17. COMMITMENTS AND CONTINGENCIES

Commitments

As of December 31, 2024, the Company guaranteed the lease obligation of a location related to a third-party that operates a dispensary in New Jersey. The Company is the guarantor of the lease with maximum total payments of $765 and will continue as the guarantor through December 2028. The Company would be required to perform under the guarantee if the third-party is in default. As of December 31, 2024, the Company does not anticipate any material defaults under the foregoing lease, and therefore, no liability has been accrued.

Contingencies

Employee Retention Credit ("ERC")

In 2023, the Company filed for an ERC for the period beginning January 1 to June 30, 2021 in the amount of $12,354. During 2023, the Company received notices from the IRS for a total ERC refund of $5,238 and recorded a receivable included as part of prepaid expenses, deposits, and other current assets in the consolidated balance sheets and other income on the consolidated statements of operations. In accordance with ASC 958-605, Not-for-Profit Entities – Revenue Recognition, the Company determined that the condition to record a receivable is met when the IRS confirms the claim is valid or the cash is received. Absent of any confirmation, there remains uncertainty as to whether the amounts will be received.

As of December 31, 2024, the Company received proceeds from the IRS of $5,196 relating to its ERC refund. The Company expects to receive or monetize the remaining ERC balance of up to $7,158. Subsequent to December 31, 2024, the Company received $3,907 from the sale of $4,597 in ERC claims. The remaining claim has not yet met the criteria to be recorded as a receivable due to ongoing uncertainty surrounding IRS processing and regulatory interpretations of The Coronavirus Aid, Relief, and Economic Security Act. Management continues to assess opportunities to realize the remaining ERC, including potential third-party transactions to accelerate liquidity.

State and local regulations

The Company's operations are subject to a variety of state and local regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits and/or licenses that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance, in all material respects, with applicable state and local regulations as of December 31, 2024, cannabis regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties, or restrictions in the future.

Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2024, there were no material pending or threatened lawsuits that would be reasonably expected to have a material adverse effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates are an adverse party or have a material interest adverse to the Company's interest.

18. FINANCIAL RISK FACTORS

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash and long-term debts. Cash and deposits bear interest at market rates. The Company's debts are predominantly at fixed rates of interest. The Company does not use any derivative instruments to hedge against interest rate risk and believes that the change in interest rates will not have a significant impact on its financial results.

19. TAXATION

The Company is treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Internal Revenue Code, as amended ("Section 7874") and is subject to U.S. federal income tax on its worldwide income. However, for Canadian tax purposes, the Company, regardless of any application of Section 7874, is treated as a Canadian resident company (as defined in the Income Tax Act (Canada) (the "ITA") for Canadian income tax purposes. As a result, the Company is subject to taxation both in Canada and the U.S. The Company is also subject to state income taxation in Massachusetts, Pennsylvania, Florida, Illinois, Nevada, New Jersey, Connecticut, and City Income Tax in Ohio.

Significant judgment is required in evaluating the Company's uncertain tax positions and determining the provision for income taxes. The Company recognizes benefits from uncertain tax positions based on the cumulative probability method whereby the largest benefit with a cumulative probability of greater than 50% is recorded. An uncertain tax position is recognized if it has less than a 50% likelihood of being sustained.

The following is a reconciliation of the gross unrecognized tax benefits:

	Unrecognized tax benefits
Balance as of January 1, 2024	$ —
Additions based on tax positions related to the prior years	484,603
Additions based on tax positions related to the current year	169,931
Balance as of December 31, 2024	$ 654,534

19. TAXATION (Continued)

For the years ended December 31, 2024 and 2023, income tax expense consisted of:

	Year Ended	
	2024	2023
Current expense:		
Federal	$ 53,236	$ 47,727
State	4,238	7,112
Foreign	—	—
Total current expense:	57,474	54,839
Deferred (benefit) expense:		
Federal	(9,353)	(6,912)
State	(4,847)	(536)
Foreign	(14,782)	(1,235)
Change in valuation allowance	14,782	1,235
Total deferred (benefit) expense:	(14,200)	(7,448)
Total income tax expense:	$ 43,274	$ 47,391

The difference between the income tax expense for the years ended December 31, 2024 and 2023 and the expected income taxes based on the statutory tax rate applied to loss before income tax as follows:

	Year Ended	
	2024	2023
Expected income tax recovery	$ (66,998)	$ (9,609)
Difference in foreign tax rates	(38,573)	(6,030)
State Taxes	(138)	6,576
Foreign exchange gain or loss	—	370
Asset impairment	24,138	1,327
Translation adjustment	1,088	(226)
Unrealized change in fair value of financial liabilities	—	(4,835)
Acquisition costs	873	872
Interest income inclusion	9,182	6,465
Amortization of debt premium	(68)	(815)
Uncertain tax positions	51,230	46,262
Nondeductible expenses	1,815	—
Other income	2,575	—
Loss on debt extinguishment	33,142	—
Amortization of debt financing cost related to warrants	3,992	—
Amortization of debt discount related to FV adjustments	1,229	—
Difference in deductibility of debt discount	425	—
Capital loss on settlement of intercompany debt	(8,704)	—
Restricted stock	—	731
Accrued tax penalties and interest	15,458	9,762
Change in state tax rates	(3,681)	(1,627)
Prior year adjustment	—	(2,201)
Valuation allowance	14,782	1,235
Other	1,507	(866)
	$ 43,274	$ 47,391

19. TAXATION (Continued)

As of December 31, 2024 and 2023 the components of deferred tax assets and liabilities were as follows:

	Year Ended	
	2024	2023
Deferred tax assets		
Net operating losses	$ 10,208	$ 11,663
Share issuance costs	7,209	616
Share based compensation	344	210
Debt discount	424	—
Finance expenses	2,488	—
Inventory	666	2,032
Lease liabilities	6,242	1,170
Capital loss carryforward	8,704	—
Other assets	1,155	1,153
Total deferred tax assets	37,440	16,844
Deferred tax liabilities		
Depreciation	(7,336)	(7,846)
Amortization	(52,668)	(63,320)
Debt financing costs	(3,382)	(584)
Other liabilities	(16)	(40)
Total deferred tax liabilities	(63,402)	(71,790)
Valuation allowance	(24,801)	(10,019)
Net deferred tax liability	$ (50,763)	$ (64,965)

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company assesses the positive and negative evidence to determine if sufficient future taxable income is expected to be generated to use the existing deferred tax assets. On the basis of our assessment, the valuation allowance increased by $14,782 and $1,235, respectively, as of December 31, 2024 and 2023.

As of December 31, 2024, the Company had $30,451 of gross Canadian net operating loss carry forwards which will begin to expire in 2037. As of December 31, 2024, the Company has $15,732 of gross federal net operating losses with an indefinite life and $33,616 of gross state net operating losses, that begin to expire in 2042. The Company has not recorded $10,986 of federal net operating losses and $17,765 of state net operating losses as the Company determined it is more likely than not that the benefit will not be realized.

The Company operates in a number of U.S. state tax jurisdictions and is subject to examination of its income tax returns by tax authorities in those jurisdictions who may challenge any item on these returns. Because the tax matters challenged by tax authorities are typically complex, the ultimate outcome of these challenges is uncertain. In accordance with ASC 740—Income Taxes, the Company recognizes the benefits of uncertain tax positions in our consolidated financial statements only after determining that it is more likely than not that the uncertain tax positions will be sustained. The Company files income tax returns in the United States and various state jurisdictions, which remain open to examination by the respective jurisdictions for the 2021 tax year to the present. The Company also files income tax returns in Canada which remain open to examination by the respective jurisdictions for the 2019 tax year to the present.

19. TAXATION (Continued)

The Company's net uncertain tax position, inclusive of interest and penalties and tax payments on deposit, were approximately $136,719 and $nil as of December 31, 2024 and December 31, 2023, respectively, which is recorded in non-current liabilities in the consolidated balance sheets. The increase of $136,719 in uncertain tax positions is due to tax positions based on legal interpretations that challenge the Company's tax liability under Section 280E. The Company evaluated the uncertain tax liabilities under ASC Topic 740 with regards to the recognition, measurement and balance sheet classification of the uncertain tax position. Due to the degree of uncertainty, the Company re-evaluates the balance sheet classification of the uncertain tax position when circumstances change. The balance sheet classification of a liability for an uncertain tax position as current versus non-current is determined based on the expected timing of cash payments or benefits to be recognized.

As a result, during the years ended December 31, 2024 and 2023, the Company changed estimates in the income tax provision, resulting in an additional uncertain tax position of $136,719 and $nil, respectively. The Company believes it is reasonably probable that the unrecognized tax benefits will increase over the next 12 months as a result of receiving refunds related to the 280E position. The Company is not able to reasonably estimate any additional increase. The Company has been selected for examination of its 2021 and 2022 US federal and 2019 through 2022 Canadian tax returns filed. During an IRS examination of the entity's postilion on Section 280E, accuracy-related penalties could be imposed and those penalties could have a material impact to the financial statements. The Company does not anticipate these uncertain tax benefits to be resolved in the next twelve months and anticipates that the total amount of unrecognized tax benefits may change within the next twelve months for additional uncertain tax positions taken on a go-forward basis.

During the years ended December 31, 2024 and 2023, the Company recorded interest and penalties of $15,458 and $9,762, respectively, recorded within the current tax provision on the consolidated statements of operations. Total liabilities for interest and penalties were $25,220 and $9,762 as of December 31, 2024, and December 31, 2023, respectively, recorded within income tax payable and uncertain tax position liabilities on the consolidated balance sheets.

20. SEGMENT REPORTING

The Company operates as a single reportable segment, which is the production and sale of cannabis. The Company's operations include the sale of cannabis at both the retail and wholesale levels in states where it is legal for medical and/or recreational use. The Company, through its subsidiaries, holds, operates, and/or manages licenses and permits in the states of Florida, Massachusetts, Nevada, New Jersey, Ohio, Pennsylvania, Illinois, Virginia and Connecticut. As of December 31, 2024, the Company operated 97 retail stores, located across its portfolio. Activities across states are standardized, with consistent practices for cultivation, packaging, sales, and distribution. The accounting policies for the production and sale of cannabis segment are the same as those described in the summary of significant accounting policies. Segment loss is measured using consolidated net loss and segment assets are measured using total consolidated assets as reported on the balance sheet. The CODM comprises the senior executive committee, which includes the interim chief executive officer, chief operating officer, chief financial officer, and co-chief revenue officers. The CODM assesses segment performance and allocates resources based on financial and operational metrics, including consolidated net loss. The CODM uses net loss to evaluate the return on assets generated by the segment, driving decisions on capital management and allocating resources within the cannabis segment by directing resources to strategic initiatives such as expanding cultivation and production facilities, acquiring licenses in new markets, or supporting retail and wholesale growth. These performance measures are also used to monitor performance by comparing budgeted versus actual results. Additionally, the CODM benchmarks against competitors in the industry to perform competitive analysis. This benchmarking, along with the evaluation of budget versus actual results, informs segment performance assessments and supports strategic resource allocation.

20. SEGMENT REPORTING (Continued)

The following table provides the operating financial results of our segment, including significant segment expenses that reconcile to segment net loss:

	Year Ended	
	December 31, 2024	**December 31, 2023**
Revenues, net of discounts	$ 463,633	$ 463,630
Less: Significant and other segment expenses		
Cost of goods sold	286,952	261,188
Employee expenses	73,992	79,836
Lease expenses	23,798	21,940
Advertising expense	6,142	5,580
Stock-based compensation	17,982	16,412
Other segment items(1)	45,220	54,032
Impairment of goodwill and other assets	118,113	6,320
Depreciation and amortization	48,061	51,364
Acquisition and transaction costs	4,358	4,080
Fair value gain on financial liabilities, net	—	(23,023)
Loss on the extinguishment of debt	79,172	—
Loss on sale of assets	3,665	91
Interest expense, net	78,258	39,403
Interest income	(323)	(743)
Other income, net	(2,671)	(7,094)
Income tax expense	43,274	47,391
Discontinued operations	—	186,353
Net loss from continuing operations	$ (362,360)	$ (279,500)

(1) Other segment items included in segment net loss primarily consist of third-party fees, regulatory costs, office and administrative expenses, software, insurance, and security costs.

21. SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events through the date the consolidated financial statements were issued and determined there have been no material events that require adjustment or disclosure.

This is **Exhibit " D "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia



Ayr Wellness Inc.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(EXPRESSED IN UNITED STATES DOLLARS)

Ayr Wellness Inc.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2025 AND 2024

Unaudited Interim Condensed Consolidated Financial Statements ("Interim Financial Statements")

Unaudited Interim Condensed Consolidated Balance Sheets *("Interim Balance Sheets")*	1
Unaudited Interim Condensed Consolidated Statements of Operations *("Interim Statements of Operations")*	2
Unaudited Interim Condensed Consolidated Statements of Shareholders' Equity *("Interim Statements of Shareholders' Equity")*	3
Unaudited Interim Condensed Consolidated Statements of Cash Flows *("Interim Statements of Cash Flows")*	4
Notes to the Unaudited Interim Condensed Consolidated Financial Statements	5-27

Ayr Wellness Inc.

Unaudited Interim Condensed Consolidated Balance Sheets

(Expressed in United States Dollars, in thousands)

	As of	
	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash, cash equivalents and restricted cash	$ 37,638	$ 35,482
Accounts receivable, net	14,477	13,006
Inventory	108,929	112,132
Prepaid expenses, deposits, and other current assets	5,855	6,126
Asset held for sale	13,094	14,031
Total Current Assets	179,993	180,777
Non-current		
Property, plant, and equipment, net	283,282	276,381
Intangible assets, net	594,276	612,521
Right-of-use assets - operating, net	165,770	164,155
Right-of-use assets - finance, net	25,021	27,636
Deposits and other assets	7,680	7,689
TOTAL ASSETS	$ 1,256,022	$ 1,269,159
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current		
Trade payables	$ 36,637	$ 30,838
Accrued liabilities	26,878	26,927
Lease liabilities - operating - current portion	11,970	11,654
Lease liabilities - finance - current portion	4,481	5,376
Income tax payable	2,617	2,406
Debts payable - current portion	265,746	256,502
Accrued interest payable - current portion	10,928	1,249
Liabilities held for sale	6,180	6,041
Total Current Liabilities	365,437	340,993
Non-current		
Deferred tax liabilities, net	50,763	50,763
Uncertain tax position liabilities	150,557	136,719
Lease liabilities - operating - non-current portion	187,237	179,602
Lease liabilities - finance - non-current portion	14,202	14,661
Long-term debts payable, net	150,686	153,972
Accrued interest payable - non-current portion	5,824	5,632
Other long-term liabilities	21,967	21,967
TOTAL LIABILITIES	946,673	904,309
Commitments and contingencies		
Shareholders' equity		
Multiple Voting Shares - no par value, unlimited authorized. Issued and outstanding - nil and nil shares, respectively	-	-
Subordinate, Restricted, and Limited Voting Shares - no par value, unlimited authorized. Issued and outstanding - 108,759,747 and 108,759,747 shares, respectively	-	-
Exchangeable Shares: no par value, unlimited authorized. Issued and outstanding - 8,013,860 and 8,013,860 shares, respectively	-	-
Additional paid-in capital	1,520,615	1,518,670
Treasury stock - nil and nil shares, respectively	-	-
Accumulated other comprehensive income	3,266	3,266
Accumulated deficit	(1,199,546)	(1,142,410)
Equity of Ayr Wellness Inc.	324,334	379,526
Noncontrolling interest	(14,985)	(14,676)
TOTAL SHAREHOLDERS' EQUITY	309,349	364,850
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,256,022	$ 1,269,159

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Ayr Wellness Inc.

Unaudited Interim Condensed Consolidated Statements of Operations

(Expressed in United States Dollars, in thousands)

	Three Months Ended	
	March 31, 2025	**March 31, 2024**
Revenues, net of discounts	$ 107,306	$ 118,040
Cost of goods sold	74,494	67,377
Gross profit	32,812	50,663
Operating expenses		
Selling, general, and administrative	40,835	39,232
Impairment of assets	7,253	-
Depreciation and amortization	11,776	12,074
Acquisition and transaction costs	1,183	1,324
Total operating expenses	61,047	52,630
Loss from operations	(28,235)	(1,967)
Other income (expense), net		
Loss on the extinguishment of debt	-	(79,172)
(Loss) gain on sale of assets	(401)	4
Interest expense, net	(20,138)	(17,620)
Interest income	74	103
Other income, net	5,359	1,800
Total other (expense) income, net	(15,106)	(94,885)
Loss from operations before income taxes and noncontrolling interest	(43,341)	(96,852)
Income taxes		
Current tax provision	(14,105)	(11,484)
Total income taxes	(14,105)	(11,484)
Net loss before noncontrolling interest	(57,446)	(108,336)
Net loss attributable to noncontrolling interest	(309)	(2,261)
Net loss attributable to Ayr Wellness Inc.	$ (57,137)	$ (106,075)
Basic and diluted net loss per share	$ (0.49)	$ (1.08)
Weighted average number of shares outstanding (basic and diluted)	116,774	97,884

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Ayr Wellness Inc.
Unaudited Interim Condensed Consolidated Statements of Shareholders' Equity
(Expressed in United States Dollars, in thousands)

	Multiple Voting Shares	Subordinate, Restricted, and Limited Voting Shares	Exchangeable Shares	Additional paid-in capital	Treasury stock		Accumulated other comprehensive income	Accumulated Deficit	Noncontrolling interest	Total
	#	#	#	$	#	$	$	$	$	$
Balance, December 31, 2024	-	108,760	8,014	1,518,670	-	-	3,266	(1,142,410)	(14,676)	364,850
Stock-based compensation	-	-	-	1,945	-	-	-	-	-	1,945
Net loss	-	-	-	-	-	-	-	(57,137)	(309)	(57,446)
Balance, March 31, 2025	-	108,760	8,014	1,520,615		-	3,266	(1,199,547)	(14,985)	309,349
Balance, December 31, 2023	3,696	64,574	9,645	1,370,600	(645)	(8,987)	3,266	(783,101)	(11,126)	570,652
Stock-based compensation	-	1,778	-	3,465	-	-	-	-	-	3,465
Tax withholding on stock-based compensation awards	-	(1)	-	(283)	-	-	-	-	-	(283)
Conversion of Exchangeable Shares	-	119	(119)	-	-	-	-	-	-	-
Shares issued in connection with debt extinguishment	-	34,988	-	94,302	-	-	-	-	-	94,302
Warrants issued in connection with debt extinguishment	-	-	-	47,049	-	-	-	-	-	47,049
Warrants exercised	-	11	-	22	-	-	-	-	-	22
Net loss	-	-	-	-	-	-	-	(106,075)	(2,261)	(108,336)
Balance, March 31, 2024	3,696	101,469	9,526	1,515,155	(645)	(8,987)	3,266	(889,176)	(13,387)	606,871

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Ayr Wellness Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
(Expressed in United States Dollars, in thousands)

	Three Months Ended	
	March 31, 2025	**March 31, 2024**
Operating activities		
Net loss before noncontrolling interest	$ (57,446)	$ (108,336)
Adjustments for:		
Stock-based compensation	1,945	3,465
Depreciation and amortization	6,860	7,345
Amortization of intangible assets	14,074	14,818
Amortization of financing costs	5,661	3,948
Amortization of financing discount	2,099	1,399
Amortization of financing premium	-	(152)
Provision for credit losses	51	259
Impairment of goodwill and other assets	7,253	-
(Gain) loss on sale of assets	401	(4)
Loss on the extinguishment of debt	-	79,172
Changes in operating assets and liabilities:		
Accounts receivable	(1,302)	(1,438)
Inventory	3,317	(7,156)
Prepaid expenses, deposits, and other current assets	89	(1,145)
Trade payables	2,952	938
Accrued liabilities	(7)	(1,522)
Accrued interest payable, current and non-current portions	9,871	5,703
Lease liabilities - operating	864	388
Income tax payable	211	(76,655)
Uncertain tax position liabilities	13,837	87,653
Cash provided by operating activities	10,730	8,680
Investing activities		
Purchase of property, plant, and equipment	(3,286)	(6,822)
Capitalized interest	(1,488)	(1,461)
Proceeds from the sale of assets	1	40
Cash used in investing activities	(4,773)	(8,243)
Financing activities		
Proceeds from exercise of warrants	-	22
Proceeds from notes payable	-	40,000
Proceeds from financing transaction, net of financing costs	-	8,309
Debt issuance costs paid	-	(9,096)
Payment for settlement of contingent consideration	-	(10,094)
Tax withholding on stock-based compensation awards	-	(283)
Repayments of debts payable	(1,802)	(6,247)
Repayments of lease liabilities - finance (principal portion)	(1,999)	(2,615)
Cash provided by (used in) financing activities	(3,801)	19,996
Net increase in cash and cash equivalents and restricted cash	2,156	20,433
Cash, cash equivalents and restricted cash at beginning of the period	35,482	50,766
Cash, cash equivalents and restricted cash at end of the period	$ 37,638	$ 71,199
Supplemental disclosure of cash flow information:		
Interest paid during the period, net	$ 4,419	$ 8,096
Income taxes paid during the period, net	56	486
Non-cash investing and financing activities:		
Recognition of right-of-use assets for operating leases	6,151	8,195
Recognition of right-of-use assets for finance leases	637	1,502
Capital expenditure for cultivation facility - tenant improvement allowance	5,069	972
Reclassification of right-of-use assets to property, plant, and equipment due to exercise of repurchase option at lease expiration	1,681	-
Issuance of warrants in connection with debt extinguishment	-	47,049
Issuance of Equity Shares in connection with debt extinguishment	-	94,302

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. NATURE OF OPERATIONS

Ayr Wellness Inc. ("Ayr" or the "Company") is a vertically integrated cannabis multi-state operator in the United States of America; through its operating companies in various states throughout the U.S., Ayr is a leading cultivator, manufacturer, and retailer of cannabis products and branded cannabis packaged goods.

The Company is a reporting issuer in the U.S. and Canada. The Company's subordinate, restricted, and limited voting shares ("Equity Shares") are trading on the Canadian Stock Exchange ("CSE"), under the symbol "AYR.A." The Company's Equity Shares are also quoted on the OTCQX® Best Market in the U.S. under the symbol "AYRWF." The Company's warrants ("Warrants") are trading on the CSE under the symbol "AYR.WT.U". Ayr's headquarters office is 25 Southeast 2nd Avenue, Suite 550, #784, Miami, FL 33131.

Subsequent to March 31, 2025, the Company commenced a corporate restructuring. See Note 18 for disclosure of certain related events, including the execution of a Limited Waiver Agreement on its Senior Notes (as defined in Note 11) and entering into a Restructuring Support Agreement ("RSA") on July 30, 2025.

2. BASIS OF PRESENTATION

These interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and in accordance with the rules and regulations of Canadian securities regulators and the United States Securities and Exchange Commission ("SEC"). Accordingly, these interim financial statements are condensed and do not include all disclosures required for annual financial statements.

The financial data presented herein should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2024, included in the Company's Annual Report on the Form 40-F filed with the SEC on March 21, 2025. In the opinion of management, the financial data presented includes all adjustments, consisting primarily of normal recurring adjustments, necessary to present fairly the financial position, results of operations and cash flows for the periods presented. These interim financial statements include estimates and assumptions of management that affect the amounts reported. Actual results could differ from these estimates. The results of operations of unaudited interim periods are not necessarily indicative of the results to be expected for the entire year, or any other period.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The interim financial statements for three months ended March 31, 2025 and 2024 include the accounts of the Company, its wholly-owned subsidiaries, and entities over which the Company has a controlling interest. Entities over which the Company has control are presented on a consolidated basis from the date control commences until the date control ceases. Equity investments where the Company does not exert a controlling interest are not consolidated. All intercompany balances and transactions involving controlled entities are eliminated on consolidation. The accompanying interim balance sheets reflect the activity related to assets and liabilities held for sale, see Note 5. Noncontrolling interest, summarized in Note 4, represents equity interests owned by parties that are not shareholders of the Company in consolidated subsidiaries.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Earnings per share

The basic loss per share is computed by dividing the net loss by the weighted average number of shares outstanding, including Equity Shares and the non-voting exchangeable shares of CSAC Acquisition Co (the "Exchangeable Shares"), during the period. The diluted loss per share reflects the potential dilution of shares by adjusting the weighted average number of shares outstanding to assume conversion of potentially dilutive shares, such as warrants ("Warrants") and restricted stock units ("RSUs"). The treasury stock method is used for the assumed proceeds upon the exercise of the Warrants that are used to purchase Equity Shares at the average market price during the period. If the Company incurs a net loss during a reporting period, the calculation of fully diluted loss per share will not include potentially dilutive equity instruments such as Warrants and RSUs, because their effect would be anti-dilutive, therefore, basic loss per share and diluted loss per share will be the same. For the three months ended March 31, 2025 and 2024, the potentially dilutive financial instruments excluded from the calculation of earnings per share included nil and 2,855 warrants and 1,500 and 1,107 RSUs, totaling 1,500 and 3,962 shares of potentially dilutive securities, respectively.

3.3 Significant accounting judgments and estimates

Significant estimates made by management include, but are not limited to: economic lives of leased assets; expected credit losses of accounts receivable; provisions for inventory obsolescence; impairment assessment of goodwill and long-lived assets; depreciable lives of property, plant and equipment; useful lives of intangible assets; accruals for contingencies, including tax contingencies; valuation allowances for deferred income tax assets; contingent consideration obligations resulting from business combinations; estimates of fair value of derivative instrument; estimates of fair value of debt; estimates of lease guarantees; estimates on uncertain tax positions; incremental borrowing rates and rates implicit in the lease used for leases; and estimates of the fair value of stock-based payment awards.

3.4 Derivative liabilities and long-term debt

The Company's debt instruments contain a host liability and freestanding Warrants. The Company uses the guidance under ASC Topic 815 – Derivatives and Hedging ("ASC 815") and ASC Topic 480 – Distinguishing Liabilities from Equity ("ASC 480") to determine if the embedded conversion feature must be bifurcated and separately accounted for as a derivative under ASC 815. It also determines whether any embedded conversion features requiring bifurcation and/or freestanding Warrants qualify for any scope exceptions contained within ASC 815. Generally, contracts issued or held by a reporting entity that are both (i) indexed to its own stock; and (ii) classified in shareholders' equity, would not be considered a derivative for the purposes of applying ASC 815. Any embedded conversion features and/or freestanding Warrants that do not meet the scope exception noted above are classified as derivative liabilities, initially measured at fair value and remeasured at fair value each reporting period with changes in fair value recognized in the interim statements of operations. Any embedded conversion feature and/or freestanding Warrants that meet the scope exception under ASC 815 are initially recorded at their relative fair value in paid-in-capital and are not remeasured at fair value in future periods. The Company concluded that the Warrants met the criteria to be classified as equity and should be measured at fair value on the date of issuance. There were no derivative liabilities on the interim balance sheets as of March 31, 2025, and December 31, 2024.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Derivative liabilities and long-term debt (Continued)

The host debt instrument is initially recorded at its relative fair value in non-current senior secured notes. The host debt instrument is accounted for in accordance with guidance applicable to non-convertible debt under ASC Topic 470 – Debt ("ASC 470") and is accreted to its face value over the term of the debt with accretion expense and periodic interest expense recorded in the interim statements of operations. Issuance costs are allocated to each instrument (the host debt, embedded conversion feature and/or freestanding Warrants) in the same proportion as the proceeds that are allocated to each instrument other than issuance costs directly related to an instrument are allocated to that instrument only. Issuance costs allocated to the host debt instrument are netted against the proceeds allocated to the host debt. Issuance costs allocated to freestanding Warrants classified in equity are recorded in additional paid-in-capital.

3.5 Going concern, liquidity and management plan

In accordance with the FASB Accounting Standards Update ("ASU") 2014-15, Presentation of Financial Statements – Going Concern, the Company's management evaluated whether there are conditions or events that raise substantial doubt about its ability to continue as a going concern within one year after the financial statements' issuance date. The following matters raise substantial doubt about the Company's abilities to continue as a going concern within one year after the date the financial statements are issued.

As reflected in the interim financial statements, the Company had cash and cash equivalents of $37,638, has incurred operating losses since inception, and has an accumulated deficit of $1,199,547 as of March 31, 2025. Additionally, the Company has a negative working capital of $185,444 as of March 31, 2025, primarily driven by the reclassification of its Senior Notes from long-term to current liabilities (see Note 11). These financial factors are indicators that raise substantial doubt of our ability to continue as a going concern. Management believes that substantial doubt of our ability to continue as a going concern for at least one year from issuance of our interim financial statements can be mitigated by, but not limited to: (i) growth of sales from entering into new markets; (ii) continued cost-savings and efficiency optimization efforts; ; (iii) divesture of non-core assets including but not limited to the current asset groups held for sale; (iv) addressing our debt maturity profile, (v) managing the timing and amount of certain expenses as well as capital expenditures; and (vi) seeking to take advantage of future potential financing (equity and/or debt) opportunities (vii) a strong working relationship with bondholders to restructure the senior debt and continued collaboration on strategic initiatives. Management cannot provide any assurances that the Company will continue to be successful in accomplishing its business plans; if it is not, the Company may be forced to take other steps, including among others decelerating its growth or curtailing certain of its operations pending obtaining additional capital.

As of March 31, 2025, the interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying interim financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from uncertainty related to the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to successfully execute its business plans, as detailed above, to address the conditions and events that raise substantial doubt about its ability to continue operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Assets and liabilities held for sale

The Company classifies its long-lived assets and related liabilities to be sold as held for sale in the period (i) it has approved and committed to a plan to sell the asset, (ii) the asset is available for immediate sale in its present condition, (iii) an active program to locate a buyer and other actions required to sell the asset have been initiated, (iv) the sale of the asset is probable, (v) the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value, and (vi) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company initially measures a long-lived asset that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a long-lived asset until the date of sale. Upon designation as an asset held for sale, the Company no longer records depreciation expense on the asset. The Company assesses the fair value of a long-lived asset less any costs to sell at each reporting period and until the asset is no longer classified as held for sale, see Note 5.

3.7 Operating segment information

The Company has determined that it operates in a single operating and reportable segment, the production and sale of cannabis. This is consistent with how the chief operating decision maker ("CODM") allocates resources and assesses performance. The Company's products have similar characteristics due to the same raw material ingredient (cannabis), similar nature of cultivation process, the type or class of customer and the regulatory nature of the industry. Refer to Note 17.

3.8 Change in accounting standards

The Company is treated as an "emerging growth company" as defined under the Jumpstart Our Business Start-ups Act of 2012, as amended (the "JOBS Act"). Under the JOBS Act, emerging growth companies may delay adopting new or revised accounting standards until the standards apply to private companies, however, emerging growth companies are not precluded from early adopting new accounting standards that allow so.

Recently Issued and Adopted Accounting Standards

On December 14, 2023, the FASB issued ASU No. 2023-09 Topic 740 – Income Taxes ("ASU 2023-09") to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this Update address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years, early adoption is permitted. The adoption of this ASU on December 15, 2024, did not have a material impact on the Company's consolidated financial statements.

On March 21, 2024, the FASB issued ASU No. 2024-01 Topic 718 – Stock Compensation ("ASU 2024-01") which clarifies how an entity determines whether a profits interest or similar award is within the scope of ASC 718 or not a share-based payment arrangement and therefore within the scope of other guidance. ASU 2024-01 is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years, early adoption is permitted. The adoption of this ASU on December 15, 2024, did not have a material impact on the Company's consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Change in accounting standards (continued)

On November 4, 2024, the FASB issued ASU No. 2024-03 Subtopic 220-40 – Disaggregation of Income Statement Expenses ("ASU 2024-03") to improve the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expense captions (such as cost of sales, SG&A, and research and development). ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2024-01 may have on the Company's interim financial statements.

On November 26, 2024, the FASB issued ASU No. 2024-04 Subtopic 470-20 – Debt – Debt with conversion and other options ("ASU 2024-04") which clarifies the circumstances in which an entity is required to account for a settlement of a debt instrument as an induced conversion. ASU 2024-04 is effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years, early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2024-04 may have on the Company's interim financial statements.

4. VARIABLE INTEREST ENTITIES ("VIE")

In 2022, the Company entered into a Management Services Agreement ("MSA") with Connecticut Retail Solutions II, LLC and Connecticut Cultivation Solutions, LLC ("CT Solutions"), which holds a provisional license to operate a marijuana dispensary and cultivation facility in Connecticut. Under the MSA, the Company is responsible for providing operational oversight, administrative support, and key management services seek to ensure regulatory compliance and facilitate the successful launch of both retail and cultivation operations.

During 2023, the Company entered into an option and support service agreement with Daily Releaf, LLC, Heaven Wellness, LLC and Twice the Wellness, LLC, (collectively "Ohio Dispensaries"), each is licensed to operate a medical marijuana dispensary in Ohio. The option agreement provides the Company with the future ability to acquire 100% of the equity interests in dispensaries.

On July 11, 2024, the Company finalized the acquisition of NV Green, Inc. ("NVG") and assumed 100% ownership of the membership interest. Based on the changes in circumstances, the Company re-evaluated the status of NVG as a variable interest entity, concluding that the Company had acquired a controlling interest. Purchase consideration for the acquisition included a promissory note of $1,820, the conversion of a convertible note of $700, and $115 in the form of 58 Exchangeable Shares.

In July 2024, the Company entered into an Option Agreement and Support Service Agreement with Good Day Dispensary, LLC ("Good Day"), which holds a provisional license to operate a medical marijuana dispensary in Ohio. The option agreement provides the Company with the future right to acquire 100% of the equity interests in the entity on fulfillment of certain conditions. The purchase consideration will be $2,000, settled through subsuming a bridge loan and the remainder in equity shares.

4. VARIABLE INTEREST ENTITIES ("VIE") (Continued)

The following table represents the summarized unaudited assets and liabilities of the Company's VIEs as of March 31, 2025 and December 31, 2024.

	March 31, 2025				December 31, 2024			
	CT Solutions	Parma	Ohio Dispensaries	Total	CT Solutions	Parma	Ohio Dispensaries	Total
Current assets	$ -	$ 15,247	$ 7,322	$ 22,569	$ -	$ 16,545	$ 4,686	$ 21,231
Non-current assets	2,676	11,475	8,975	23,126	2,652	11,816	6,326	20,794
Total assets	**$ 2,676**	**$ 26,722**	**$ 16,297**	**$ 45,695**	**$ 2,652**	**$ 28,361**	**$ 11,012**	**$ 42,025**
Current liabilities	$ 932	$ 26,659	$ 2,585	$ 30,176	$ 671	$ 25,721	$ 1,969	$ 28,361
Non-current liabilities	788	-	5,197	5,985	801	132	3,238	4,171
Total liabilities	**1,720**	**26,659**	**7,782**	**36,161**	**1,472**	**25,853**	**5,207**	**32,532**
Noncontrolling interest	(889)	(10,883)	(3,213)	(14,985)	(652)	(10,058)	(3,966)	(14,676)
Equity attributable to Ayr Wellness Inc.	1,845	10,946	11,728	24,519	1,832	12,566	9,771	24,169
Total liabilities and equity	**$ 2,676**	**$ 26,722**	**$ 16,297**	**$ 45,695**	**$ 2,652**	**$ 28,361**	**$ 11,012**	**$ 42,025**

The following table represents the unaudited interim results of operations of the Company's VIEs for the three months ended March 31, 2025 and December 31, 2024.

	Three months ended March 31, 2025				*Three months ended* March 31, 2024			
	CT Solutions	Parma	Ohio Dispensaries	Total	NVG	Parma	Ohio Dispensaries	Total
Revenues, net of discounts	$ 455	$ 3,829	$ 5,580	$ 9,863	$ -	$ 1,340	$ 1,184	$ 2,524
Net income (loss) attributable to noncontrolling interest	(237)	(825)	753	(309)	(207)	(395)	(1,659)	(2,261)
Net income attributable to Ayr Wellness Inc.	-	(793)	-	(793)	-	(380)	-	(380)
Net income (loss)	**$ (237)**	**$ (1,618)**	**$ 753**	**$ (1,102)**	**$ (207)**	**$ (775)**	**$ (1,659)**	**$ (2,641)**

The following table represents the change in the Company's noncontrolling interest for the year ended December 31, 2024 and the three months ended March 31, 2025.

	CT Solutions	TH/NVG	Parma	Ohio Dispensaries	Total
Noncontrolling interest at January 1, 2024	$ -	$ 796	$ (10,158)	$ (1,764)	$ (11,126)
Acquisition of variable interest entity	-	(404)	-	(95)	(499)
Net income (loss) attributable to noncontrolling interest during the period	(652)	(392)	100	(2,107)	(3,051)
Noncontrolling interest at December 31, 2024	**(652)**	**-**	**(10,058)**	**(3,966)**	**(14,676)**
Net income (loss) attributable to noncontrolling interest during the period	(237)	-	(825)	753	(309)
Noncontrolling interest at March 31, 2025	**$ (889)**	**$**	**$ (10,883)**	**$ (3,213)**	**$ (14,985)**

5. ASSETS AND LIABILITIES HELD FOR SALE

In 2024, the Company committed to a plan to sell all of its Illinois operations. The Illinois operations consist of four retail stores, and as such, this sale represents a strategic decision to focus on vertically integrated markets, leveraging the Company's core competencies. Accordingly, certain of the assets and liabilities held by the Company's Illinois entity were presented as a disposal group held for sale on the interim balance sheets as of March 31, 2025.

During 2025, the Company received an offer to acquire its Massachusetts production facility, which is dedicated to the production of cannabis-infused beverages and tinctures. As the only beverage-focused facility in the Company's portfolio, its potential sale aligns with the Company's strategic shift toward vertically integrated markets, given that beverages are considered a non-core area of operations. Accordingly, certain of the assets and liabilities held by the entity was presented as a disposal group held for sale on the interim balance sheets as of March 31, 2025. In accordance with ASC 205-20-50-1(a) the Company has retrospectively reflected the reclassification of assets and liabilities of these entities as held for sale on the interim balance sheets as of December 31, 2024 and excluded from the accompanying notes.

The planned disposals as of March 31, 2025 did not represent a strategic shift of the Company that had or will have a major effect on the Company's operations and financial results. Accordingly, the operations were not segregated and were presented as continuing operations in the interim statements of operations for the three months ended March 31, 2025 and 2024. The disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

	As of	
	March 31, 2025	December 31, 2024
Assets held for sale		
Inventory and other current assets	$ 1,252	$ 1,400
Property, plant, and equipment, net	2,159	2,333
Intangible assets, net	8,908	9,515
Right-of-use assets, net	716	726
Long term deposits	59	57
Total assets held for sale	**$ 13,094**	**$ 14,031**
Liabilities held for sale		
Trade payables	$ 1,256	$ 1,236
Lease liabilities	2,587	2,513
Income tax payable	2,068	2,068
Accrued liabilities	269	224
Total liabilities held for sale	**$ 6,180**	**$ 6,041**

For the three months ended March 31, 2025, revenues amounted to $2,268 and costs and expenses amounted to $3,288 related to these planned disposals. During the three months ended March 31, 2025, the Company recorded a loss on the impairment of the held for sale assets of $645, which is recorded as a part of impairment of assets on the interim statements of operations.

Subsequent to March 31, 2025, the Company entered into agreements to sell the Illinois operations and Massachusetts production facility (see Note 18).

6. INVENTORY

The Company's inventory includes the following:

	March 31, 2025	December 31, 2024
Materials, supplies, and packaging	$ 7,369	$ 7,898
Work in process	66,265	77,605
Finished goods	35,295	26,629
Total inventory	**$ 108,929**	**$ 112,132**

The amount of inventory included in cost of goods sold during the three months ended March 31, 2025 and 2024, was $64,836 and $56,618 respectively.

6. INVENTORY (continued)

The Company reviews inventory on hand for estimated obsolescence or unmarketable items, as compared to future demand requirements and the shelf life of the various products. Based on the review, the Company records inventory write-downs, when necessary, when costs exceed expected net realizable value. Such write-downs were de minimis for the three months ended March 31, 2025 and 2024.

7. PROPERTY, PLANT, AND EQUIPMENT

As of March 31, 2025, and December 31, 2024, property, plant, and equipment, net consisted of the following:

	March 31, 2025	December 31, 2024
Furniture and equipment	$ 66,995	$ 63,913
Auto and trucks	1,291	1,291
Buildings	96,220	93,081
Leasehold improvements	160,559	151,184
Land	10,679	10,478
Construction in progress	4,446	8,690
Total	340,190	328,637
Less: Accumulated depreciation and amortization	56,908	52,256
Total property, plant and equipment, net	**$ 283,282**	**$ 276,381**

Capitalized interest for the three months ended March 31, 2025, and 2024, totaled $1,488 and $1,461, respectively. Depreciation and amortization expense for the three months ended March 31, 2025, and 2024, totaled $5,282 and $5,511, respectively, of which $3,628 and $3,926 respectively, is included in cost of goods sold.

As part of its strategic plan to consolidate operations, the Company committed to cease operations at a cultivation facility. As a result, as of March 31, 2025, the Company wrote off the remaining carrying amount of certain property, plant, and equipment, recording an impairment loss of $1,983.

8. INTANGIBLE ASSETS

In December 2022, an entity co-owned by the Company was awarded a provisional Disproportionately Impacted Area cultivator license in Connecticut, which included the rights to two retail dispensary licenses of which one is operational. An intangible asset of $3,000 was recorded in connection with the cash payment, with 50% allocated to cultivation and 50% to retail. Also, in December 2023, the Company acquired a standalone delivery license in Connecticut and recorded an intangible asset of $200 in connection with the cash payment for the cost of the license. The cultivation and delivery operations in Connecticut are not currently active, as such, no amortization expense has been recorded for the three months ended March 31, 2025 and 2024.

Amortization expense is recorded within cost of goods sold and total operating expenses. Amortization expense for the three months ended March 31, 2025 and 2024, totaled $14,075 and $14,818, respectively, of which $3,988 and $4,363, respectively, is included in cost of goods sold.

8. INTANGIBLE ASSETS (Continued)

The following table represents intangible assets, net accumulated amortization:

	Amortization period (# of years)	March 31, 2025	December 31, 2024
Licenses/permits	15	$ 561,686	$ 574,712
Right-to-use licenses	15	10,478	15,097
Host community agreements	15	22,112	22,712
Total		**$ 594,276**	**$ 612,521**

The following table presents the future amortization expense as of March 31, 2025:

	Amortization Expense
Remainder of 2025	$ 41,629
2026	55,505
2027	55,505
2028	55,505
2029	55,505
2030 and beyond	328,927
Total	**$ 592,576**

As part of its strategic plan to consolidate operations, the Company committed to cease operations at a Nevada cultivation facility, which was ultimately closed on June 30, 2025. As a result, as of March 31, 2025, the Company wrote off the remaining carrying amount of certain intangible assets and recorded an impairment loss of $4,778.

Under the terms of the RSA entered into on July 30, 2025, the Company plans to sell or wind down certain of the Company's remaining assets (see Note 18).

9. RIGHT-OF-USE ASSETS & LEASE LIABILITIES

Information related to operating and finance leases is as follows:

	March 31, 2025		March 31, 2024	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Incremental borrowing or implicit rate (weighted average)	13.14%	10.84%	11.82%	10.38%
Weighted average remaining lease term	11.66 yrs	5.12 yrs	11.96 yrs	4.81 yrs

The maturities of the contractual lease liabilities as of March 31, 2025, are as follows:

	March 31, 2025		March 31, 2024	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Incremental borrowing or implicit rate (weighted average)	13.14%	10.84%	11.82%	10.38%
Weighted average remaining lease term	11.66 yrs	5.12 yrs	11.96 yrs	4.81 yrs

	Operating Leases	Finance Leases	Total
Remainder of 2025	$ 20,150	$ 4,744	$ 24,894
2026	42,898	5,191	48,089
2027	42,153	4,046	46,199
2028	41,704	3,210	44,914
2029	40,304	2,367	42,671
2030 and beyond	311,330	4,526	315,856
Total undiscounted lease liabilities	498,539	24,084	522,623
Impact of discounting	(299,332)	(5,401)	(304,733)
Total present value of minimum lease payments	$ 199,207	$ 18,683	$ 217,890

9. RIGHT-OF-USE ASSETS & LEASE LIABILITIES (continued)

Payments related to capitalized leases during the three months ended March 31, 2025 and 2024, are as follows:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Lease liabilities - operating		
Lease liabilities - operating expense, COGS	$ 4,799	$ 2,245
Lease liabilities - operating expense, G&A	4,633	4,508
Lease liabilities - finance		
Amortization of right-of-use assets, COGS	1,543	1,800
Amortization of right-of-use assets, G&A	35	34
Interest on lease liabilities - finance, COGS	499	671
Interest on lease liabilities - finance, G&A	3	8
Total lease expense	$ 11,512	$ 9,266

As part of its strategic plan to consolidate operations, the Company committed to cease operations at a Nevada cultivation facility, which was ultimately closed on June 30, 2025. As a result, during the three months ended March 31, 2025, the Company wrote off the remaining carrying amount of certain right-of-use ("ROU") assets and recorded an impairment loss of $492.

10. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are defined as management and shareholders of the Company and/or members of their immediate family and/or other companies and/or entities in which a board member or senior officer is a principal owner or senior executive. Other than disclosed elsewhere in the interim financial statements, related party transactions and balances are as follows:

During three months ended March 31, 2025 and 2024, the Company incurred fees from a company partially owned by a board member of Ayr. The total incurred fees were $317 and $311 of rental fees, and $nil and $7 of interest expense, respectively, for the three months ended March 31, 2025 and 2024.

In addition to the fees above, on May 11, 2023, the Company reached an agreement to amend the terms of contingent consideration under the membership interest purchase agreement of Sira Naturals, Inc. ("Sira"), owned by the board member. The amendment for Sira represents a two-year deferral of the $27,500 of proceeds payable from the original May 2024 payment date, with an annual interest rate of 6.0% and 10% annual amortization payments. The deferred payment is classified within accrued liabilities and other long-term liabilities. The Company incurred $366 and $nil, of interest expense, respectively, for the three months ended March 31, 2025 and 2024.

Refer below to the debts payable note for additional information regarding the debts payable to related parties, for the three months ended March 31, 2025 and 2024.

11. DEBTS PAYABLE AND SENIOR SECURED NOTES

As of March 31, 2025 and December 31, 2024, the Company's total debts payable consisted of the following:

	Debts payable
As of January 1, 2024	$ 472,663
Discounted as of December 31, 2022	199
Senior secured notes premium amortized	(2,867)
Senior secured notes discount	(24,486)
Senior secured notes discount amortized	7,696
Debt issuance costs	(57,188)
Debt issuance costs amortized	14,321
Debt issued	60,583
Construction financing	(38,205)
Less: repayment	(22,242)
As of December 31, 2024	**410,474**
Senior secured notes discount amortized	2,099
Debt issuance costs amortized	5,661
Less: repayment	(1,802)
Total debts payable as of March 31, 2025	**416,432**
Total accrued interest payable related to debts payable as of March 31, 2025	$ 16,752

The details of total debts payable are as follows:

	March 31, 2025 Total debt
Total debts payable, undiscounted	$ 178,191
Senior secured notes, undiscounted	293,250
Total debt obligations	**471,441**
Less: Unamortized debt issuance costs	(34,432)
Less: Unamortized debt discount	(14,692)
Less: Unamortized debt premium	(5,885)
Total debts payable, net	**416,432**
Less: current portion	(265,746)
Total long term debts payable, net	$ 150,686

The following table presents the future obligations under debts payable as of March 31, 2025:

Future debt obligations *(per year)*	
Remainder of 2025	$ 23,051
2026	357,139
2027	14,103
2028	2,176
2029	2,352
2030 and beyond	72,620
Total debt obligations	$ 471,441

Senior secured notes

On November 12, 2021, the Company completed a private placement offering of approximately $133,250 aggregate principal amount of 12.5% secured promissory notes at a premium price, resulting in approximately $147,000 of proceeds due December 2024, with a resulting yield-to-maturity of 9.8%. The notes were considered additional notes under the indenture governing the Company's existing notes of $110,000 which were entered into on December 10, 2020.

11. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

On February 7, 2024, the Company completed a debt restructuring pursuant to a previously disclosed Support Agreement, resulting in the exchange of all then-outstanding secured notes for new 13% senior secured notes due December 10, 2026 (the "13% Senior Notes" or "Senior Notes"). As part of the restructuring, the Company also issued additional 13% Senior Notes for gross cash proceeds of $40,000. The 13% Senior Notes represent the Company's current senior secured debt obligations.

The 13% Senior Notes require the Company to comply with customary covenants, including restrictions on the payment of dividends, repurchase of stock, incurrence of indebtedness, dispositions, and acquisitions. The 13% Senior Notes also contain customary events of default including non-payment of principal or interest; violations of covenants; bankruptcy; cross defaults to other debt; and material judgment defaults. The 13% Senior Notes are guaranteed by all the Company's subsidiaries and are secured by substantially all the assets of the Company and its subsidiaries (subject to certain exceptions). No prepayment premium is required for prepayment.

The 13% Senior Notes also require the Company to comply with two financial covenants. The Company shall maintain an amount of unrestricted cash balance of no less than $20,000, to be tested on the last day of each month, beginning on January 31, 2024. Additionally, the Company shall not permit the Consolidated Net Leverage Ratio (as defined in the Amended and Restated Indenture of the 13% Senior Notes, or the "Indenture"), to be greater than the applicable leverage ratio as set forth below:

Fiscal Quarter End	Consolidated Net Leverage Ratio
March 31, 2025	4.30:1.00
June 30, 2025	4.20:1.00
September 30, 2025	4.10:1.00
December 31, 2025	3.95:1.00
March 31, 2026	3.90:1.00
June 30, 2026	3.55:1.00
September 30, 2026	3.50:1.00

The Company has an equity cure right, through the new issuance of, or out of the net cash proceeds of, the sale of equity interests of the Company, for each of these financial covenants. The Company is in compliance with these covenants as of March 31, 2025.

As of March 31, 2025, the Company has undertaken reasonable best efforts to raise $20,000 in equity, as stipulated by the post-closing covenant.

As of March 31, 2025, the Company reclassified $239,371 of its 13% Senior Notes from long-term to current liabilities under debts payable – current portion. This reclassification was made in accordance with ASC 470-10-45-11 due to uncertainty regarding the Company's ability to comply with its liquidity covenant to maintain an unrestricted cash balance of no less than $20,000 for the next twelve months.

Subsequent to March 31, 2025, the Company commenced a corporate restructuring. See Note 18 for disclosure of certain related events, including the execution of a Limited Waiver Agreement on its Senior Notes and entering into the RSA on July 30, 2025, having the impact of waiving certain debt covenants described above.

11. DEBTS PAYABLE AND SENIOR SECURED NOTES (Continued)

Other debts payable

As part of business combinations and asset acquisitions, the Company issued and assumed notes with related and non-related parties ("Seller Notes"). The related party notes are considered part of the purchase price to the former shareholders of the acquired businesses. As a result of the combinations and acquisitions, several of these individual shareholders are now considered related parties of the Company across various roles including directors, officers, and shareholders.

Beginning in February 2025, the Company has entered into extension agreements for up to 120 days for $1,587 in amortization payments with various noteholders. Based on the evaluation conducted under ASC 470-50 – Debt Modifications and Exchanges, these amendments do not meet the criteria for a debt extinguishment. As such, no gain or loss has been recognized in connection with these modifications as of March 31, 2025.

Loan (Seller Representatives)	Frequency	Amortization
GSD NJ, LLC	Quarterly	$ 896
GSD NJ, LLC - Earnout	Monthly	250
Herbal Remedies Dispensaries, LLC	Quarterly	300
Tahoe Hydroponics Company, LLC	Quarterly	99
NV Green, Inc.	Quarterly	42
Total		**$ 1,587**

See Note 18 for disclosure of subsequent events related to the Seller Notes.

12. SHARE CAPITAL

The following activity occurred during the three months ended March 31, 2025:

- No vesting of RSUs during the period.
  - 16 shares were forfeited during the period.

The following activity occurred during the three months ended March 31, 2024:

- In relation to the vesting of 1,778 RSUs, 1,777 Equity Shares were issued due to net settlement.
  - 14 shares were forfeited during the period.
- 34,988 Subordinate Shares were issued in connection with the debt restructuring.
- 23,046 Anti-Dilutive Warrants were issued to existing shareholders.
- 10 Subordinate Shares were issued in connection with the exercise of Warrants.

Warrants

The average remaining life of the Anti-Dilutive Warrants is under 11 months with an intrinsic value of $nil. The Anti-Dilutive Warrants have an exercise price of $2.12.

12. SHARE CAPITAL (continued)

The number and fair value of Warrants outstanding as of March 31, 2025 and December 31, 2024 is:

	Number	Fair Value
Balance as of January 1, 2024	**2,874**	**$ 1,786**
Warrants Issued	23,046	47,049
Exercise of Warrants	(13)	(26)
Forfeitures of Warrants, due to expiration	(2,874)	(1,786)
Balance as of December 31, 2024	**23,033**	**47,023**
Warrants Issued	-	-
Exercise of Warrants	-	-
Forfeitures of Warrants, due to expiration	-	-
Balance as of March 31, 2025	**23,033**	**$ 47,023**

13. STOCK-BASED COMPENSATION

The stock-based compensation expense is based on either the Company's share price for service-based and market-based conditions on the date of the grant or the fair value of the performance-based RSU. The RSUs vest over a one to four-year period, based on service, market, and/or performance conditions. During the three months ended March 31, 2025, there were 525 each of market and performance based RSUs outstanding, totaling 1,050. During the three months ended March 31, 2025 and 2024, the Company recognized stock-based compensation relating to the granting of RSUs in the current and prior periods, except for the market and performance based RSUs as they did not meet the probable threshold. Any cumulative adjustment prior to vesting is recognized in the current period with no adjustment to prior periods for expense previously recognized. During the three months ended March 31, 2025 and 2024, there were 16 and 14 forfeitures of non-vested RSUs, respectively.

During the three months ended March 31, 2025 no Equity Shares were issued. During the three months ended March 31, 2024, 1,777 Equity Shares vested of which 1,777 were issued due to net settlement. As of March 31, 2025, the average remaining life of unvested RSUs is approximately nine months with an expected expense over the next 12 months of $4,971 with an aggregate intrinsic value of $7,996 using the stock price as of March 31, 2025. The number of RSUs outstanding as of March 31, 2025 and December 31, 2024, were as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
RSUs outstanding and nonvested, as of January 1, 2024	**4,989**	**$ 11.64**
Granted	2,652	2.10
Vested	(4,402)	11.27
Forfeited	(358)	7.43
RSUs outstanding and nonvested, as of December 31, 2024	**2,881**	**$ 3.95**
Granted	1,672	0.45
Vested	-	-
Forfeited	(16)	2.05
RSUs outstanding and nonvested, as of March 31, 2025	**4,537**	**$ 2.67**

[1] *Includes Ayr granted but unvested market and performance based RSUs totaling 1,050 that do not meet the probability threshold*

14. COMMITMENTS AND CONTINGENCIES

Commitments

As of March 31, 2025, the Company guaranteed the lease obligation of a location related to a third-party that operates a dispensary in New Jersey. The Company is the guarantor of the lease with maximum total payments of $765 and will continue as the guarantor through December 2028. The Company would be required to perform under the guarantee if the third-party is in default. As of March 31, 2025, the Company does not anticipate any defaults under the foregoing lease, and therefore, no liability has been accrued.

Contingencies

Employee Retention Credit ("ERC")

In 2023, the Company filed for an ERC for the period beginning January 1 to June 30, 2021 in the amount of $12,354, of which $5,196 had been received.

During the three months ended March 31, 2025, the Company received a further $5,268 in ERC claims which is included in interim statements of operations as other income, net. The remaining claim has not yet met the criteria to be recorded as a receivable due to ongoing uncertainty surrounding IRS processing and regulatory interpretations of The Coronavirus Aid, Relief, and Economic Security Act. Management continues to assess opportunities to realize the remaining ERC, including potential third-party transactions to accelerate liquidity.

State and local regulations

The Company's operations are subject to a variety of state and local regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits and/or licenses that could result in the Company ceasing operations. While management of the Company believes that the Company is in compliance, in all material respects, with applicable state and local regulations as of March 31, 2025, cannabis regulations continue to evolve and are subject to differing interpretations. As a result, the Company may be subject to regulatory fines, penalties, or restrictions in the future.

Claims and Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of March 31, 2025, there were no material pending or threatened lawsuits that could be reasonably expected to have a material effect on the results of the Company's operations. There are also no proceedings in which any of the Company's directors, officers or affiliates are an adverse party or have a material interest adverse to the Company's interest.

15. FINANCIAL RISK FACTORS

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash and certain of its long-term debts. Cash and deposits bear interest at market rates. The Company's debts are predominantly at fixed rates of interest.

15. FINANCIAL RISK FACTORS (continued)

The Company does not use any derivative instruments to hedge against interest rate risk and believes that the change in interest rates will not have a significant impact on its financial results.

16. TAXATION

The Company is treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Internal Revenue Code, as amended ("Section 7874") and is subject to U.S. federal income tax on its worldwide income. However, for Canadian tax purposes, the Company, regardless of any application of Section 7874, is treated as a Canadian resident company (as defined in the Income Tax Act (Canada) (the "ITA") for Canadian income tax purposes. As a result, the Company is subject to taxation both in Canada and the United States. The Company is also subject to state income taxation in Massachusetts, Pennsylvania, Florida, Illinois, Nevada, New Jersey, Connecticut, and City Income Tax in Ohio. Income Tax is accounted for in accordance with ASC 740, Income Taxes.

The following table summarizes the Company's income tax expense and effective tax rates from continuing operations for the three months ended March 31, 2025 and 2024

	Three Months Ended	
	March 31, 2025	**March 31, 2024**
Loss from operations before income taxes and noncontrolling interest	$ (43,341)	$ (96,852)
Provision for income taxes from continuing operations	14,105	11,484
Effective tax rate	-33%	-12%

Significant judgment is required in evaluating the Company's uncertain tax positions and determining the provision for income taxes. The Company recognizes benefits from uncertain tax positions based on the cumulative probability method whereby the largest benefit with a cumulative probability of greater than 50% is recorded. An uncertain tax position is recognized if it has less than a 50% likelihood of being sustained.

The following is a reconciliation of the gross unrecognized tax benefits:

	Unrecognized tax benefits
Balance as of January 1, 2025	$ 654,534
Additions based on tax positions related to the current year	41,674
Balance as of March 31, 2025	$ 696,208

The Company's net uncertain tax liabilities, inclusive of interest and penalties and tax payments on deposit, were $150,557 and $136,719 as of March 31, 2025 and December 31, 2024, respectively, which is recorded in non-current liabilities in the interim balance sheets. The increase of $13,838 in uncertain tax positions is due to tax positions based on legal interpretations that challenge the Company's tax liability under Section 280E.

During an IRS examination of the Company's position on Section 280E, accuracy-related penalties could be imposed and those penalties could have a material impact to the financial statements. The Company does not anticipate these uncertain tax benefits to be resolved in the next twelve months and anticipates that the total amount of unrecognized tax benefits may change within the next twelve months for additional uncertain tax positions taken on a go-forward basis.

16. TAXATION (Continued)

During the three months ended March 31, 2025 and 2024, the Company recorded interest and penalties of $3,740 and $1,495 respectively, recorded within the current tax provision on the interim statements of operations. Total liabilities for interest and penalties were $28,960 and $14,168 as of March 31, 2025 and 2024, respectively, recorded within income tax payable and uncertain tax position liabilities on the interim balance sheets.

The Company's quarterly tax provision is calculated under the discrete method which treats the interim period as if it were the annual period and determines the income tax expense or benefit on that basis. The discrete method is applied when application of the estimated annual effective tax rate is impractical because it is not possible to reliably estimate the annual effective tax rate. The Company believes, at this time, the use of this discrete method is more appropriate than the annual effective tax rate method due to the high degree of uncertainty in estimating annual pre-tax income.

17. SEGMENT REPORTING

The Company operates as a single reportable segment, which is the production and sale of cannabis. The Company's operations include the sale of cannabis at both the retail and wholesale levels in states where it is legal for medical and/or recreational use. The Company, through its subsidiaries, holds, operates, and/or manages licenses and permits in the states of Florida, Massachusetts, Nevada, New Jersey, Ohio, Pennsylvania, Illinois, Virginia and Connecticut. As of March 31, 2025, the Company operated 104 retail stores, located across its portfolio. Activities across states are standardized, with consistent practices for cultivation, packaging, sales, and distribution. The accounting policies for the production and sale of cannabis segment are the same as those described in the summary of significant accounting policies. Segment loss is measured using consolidated net loss and segment assets are measured using total consolidated assets as reported on the interim balance sheets. The CODM comprises the senior executive committee, which includes the interim chief executive officer, chief operating officer, chief financial officer, and co-chief revenue officers. The CODM assesses segment performance and allocates resources based on financial and operational metrics, including net loss. The CODM uses net loss to evaluate the return on assets generated by the segment, driving decisions on capital management and allocating resources within the cannabis segment by directing resources to strategic initiatives such as expanding cultivation and production facilities, acquiring licenses in new markets, or supporting retail and wholesale growth.

These performance measures are also used to monitor performance by comparing budgeted versus actual results. Additionally, the CODM benchmarks against competitors in the industry to perform competitive analysis. This benchmarking, along with the evaluation of budget versus actual results, informs segment performance assessments and supports strategic resource allocation.

17. SEGMENT REPORTING (continued)

	Three Months Ended	
	March 31, 2025	**March 31, 2024**
Revenues, net of discounts	$ 107,306	$ 118,040
Less: Significant and other segment expenses		
Cost of goods sold	74,494	67,377
Employee expenses	19,108	17,539
Lease expenses	6,258	5,793
Advertising expense	1,319	1,457
Stock-based compensation	1,945	3,465
Other segment items[(1)]	12,205	10,978
Impairment of assets	7,253	-
Depreciation and amortization	11,776	12,074
Acquisition and transaction costs	1,183	1,324
Loss on the extinguishment of debt	-	79,172
(Loss) gain on sale of assets	401	(4)
Interest expense, net	20,138	17,620
Interest income	(74)	(103)
Other income, net	(5,359)	(1,800)
Income tax expense	14,105	11,484
Net loss	(57,446)	(108,336)

(1) Other segment items included in segment net loss primarily consist of third-party fees, regulatory costs, office and administrative expenses, software, insurance, and security costs.

18. SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events through the date of issuance of these interim financial statements and determined there have been no material events that require adjustment or disclosure, except as noted below.

Tariffs

On April 2, 2025, an executive order was signed by the current administration mandating tariffs on all U.S. imports with certain exceptions. The Company is currently monitoring and assessing the impact of these global tariffs and its impact on the Company's customer and vendors. The Company is unable to predict the impact that the tariffs will have on the Company's future financial position and operating results due numerous uncertainties.

Debts Payable and Senior Secured Notes

Senior Secured Notes

On May 3, 2025, the Company received a Notice of Event of Default (as defined in the Indenture) from its 13% Senior Note holders, alleging failure to maintain the required consolidated net leverage ratio for the quarters ended March 31, 2025 and December 31, 2024, as stipulated in the Indenture. The Company firmly disagrees with this assertion and maintains that it has accurately calculated the consolidated net leverage ratio in accordance with the Indenture's terms. In addition to the leverage covenant, the 13% Senior Notes require the Company to maintain an unrestricted cash balance of no less than $20,000, tested monthly beginning January 31, 2024. Based on current forecasts, the Company does not expect to be in compliance with this liquidity covenant in future periods.

18. SUBSEQUENT EVENTS (continued)

In accordance with ASC 470-10-45-11 and the expected non-compliance with financial covenants, the Company has reclassified $239,371 of its 13% Senior Notes from long-term debt to current liabilities under debts payable – current portion as of March 31, 2025.

Additionally, on June 6, 2025, the Company executed a Limited Waiver Agreement with the holders of a majority of its Senior Notes ("Majority Holders"). Under the Limited Waiver Agreement, the Majority Holders have provided a waiver of certain events of default related to the Company's delay in filing these interim financial statements for the quarter ended March 31, 2025, as well as specific payment defaults that may occur under the Company's other outstanding indebtedness. This waiver temporarily restrains the Majority Holders from exercising their default-related rights and remedies with respect to those specified defaults, subject to the terms and conditions in the agreement, whose temporary waiver period was originally scheduled to end on June 19, 2025, but was extended pursuant to subsequent amendments to July 29, 2025, after which the Limited Waiver Agreement was replaced by the RSA on July 30, 2025.

The Company did not make the interest payment due on June 30, 2025 (the "Interest Payment") in connection with its Senior Notes. Since the Company did not make the Interest Payment on or prior to July 30, 2025 (i.e., within 30 days of the due date), that resulted in an Event of Default in respect of the Senior Notes, though no Notice of Event of Default has been received as of the date of these financial statements.

See "Treatment of Senior Notes" below for resolution of the Senior Notes under the RSA.

Other Debts Payable

On July 3, 2025, the Company received a Notice of Disposition of Collateral (the "Notice") from Anthony J. DePaul, as Agent and Secured Party under the Pledge Agreement dated as of October 1, 2021 between CSAC Acquisition PA II Corp., a subsidiary of the Company, and the Agent (the "Pledge Agreement"). The Notice alleges that due to certain purported defaults under the Pledge Agreement and related loan documents, the Agent intends to potentially reclaim ownership of and subsequently sell all of CSAC Acquisition PA II Corp.'s interest in and to all of the equity interests in PA Natural Medicine LLC ("PA Natural Medicine") owned by CSAC Acquisition PA II Corp. PA Natural Medicine operates licensed medical cannabis dispensaries in State College, Bloomsburg, and Selinsgrove, Pennsylvania. On August 12, 2025, a public auction was held for certain collateral of CSAC Acquisition PA II Corp. where the Secured Lender (as defined in the loan agreement) was the only bidder and ownership reverted back to them.

Further, beginning on June 30, 2025, the Company ceased all payments (including principal and interest) due on the Seller Notes, with such payment defaults totaling principal of $5,922 and interest of $1,737 as of the date of these financial statements. These payment defaults are covered under the RSA, which replaced the Limited Waiver Agreement under the Senior Notes that had covered the payment defaults on the Seller Notes prior to July 30, 2025.

As part of the restructuring, the Company has also abandoned a number of operating facilities and office locations and ceased payments to certain landlords and third-party vendors.

Assessment

Management is currently assessing the impact of these events on the Company's financial statements, with any related adjustments to be recorded in subsequent quarters.

18. SUBSEQUENT EVENTS (continued)

Restructuring Support Agreement

On July 30, 2025, the Company entered into the RSA with an ad hoc committee (the "Ad Hoc Committee") of its consenting senior noteholders (the "Consenting Senior Noteholders") holding a supermajority of the Senior Notes. The RSA outlines a comprehensive plan to ensure the continued operation and orderly transition of the Company's core business under new ownership.

Under the terms of the RSA, the Company will support a combination of an Article 9 of the Uniform Commercial Code ("Article 9") sale process commenced by its secured creditors and an orderly sale and/or wind-down of the Company's remaining assets, in each case, in accordance with terms and conditions of the RSA (including certain milestones thereunder). Subject in each case to the negotiation and execution of definitive documentation in accordance with the terms and conditions of the RSA, key elements of the RSA include:

- **Asset Sale Transactions**: The RSA and the restructuring term sheet attached thereto contemplates that the Consenting Senior Noteholders have agreed to purchase, under an asset purchase agreement, certain assets and assume certain liabilities of the Company located in Florida, Ohio, Nevada, New Jersey, Pennsylvania, and Virginia (collectively, the "Asset Sale Transaction") pursuant to a credit bid at a consensual public disposition of Senior Notes collateral under Article 9. The Company will continue to evaluate options for maximizing value and minimizing liabilities for its remaining assets.

- **Bridge Facility**: The Ad Hoc Committee will provide a senior secured multiple draw term loan facility (the "Bridge Facility") to the Company, which will provide the Company with critical liquidity to support ongoing operations, conduct the Article 9 sale process and consummate certain related transactions contemplated under the RSA and the Bridge Facility term sheet attached thereto. Each beneficial holder of Senior Notes that becomes a party to the RSA shall have the opportunity to participate in its *pro rata* share of the Bridge Facility pursuant to procedures acceptable to the requisite Consenting Senior Noteholders. See below for disclosure of the key terms of the Bridge Facility, whose governing agreement was executed on August 29, 2025.

- **Treatment of Senior Notes**: In exchange for the cancellation of the credit bid portion of the Senior Notes, Senior Noteholders will receive their pro rata share of 100% of the new equity interests issued by NewCo (as defined in the RSA), subject to dilution by a management incentive plan and the equitization of certain of the premiums payable under the Bridge Facility, as applicable. The remaining balance of the Senior Notes obligations (other than the credit bid amount) will remain outstanding and be entitled to a distribution of net cash proceeds (if any) from the monetization of the remaining assets under the liquidation proceedings described below in accordance with the Priority Waterfall among secured creditors and otherwise in accordance with applicable law.

- **Liquidation and Wind-Down Proceedings**: After the conclusion of the Article 9 sale auction, Ayr will commence proceedings under the *Companies' Creditors Arrangement Act* in British Columbia to facilitate a court-supervised liquidation of Ayr. Upon consummation of the Asset Sale Transaction, Ayr's subsidiaries may commence certain state law proceedings in various states in the United States to wind-down the remainder of their operations, in each case, in accordance with the approved wind down budget and the terms and conditions of the RSA. Proceeds from the liquidation of remaining assets from the wind-down will be distributed in accordance with the Priority Waterfall among the secured creditors and otherwise in accordance with applicable law.

18. SUBSEQUENT EVENTS (continued)

- **Obligations and Commitments**: During the effective period (specified below) of the RSA, the Consenting Senior Noteholders have agreed to support the contemplated transactions and agreed to provide the Bridge Facility (subject to definitive documentation), and forbear from exercising remedies on account of specified defaults under the Senior Notes. Additionally, the Company has agreed to take all actions necessary to consummate the transactions, comply with certain operational and financial maintenance covenants, keep the Consenting Senior Noteholders informed, and refrain from actions that could challenge the validity of the Senior Noteholders' liens or encumbrances.

Per the terms of the RSA, the effective period is from the effective date of July 30, 2025 to the termination date, which will automatically occur after all of the following have occurred: the Sale Transaction Effective Date, the consummation of all Non-Core Divestiture Transactions, the Liquidation Transaction Effective Dates, the CCAA Effective Date and the completion of all U.S. Liquidation Proceedings (all terms as defined in the RSA), if not terminated earlier by a breach by one of the parties to the RSA or mutual termination by all of the parties to the RSA.

Management is currently assessing the impact of the RSA on the Company's financial statements, with any related adjustments to be recorded in subsequent quarters.

Bridge Facility

On August 29, 2025, the Company executed a definitive senior secured bridge term loan agreement (the "Bridge Credit Agreement"), which will provide the Company with up to $50 million of committed funding to support ongoing operations and to facilitate the orderly transition of its core business in accordance with the RSA.

The Bridge Credit Agreement was entered into among CSAC Holdings Inc. (the "Borrower"), an indirect wholly-owned subsidiary of Ayr, the lenders party thereto (collectively, the "Lenders"), Acquiom Agency Services LLC as administrative agent and collateral agent (the "Agent"), and certain Ayr subsidiaries as guarantors.

The Bridge Credit Agreement provides for the Bridget Facility, a multiple-draw senior secured term loan facility in an aggregate principal amount of up to $50 million. The Bridge Facility is comprised of Initial Term Loans (Tranche A and Tranche B) and Delayed Draw Term Loans (Tranche A), each as defined in the Bridge Credit Agreement. The Bridge Facility is guaranteed by Ayr Wellness Holdings LLC and all direct and indirect subsidiaries of the Borrower (collectively, the "Guarantors").

Ayr will use proceeds of the Tranche A loan to fund working capital and general corporate purposes in accordance with a 13-week cash-flow budget approved in writing by Lenders holding at least a majority of the aggregate commitments under the Bridge Facility (the "Required Lenders"), as well as to pay expenses of the Asset Sale Transaction and related restructuring costs. Proceeds of the Tranche B loans will fund a court-supervised wind-down of the Company's non-core assets, subject to a wind-down budget that is similarly required to be approved in writing by the Required Lenders.

The Bridge Facility is secured by all present and future acquired assets of the Borrower and Guarantors. These liens rank *pari passu* with the liens securing Ayr's outstanding Senior Notes, pursuant to an equal-priority intercreditor agreement entered into concurrently with the Bridge Loan Agreement. The Bridge Facility is otherwise senior to all unsecured indebtedness and, except as described below, is not convertible into equity.

18. SUBSEQUENT EVENTS (continued)

The loans under the Bridge Facility bear interest at a rate of 14.0% per annum, payable in kind ("PIK") and capitalized on the last business day of each calendar month. The maturity of the Tranche A loan is the earlier of: (i) 60 days after the closing date, (ii) November 16, 2025, or (iii) certain other customary accelerated maturity events tied to the Asset Sale Transaction or events of default. The Tranche B loans mature on the earlier of: (i) 95 days after the consummation of the Asset Sale Transaction and (ii) February 19, 2026. All obligations under the Bridge Facility are subject to customary acceleration upon an event of default.

In addition, the Bridge Facility provides for a commitment premium equal to 10% of the aggregate commitments, an exit premium equal to 10% of the aggregate commitments, and a backstop premium equal to 15% of the aggregate commitments, payable to certain backstop parties. All premiums are fully earned on closing, payable in kind, and, at each Lender's election, may be exchanged for equity in the post-sale entity in accordance with the RSA.

The Bridge Credit Agreement contains customary affirmative and negative covenants, including requirements to maintain cannabis licenses, restrictions on additional indebtedness, liens, asset sales, and investments, as well as weekly cash-flow reporting, variance testing, and milestone covenants. The Company is also subject to a minimum liquidity covenant of $17.5 million, tested weekly.

Events of default under the Bridge Facility include, among other things, payment defaults, covenant breaches, cross-defaults, insolvency events, change of control, termination events under the RSA, and failure to meet specified restructuring milestones.

On the effective date of the Asset Sale Transaction, all outstanding principal and accrued PIK interest under the Bridge Facility will automatically roll, on a dollar-for-dollar basis, into a new senior secured "take-back" term facility to be issued by the purchaser entity that acquires the Company's core business through the Article 9 sale process contemplated by the RSA.

Assets and Liabilities Held for Sale

On July 3, 2025, the Company entered into a Membership Interest Purchase Agreement, pursuant to which it has agreed to sell its Illinois operations (classified as held for sale) for $6.75 million, subject to a working capital adjustment (i.e., actual working capital less a target of $60). The transaction has not yet closed as of the date of these financial statements (pending state regulatory approvals), but a gain on sale is expected since the sales price exceeds the carrying value, which was approximately $1.7 million as of March 31, 2025.

On July 3, 2025, the Company entered into a Management Services Agreement, pursuant to which it has agreed to sell its Massachusetts production facility (classified as held for sale) for approximately $4.7 million, consisting of $4.0 million in cash plus a revenue-based earnout valued at approximately $0.7 million, subject to a working capital adjustment (i.e., actual working capital less a base of $1,675). The transaction has not yet closed as of the date of these financial statements (pending state regulatory approvals), but an insignificant loss on sale is expected since the sales price is slightly lower than the carrying value, which was approximately $5.2 million as of March 31, 2025.

18. SUBSEQUENT EVENTS (continued)

One Big Beautiful Bill Act

On July 4, 2025, the "One Big Beautiful Bill Act" was signed into law, which includes significant changes to federal tax law and other regulatory provisions that may impact the Company. The Company is currently evaluating the provisions of the new law and the potential effects on its financial position, results of operations, and cash flows. As of the date of these financial statements, the Company has not completed its assessment, and therefore no adjustments have been made. Additional disclosures will be provided in future periods as the impact of the legislation is determined.

Cease Trade Order

On June 5, 2025, the Ontario Securities Commission issued a cease trade order under Multilateral Instrument 11-103 – Failure-to-File Cease Trade Orders in Multiple Jurisdictions against the Company. The Company's Equity Shares is not currently trading on the Canadian Stock Exchange.

This is **Exhibit " E "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER, ACCEPTANCE, OR SOLICITATION WITH RESPECT TO ANY SECURITIES, LOANS, OR OTHER INSTRUMENTS. ANY SUCH OFFER, ACCEPTANCE, OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE LAWS, INCLUDING APPLICABLE SECURITIES LAWS. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE RSA EFFECTIVE DATE (AS DEFINED BELOW) ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS RESTRUCTURING SUPPORT AGREEMENT IS THE PRODUCT OF SETTLEMENT DISCUSSIONS AMONG THE PARTIES HERETO. ACCORDINGLY, THIS RESTRUCTURING SUPPORT AGREEMENT IS PROTECTED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE STATUTES OR DOCTRINES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE RESTRUCTURING TRANSACTIONS (AS DEFINED HEREIN) DESCRIBED HEREIN, WHICH RESTRUCTURING TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF THE DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN, AND THE CLOSING OF ANY RESTRUCTURING TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN AND IN SUCH DEFINITIVE DOCUMENTS.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules attached hereto, as amended, restated, amended and restated, supplemented, or otherwise modified for time to time in accordance with the terms hereof, this "**Agreement**") is made and entered into as of July 29, 2025 (the "**RSA Execution Date**"), by and among the following parties:[1]

(a) AYR Wellness, Inc., a British Columbia corporation ("**Canadian Parent**" or "**AYR**", and together with its direct and indirect subsidiaries, the "**Company**"), and each of its subsidiaries and Affiliates listed on **Exhibit A** to this Agreement that have executed and delivered counterpart signature pages to this Agreement to counsel to the Ad Hoc Committee (the Persons in this clause (a), collectively, the "**Company Parties**"); and

(b) the undersigned beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary funds, accounts, or sub-accounts that beneficially hold,

[1] Capitalized terms used but not defined in the preamble and Recitals to this Agreement shall have the meanings ascribed to them in Section 1 hereof**Error! Reference source not found.**.

Senior Notes Claims that have executed and delivered counterpart signature pages to this Agreement , a Joinder, or a Transfer Agreement to counsel to the Company Parties and counsel to the Ad Hoc Committee (the Persons in this clause (b), collectively, the "**Consenting Senior Noteholders**").

The Company Parties, the Consenting Senior Noteholders and all other Persons that become a party to this Agreement in accordance with the terms hereof shall each individually be referred to as a "**Party**", and, collectively, the "**Parties**".

RECITALS

WHEREAS, the Company Parties and the Consenting Senior Noteholders have in good faith and at arm's length negotiated certain terms of proposed restructuring and recapitalization transactions with respect to the capital structure of the Company Parties on the terms set forth in this Agreement and the restructuring term sheet attached hereto as **Exhibit B** (together with all exhibits, schedules and appendices annexed to such term sheet, the "**Restructuring Term Sheet**", and all restructuring and recapitalizations transactions described in this Agreement and the Restructuring Term Sheet, collectively, the "**Restructuring Transactions**");

WHEREAS, the Parties intend to implement the Restructuring Transactions, subject to this Agreement, the Restructuring Term Sheet and the other Definitive Documents, by:

(a) negotiating and executing the asset purchase agreement, which shall be consistent with the Restructuring Term Sheet and otherwise in form and substance acceptable to the Company Parties and the Required Consenting Senior Noteholders ("**APA**"), pursuant to which an entity established and designated by the Ad Hoc Committee as the purchaser under the APA ("**Purchaser**") shall seek to acquire the Acquired Assets and assume the Assumed Liabilities, in each case, as shall be expressly set forth in the APA, in exchange for (1) the cancellation of a portion of the Senior Notes Obligations in an amount to be determined by the Required Consenting Senior Noteholders, (2) at the option of the Required Consenting Senior Noteholders, in its discretion, the cancellation of all or a portion of the Bridge Facility Obligations, and (3) an amount of cash to be determined by the Required Consenting Senior Noteholders, in each case, subject to the terms and conditions set forth in the APA and the other Asset Purchase Documents (collectively, the "**Sale Transaction**"),

(b) implementing the Sale Transaction through a public disposition of collateral pursuant to §§ 9-610 and 9-611 of the Uniform Commercial Code, as in effect from time to time in the State of New York ("**UCC**"), to be conducted by the Senior Notes Trustee, coupled with a consensual assignment of other property by the Company Parties to the purchaser, as set forth in more detail in the Restructuring Term Sheet (the "**Sale Proceeding**");

(c) commencing a proceeding for the Canadian Parent under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA Proceedings**") in the Supreme Court of British Columbia (the "**CCAA Court**") to effectuate a liquidation and wind down

of the Canadian Parent upon such terms and conditions acceptable to the Required Consenting Senior Noteholders and AYR; and

(d) consummating the liquidation or sale of the Excluded Assets and the discharge of the Excluded Liabilities of the U.S. Company Parties, and winding down the applicable U.S. Company Parties (each, a "**Liquidation Transaction**", and collectively, the "**Liquidation Transactions**") through the commencement of one or more proceedings under applicable state law (including, without limitation, a receivership, liquidation, foreclosure, dissolution, and/or an assignment for the benefit of creditors), in each case, upon such terms and conditions acceptable to AYR with the approval of the Required Consenting Senior Noteholders (which approval shall not be unreasonably withheld), (each, a "**U.S. Liquidation Proceeding**", and together with the CCAA Proceedings, collectively, the "**Liquidation Proceedings**"); and

(e) consummating the Non-Core Divestiture Transactions;

WHEREAS, the Parties have agreed to take certain actions in support of the Restructuring Transactions on the terms and conditions set forth in this Agreement and the Restructuring Term Sheet;

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

AGREEMENT

Section 1. ***Definitions and Interpretation.***

1.01. Definitions. The following terms shall have the following definitions:

"**Acquired Assets**" has the meaning set forth in the Restructuring Term Sheet.

"**Ad Hoc Committee**" means that certain ad hoc committee consisting of certain Consenting Senior Noteholders, as may be reconstituted from time to time, represented by the Ad Hoc Committee Advisors.

"**Ad Hoc Committee Advisors**" means the advisors to the Ad Hoc Committee, including: (a) Paul Hastings, as U.S. counsel, (b) Goodmans LLP, as Canadian counsel, (c) the Law of Office of Charles Patrizia, Esq. and Feuerstein Kulick LLP, as regulatory counsel, (d) Davis Graham, as local counsel, (e) Ducera Partners LLC, as financial advisor ("**Ducera**"), and (f) such other professionals that may be retained by or on behalf of the Ad Hoc Committee (including the retention of any such professional by Paul Hastings).

"**Affiliate**" means, with respect to any Person, any other Person controlled by, controlling or under common control with such Person and shall also include any Related Fund of such Person. As used in this definition, "control" (including, with its correlative meanings, "controlling," "controlled by" and "under common control with") shall mean possession, directly or indirectly,

of power to direct or cause the direction of management or policies of a Person (whether through ownership of securities, by contract or otherwise).

"**Agreement**" has the meaning set forth in the Preamble to this Agreement and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules hereto in accordance with Section 14.01, including the Restructuring Term Sheet, which are expressly incorporated herein and made part of this Agreement).

"**Alternative Restructuring**" means a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, financing (debt or equity, including any debtor-in-possession or exit financing), use of cash collateral, joint venture, partnership, liquidation or winding up, exchange offer, tender offer, asset sale, recapitalization, plan of reorganization, share issuance, share exchange, consent solicitation, business combination, or similar transaction or series of transactions involving one or more of the Company Parties, or the debt, equity, or other interests in any one or more Company Parties, other than the Restructuring Transactions (including any Non-Core Divestiture Transaction or, with respect to the Excluded Assets, (i) any Liquidation Transaction and (ii) any other disposition in form and substance reasonably acceptable to the Required Consenting Senior Noteholders) as contemplated by this Agreement.

"**Alternative Restructuring Proposal**" means any written or verbal inquiry, plan, proposal, offer, bid, term sheet, letter, letter of intent, discussion, or agreement with respect to an Alternative Restructuring.

"**APA**" has the meaning set forth in the Recitals hereto.

"**Asset Purchase Documents**" means, collectively, the APA and all other definitive agreements, documents, instruments, pleadings, orders, or other related documents necessary or desirable to implement and consummate the Sale Transaction, each of which shall contain terms and conditions that are consistent with this Agreement and the Restructuring Term Sheet and otherwise in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**Assumed Liabilities**" has the meaning set forth in the Restructuring Term Sheet.

"**Bankruptcy Code**" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended.

"**Bridge Facility**" means the bridge financing to be provided by the Bridge Lenders in the form of a senior secured multiple draw term loan facility, on the terms and conditions set forth in the Restructuring Term Sheet, subject to the terms and conditions of the Bridge Facility Credit Agreement and the Bridge Facility Documents.

"**Bridge Facility Credit Agreement**" means the definitive credit agreement governing the Bridge Facility to be entered into by and among the Company Parties, the Bridge Facility Lenders, and the Bridge Facility Trustee, which shall be in form and substance acceptable to AYR and the Ad Hoc Committee.

"**Bridge Facility Documents**" means, collectively, the Bridge Facility Credit Agreement and all other agreements, documents, instruments, or other related documents executed or delivered in connection with the Bridge Facility, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents, each of which shall be in form and substance acceptable to AYR and the Ad Hoc Committee.

"**Bridge Facility Lenders**" means the lenders party to the Bridge Facility Credit Agreement.

"**Bridge Facility Obligations**" means all amounts due and obligations arising under, in connection with or related to the Bridge Facility, including, without limitation, all principal, interest, premiums, fees, costs, expenses, indemnities or other amounts under the Bridge Facility Documents.

"**Bridge Facility Trustee**" means the trustee and collateral trustee or the administrative agent and collateral agent, as applicable, for the Bridge Facility Lenders under the Bridge Facility Credit Agreement, or any successor trustee or agent thereunder, which shall be selected by the Ad Hoc Committee and shall be reasonably acceptable to AYR.

"**Business Day**" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York.

"**Canadian Parent**" has the meaning set forth in the Preamble to this Agreement.

"**Causes of Action**" means any and all claims, interests, damages, remedies, causes of action, demands, rights, debts, actions, controversies, proceedings, agreements, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, asserted or assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, whether arising before, on, or after the date hereof, in contract, tort, Law, equity, or otherwise, including: (a) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by Law or in equity; and (b) the right to object to or otherwise contest Claims or Equity Interests.

"**CCAA Court**" has the meaning set forth in the Recitals to this Agreement.

"**CCAA Initial Order Pleadings**" means any motions, pleadings, applications, and related orders that are necessary and/or desirable to file upon the commencement of the CCAA Proceeding, each of which shall be in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**CCAA Documents**" means any and all documents and pleadings prepared or filed by AYR in connection with the CCAA Proceedings with the CCAA Court, including any CCAA Initial Order Pleadings and all orders proposed or sought by AYR in the CCAA Proceedings, including any financing, cash management, sale approval, sanction, distribution or termination

orders, each of which shall be consistent with this Agreement and the Restructuring Term Sheet, and otherwise in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**CCAA Effective Date**" means the date of the initial order in the CCAA Proceedings.

"**CCAA Proceedings**" has the meaning set forth in the Recitals to this Agreement.

"**Claim**" means any right to (a) payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or (b) an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company Claims/Equity Interests**" means any Claim against, or Equity Interest in, a Company Party.

"**Company Parties**" has the meaning set forth in the Preamble to this Agreement.

"**Company Party Termination Event**" has the meaning set forth in Section 12.02.

"**Consensual Seller Notes/Debt Agreement**" has the meaning set forth in the Restructuring Term Sheet.

"**Consenting Senior Noteholders**" has the meaning set forth in the Preamble to this Agreement.

"**Definitive Documents**" means, collectively, each of the documents listed or described in Section 3.01.

"**Equity Interests**" means, with respect to any Person, the shares (or any class thereof) of capital stock (including common stock and preferred stock), limited liability company interests, partnership interests and any other equity, ownership, beneficial or profits interests of such Person, and options, warrants, rights, stock appreciation rights, phantom stock or units, incentives, commitments, calls, redemption rights, repurchase rights or other securities, arrangements or agreements to acquire or subscribe for, or which are convertible into, or exercisable or exchangeable for, the shares (or any class thereof) of capital stock (including common stock and preferred stock), limited liability company interests, partnership interests or any other equity, ownership, beneficial, or profits interests of such Person (in each case, whether or not arising under or in connection with any employment agreement).

"**Excluded Assets**" has the meaning set forth in the Restructuring Term Sheet.

"**Excluded Liabilities**" has the meaning set forth in the Restructuring Term Sheet.

"**Existing Subordination Agreements**" means, collectively, each "Subordination Agreement" as defined in the Senior Notes Indenture, including, without limitation, the IL Herbal Remedies Subordination Agreement, GSD Subordination Agreement, NJ LivFree Subordination Agreement, NV Green Subordination Agreement, NV Tahoe Hydro Subordination Agreement, PA CannTech Subordination Agreement, and PA DocHouse Subordination Agreement (each as defined in the Restructuring Term Sheet), in each case, as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof.

"**Exchange Act**" means the Securities and Exchange Act of 1934, as amended.

"**Exit Facility**" means the (a) the New Money Exit Facility, and (b) the Take-Back Debt Facility.

"**Exit Facility Credit Agreement**" means the definitive credit agreement governing the Exit Facility to be entered into on the Sale Transaction Effective Date by and among NewCo, the guarantors from time to time party thereto, the New Money Exit Lenders, the Take-Back Debt Lenders, the Exit Facility Trustee, and the other parties party thereto from time to time, which shall be in form and substance acceptable to the Required Consenting Senior Noteholders.

"**Exit Facility Documents**" means the Exit Facility Credit Agreement and any other agreements, instruments, and documents executed or delivered in connection therewith, each as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, each of which shall be in form and substance acceptable to the Required Consenting Senior Noteholders.

"**Exit Facility Trustee**" means the trustee and collateral trustee or the administrative and collateral agent, as applicable, for the New Money Exit Lenders under the Exit Facility Credit Agreement, or any successor trustee or agent thereunder, which shall be selected by the Required Consenting Senior Noteholders.

"**Excluded Assets**" has the meaning set forth in the Restructuring Term Sheet.

"**Excluded Liabilities**" has the meaning ascribed to such term in the Restructuring Term Sheet.

"**Governmental Body**" means any U.S. or non-U.S. federal, municipal, state, local, or foreign government or any agency, bureau, board, commission, court, or arbitral body, department, political subdivision, regulatory or administrative authority, tribunal or other instrumentality thereof, or any other U.S. or non-U.S. stock exchange, or any self-regulatory organization.

"**Initial Approved Budget**" has the meaning set forth in Section 2.

"**Initial Parties**" has the meaning set forth in Section 2.

"**Joinder**" means a joinder to this Agreement substantially in the form attached hereto as **Exhibit E**.

"**Law**" means any federal, state, provincial, local, or foreign law (including, in each case, any common law), statute, code, ordinance, rule, regulation, decree, injunction, order, ruling, assessment, writ or other legal requirement, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a Governmental Body of competent jurisdiction.

"**Limited Waiver Amendment**" means that certain Limited Waiver Agreement, dated as of June 6, 2025, by and among the Company Parties and the Senior Noteholders party thereto.

"**Liquidation Documents**" means all definitive agreements, documents, instruments, pleadings, proposed orders, or other related documents necessary or desirable to commence, implement and consummate the U.S. Liquidation Proceedings and the Liquidation Transactions, each of which shall contain terms and conditions that are consistent with this Agreement and the Restructuring Term Sheet and otherwise in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**Liquidation Proceedings**" has the meaning set forth in the Recitals to this Agreement.

"**Liquidation Transactions**" has the meaning set forth in the Recitals to this Agreement.

"**Liquidation Transaction Effective Date**" has the meaning set forth in the Restructuring Term Sheet.

"**Management Conference Call**" has the meaning set forth in Section 7.01(k).

"**Milestone**" or "**Milestones**" has the meaning set forth in the Restructuring Term Sheet.

"**Mutual Release Agreement**" has the meaning set forth in the Restructuring Term Sheet.

"**New Organizational Documents**" means the Organizational Documents of NewCo and the other NewCo Entities, each of which shall be in form and substance acceptable to the Required Consenting Senior Noteholders.

"**NewCo**" has the meaning set forth in the Restructuring Term Sheet.

"**NewCo Entities**" has the meaning set forth in the Restructuring Term Sheet.

"**New Equity Interests**" has the meaning set forth in the Restructuring Term Sheet.

"**No Recourse Party**" has the meaning set forth in Section 14.22.

"**Non-Core Divesture Transactions**" has the meaning set forth in the Restructuring Term Sheet.

"**Non-Core Divestiture Transaction Documents**" means all definitive agreements, documents, instruments, pleadings, proposed orders, or other related documents necessary or desirable to implement and consummate the Non-Core Divestiture Transactions, each of which shall contain terms and conditions that are consistent with this Agreement and the Restructuring

Term Sheet and otherwise in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**New Money Exit Facility**" means the new money exit facility to be provided by the New Money Exit Lenders on the Sale Transaction Effective Date on the terms set forth in the Restructuring Term Sheet, subject to the terms and conditions set forth in the Exit Facility Documents.

"**New Money Exit Lenders**" means the lenders under the New Money Exit Facility.

"**Non-Core Divesture Transaction**" has the meaning set forth in the Restructuring Term Sheet.

"**Organizational Documents**" means, with respect to any Person other than a natural person, the formation and governance documents of such Person, including any certificate of incorporation, certificate of formation, charter, certificate of limited partnership, or articles of organization, by-laws, partnership agreement, operating, limited liability company or members agreement, shareholder agreement or shareholder documents.

"**Paul Hastings**" means Paul Hastings LLP, in its capacity as counsel to the Ad Hoc Committee.

"**Permits**" means any license, permit, registration, authorization, approval, certificate of authority, accreditation, qualification, or similar document or authority that has been issued or granted by any Governmental Body or Third Party Association.

"**Person**" means an individual, a partnership, a joint venture, a limited liability company, a corporation, a trust, an unincorporated organization, a group, a Governmental Body, a third-party association, or any legal entity, estate, or association.

"**Proceeding**" means any action, claim, complaint, petition, suit, arbitration, mediation, alternative dispute resolution procedure, hearing, audit, examination, investigation, or other proceeding by or before any Governmental Body, which may include, without limitation, the U.S. Liquidation Proceedings and the CCAA Proceedings.

"**Related Fund**" means, with respect to any Person, any fund, account or investment vehicle that is controlled, advised or managed by (a) such Person, (b) an Affiliate of such Person, or (c) the same investment manager, advisor, or subadvisor that controls, advises, or manages such Person or an Affiliate of such investment manager, advisor or subadvisor."

"**Required Consenting Senior Noteholders**" means, as of the relevant reference date, the Consenting Senior Noteholders holding at least 50.1% of the aggregate outstanding principal amount of Senior Notes Claims that are held by all Consenting Senior Noteholders in the aggregate as of such reference date.

"**Restructuring Term Sheet**" has the meaning set forth in the Recitals to this Agreement.

"**Restructuring Transactions**" has the meaning set forth in the Recitals to this Agreement.

"**Restructuring Transactions Memorandum**" means a document setting forth the material components of the Restructuring Transactions, including a summary of any transaction steps necessary to complete the Sale Transaction and the Liquidation Transactions, which shall be in form and substance acceptable to AYR and the Required Consenting Senior Noteholders.

"**RSA Effective Date**" has the meaning set forth in Section 2.

"**RSA Effective Period**" means, with respect to a Party, the period from (a) the later of (i) the RSA Effective Date, and (ii) the date such Party becomes a Party to this Agreement, to (b) the Termination Date.

"**RSA Execution Date**" has the meaning set forth in the Preamble to this Agreement.

"**Rules**" means Rule 501(a)(1), (2), (3), and (7) of the Securities Act.

"**Sale Proceeding**" has the meaning set forth in the Recitals to this Agreement.

"**Sale Transaction**" has the meaning set forth in the Recitals to this Agreement.

"**Sale Transaction Effective Date**" has the meaning set forth in the Restructuring Term Sheet.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Seller Notes/Debt Claims**" has the meaning set forth in the Restructuring Term Sheet.

"**Senior Noteholders**" means holders of, or investment advisors, sub-advisors or managers of discretionary funds, accounts or sub-accounts that beneficially hold, Senior Notes.

"**Senior Notes**" means the senior secured notes outstanding under the Senior Notes Indenture.

"**Senior Notes Claim**" means any and all Claims against each of the Senior Notes Obligors arising under, derived from, based on, or related to the Senior Notes.

"**Senior Notes Collateral**" has the meaning set forth in Section 7.03(c).

"**Senior Notes Documents**" means, collectively, (a) the Senior Notes, (b) the Senior Notes Indenture, and (c) any other agreements, documents, instruments, or other related documents delivered or entered into or in connection with the Senior Notes and the Senior Notes Indenture, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents, as any of the foregoing may be amended, modified, or supplemented from time to time in accordance with the terms thereof (including any Existing Subordination Agreements, cash management arrangements, and ancillary facilities).

"**Senior Notes Indenture**" means that certain Amended and Restated Indenture, dated as of February 7, 2024 (as amended, restated, amended and restated, supplemented, or otherwise

modified from time to time), by and among, *inter alia*, the Senior Notes Issuer and the Senior Notes Trustee.

"**Senior Notes Guarantors**" means the guarantors party to the Senior Notes Indenture from time to time.

"**Senior Notes Issuer**" means AYR in its capacity as the issuer of the Senior Notes under the Senior Notes Indenture.

"**Senior Notes Liens**" has the meaning set forth in Section 7.03(c).

"**Senior Notes Obligations**" has the meaning set forth in Section 7.03(b).

"**Senior Notes Obligors**" means the Senior Notes Issuer and the Senior Notes Guarantors.

"**Senior Notes Trustee**" means Odyssey Trust Company, a trust company continued under the laws of the Canada authorized to carry on the business of a trust company in British Columbia, in its capacity as trustee and collateral trustee under the Senior Notes Indenture and the other Senior Notes Documents, or any successor trustee or successor collateral trustee thereunder.

"**Take-Back Debt Facility**" means the exit facility to be provided by the New Money Exit Lenders through the conversion of outstanding obligations under the Bridge Facility into the exit facility on the Sale Transaction Effective Date on the terms set forth in the Restructuring Term Sheet, subject to the terms and conditions set forth in the Exit Facility Documents

"**Take-Back Debt Lenders**" means the lenders under the Take-Back Debt Facility.

"**Termination Date**" means the date on which termination of this Agreement is effective in accordance with Section 12.01, Section 12.02, Section 12.03, or Section 12.05.

"**Third Party Association**" means any trade, industry, business, or sector association, body, group or council, or similar entity.

"**Transaction Expenses**" means all reasonable and documented fees, costs, and expenses of each of the Ad Hoc Committee Advisors, in each case, incurred in connection with the Company, the Senior Notes, the Sale Transaction, the Liquidation Transactions, the CCAA Proceedings, the U.S. Liquidation Proceedings or any other Restructuring Transactions, the negotiation, formulation, preparation, execution, delivery, implementation, consummation, and/or enforcement of this Agreement and/or any of the other Definitive Documents, and the transactions contemplated hereby or thereby, including any amendments, waivers, consents, supplements, or other modifications to any of the foregoing (in the case of Ducera, consistent with the fee reimbursement letter entered into between the applicable Company Parties (or Paul Hastings), on the one hand, and Ducera, on the other hand).

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, loan, grant, hypothecate, participate, donate, or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales, or other transactions).

"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached hereto as **Exhibit D**.

"**UCC**" has the meaning set forth in the Recitals to this Agreement.

"**U.S. Company Parties**" means any Company Party other than the Canadian Parent.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, amended and restated, supplemented, or otherwise modified or replaced from time to time; provided that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(e) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(f) the words "herein," "hereof," and "hereto" refer to this Agreement in its entirety rather than to any particular portion of this Agreement;

(g) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(h) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws;

(i) the use of "include" or "including" is without limitation, whether stated or not;

(j) unless otherwise specified, references to "days" shall mean calendar days;

(k) "$" shall mean U.S. dollars and "CAD" shall mean Canadian dollars; and

(l) (i) the phrase "counsel to the Ad Hoc Committee" refers in this Agreement to the applicable counsel specified in clause (a) in the definition of "Ad Hoc Committee Advisors" in Section 1, and (ii) the phrase "counsel to the Company Parties" refers in this Agreement to the counsel specified in Section 14.09(a).

Section 2. ***Effectiveness of this Agreement.*** This Agreement shall become effective and binding upon each of the Parties that has executed and delivered counterpart signature pages to this Agreement on the date on which all of the following conditions have been satisfied or waived by the applicable Party or Parties in accordance with this Agreement (such date, the "**RSA Effective Date**" and such Parties, the "**Initial Parties**"):

(a) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement to counsel to the Ad Hoc Committee;

(b) Senior Noteholders holding at least two-thirds of the aggregate outstanding principal amount of Senior Notes shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the other Parties;

(c) the Company Parties shall have received the invoices for payment of accrued and unpaid Transaction Expenses one (1) Business Day prior to the RSA Effective Date;

(d) the Company Parties shall have paid to the applicable Ad Hoc Committee Advisors all accrued and unpaid Transaction Expenses incurred up to (and including) the RSA Effective Date;

(e) the Company Parties shall have delivered to the Ad Hoc Committee a 13-week cash flow projection (the "**Initial Approved Budget**"), substantially in form attached hereto as **Exhibit C** and satisfactory to the Ad Hoc Committee in all respects, reflecting (i) the Company Parties' anticipated cash receipts and disbursements for each calendar week during the period from the week in which the RSA Effective Date occurs through and including the end of the thirteenth calendar week thereafter, and (ii) a professional fee budget with respect to the anticipated professional fees and expenses to be incurred by the professionals for the Company Parties and any other professionals during the thirteen week period; and

(f) counsel to the Company Parties shall have given notice to counsel to the Ad Hoc Committee in the manner set forth in Section 14.09 (by e-mail or otherwise) that the conditions to the RSA Effective Date set forth in this Section 2 have been satisfied or occurred.

Section 3. ***Definitive Documents.***

3.01. The Definitive Documents governing the Restructuring Transactions shall include this Agreement and all other agreements, instruments, pleadings, orders, forms, questionnaires, and other documents (including all exhibits, schedules, supplements, appendices, annexes, instructions and attachments thereto) that are necessary or advisable to implement or effectuate the Restructuring Transactions, including each of the following (collectively, the "**Definitive Documents**"):

(a) the Restructuring Term Sheet;

(b) the Asset Purchase Documents;

(c) the Bridge Facility Documents;

(d) the Exit Facility Documents;

(e) the Liquidation Documents;

(f) the CCAA Documents;

(g) the New Organizational Documents;

(h) the Non-Core Divestiture Transaction Documents;

(i) the Restructuring Transactions Memorandum;

(j) the Consensual Seller Notes/Debt Agreements, if applicable;

(k) Mutual Release Agreement; and

(l) any other documents, agreements, instruments, and definitive documentation that may be necessary or desirable to support, facilitate, implement, document, otherwise give effect to, or consummate all or any part of the Restructuring Transactions, each of which shall be consistent with this Agreement and the Restructuring Term Sheet and otherwise in form and substance acceptable to the Required Consenting Senior Noteholders and, to the extent expressly set forth in elsewhere this Agreement or in the Restructuring Term Sheet, the Company Parties.

3.02. The Definitive Documents not executed or in a form attached to this Agreement as of the RSA Execution Date remain subject to negotiation and completion, as applicable. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement and the Restructuring Term Sheet, in each case, as they may be modified, amended, or supplemented in accordance with Section 13, shall be in form and substance acceptable to the Required Consenting Senior Noteholders and, to the extent expressly set forth elsewhere in this Agreement or in the Restructuring Term Sheet, the Company Parties.

Section 4. ***Milestones; Consummation of the Restructuring Transactions.*** On and after the RSA Effective Date, the Company Parties shall implement the Restructuring Transactions in accordance with Milestones set forth in the Restructuring Term Sheet (which are incorporated by reference herein), in each case, unless extended or waived in writing (which may include email from counsel) by the Required Consenting Senior Noteholders in their discretion.

Section 5. ***Commitments of the Consenting Senior Noteholders.***

5.01. General Commitments, Forbearances, and Waivers.

(a) During the RSA Effective Period, each Consenting Senior Noteholder agrees, severally and not jointly, to:

(i) support the Restructuring Transactions, and vote all Company Claims/Equity Interests owned, held, or otherwise controlled by such Consenting Senior Noteholder and exercise any powers or rights available to it (including in any board, shareholders', or creditors' meeting or in any process requiring voting or approval to which it is legally entitled to participate), in each case, in favor of any matter requiring approval to the extent necessary to implement the Restructuring Transactions; provided, however, that each Consenting Senior Noteholder shall have the right, in its absolute discretion, but shall not be obligated, to (A) waive (to the extent that such Consenting Senior Noteholder has the right to waive) any condition to the consummation of any part of the Restructuring Transactions set forth in any Definitive Document or (B) approve any Definitive Document that is not in form and substance acceptable to such Consenting Senior Noteholder (if such Definitive Document is required to be in form and substance acceptable to such Consenting Senior Noteholder pursuant to this Agreement, including pursuant to Section 3.02);

(ii) to the extent applicable, fund its committed portion of the Bridge Facility as and when due in accordance with and subject to the terms and conditions of the Bridge Facility Documents;

(iii) to the extent applicable, fund its committed portion of the New Money Exit Facility as and when due in accordance with and subject to the terms and conditions set forth in the Exit Facility Documents;

(iv) give any notice, order, instruction, or direction to the Senior Notes Trustee necessary to give effect to the Restructuring Transactions; provided, however, that such Consenting Senior Noteholder shall not be obligated hereunder to provide the Senior Notes Trustee or any other Person with any indemnities or similar undertakings in connection with taking any such action; and

(v) except for the Restructuring Transactions contemplated under this Agreement and the Restructuring Term Sheet (including, without limitation, the exercise of remedies under UCC § 9-610 in connection with the Sale Proceeding), forbear from exercising or directing any Person (including the Senior Notes Trustee) to exercise remedies on account of, (a) the "Specified Defaults" (as defined in the Limited Waiver Amendment), (b) any Default or Event of Default (each as defined in the Senior Notes Indenture) under the Senior Notes Documents, including, but not limited to, any default arising from the Company Parties' failure to make the interest payment on the Senior Notes due on or about June 30, 2025, and/or any other interest payment on the Senior Notes that shall become due during the RSA Effective Period, and (c) any breach by any Company Party of, and any default or event of default (howsoever described) under, the applicable Senior Notes Documents that shall or may arise as a result of, directly or indirectly, any of the steps, actions, or transactions expressly required or contemplated by, or expressly undertaken pursuant to this Agreement, the Restructuring Term Sheet, any Definitive Document, and the commencement of the Sale Proceeding, the Non-Core Divestiture Transactions, the U.S. Liquidation Proceedings and the CCAA Proceedings; provided, however, that (w) the Company Parties stipulate, acknowledge and agree that a "default" for purposes of UCC §§ 9-601 and 9-610

(a) exists and is continuing, and, notwithstanding anything contained in this Agreement or the Restructuring Term Sheet to the contrary, nothing contained in this section 5.01(a)(v), this Agreement or the Restructuring Term Sheet shall preclude the commencement and implementation of the Sale Proceeding as contemplated by this Agreement and the Restructuring Term Sheet, (x) no Consenting Senior Noteholder shall be required hereunder to provide any trustee and/or agent or other Person (including the Senior Notes Trustee) under any applicable Senior Notes Documents with any additional indemnities or similar undertakings in connection with taking any such action, (y) no Consenting Senior Noteholder shall be required to take, or refrain from taking, any actions contemplated by this Section 5.01(a)(v) unless expressly contemplated by this Agreement, and (z) nothing in this Section 5.01(a)(v) shall require the Consenting Senior Noteholders to waive any default or event of default, or any of the obligations arising under, or liens or other encumbrances created by, any of the Senior Notes Documents; provided, further, however, that, for the avoidance of doubt, it is understood and agreed that any forbearance granted pursuant to this Section 5.01(a)(v) shall be effective during the RSA Effective Period only and shall not be deemed to be a permanent forbearance from the exercise of remedies on account of any default or event of default arising under the Senior Notes Documents.

(vi) without limiting any rights under Section 12, negotiate in good faith and, to the extent it is contemplated to become a party thereto, execute, deliver, and use commercially reasonable efforts to perform their obligations under, and consummate the transactions contemplated by, the Definitive Documents and any other required agreements to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement.

(b) During the RSA Effective Period, each Consenting Senior Noteholder agrees, severally and not jointly, in respect of all of its Company Claims/Equity Interests, that it shall not directly or indirectly:

(i) object to, delay, impede, or take any other action to interfere with the acceptance, implementation, or consummation of the Restructuring Transactions (including, as applicable, through instructions, directions, notices, or orders to the Senior Notes Trustee);

(ii) seek, solicit, encourage, propose, file, support, participate, consent to, or vote (or allow any proxy appointed by it to vote) for any Alternative Restructuring Proposal or engage in any discussions, negotiations, understandings or arrangements with any Person related to an Alternative Restructuring Proposal (it being understood, for the avoidance of doubt, that, notwithstanding anything contained herein to the contrary, the Ad Hoc Committee and the Ad Hoc Committee Advisors shall be authorized to communicate and negotiate directly with the holders of Seller Notes/Debt Claims (as defined in the Restructuring Term Sheet) in an effort to seek to consensually amend, restructure or modify all or a portion of the Seller Notes/Debt Claims on terms and conditions acceptable to the Ad Hoc Committee in its discretion, and the Company Parties shall cooperate with the Ad Hoc Committee and the Ad Hoc Committee Advisors to facilitate such negotiations);

(iii) execute or file any motion, pleading, agreement, instrument, order, form, or other document with any court (including any modifications or amendments to any of the foregoing that had previously been executed or filed with any court) that, in whole or in part, is materially inconsistent with this Agreement or the Restructuring Term Sheet;

(iv) initiate, or have initiated on its behalf, any litigation or Proceeding of any kind with respect to the Restructuring Transactions contemplated herein against the Company Parties or the other Parties, other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(v) other than to the extent contemplated herein or in the Restructuring Term Sheet in connection with the Restructuring Transactions, exercise, or direct any other Person (including the Senior Notes Trustee) to exercise, any right or remedy for the enforcement, collection, or recovery of any Company Claims/Interests; provided, however, that nothing in this Agreement shall prevent any Consenting Senior Noteholder from enforcing this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(vi) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located;

(vii) announce publicly its intention to not support the Restructuring Transactions; or

(viii) direct any other Person to take any of the actions listed in clauses (i) through (viii) of this Section 5.01(b).

Section 6. ***Additional Provisions Regarding the Consenting Senior Noteholders' Commitments***. Notwithstanding anything contained in this Agreement, nothing in this Agreement shall: (a) affect the ability of any Consenting Senior Noteholder to consult with any other Consenting Senior Noteholder, or the Company Parties; (b) impair or waive the rights of any Consenting Senior Noteholder to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; (c) prevent any Consenting Senior Noteholder from enforcing this Agreement or any other Definitive Document or asserting or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or any other Definitive Document; (d) limit the ability of a Consenting Senior Noteholder to purchase, sell, or enter into any transactions regarding the Company Claims/Equity Interests, subject to the terms hereof; (e) constitute a waiver or amendment of any term or provision of, or alter or diminish any right or obligation in, any Senior Notes Document or the Existing Subordination Agreements, or modify the consent rights of any Consenting Senior Noteholder in any such Senior Notes Document or the Existing Subordination Agreements); (f) constitute a termination or release of any liens on, or security interests in, any of the assets or properties of the Company Parties that secure the obligations under any Senior Notes Document (except any termination that may occur upon the consummation of the Restructuring Transactions on the Restructuring Effective Date in accordance with the terms set forth herein and in the Restructuring Term Sheet); (g) except as and to the extent explicitly set forth herein, require any Consenting Senior Noteholder to incur, assume, become liable in respect of or suffer to exist any expenses, liabilities, or other obligations, or agree to or become bound by any commitments, undertakings, concessions, indemnities, or other arrangements that could result in expenses, liabilities, or other obligations to such Consenting Senior Noteholder; (h) prevent a Consenting Senior Noteholder from taking any action that is required in order to comply with applicable Law (provided, however, that if any Consenting Senior Noteholder proposes to take any action that is otherwise inconsistent with this Agreement or the Restructuring Transactions in order to comply with applicable Law, such Consenting Senior

Noteholder shall provide, to the extent possible without violating applicable Law, at least three (3) Business Days' advance, written notice to counsel to the Company Parties and counsel to the Ad Hoc Committee); (i) prohibit any Consenting Senior Noteholder from taking any action that is not inconsistent with this Agreement or the Restructuring Transactions); (j) limit the ability of any Consenting Senior Noteholder to enforce the terms of the Existing Subordination Agreements (including exercising any rights or remedies available to the Consenting Senior Noteholders thereunder); or (k) require any Consenting Senior Noteholder to fund or commit to fund any additional amounts (other than as agreed in connection with the Bridge Facility and the New Money Exit Facility) without such Consenting Senior Noteholder's written consent.

Section 7. ***Commitments of the Company Parties.***

7.01. Affirmative Commitments. Except as set forth in Section 8, absent the prior written consent or waiver of the Required Consenting Senior Noteholders, during the RSA Effective Period, the Company Parties agree to:

(a) support, and take all actions necessary, desirable, or reasonably requested by the Required Consenting Senior Noteholders to implement and consummate the Restructuring Transactions as contemplated by this Agreement and the Restructuring Term Sheet;

(b) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated herein, take all steps reasonably necessary or reasonably requested by the Required Consenting Senior Noteholders to address any such impediment, including, timely filing a formal objection to any motion, application or other proceeding filed by any Person seeking the entry of an order challenging (x) the amount, validity, allowance, character, enforceability, or priority of any Company Claims/Interests of any of the Consenting Senior Noteholders, or (y) the validity, enforceability or perfection of any lien or other encumbrance securing (or purporting to secure) any Company Claims/Interests of any of the Consenting Senior Noteholders;

(c) use commercially reasonable efforts to obtain any and all Permits, licenses, approvals (including making any necessary regulatory or other filings or notifications), and third party consents, in each case, that are necessary or advisable for the implementation or consummation of any part of the Restructuring Transactions, as soon as reasonably practicable;

(d) negotiate in good faith and use commercially reasonable efforts to execute, deliver and perform their obligations under, and consummate the transactions contemplated by, the Definitive Documents and any other required agreements to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement, in each case, as soon as reasonably practicable;

(e) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from their other material stakeholders to the extent reasonably prudent; provided, however, that the Ad Hoc Committee and the Ad Hoc Committee Advisors shall be authorized to communicate and negotiate directly with the holders of Seller Notes/Debt Claims in an effort to consensually amend, modify or restructure some or all of the Seller Notes/Debt Claims on terms and conditions acceptable to the Ad Hoc Committee in its discretion, and the Company shall

cooperate with the Ad Hoc Committee and the Ad Hoc Committee Advisors to facilitate such negotiations;

(f) use commercially reasonable efforts to complete the preparation, as soon as practicable after the RSA Effective Date, of each of the Definitive Documents (including all motions, applications, orders, agreements and other documents, each of which, for the avoidance of doubt, shall contain terms and conditions consistent with this Agreement);

(g) subject to the consent rights set forth herein, (i) complete the preparation, as soon as reasonably practicable after the RSA Effective Date, of the APA and the other APA Documents, (iii) cooperate with respect to the Sale Proceeding, (iii) complete the preparation for, commence and prosecute the CCAA Proceedings and the Liquidation Proceedings as soon as reasonably practicable, and (iii) effectuate the Sale Transaction, the Liquidation Transactions, the Non-Core Divestiture Transactions and all other Restructuring Transactions as soon as reasonably practicable (in any event, in accordance with the applicable Milestones);

(h) subject to the consent rights set forth herein and with respect to the CCAA Proceedings and the Liquidation Proceedings, provide drafts of the Definitive Documents to, and afford a reasonable opportunity for comment and review of such documents by, and consult in good faith with the Ad Hoc Committee and the Ad Hoc Committee Advisors, which opportunity of comment and review shall be not less than three (3) Business Days in advance of any filing, execution, distribution, or use (as applicable) thereof; provided, however, that the obligations of the Company Parties under this Section 7.01(g) shall in no way alter or diminish any right expressly provided to any applicable Consenting Senior Noteholder under this Agreement to review, comment on, and/or consent to the form and/or substance of any document in accordance with the terms hereof;

(i) promptly notify the Ad Hoc Committee and the Ad Hoc Committee Advisors (and in any event within two (2) Business Days after obtaining knowledge thereof) of:

(i) the initiation, institution, or commencement of any Proceeding by a Governmental Body or other Person (or communications indicating that the same may be contemplated or threatened) (x) involving any of the Company Parties (including any assets, Permits, businesses, operations, or activities of any of the Company Parties) or any of their respective current or former officers, employees, managers, directors, members, or equityholders (in their capacities as such) or (y) challenging the validity of the transactions contemplated by this Agreement or any other Definitive Document or seeking to enjoin, restrain, or prohibit this Agreement or any other Definitive Document or the consummation of the transactions contemplated hereby or thereby;

(ii) any breach by any of the Company Parties of any of their obligations, representations, warranties, or covenants set forth in this Agreement;

(iii) the happening or existence of any event that shall have made any of the conditions precedent to any Person's obligations set forth in (or to be set forth in) the Restructuring Term Sheet or any of the Definitive Documents to the consummation of the Restructuring Transactions incapable of being satisfied within the Milestones;

(iv) the occurrence of an event of which any Company Party has knowledge or arising out of a Company Party's own actions that would allow a Party (other than a Company Party) to terminate this Agreement with respect to any other Party pursuant to Section 12; and/or

(v) the receipt of notice from any Governmental Body or other Person alleging that the consent of such Person is or may be required under any Organizational Document, material contract, Permit, Law, or otherwise in connection with the consummation of any part of the Restructuring Transactions;

(j) maintain the good standing and legal existence of each Company Party under the Laws of the jurisdiction in which each such entity is incorporated, organized, or formed (except to the extent that any failure to maintain such Company Party's good standing arises solely as a result of the commencement of the Liquidation Proceedings);

(k) (i) use commercially reasonable efforts to keep the Consenting Senior Noteholders informed about the operations of the Company Parties, (ii) use commercially reasonable efforts to direct the current employees, officers, advisors, and other representatives of the Company Parties to provide, to the Ad Hoc Committee Advisors, upon written request to the Company Parties' advisors and subject to obtaining approval of the Company Parties (not to be unreasonably withheld or delayed), (1) reasonable access during normal business hours to the Company Parties' books, records, and facilities, and (2) upon written request to the advisors of the Company Parties (which may be by email), reasonable access to the senior management and advisors of the Company Parties for the purposes of evaluating the Company Parties' assets, liabilities, operations, businesses, finances, strategies, prospects, and affairs, and (iii) use commercially reasonable efforts to arrange for a teleconference (the "**Management Conference Call**") to take place bi-weekly, which Management Conference Call shall (1) require participation by at least one senior member of the Company Parties' management team and permit participation by the Company Parties' counsel and advisors and such Consenting Senior Noteholders and their advisors as elect to participate therein, who shall be provided with an invitation to, and details of, such Management Conference Call as soon as reasonably practicable prior to the scheduled date therefor, and (2) be intended for purposes of discussing the Company Parties' financial information and such other information and matters reasonably related thereto or reasonably requested by the Required Consenting Senior Noteholders;

(l) if any Person submits to any of the Company Parties a bid in connection with the Sale Proceeding or submits an unsolicited Alternative Restructuring Proposal, then such Company Party shall (i) within two (2) Business Days of receiving such bid or Alternative Restructuring Proposal, notify counsel to the Ad Hoc Committee of the receipt of such bid or proposal (which notice shall include the identity of the Person(s) involved and the material terms thereof; (ii) provide counsel to the Ad Hoc Committee with regular updates as to the status and progress of such Alternative Restructuring Proposal; (iii) respond promptly to reasonable information requests and questions from counsel to the Ad Hoc Committee relating to such bid or Alternative Restructuring Proposal; (iv) provide the Ad Hoc Committee Advisors with all relevant information regarding (A) any negotiations and/or material discussions relating to any such bid or Alternative Restructuring, and/or (B) any amendments, modifications, or other changes to, or any further material developments of, any such bid or Alternative Restructuring, in any such case as is necessary to keep such counsel contemporaneously informed as to the status and substance of such

discussions, negotiations, amendments, modifications, changes, and/or developments; and (v) to the extent any Company Party is bound by a confidentiality agreement with the party providing the bid or Alternative Restructuring Proposal, such Company Party shall ensure that such confidentiality agreement does not prohibit the Company Parties from disclosing the terms of the bid or Alternative Restructuring Proposal in accordance with its obligations hereunder;

(m) except as otherwise contemplated under this Agreement or any Definitive Document, (i) conduct their businesses and operations in the ordinary course in a manner that is consistent with past practices and in compliance with Law, (ii) maintain their physical assets, properties, and facilities in their working order condition and repair as of the RSA Effective Date, in the ordinary course, in a manner that is consistent with past practices, and in compliance with applicable Permits and Law (ordinary wear and tear and casualty and condemnation excepted), (iii) maintain their respective books and records in the ordinary course, in a manner that is consistent with past practices, and in compliance with Law, (iv) maintain all of their material insurance policies, or suitable replacements therefor, in full force and effect, in the ordinary course, in a manner that is consistent with past practices, and in compliance with Law, and (v) use commercially reasonable efforts to preserve intact their business organizations and relationships with third parties (including creditors, lessors, licensors, franchisees, vendors, customers, suppliers, and distributors) and employees in the ordinary course, in a manner that is consistent with past practices, in each case with respect to subsections (i)-(v), except (1) as required by Law, (2) as may be required to adhere to the terms of the Approved Budget, (3) as otherwise agreed in writing by the Required Consenting Senior Noteholders, or (4) as otherwise expressly provided in this Agreement or for actions taken by any member of the Company Parties in connection with the Restructuring Transactions, including the winddown of the Excluded Assets, in each case consistent in all respects with the terms of this Agreement and the other applicable Definitive Documents;

(n) provide responses in a reasonably timely manner, whether by directing the Company Parties' advisors to respond or otherwise, to reasonable diligence requests from the Ad Hoc Committee Advisors for purposes of the Consenting Senior Noteholders' due diligence investigation in respect of the assets, liabilities, operations, businesses, finances, strategies, prospects, and affairs of the Company Parties;

(o) comply with the Initial Approved Budget and the Budget and Variance Covenants (as defined in the Bridge Facility Term Sheet, attached as Exhibit 1 to the Restructuring Term Sheet); and

(p) consummate the Restructuring Transactions as soon as practicable provided that each of the applicable conditions to the consummation of such transactions set forth in this Agreement and the other applicable Definitive Documents has been satisfied or waived by the applicable Persons in accordance with the terms of this Agreement and the applicable Definitive Documents.

7.02. Negative Commitments. Except as may be permitted by Section 8 or as may be modified or waived in advance in writing by the Required Consenting Senior Noteholders, during the RSA Effective Period, each of the Company Parties shall not, directly or indirectly:

(a) object to, delay, impede, or take any other action to interfere with approval, acceptance, implementation, or consummation of the Restructuring Transactions;

(b) take any action that is inconsistent in any material respect with, or is intended to frustrate or impede approval, implementation, or consummation of, the Restructuring Transactions;

(c) (c) (i) execute, deliver, and/or file in any Proceeding any agreement, instrument, motion, pleading, order, form, or other document that is to be utilized to implement or effectuate, or that otherwise relates to, this Agreement and/or the Restructuring Transactions, including any Definitive Documents, that, in whole or in part, is not (x) consistent in any material respect with this Agreement or (y) otherwise in form and substance acceptable to the Required Consenting Senior Noteholders, or, if applicable, file any pleading in any Proceeding seeking authorization to accomplish or effect any of the foregoing, or (ii) waive, amend, or modify any of the Definitive Documents, or file in any Proceeding a pleading seeking to waive, amend, or modify any term or condition of any of the Definitive Documents, in either case, which waiver, amendment, modification, or filing contains any provision that is not (x) consistent in all material respects with this Agreement, or (y) otherwise acceptable to the Required Consenting Senior Noteholders;

(d) seek discovery in connection with, prepare, or commence any proceeding or any other action (including the Sale Proceedings and the Liquidation Proceedings) that challenges (i) the amount, validity, allowance, character, enforceability, or priority of any Company Claims/Equity Interests of any of the Consenting Senior Noteholders, (ii) the validity, enforceability, or perfection of any lien or other encumbrance securing any Company Claims/Equity Interests of any of the Consenting Senior Noteholders, (iii) otherwise seek to restrict any contractual rights of any of the Consenting Senior Noteholders under the Senior Notes Documents; (iv) otherwise commence any action against any of the Consenting Senior Noteholders; or (iv) support any Person in connection with any of the acts described in clause (i) or clause (ii) of this Section 7.02(d);

(e) assert, or support any assertion by any third party, that, in order to act on the provisions of Section 12 hereof, the Consenting Senior Noteholders shall be required to obtain relief from any stay or injunction on creditor actions in a Proceeding (and the Company Parties' hereby waive, to the greatest extent possible, the applicability of any such stay or injunction to the giving of any termination notice in accordance with Section 12 hereof); provided that nothing herein shall prejudice any Party's right to argue that the giving of such termination notice or the exercise of any remedy was not proper under the Agreement;

(f) except as contemplated by this Agreement, enter into any contract with respect to any bridge or debtor-in-possession financing, cash collateral usage, exit financing, and/or other financing, debt or equity arrangements without the advance written consent (by e-mail or otherwise) of the Required Consenting Senior Noteholders;

(g) grant or agree to grant any increase in the current wages, salary, bonus, commissions, retirement benefits, severance, or other compensation or benefits of any director, manager, employee, or officer of any Company Party, whether scheduled prior to, as of or after the RSA Effective Date, except for any increase that (i) is implemented in the ordinary course of

business consistent with past practices and is not inconsistent with the Restructuring Transactions contemplated by this Agreement, or (b) with the prior written consent of the Required Consenting Senior Noteholders (including with respect to any key employee retention or incentive programs implemented by the Company Parties);

(h) except as expressly contemplated by this Agreement, (i) authorize, create, issue, sell, or grant any additional Equity Interests in any Company Party or (ii) reclassify, recapitalize, redeem, purchase, acquire, authorize or declare or make any distribution on any Equity Interests in any Company Party;

(i) incur or commit to incur any capital expenditures, or pay any fees, costs, expenses or other amounts due (including in respect of any shareholder, management, or similar arrangement) to any holders of Company Claims/Equity Interests (including the holders of Seller Notes/Debt Claims), in each case, absent the prior written consent of the Required Consenting Senior Noteholders;

(j) except to the extent expressly permitted by Section 8.01, seek, solicit, knowingly encourage, propose, assist in, consent to, or vote for, enter into, pursue, consummate, or participate in any discussions or any agreement with any Person regarding, any Alternative Restructuring Proposal;

(k) except to the extent expressly contemplated by this Agreement or the Restructuring Term Sheet, amend or propose to amend any Company Party's Organizational Documents;

(l) commence any Liquidation Proceeding or CCAA Proceeding unless the applicable Definitive Documents and materials related thereto shall be consistent with this Agreement or otherwise in form and substance acceptable to the Required Consenting Senior Noteholders;

(m) announce publicly, or announce to any of the Consenting Senior Noteholders or other holders of Company Claims/Equity Interests, their intention not to support any of the Restructuring Transactions;

(n) make or change any entity classification election (including, with respect to any Company Party that is treated as a partnership or a disregarded Entity for U.S. federal income tax purposes, an election to be treated as a corporation for U.S. federal income tax purposes), file any amended tax return, enter into any closing agreement with respect to taxes, consent to any extension or waiver of the limitations period applicable to any tax claim or assessment, enter into any installment sale transaction, adopt or change any accounting methods, practices or periods for tax purposes, make or request any tax ruling, enter into any tax sharing or similar agreement or arrangement, or settle any tax claim or assessment; or

(o) take or permit any action that would result in a (i) change of ownership of any Company Party under Section 382 of the Code, (ii) disaffiliation of any Company Party from the Company Parties' consolidated income tax group under Section 1502 of the Code, (iii) realization of any taxable income outside the ordinary course of the Company Parties' business, or (iv) change of ownership of any Company Party under section 382 of the Tax Code, in each case, except as contemplated by the transactions described herein.

7.03. ***Company Admission, Stipulation, Acknowledgement and Agreement.*** Each of the Company Parties here irrevocably and unconditionally admits, stipulates, acknowledges and agrees as follows:

(a) pursuant to the Senior Notes Indenture and the Senior Notes Documents, AYR issued the Senior Notes to the Senior Noteholders, and the Senior Notes Guarantors unconditionally and irrevocably guaranteed, on a joint and several basis, the payment in full in cash of all of the Senior Notes Obligations;

(b) The Senior Notes Obligors are justly and lawfully indebted under the Senior Notes Documents to the Senior Notes Trustee and the Senior Noteholders, without defense, claim, counterclaim, challenge or offset of any kind, in the aggregate principal amount of at least $293.25 million, plus accrued but unpaid interest (including default interest, if applicable) thereon, plus all fees, costs, expenses (including attorneys', financial advisors' and other professionals' fees and expenses), charges, disbursements, indemnification and reimbursement obligations (contingent or otherwise), and all other amounts that may be due or owing under the Senior Notes Documents (collectively, the "**Senior Notes Obligations**");

(c) Pursuant to the Senior Notes Documents, the Senior Notes Obligors granted to the Senior Notes Trustee, for the benefit of itself and the Senior Noteholders, properly perfected continuing liens on and security interests in (the "**Senior Notes Liens**") the Collateral (as defined in the Senior Notes Indenture) (the "**Senior Notes Collateral**"), and the Senior Notes Liens in the Senior Notes Collateral (A) have been properly recorded and were valid, binding, enforceable, non-avoidable and fully perfected liens and security interests in the Senior Notes Collateral, (B) were granted to or for the benefit of the Senior Notes Trustee and the Senior Noteholders for fair consideration and reasonably equivalent value, and were granted contemporaneously with, or covenanted to be provided as an inducement for, the making of loans and other financial accommodations or consideration secured or obtained thereby, and (C) are senior with priority over any and all other liens on or security interests in the Senior Notes Collateral (except as to any Permitted Lien (as defined in the Senior Notes Indenture) that by its terms rank equally or senior with respect to the Senior Notes Collateral, including the liens on or security interests in the Senior Notes Collateral granted under the FL Mortgage, the PA Natural Secured Seller Notes and the PA Natural Secured Earnout Notes(each as defined in the Restructuring Term Sheet);

(d) The Senior Notes Obligations constitute legal, valid, non-avoidable and binding obligations of each of the Senior Notes Obligors, enforceable in accordance with the terms of the Senior Notes Documents, and no portion of the Senior Notes Liens or the Senior Notes Obligations, and no payments made at any time by any of the Senior Notes Obligors to the Senior Notes Trustee or any of the Senior Noteholders, is subject to any contest, attack, objection, challenge, defense, claim, counterclaim or cause of action, including, without limitation, any claim or cause of action seeking avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual or otherwise), reclassification, disgorgement, disallowance, impairment, marshalling, surcharge, recovery, or any other claim or cause of action of any kind, nature or description, under law or equity, in each case, that may be asserted by the Senior Notes Obligors or any other Person.

Section 8. ***Additional Provisions Regarding the Company Parties' Commitments.***

8.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar governing body of a Company Party, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent that it determines in good faith, after obtaining the advice of outside counsel, that the taking or failing to take such action would be inconsistent with its fiduciary obligations under applicable Law, and any such action or inaction pursuant to this Section 8.01 shall not be deemed to constitute a breach of this Agreement; provided that if (and on each occasion) a Company Party determines not to take any action or to refrain from taking any action with respect to the Restructuring Transactions in accordance with this Section 8.01, such Company Party shall provide written notice of such determination to the Ad Hoc Committee Advisors within one (1) Business Day of such Company Party making such determination.

Section 9. ***Transfer of Company Claims/Equity Interests.***

9.01. During the RSA Effective Period, no Consenting Senior Noteholder shall Transfer any ownership (including any beneficial ownership as defined in the Rule 13d-3 under the Exchange Act) in any Company Claims/Equity Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect beneficial interest, unless:

(a) the authorized transferee is either (i) a "qualified institutional buyer" (as defined in Rule 144A of the Securities Act), (ii) a non-U.S. person in an "offshore transaction" (as defined under Regulation S under the Securities Act), (iii) an "institutional accredited investor" (as defined in the Rules), or (iv) a Consenting Senior Noteholder; and

(b) either (i) the transferee executes and delivers to counsel to the Company Parties and counsel to each of the Consenting Senior Noteholders, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Senior Noteholder and the transferee provides notice of such Transfer (including the amount and type of the Company Claim/Equity Interest Transferred) to counsel to the Company Parties and counsel to each of the Consenting Senior Noteholders at or before the time of the proposed Transfer.

9.02. Upon compliance with the requirements of Section 9.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such transferred Company Claims/Equity Interests, and the transferee shall be deemed a "Consenting Senior Noteholder" and a "Party" under this Agreement.

9.03. This Agreement shall in no way be construed to preclude the Consenting Senior Noteholders from acquiring additional Company Claims/Equity Interests after the RSA Effective Date; provided, however, that (a) such additional Company Claims/Equity Interests shall automatically and immediately upon acquisition by a Consenting Senior Noteholder be deemed to be subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties or counsel to each of the Consenting Senior Noteholders) and (b) such Consenting Senior Noteholder must provide notice of such acquisition (including the amount and type of the Company Claim/Equity Interest acquired) to counsel to the Company Parties and to counsel to each of the Consenting Senior Noteholders.

9.04. Notwithstanding anything to the contrary in this Section 9, the restrictions on Transfer set forth in this Section 9 shall not apply to the grant of any liens or encumbrances on any Company Claims/Equity Interests in favor of a bank or broker-dealer holding custody of such Company Claims/Equity Interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such Company Claims/Equity Interests; provided that (a) such lien or encumbrance does not provide or otherwise entitle such party to any voting rights with respect to such Company Claims/Interests and (b) upon any foreclosure of any such lien or encumbrance, such bank or broker-dealer holding custody of such Company Claims/Interests shall become a party to this Agreement by executing a Joinder and become subject to, among other items, the restrictions on Transfer set forth in this Section 9.

9.05. In addition, a Person that owns or controls Senior Notes Claims may become a party hereto as a Consenting Senior Noteholder by executing and delivering to counsel to the Company Parties and counsel to Ad Hoc Committee a Joinder, in which event such Person shall be deemed to be a Consenting Senior Noteholder hereunder to the extent of the Senior Notes Claims owned and controlled by such Person.

9.06. Any Transfer of Company Claims/Equity Interests in violation of Section 9.01 or Section **Error! Reference source not found.**, as applicable, shall be void *ab initio*.

Section 10. ***Representations and Warranties of the Consenting Senior Noteholders***. Each Consenting Senior Noteholder, severally and not jointly, and solely with respect to itself, represents and warrants that, as of the date such Consenting Senior Noteholder executes and delivers this Agreement, a Transfer Agreement or a Joinder, as applicable:

(a) it (i) is the beneficial or record owner of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in such Consenting Senior Noteholder's signature page to this Agreement, a Transfer Agreement, or a Joinder, as applicable (subject to any Transfer by such Consenting Senior Noteholder made after the RSA Effective Date that is described in a notice delivered pursuant to Section 9.01), and (ii) having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in such Consenting Senior Noteholder's signature page to this Agreement, a Transfer Agreement, or a Joinder, as applicable (subject to any Transfer to such Consenting Senior Noteholder made after the RSA Effective Date that is described in a notice delivered pursuant to Section 9.01).

(b) it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Equity Interests (or, with respect to Company Claims/Equity Interests subject to an agreement to purchase that has not closed as of the date hereof, will have such power and authority to take all actions described herein upon closing);

(c) such Company Claims/Equity Interests are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would adversely affect in any way such Consenting Senior Noteholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) it has the full power to vote, approve changes to, and transfer all of its Company Claims/Equity Interests referable to it as contemplated by this Agreement subject to applicable Law (or, with respect to Company Claims/Equity Interests subject to an agreement to purchase that has not closed as of the date hereof, will have such power to take all actions described herein upon closing); and

(e) (i) it is either (A) a "qualified institutional buyer" (as defined in Rule 144A of the Securities Act), (B) not a "U.S. person" (as defined in Regulation S of the Securities Act), or (C) an "accredited investor" (as defined in the Rules), and (ii) any securities acquired by the Consenting Senior Noteholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

It is understood and agreed that the representations and warranties made by a Consenting Senior Noteholder that is an investment manager, advisor, or subadvisor of a beneficial owner of any Company Claims/Equity Interests are made with respect to, and on behalf of, such beneficial owner and not such investment manager, advisor, or subadvisor, and, if applicable, are made severally (and not jointly) with respect to the investment funds, accounts, and other investment vehicles managed by such investment manager, advisor, or subadvisor.

Section 11. ***Mutual Representations, Warranties, and Covenants.*** Each of the Parties, severally and not jointly, and solely with respect to itself, represents, warrants, and covenants to each other Party, as of the date such Party executes and delivers this Agreement, a Transfer Agreement, or a Joinder, as applicable:

(a) it is validly existing and in good standing under the Laws of the state or jurisdiction of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, no registration or filing with, consent or approval of, or notice to, or other action is required by any other Person in order for it to enter into this Agreement and effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the Restructuring Transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association or other applicable constitutional documents;

(d) it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and it is not party to (or in discussions with any Person concerning) any Alternative Restructuring Proposal, restructuring or similar agreements or arrangements with any of the other Parties or any other Person that have not been disclosed to all of the Parties to this Agreement.

Section 12. ***Termination Events.***

12.01. Required Consenting Senior Noteholder Termination Events. This Agreement may be terminated with respect to all of the Parties by the Required Consenting Senior Noteholders upon the delivery to each other Party of a written notice in accordance with Section 14.09 upon the occurrence of the following events:

(a) the execution, delivery, and/or filing of any Definitive Document that is not acceptable to the Required Consenting Senior Noteholders that remains unacceptable to the Required Consenting Senior Noteholders for two (2) Business Days after the Required Consenting Senior Noteholders promptly transmit a written notice to the Company Parties, which may be by email from the Ad Hoc Committee Advisors to counsel to the Company Parties, detailing any such lack of acceptance; provided, however, for the avoidance of doubt, that any such cure period shall apply solely to the Required Consenting Senior Noteholders' lack of consent;

(b) the breach (or inaccuracy, as applicable) in any respect by a Company Party of any of the representations, warranties, covenants, or other obligations or agreements of the Company Parties set forth in this Agreement that remains uncured for five (5) days after the Required Consenting Senior Noteholders transmit a written notice to the Company Parties in accordance with Section 14.09 detailing any such breach;

(c) any Company Party makes, or causes to be made, any payment in respect of the Seller Note/Debt Claims obligations other than to the extent expressly set forth in the Approved Budget;

(d) any Milestone is not achieved on the date set forth herein, except where such Milestone has been waived or extended by the Required Consenting Senior Noteholders (by e-mail or otherwise), or the failure to achieve the Milestone is directly caused by, or directly results from, the breach by such Consenting Senior Noteholders of its covenants, agreements, or other obligations under this Agreement;

(e) the issuance by any Governmental Body, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of the Sale Transaction or any of the other Restructuring Transactions and (ii) remains in effect for ten (10) days after the Required Consenting Senior Noteholders transmit a written notice in accordance with Section 14.09 detailing any such issuance; provided, however, that this termination right may not be exercised by any Consenting Senior Noteholder that directly or indirectly sought or requested such ruling or order in contravention of any obligation set out in this Agreement; provided further, however, that, at the Company Parties' sole cost and expense, the Consenting Senior Noteholders will work in good faith to assist the Company Parties in seeking to overturn or vacate such ruling or order;

(f) the happening or existence of any event that shall have made any of the conditions precedent to the consummation of any of the Restructuring Transactions set forth in this Agreement incapable of being satisfied within the Milestones, except where such condition precedent has been waived by the applicable Parties; provided, however, that the right to terminate this Agreement under this Section 12.01(f) shall not be available to any Consenting Senior

Noteholders if the happening or existence of such event is directly or indirectly caused by, or results from, the breach by such Consenting Senior Noteholders of its covenants, agreements, or other obligations under this Agreement;

(g) except as expressly contemplated by this Agreement or the Restructuring Term Sheet, any Company Party, without the prior written consent of the Required Consenting Senior Noteholders: (i) commences a voluntary case under the Bankruptcy Code; (ii) consents to the appointment of, or taking possession by, a receiver, liquidator, assignee, custodian, trustee, or sequestrator (or similar official) of any Company Party or a material portion of the property or assets of any Company Party; (iii) seeks any arrangement, adjustment, protection, or relief of its debts; or (iv) makes any general assignment for the benefit of its creditors;

(h) (i) the commencement of an involuntary case against any Company Party under the Bankruptcy Code that is not dismissed or withdrawn within twenty-one (21) days; or (ii) except as expressly contemplated by this Agreement, a court of competent jurisdiction enters a ruling, judgment, or order that appoints, or that authorizes or permits the taking of possession by, a receiver, liquidator, assignee, custodian, trustee, or sequestrator (or similar official) of any Company Party, any Equity Interests held by any Company Party, or a material portion of the property or assets of any Company Party, in each case, other than in connection with the CCAA Proceedings, the U.S. Liquidation Proceedings, and the Sale Proceeding contemplated herein;

(i) any Company Party: (i) publicly announces, or communicates in writing to any other Party, its intention not to support or pursue any of the Restructuring Transactions; (ii) provides notice to the Ad Hoc Committee Advisors that it is exercising its rights pursuant to Section 8.01; or (iii) publicly announces, or communicates in writing to any other Party, that it intends to enter into, or has entered into, definitive documentation with respect to, an Alternative Restructuring;

(j) [reserved]; or

(k) any Company Party terminates this Agreement pursuant to Section 12.02.

12.02. Company Party Termination Events. This Agreement may be terminated as to all of the Parties upon the occurrence of any of the following events (each such event, a "**Company Party Termination Event**") by AYR upon prior written notice to all Parties in accordance with Section 14.09 (unless waived in writing by the Company Parties):

(a) termination of this Agreement by the Required Consenting Senior Noteholders in accordance with the terms hereof;

(b) the breach in any material respect by one or more of the Consenting Senior Noteholders of any of the representations, warranties, covenants, or other obligations or agreements of the Consenting Senior Noteholders set forth in this Agreement, the result of which is that the non-breaching Consenting Senior Noteholders own or control less than 50.1% in aggregate principal amount of all outstanding Senior Notes Claims and such breach remains uncured (if susceptible to cure) for a period of five (5) Business Days after the Company Parties transmit a written notice to the breaching Consenting Senior Noteholders in accordance with Section 14.09 detailing any such breach;

(c) upon notice to all Parties in accordance with Section 14.09 as set forth under Section 8.01, the board of directors, board of managers, or such similar governing body of any Company Party exercise its rights under Section 8.01; or

(d) the issuance by any Governmental Body, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for fifteen (15) Business Days after such terminating Company Party transmits a written notice in accordance with Section 14.09 detailing any such issuance; provided, however, that this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement.

12.03. The Company Parties shall not be entitled to seek termination of this Agreement if the breach or default asserted by the Company Parties is directly caused by, or directly results from, the breach by the Company Parties of its covenants, agreements, or other obligations under this Agreement.

12.04. Mutual Termination. This Agreement, and the obligations of all of the Parties hereunder, may be terminated by mutual written agreement between the Company Parties and the Required Consenting Senior Noteholders.

12.05. Automatic Termination. This Agreement shall terminate automatically as to all of the Parties without any further required action or notice immediately after the Sale Transaction Effective Date, the consummation of all Non-Core Divestiture Transactions, the Liquidation Transaction Effective Dates, the CCAA Effective Date and the completion of all U.S. Liquidation Proceedings has occurred.

12.06. Effect of Termination. Upon the occurrence of a Termination Date as to any Party, this Agreement shall be of no further force and effect as to all Parties and all Parties shall, except as otherwise expressly provided in this Agreement, be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or Causes of Action; provided, however, that in no event shall any such termination relieve any Party from (a) liability for its breach or non-performance of its obligations under this Agreement prior to the applicable Termination Date or (b) obligations under this Agreement which by their terms expressly survive termination of this Agreement. Upon the occurrence of a Termination Date prior to the Sale Transaction Effective Date, any and all consents or ballots provided or tendered by the Parties subject to such termination with respect to the Restructuring Transactions, in each case, before such Termination Date, shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions, this Agreement or otherwise. Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Senior Noteholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing herein is

intended to, or does, in any manner waive, limit, impair, or restrict (i) any right of any Company Party or the ability of any Company Party to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Senior Noteholder, and (ii) any right of any Consenting Senior Noteholder, or the ability of any Consenting Senior Noteholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Senior Noteholder. No purported termination of this Agreement shall be effective under this Section 12.06 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 12.02(c). Nothing in this Section 12.06 shall restrict any Company Party's right to terminate this Agreement in accordance with Section 12.02(c).

Section 13. ***Amendments and Waivers.***

13.01. This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 13.

13.02. This Agreement may be modified, amended, or supplemented only in a writing signed by the Company Parties and the Required Consenting Senior Noteholders.

13.03. A condition or requirement of this Agreement may be waived, only in a writing signed by the Party or Parties for whose benefit the condition or requirement to be waived exists (it being understood and agreed that (A) nothing in this Section 13.03 shall be interpreted or construed as requiring all Consenting Senior Noteholders to approve the waiver of any covenant, commitment, agreement, or obligation of the Company Parties set forth in this Agreement, except to the extent that the express terms of such covenant, commitment, agreement, or obligation provide otherwise, and (B) the Required Consenting Senior Noteholders may waive any obligation or requirement of the Company Parties under this Agreement).

13.04. Any modification, amendment, waiver, or supplement to Section 13 shall require the consent of all of the Parties.

13.05. Any proposed modification, amendment, waiver, or supplement that does not comply with this Section 13 shall be ineffective and void *ab initio*.

13.06. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver of any such right, power, or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power, or remedy by such Party preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 14. ***Miscellaneous.***

14.01. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signature pages, and schedules attached hereto is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, signature pages, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern.

14.02. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary from time to time, to effectuate the Restructuring Transactions, as applicable.

14.03. Complete Agreement. Except as otherwise explicitly provided herein, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings, and agreements, oral or written, among the Parties with respect thereto.

14.04. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party agrees that it shall bring any action or Proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Federal District Court for the Southern District of New York in New York City, New York or the state courts located in New York City, New York, Borough of Manhattan, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of any such court; (b) waives any objection to laying venue in any such action or Proceeding in any such court; and (c) waives any objection that any such court is an inconvenient forum or does not have jurisdiction over any Party.

14.05. TRIAL BY JURY WAIVER. EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

14.06. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

14.07. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Senior Noteholders, and in the enforcement or interpretation

hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Company Parties and the Consenting Senior Noteholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

14.08. Successors and Assigns; Third-Party Beneficiaries. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third-party beneficiaries under this Agreement, except that each No Recourse Party shall be a third-party beneficiary of Section 14.22. The rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other Person, except in accordance with Section 9.

14.09. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

(a) if to a Company Party, to:

Ayr Wellness Inc.
2601 South Bayshore Drive, Suite 900
Miami, FL 33133
Attention: **[REDACTED – personal information]**
E-mail address: **[REDACTED – e-mail address]**

with copies to:

DLA Piper LLP (US)
1251 Avenue of the Americas
New York, NY 10020
Attention: **[REDACTED – personal information]**
E-mail address: **[REDACTED – e-mail addresses]**

and

DLA Piper (Canada) LLP
Suite 2700
1133 Melville Street
Vancouver
British Columbia
V6E 4E5
Canada
Attention: **[REDACTED – personal information]**
E-mail address: **[REDACTED – e-mail addresses]**

(b) if to a Consenting Senior Noteholder, to the address or e-mail addresses set forth on such Consenting Senior Noteholder's signature page to this Agreement (or in the signature page

to a Joinder or Transfer Agreement, as applicable, in the case of any Consenting Senior Noteholder that becomes a party hereto after the RSA Effective Date), with a copy to:

Paul Hastings LLP
200 Park Avenue
New York, NY 10166
Attention: **[REDACTED – personal information]**
E-mail address: **[REDACTED – e-mail addresses]**

(c) Any notice given by delivery, mail, or courier shall be effective when received, and any notice delivered or given by electronic mail shall be effective when sent.

14.10. Independent Due Diligence and Decision Making. Each Consenting Senior Noteholder hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties and it has been represented by counsel or other advisors (or has had ample opportunity to seek representation or advice from counsel or other advisors) in connection with this Agreement and the Restructuring Transactions.

14.11. Enforceability of Agreement. Each of the Parties, to the extent applicable and enforceable, waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code or any similar provision in any applicable Proceeding, and expressly stipulates and consents hereunder to the prospective modification such provisions for purposes of exercising termination rights under this Agreement, to the extent that a court with proper jurisdiction determines that such relief is required.

14.12. Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, nothing herein shall be construed as a waiver by any Party of any or all of such Party's rights, remedies, claims, and defenses and the Parties fully reserve any and all of their rights, remedies, claims, and defenses. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any Proceeding other than a Proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

14.13. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of any court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

14.14. Several, Not Joint, Claims. Except where otherwise expressly specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint, and no Party shall be liable for any failure by another Party to comply with its obligations under this Agreement.

14.15. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

14.16. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party. No failure of any Party to exercise, and no delay in exercising, any such right, power, or remedy shall operate as a waiver of any such right, power, or remedy.

14.17. Capacities of the Consenting Senior Noteholders. Each Consenting Senior Noteholder has entered into this Agreement on account of all Company Claims/Interests that it holds (directly or through discretionary accounts that it manages or advises) and, except where otherwise specified in this Agreement, shall take or refrain from taking all actions that it is obligated to take or refrain from taking under this Agreement with respect to all such Company Claims/Interests. Notwithstanding the foregoing, the Parties understand that the Consenting Senior Noteholders are engaged in a wide range of financial services and businesses. In furtherance of the foregoing, the Parties acknowledge and agree that, to the extent that a Consenting Senior Noteholder expressly indicates on its signature page hereto that it is executing this Agreement on behalf of specific trading desk(s) and/or business group(s) of the Consenting Senior Noteholder, the obligations set forth in this Agreement shall only apply to such trading desk(s) and/or business group(s) and shall not apply to any other trading desk, business group or Affiliate of the Consenting Senior Noteholder so long as they are not acting at the direction or for the benefit of such Consenting Senior Noteholder or such Consenting Senior Noteholder's investment in the Company Parties; provided that the foregoing shall not otherwise diminish or otherwise affect the obligations and liability therefor of any legal entity that (a) executes this Agreement or (b) on whose behalf this Agreement is executed by a Consenting Senior Noteholder.

14.18. Survival. Notwithstanding (a) any Transfer of any Company Claims/Equity Interests in accordance with this Agreement or (b) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Parties in Section 1.02, Section 12.06, Section 13, Section 14 (other than Section 14.02 in the event of a termination of this Agreement other than pursuant to clause (a) of Section 12.05), and any defined terms used in any of the foregoing Sections (solely to the extent used therein), shall survive such Transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof and thereof. Notwithstanding the termination of this Agreement, the Company Parties will comply with their obligations (or the obligations of their successors in interest) to pay the Transaction Expenses set forth in Section 14.20 hereof.

14.19. E-mail Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.02, Section 13, or otherwise, including a written approval by the Company Parties, the Ad Hoc Committee, or the Required Consenting Senior Noteholders, as applicable, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the applicable Parties submitting and receiving such consent, acceptance, approval, or waiver, it is

conveyed in writing (including by electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

14.20. Transaction Expenses. Whether or not the transactions contemplated by this Agreement are consummated, the Company Parties hereby agree, on a joint and several basis, to pay in cash the Transaction Expenses as follows:

(a) all accrued and unpaid Transaction Expenses incurred up to (and including) the RSA Effective Date for which summary invoices have been received by the Company Parties no later than one (1) Business Day prior to the RSA Effective Date shall be paid in full in cash on the RSA Effective Date;

(b) after the RSA Effective Date, but prior to the Termination Date, all accrued and unpaid Transaction Expenses shall be paid in full in cash by the Company Parties within five (5) Business Days of receipt of summary invoices therefor, and, in any event, no later than two (2) Business Days prior to the Sale Transaction Effective Date;

(c) on the Termination Date, all accrued and unpaid Transaction Expenses incurred up to (and including) the Termination Date shall be paid in full in cash promptly (but in any event within five (5) Business Days) following receipt of summary invoices therefore;

(d) on the Sale Transaction Effective Date, all accrued and unpaid Transaction Expenses incurred up to (and including) the Sale Transaction Effective Date shall be paid in full in cash against receipt of summary invoices therefor; provided, however, that the Company Parties shall have received summary invoices for such Transaction Expenses no later than one (1) Business Day prior to the Sale Transaction Effective Date; and

(e) in the event that any of the Liquidation Proceedings remain outstanding following the Sale Transaction Effective Date, after the Sale Transaction Effective Date, all accrued and unpaid Transaction Expenses shall be paid in full in cash by the Company Parties within five (5) Business Days of receipt of summary invoices therefor, and, in any event, no later than two (2) Business Days prior to any Liquidation Transaction Effective Date.

All invoices may be redacted or drafted to ensure the maintenance of all applicable legal privileges.

14.21. Publicity; Confidentiality. Subject to the requirements of applicable Law (including the rules of any applicable stock exchange), the Company Parties shall submit drafts to the Ad Hoc Committee Advisors of any press releases or other public statement or public disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement at least one (1) Business Days prior to making any such disclosure, and shall use commercially reasonable efforts to afford the Ad Hoc Committee Advisors a reasonable opportunity under the circumstances to comment on such documents and disclosures and shall incorporate any such reasonable comments in good faith. Except as required by Law (including the rules of any applicable stock exchange), no Party or its advisors shall (a) use the name of any Consenting Senior Noteholder or any Ad Hoc Committee Advisors in any public manner (including in any press release) with respect to this Agreement, the Restructuring Transactions, or any of the Definitive Documents without such Consenting Senior Noteholder's or Ad Hoc Committee Advisor's prior written consent, or (b) disclose to any Person, other than advisors to

the Company Parties and counsel to each of the Consenting Senior Noteholders, as applicable, the principal amount or percentage of any Company Claims/Equity Interests held by any Consenting Senior Noteholder without such Consenting Senior Noteholder's prior written consent (it being understood and agreed that each Consenting Senior Noteholder's signature page to this Agreement, or each Consenting Senior Noteholder's Joinder or Transfer Agreement, as applicable, shall be redacted to remove the name of such Consenting Senior Noteholder and the amount and/or percentage of Company Claims/Equity Interests held by such Consenting Senior Noteholder); provided, however, that (i) if such disclosure is required by Law (including the rules of any applicable stock exchange), the disclosing Party shall afford the relevant Consenting Senior Noteholder a reasonable opportunity to review and comment in advance of such disclosure and shall take all reasonable measures to limit such disclosure and will consider all reasonable comments from the Consenting Senior Noteholder, and (ii) the foregoing shall not prohibit the disclosure of the aggregate percentage or aggregate principal amount of Company Claims/Equity Interests held by the Consenting Senior Noteholders, collectively. Notwithstanding the provisions in this Section 14.21, (x) any Party may disclose the identities of the other Parties in any action to enforce this Agreement or in any action for damages as a result of any breaches hereof, and (y) any Party may disclose, to the extent expressly consented to in writing by a Consenting Senior Noteholder, such Consenting Senior Noteholder's identity and individual holdings.

14.22. No Recourse. This Agreement may only be enforced against the named parties hereto (and then only to the extent of the specific obligations undertaken by such parties in this Agreement). All Claims or Causes of Action (whether in contract, tort, equity, or any other theory) that may be based upon, arise out of, or relate to this Agreement, or the negotiation, execution, or performance of this Agreement, may be made only against the Persons that are expressly identified as parties hereto (and then only to the extent of the specific obligations undertaken by such parties herein). No past, present, or future direct or indirect director, manager, officer, employee, incorporator, member, partner, stockholder, equityholder, trustee, affiliate, controlling person, agent, attorney, or other representative of any party hereto (including any person negotiating or executing this Agreement on behalf of a party hereto), nor any past, present or future direct or indirect director, manager, officer, employee, incorporator, member, partner, stockholder, equityholder, trustee, affiliate, controlling person, agent, attorney, or other representative of any of the foregoing (other than any of the foregoing that is a Party) (any such Person, a "**No Recourse Party**"), shall have any liability with respect to this Agreement or with respect to any Proceeding (whether in contract, tort, equity, or any other theory that seeks to "pierce the corporate veil" or impose liability of an entity against its owners or affiliates or otherwise) that may arise out of or relate to this Agreement, or the negotiation, execution, or performance of this Agreement.

14.23. Relationship Among the Parties. It is understood and agreed that no Consenting Senior Noteholder owes any duty of trust or confidence of any kind or form to any other Party. In this regard, it is understood and agreed that any Consenting Senior Noteholder may trade in Company Claims/Equity Interests without the consent of any other Consenting Senior Noteholder, subject to applicable securities laws and the terms of this Agreement; provided, however, that no Consenting Senior Noteholder shall have any responsibility for any such trading to any other Person by virtue of this Agreement. No prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement. No Consenting Senior Noteholder shall, as a result of it entering into and performing its obligations under this Agreement, be deemed to be part of a "group" (as that term is used in Section 13(d) of

the Exchange Act) with any other Party. For the avoidance of doubt, no action taken by a Consenting Senior Noteholder pursuant to this Agreement shall be deemed to constitute or to create a presumption by any of the Parties that the Consenting Senior Noteholders are in any way acting in concert or as such a "group."

14.24. Tax Matters. Each Party hereby acknowledges and agrees that the terms of the Restructuring Transactions shall be structured to minimize the tax impact of the Restructuring Transactions on the Company Parties and the Consenting Senior Noteholders while preserving or otherwise maximizing favorable tax attributes (including tax basis) of the Company Parties, the Consenting Senior Noteholders and the Newco Entities as a result of the consummation of the Restructuring Transactions to the extent practicable, in each case as determined by the Required Consenting Senior Noteholders.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

[*Signature Pages Follow*]

Company Parties' Signature Page to
this Restructuring Support Agreement

AYR WELLNESS INC.

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Authorized Signatory

242 CANNABIS, LLC
AYR NJ, LLC
AYR OHIO LLC
AYR VIRGINIA LLC
AYR WELLNESS HOLDINGS LLC
AYR WELLNESS NJ, LLC
BP SOLUTIONS LLC
CANNAPUNCH OF NEVADA LLC
CSAC ACQUISITION INC.
CSAC ACQUISITION AZ CORP.
CSAC ACQUISITION CONNECTICUT LLC
CSAC ACQUISITION FL CORP.
CSAC ACQUISITION IL CORP.
CSAC ACQUISITION IL II CORP.
CSAC ACQUISITION INC.
CSAC ACQUISITION MA CORP.
CSAC ACQUISITION MA II CORP.
CSAC ACQUISITION NJ CORP.
CSAC ACQUISITION NV CORP.
CSAC ACQUISITION NY CORP.
CSAC ACQUISITION PA CORP.
CSAC ACQUISITION PA II CORP.
CSAC ACQUISITION TX CORP.
CSAC ACQUISITION VA CORP.
CSAC HOLDINGS INC.
CSAC OHIO, LLC
CULTIVAUNA, LLC
DFMMJ INVESTMENTS, LLC
DOCHOUSE, LLC
DWC INVESTMENTS, LLC
ESKAR LLC
GREEN LIGHT MANAGEMENT, LLC
KLYMB PROJECT MANAGEMENT, INC.
KYND-STRAINZ LLC
LAND OF LINCOLN DISPENSARY LLC
LEMON AIDE LLC
LIVFREE WELLNESS LLC

MERCER STRATEGIES FL, LLC
MERCER STRATEGIES MA, LLC
MERCER STRATEGIES PA, LLC
PARKER RE MA, LLC
PARKER RE PA, LLC
PARKER SOLUTIONS FL, LLC
PARKER SOLUTIONS IL, LLC
PARKER SOLUTIONS MA, LLC
PARKER SOLUTIONS NJ LLC
PARKER SOLUTIONS OH, LLC
PARKER SOLUTIONS PA, LLC
SIRA NATURALS, INC.
TAHOE CAPITAL COMPANY
TAHOE HYDROPONICS COMPANY LLC
TAHOE-RENO BOTANICALS, LLC
TAHOE-RENO EXTRACTIONS, LLC

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Authorized Signatory

Consenting Senior Noteholders Signature Page to this Restructuring Support Agreement

[REDACTED – commercially sensitive information]

EXHIBIT A

The Company Parties

1. 242 CANNABIS, LLC
2. AYR NJ, LLC
3. AYR OHIO LLC
4. AYR VIRGINIA LLC
5. AYR WELLNESS HOLDINGS LLC
6. AYR WELLNESS INC.
7. AYR WELLNESS NJ, LLC
8. BP SOLUTIONS LLC
9. CANNAPUNCH OF NEVADA LLC
10. CSAC ACQUISITION INC.
11. CSAC ACQUISITION AZ CORP.
12. CSAC ACQUISITION CONNECTICUT LLC
13. CSAC ACQUISITION FL CORP.
14. CSAC ACQUISITION IL CORP.
15. CSAC ACQUISITION IL II CORP.
16. CSAC ACQUISITION INC.
17. CSAC ACQUISITION MA CORP.
18. CSAC ACQUISITION MA II CORP.
19. CSAC ACQUISITION NJ CORP.
20. CSAC ACQUISITION NV CORP.
21. CSAC ACQUISITION NY CORP.
22. CSAC ACQUISITION PA CORP.
23. CSAC ACQUISITION PA II CORP.
24. CSAC ACQUISITION TX CORP.
25. CSAC ACQUISITION VA CORP.
26. CSAC HOLDINGS INC.
27. CSAC OHIO, LLC
28. CULTIVAUNA, LLC
29. DFMMJ INVESTMENTS, LLC
30. DOCHOUSE, LLC
31. DWC INVESTMENTS, LLC
32. ESKAR LLC
33. GREEN LIGHT MANAGEMENT, LLC
34. KLYMB PROJECT MANAGEMENT, INC.
35. KYND-STRAINZ LLC
36. LAND OF LINCOLN DISPENSARY LLC
37. LEMON AIDE LLC
38. LIVFREE WELLNESS LLC
39. MERCER STRATEGIES FL, LLC
40. MERCER STRATEGIES MA, LLC
41. MERCER STRATEGIES PA, LLC
42. PARKER RE MA, LLC
43. PARKER RE PA, LLC

44. PARKER SOLUTIONS FL, LLC
45. PARKER SOLUTIONS IL, LLC
46. PARKER SOLUTIONS MA, LLC
47. PARKER SOLUTIONS NJ LLC
48. PARKER SOLUTIONS OH, LLC
49. PARKER SOLUTIONS PA, LLC
50. SIRA NATURALS, INC.
51. TAHOE CAPITAL COMPANY
52. TAHOE HYDROPONICS COMPANY LLC
53. TAHOE-RENO BOTANICALS, LLC
54. TAHOE-RENO EXTRACTIONS, LLC

EXHIBIT B

Restructuring Term Sheet

(See attached.)

EXECUTION VERSION
CONFIDENTIAL

AYR WELLNESS INC.
RESTRUCTURING TERM SHEET

This term sheet (together with all exhibits, annexes and schedules hereto, this "**Restructuring Term Sheet**") sets forth certain material terms of proposed restructuring and recapitalization transactions (the "**Restructuring Transactions**") with respect to the capital structure of AYR Wellness, Inc., a company subsisting under the laws of the Province of British Columbia ("**AYR**") and its direct and indirect subsidiaries (each such entity, including AYR, a "**Company Party**", and, collectively, the "**Company Parties**") that will be implemented in accordance with the terms and conditions of the Restructuring Support Agreement dated as of July 29, 2025 (together with all exhibits, annexes and schedules thereto, including this Restructuring Term Sheet together with all exhibits, annexes and schedules thereto, each as amended, supplemented or modified in accordance with the terms thereof, the "**RSA**"), to which this Restructuring Term Sheet is attached.[1] This Restructuring Term Sheet does not purport to summarize all of the terms and conditions that would be required in connection with the Restructuring Transactions or that will be set forth in the Definitive Documents (as defined below). This Restructuring Term Sheet is subject in all respects to the terms of the RSA and the negotiation, execution and delivery of the Definitive Documents, each of which shall be consistent with the RSA and acceptable to the Ad Hoc Committee (as defined in the RSA).

THIS RESTRUCTURING TERM SHEET IS NOT (NOR WILL IT BE CONSTRUED AS) AN OFFER, ACCEPTANCE OR SOLICITATION WITH RESPECT TO ANY SECURITIES, LOANS OR OTHER INSTRUMENTS OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY CCAA OR CHAPTER 11 PLAN, IT BEING UNDERSTOOD THAT SUCH AN OFFER, ACCEPTANCE OR SOLICITATION, IF ANY, ONLY WILL BE MADE IN COMPLIANCE WITH APPLICABLE PROVISIONS OF SECURITIES, BANKRUPTCY AND/OR OTHER APPLICABLE LAWS.

THIS RESTRUCTURING TERM SHEET IS FOR SETTLEMENT PURPOSES ONLY AND IS WITHOUT PREJUDICE AND SUBJECT TO RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER SIMILAR APPLICABLE STATE, PROVINCIAL AND FEDERAL STATUTES, RULES AND LAWS. NOTHING IN THIS RESTRUCTURING TERM SHEET SHALL BE CONSTRUED AS AN ADMISSION OF FACT OR LIABILITY OF ANY KIND, NOR SHALL THIS RESTRUCTURING TERM SHEET, UNTIL THE RSA IS EFFECTIVE IN ACCORDANCE WITH ITS TERMS, BE BINDING ON ANY OF THE PARTIES THERETO. THIS RESTRUCTURING TERM SHEET IS CONFIDENTIAL AND MAY NOT BE DISCLOSED TO ANY PERSON OR ENTITY, OTHER THAN AYR'S OFFICERS, DIRECTORS AND PROFESSIONALS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE AD HOC COMMITTEE.

OVERVIEW	
General Structure	1. **Sale Transaction:** a. The Restructuring Transactions shall be implemented pursuant to, among other things, the APA and the Asset Purchase Documents (each as defined in the RSA), pursuant to which an entity established and designated by the Ad Hoc Committee as the "purchaser" under the APA (the "**Purchaser**") shall, in connection with the Sale Proceeding, acquire certain specified assets of the Company Parties expressly designated in writing as such by the Ad Hoc Committee (the "**Acquired Assets**") and assume certain specified liabilities of the Company Parties expressly designated as such in writing by the Ad Hoc Committee ("**Assumed Liabilities**"), in each case, as shall be expressly set forth in the APA, subject to the definitive terms and conditions to be set forth in the APA and the Asset Purchase Documents (the "**Sale Transaction**"). For the avoidance of doubt, all other assets of the Company Parties (other than Acquired Assets) and all other liabilities of the Company Parties (other than Assumed Liabilities) shall be deemed "**Excluded Assets**" and "**Excluded Liabilities**", respectively, and shall not be acquired or assumed (as applicable) under the APA, and shall instead become

[1] Each capitalized term that is not defined herein shall have the meaning ascribed to such term in the RSA.

subject to and treated in accordance with the CCAA Proceeding and the U.S. Liquidation Proceedings, as applicable (each as defined below).

b. Notwithstanding anything contained in the RSA or this Restructuring Term Sheet to the contrary, the list of Acquired Assets, Assumed Liabilities, Excluded Assets and Excluded Liabilities is subject to continuing review and diligence by the Ad Hoc Committee and therefore remains subject to change, and may be amended, supplemented or modified by the Ad Hoc Committee in its sole discretion.

c. As of the date that all conditions to the consummation of the Sale Transaction have been satisfied (or waived by the Company Parties or the Ad Hoc Committee, as applicable, in accordance with the terms hereof) in accordance with the terms of the APA and the Asset Purchase Documents and the Sale Transaction has consummated (the "**Sale Transaction Effective Date**"), all Acquired Assets expressly designated as such under the APA shall be transferred to and vest in the Purchaser free and clear of all liens, Claims, and encumbrances pursuant to the APA (other than any Assumed Liabilities expressly designated as such under the APA).

2. **Sale Proceeding:** The Sale Transaction shall be implemented as a public disposition of Senior Notes Collateral pursuant to §§ 9-610 and 9-611 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "**UCC**") conducted by Senior Notes Trustee in its capacity as the collateral trustee for the Senior Notes (the "**Senior Notes Trustee**"), coupled with a consensual assignment of Acquired Assets not otherwise constituting Senior Notes Collateral by the Company Parties to the winning bidder. The Senior Notes Trustee, acting at the direction of the members of the Ad Hoc Committee, or an agent or assignee of the Senior Notes Trustee, shall (i) credit bid a portion of the Senior Notes Obligations at the Sale Proceeding (the "**Credit Bid**"), in an amount determined by the Required Consenting Senior Noteholders in their sole discretion, to acquire the Acquired Assets constituting Senior Notes Collateral, (ii) acquire the Acquired Assets not constituting Senior Notes Collateral in exchange for cash and/or the cancellation of a portion of additional Senior Notes Obligations not otherwise used as part of the Credit Bid, in an amount determined, by the Required Consenting Senior Noteholders (the foregoing clauses (i)-(ii), collectively, the "**Credit Bid Amount**"), and (iii) assume the Assumed Liabilities, in each case, pursuant and subject to the terms and conditions set forth in the Asset Purchase Documents.

a. The Sale Proceeding shall be conducted in accordance with bidding procedures governing the submission and evaluation of bids and procedures for conducting the auction, which shall in all respects be acceptable to the Required Consenting Senior Noteholders in their sole discretion (the "**Bid Procedures**").

b. If the winning bid is a qualified third party bid paid in cash in accordance with the Bid Procedures, the cash proceeds shall be applied in accordance with applicable law and relative contractual priority, as follows: first to pay the costs of the Sale Transaction, including reasonable attorney's fees, and the remainder shall be allocated to satisfy the Senior Note Obligations and the Bridge Facility Obligations, until paid in full in cash.

c. If the winning bid is the Credit Bid in accordance with the Bid Procedures, the Credit Bid Amount shall be applied to satisfy the purchase price.

3. **Sale Proceeding Milestones:** The Sale Proceeding shall be subject to the following milestones (which may be extended with the prior written consent, including by email from counsel, of the Required Consenting Senior Noteholders) (each, a "**Sale Proceeding Milestone**" and, collectively, the "**Sale Proceeding Milestones**"):

a. Promptly upon the occurrence of the RSA Effective Date, the Company Parties shall order a bring-down lien and intellectual property searches and deliver such results to the Ad Hoc Committee Advisors;

b. No later than August 11, 2025:

(i) the Company Parties shall have (i) identified potential interested parties to be solicited in connection with the Sale Proceeding ("**Interested Party List**"), (ii) delivered to the Ad Hoc Committee Advisors a form of process letter and teaser materials based on publicly available information describing, among other things, the operations and assets of the Company Parties and the anticipated Sale Proceeding, and any other marketing materials expected to be solicited in connection with the Sale Proceeding (the "**Marketing Materials**"), (iii) agreed with the Required Consenting Senior Noteholders on the substantially final form of the Bid Procedures publication and creditor notices that are expected to be sent in connection with the Sale Proceeding, (iv) established a virtual data room and prepared a form of confidentiality agreement for use by prospective bidders in connection with the Sale Proceeding, and (v) delivered to the Ad Hoc Committee Advisors all other documents as may be mutually agreed that are necessary or advisable to commence and conduct the Sale Proceeding, in the case of each of the foregoing clauses (i)-(v), in form and substance acceptable to AYR and the Required Consenting Senior Noteholders;

(ii) Definitive sale documents for all Non-Core Divestiture Transactions (as defined below), on terms and conditions acceptable to the Required Consenting Senior Noteholders, shall have been executed, provided, however, that the Company Parties shall use commercially reasonable efforts to close all Non-Core Divestiture Transactions no later than sixty (60) calendar days thereafter; otherwise, in the event any Non-Core Divestiture Transaction fails to close by such date, with the prior written election of the Ad Hoc Committee, the Company Parties shall liquidate such subject assets as part of the US Liquidation Proceedings; and

(iii) The Company Parties and the Required Consenting Senior Noteholders shall have agreed in writing upon the substantially final form of the definitive APA, including a definitive list of all Acquired Assets and Assumed Liabilities, and all schedules and exhibits to the APA, each of which shall be in form and substance acceptable to the Company Parties and the Required Consenting Senior Noteholders (the "**APA Agreement Date**");

c. No later than the earlier of (1) seven (7) days after the APA Agreement Date and (2) August 20, 2025, any third-party consents or approvals (other than regulatory and governmental licensing approvals) that may be required in order to consummate the Sale Transaction shall have been obtained;

d. No later than the earlier of (1) eleven (11) days after the APA Agreement Date and (2) August 22, 2025:

(i) the Required Consenting Senior Noteholders shall have delivered a written instruction letter to the Senior Notes Trustee directing the Senior Notes Trustee to commence the Sale Proceeding in accordance with the terms of the APA;

(ii) (A) notification of the Sale Transaction shall have been sent in accordance with UCC § 9-611 (such parties receiving notice, the "**Notice Recipients**"), (B) one or more advertisements of the Sale Transaction shall have been published in such places as determined by the Senior Notes Trustee and the Required Consenting Senior Noteholders, and (C) the Company Parties shall have sent the Marketing Materials to the parties-in-interest identified in the Interested Party List;

e. No later than the earlier of (1) thirty-one (31) days after the APA Agreement Date and (2) September 24, 2025, the deadline for the submission of bids, along with all other "qualified bidder" requirements as set forth in the Bid Procedures, shall have occurred;

f. No later than the earlier of (1) thirty-two (32) days after the APA Agreement Date and (2) September 25, 2025, the public disposition auction, in the venue and format determined by the Senior Notes Trustee and the Required Consenting Senior Noteholders, shall have taken place;

g. To the extent the Credit Bid is the winning bid in accordance with the Bid Procedures, no later than the earlier of (1) thirty-three (33) days after the APA Agreement Date and (2) September 26, 2025 (the "**APA Execution Date**"), the Company Parties, the Senior Notes Trustee and the Purchaser shall have executed the APA, and the APA and the APA Purchase Documents shall be in full force and effect;

h. To the extent a qualified third-party bid is the winning bid in accordance with the Bid Procedures, no later than the earlier of (1) thirty-three (33) days after the APA Agreement Date and (2) September 26, 2025, the Company Parties and the qualified third-party bidder shall have executed the APA, and the APA and the APA Purchase Documents shall be in full force and effect;

i. No later than 3 days after the APA Execution Date, the Company Parties shall have submitted all applications necessary and advisable to obtain regulatory approvals for the Sale Transaction in each applicable jurisdiction, and the Ad Hoc Committee shall use commercially reasonable efforts to cooperate with the Company Parties to submit such applications; and

j. No later than the earlier of (1) sixty (60) days after the APA Execution Date and (2) November 25, 2025 (such date, the "**Outside Sale Transaction Effective Date**"), the Sale Transaction Effective Date shall have occurred; *provided, however,* that the Outside Sale Transaction Effective Date may be extended by an additional 30 days if necessary to obtain requisite regulatory approvals (so long as all other conditions to effectiveness of the APA have otherwise been satisfied or are capable of being satisfied and the Required Consenting Senior Noteholders consent in writing to such extension).

4. **CCAA Proceeding and U.S. Liquidation Proceedings:** Following the APA Execution Date, in each case in accordance with the Milestones (as defined below):

a. AYR shall commence a proceeding for AYR in the CCAA Court under the Companies' Creditors Arrangement Act, for the purpose of liquidating each of the Excluded Assets (other than the assets being sold in connection with Non-Core Divestiture Transactions, as and to the extent set forth herein) owned by AYR and distributing the proceeds thereof in accordance with the Priority Waterfall (as defined below), and discharging any Excluded Liabilities asserted against AYR, in each case, upon such terms and conditions acceptable to the Required Consenting Senior Noteholders and AYR (the "**CCAA Proceeding**"). With respect to the CCAA Proceeding: (i) AYR shall be the sole applicant in the

CCAA Proceeding, (ii) no other Company Party other than AYR shall be an applicant in the CCAA Proceeding or subject to the orders of the CCAA Court in the CCAA Proceeding, and (iii) the quantum of the administration charge granted by the CCAA Court over the assets and property of AYR to secure the payment of the reasonable fees and expenses incurred in connection with the CCAA Proceedings of counsel to AYR, the monitor appointed in the CCAA Proceeding, counsel to the monitor, and all other fees, costs and expenses incurred in connection with the preparation, commencement and prosecution of the CCAA Proceeding (whenever incurred, whether prior to, during or following the CCAA Proceeding) shall not exceed the aggregate permitted fees, costs and expenses set forth in the Wind Down Budget (as defined below).

b. Following the Sale Transaction Effective Date, the direct and indirect subsidiaries of AYR (as applicable) shall commence or initiate one or more liquidation or wind down proceedings under applicable state law (which may include, without limitation, a receivership, liquidation, assignment for the benefit of creditors, dissolution, or other proceeding) in each applicable U.S. jurisdiction for the purpose of liquidating each of the Excluded Assets (other than the assets being sold in connection with Non-Core Divestiture Transactions, as and to the extent set forth herein) owned by the U.S. Company Parties and distributing the proceeds thereof in accordance with the Priority Waterfall, and discharging the Excluded Liabilities asserted against the U.S. Company Parties, with each such proceeding being in form and substance and commenced in such jurisdictions acceptable to the Required Consenting Senior Noteholders and AYR (each a "**U.S. Liquidation Proceeding**", and together with the CCAA Proceeding, the "**Liquidation Proceedings**").[2]

Upon the commencement of the CCAA Proceeding, "Payment Blockages" (to the extent not previously submitted) shall be issued to all holders of Seller Notes/Debt Claims that are subject to subordination provisions or the Existing Subordination Agreements in favor of the Senior Notes.

All fees, costs and expenses incurred in connection with the preparation, commencement and prosecution of the U.S. Liquidation Proceedings (whenever incurred, whether prior to, during or following the U.S. Liquidation Proceedings) shall not exceed the aggregate permitted fees, costs and expenses set forth in the Wind Down Budget.

5. **Bridge Facility:**

a. On the APA Agreement Date, the Required Consenting Senior Noteholders shall deliver to AYR a binding commitment to provide bridge financing to certain of the Company Parties in the form of a *pari passu* senior secured multiple-draw term loan facility (the "**Bridge Facility**"), on the terms and conditions set forth in **Exhibit 1** attached to this Restructuring Term Sheet (the "**Bridge Facility Term Sheet**") and such other terms and conditions acceptable to the Required Consenting Senior Noteholders and AYR, for the purposes of funding operational and restructurings costs of the Company Parties in accordance with and subject to an Approved Budget (as defined in the Bridge Facility Term Sheet).

b. On the Sale Transaction Effective Date, Tranche A of the Bridge Facility, and any funded portion of Tranche B of the Bridge Facility, shall be assumed by NewCo and convert into Take Back Debt (as defined below).

6. **Overview of Treatment of Senior Notes:**

[2] For the avoidance of doubt, all rights of the AHC to participate in any Liquidation Proceedings, including the right to acquire any assets that may be the subject of Liquidation Proceedings, are expressly preserved.

a. On the Sale Transaction Effective Date, each holder of Senior Secured Notes Claims shall receive, in full and final release and satisfaction of its pro rata portion of the Credit Bid Amount, its *pro rata* share of 100% of the new equity interests ("**New Equity Interests**") issued either by Purchaser or, to the extent applicable, the ultimate parent entity established by the Ad Hoc Committee that, directly or indirectly, will own 100% of the equity interests in Purchaser ("**NewCo**", and together with NewCo's direct and indirect subsidiaries, the "**NewCo Entities**"), subject to dilution by the MIP (as defined below) and the Equity Premiums (as defined below).

b. The remaining balance of the Senior Notes Obligations other than the Credit Bid Amount (the "**Senior Notes Remaining Amount**") shall remain outstanding against each of the Senior Notes Obligors and shall be entitled to a distribution (after giving effect to the Priority Waterfall) of the net cash proceeds (if any) resulting from (1) the monetization, disposition, sale or liquidation of the Excluded Assets owned by the Company Parties pursuant to the CCAA Proceeding, any U.S. Liquidation Proceedings (as applicable), and (2) any Non-Core Divestiture Transactions.

7. **New Money Exit Facility:** On the Sale Transaction Effective Date, the Ad Hoc Committee shall provide a new money exit facility upon the terms and conditions set forth herein and such other terms and conditions acceptable to the Required Consenting Senior Noteholders (the "**New Money Exit Facility**").

8. **Seller Notes/Debt Claims:** The members of the Ad Hoc Committee and its advisors shall hereby be authorized, in coordination with the Company's advisors, to communicate and negotiate directly with any or all holders of Seller Notes/Debt Claims (as defined below). The Company Parties and their advisors will work in good faith with the Ad Hoc Committee and its advisors to facilitate such negotiations in an effort to consensually modify or restructure some or all of the Seller Notes/Debt Claims on terms and conditions acceptable to the Ad Hoc Committee and AYR (each, a "**Consensual Seller Notes/Debt Agreement**"), and shall, if requested, provide the holders of Seller Notes/Debt Claims such information as may be reasonably necessary to facilitate such negotiations, subject to the execution of confidentiality agreements acceptable to AYR and the Ad Hoc Committee.

9. **Non-Core Divestiture Transactions:**

a. The Company Parties and the Ad Hoc Committee agree to the sale of (a) the "Levia" business held by Cultivauna, LLC (a wholly-owned subsidiary of AYR), (b) select dispensaries located in Illinois and identified by AYR to the Ad Hoc Committee, (c) real property located at 16735 Renewable Way, Fernley, NV, and (d) real property located at 1300 SH 21, Cedar Creek, TX, to third party buyers, upon such terms and conditions, and subject to definitive documentation, acceptable to the Ad Hoc Committee and AYR (the "**Non-Core Divestiture Transactions**").

b. All proceeds of any Non-Core Divestiture Transactions shall be applied to the outstanding Bridge Facility obligations and the Senior Notes Remaining Amount until paid in full in cash (or, in the event of non-cash proceeds, turned over to the Senior Noteholders and the Bridge Facility Lenders, as applicable).

MILESTONES

The Restructuring Transactions shall be implemented in accordance with the Sale Proceeding Milestones and the additional milestones set forth below (which may be extended with the prior written consent, including by email from counsel, of the Required Consenting Senior

	Noteholders) (the Sale Proceeding Milestones, together with the milestones set forth below, each, a "**Milestone**", and, collectively, the "**Milestones**"): a. No later than August 18, 2025, all conditions to the consummation of the Bridge Facility shall have been satisfied or waived in accordance with the terms of the Bridge Facility Credit Documents (as defined below), the Bridge Facility shall have been consummated (the "**Bridge Facility Closing Date**"), and the proceeds of the Bridge Facility shall be made available to the Company Parties in accordance with the terms of the Bridge Facility Credit Agreement; b. Within two (2) Business Days after the APA Execution Date, AYR shall have commenced the CCAA Proceeding (the "**CCAA Proceeding Commencement Date**"); c. Following the Sale Transaction Effective Date, the U.S. Company Parties may commence a U.S. Liquidation Proceeding, as applicable (the "**U.S. Liquidation Proceedings Commencement Date**"); d. Entry of an order approving a distribution (after giving effect to the Priority Waterfall) of all proceeds available for distribution in the CCAA Proceeding by the CCAA Court, and such approval shall have become final and non-appealable within ninety (90) days after the CCAA Proceeding Commencement Date; e. The Company Parties shall use commercially reasonable efforts to consummate and complete each of the Liquidation Transactions within ninety-five (95) days after each U.S. Liquidation Proceedings Commencement Date. For the avoidance of doubt, the U.S. Liquidation Proceedings Commencement Date shall not occur until after (1) the Sale Transaction Effective Date has occurred, (2) the Company Parties provide notice of, and the Required Consenting Senior Noteholders have approved (which approval shall not be unreasonably withheld) of, the nature, form and scope of the U.S. Liquidation Proceedings, and (3) the Wind Down Budget (as defined below) has been agreed by the Required Consenting Senior Noteholders. Each of the Milestones may be extended, waived, or modified with the prior written consent (which may include email from counsel) of the Required Consenting Senior Noteholders. The Bid Procedures may be amended, supplemented or modified with the prior written consent (which may include email from counsel) of the Required Consenting Senior Noteholders.
BRIDGE FACILITY	
General	▪ The members of the Ad Hoc Committee shall provide a $50 million Bridge Facility to the Company Parties, in the form of a *pari passu* senior secured multiple draw term loan facility, in accordance with the Approved Budget and the terms and conditions set forth in the Bride Facility Term Sheet and such other terms and conditions acceptable to the Required Consenting Senior Noteholders.
TREATMENT OF CLAIMS	
Bridge Facility Claims	▪ On the Sale Transaction Effective Date, in full and satisfaction and release of all Claims arising under the Bridge Facility, all Bridge Facility Obligations outstanding under the Bridge Facility (other than the unfunded portion of the Tranche B of the Bridge Facility as of the Sale Transaction Effective Date and those Bridge Facility Loans comprised of any Bridge Facility Exit Premium, Bridge Facility Commitment Premium, and Bridge Facility Backstop Premium that are converted into New Equity Interests in accordance with the

	terms set forth herein and the Bridge Credit Facility Agreement) shall be assumed by NewCo and converted on a dollar for dollar basis into Take Back Debt in accordance with and subject to the terms and conditions set forth in the Bridge Facility Term Sheet.
Senior Notes Claims	▪ On the Sale Transaction Effective Date, in full satisfaction and release of each Senior Noteholder's pro rata share of the Credit Bid Amount, the Senior Noteholders shall receive their *pro rata* share of 100% of the New Equity Interests (subject to dilution by the MIP and the Equity Premiums). ▪ The Senior Notes Remaining Amount shall remain outstanding Senior Note Obligations against each of the Senior Note Obligors, and shall be entitled, on the applicable closing date, effective date or judicial approval date (as applicable) (each, a "**Liquidation Proceeding Effective Date**"), to the distribution (in accordance with and subject to the Priority Waterfall) of the net cash proceeds (if any) resulting from (a) the monetization, disposition, sale or liquidation of the Excluded Assets owned by the Company Parties pursuant to the CCAA Proceeding and the U.S. Liquidation Proceedings (as applicable), and (b) the Non-Core Divestiture Transactions, until such Senior Notes Remaining Amount is paid in full in cash.[3] ▪ "**Priority Waterfall**" refers to the distribution of net cash proceeds resulting from the monetization, disposition, sale or liquidation of the Excluded Assets owned by the Company Parties pursuant to the CCAA Proceeding and the U.S. Liquidation Proceeding in accordance with applicable law, following the prior payment in full of all Claims and obligations that are senior in priority (after taking into account lien priority, payment priority, structural subordination and contractual subordination, including any Existing Subordination Agreements for the benefit of the Senior Notes, which the Company acknowledges and agrees remain in full force and effect).
Seller Notes/Debt Claims	"**Seller Notes/Debt Claims**" refers to all Claims arising under, in connection with, or relating to the following: a. FL Mortgage; b. MA Mortgage; c. PA Natural Secured Seller Notes; d. PA Natural Secured Earnout Notes; e. Ill Herbal Remedies Unsecured Seller Note; f. Ill Land of Lincoln Unsecured Settlement; g. MA Sira Unsecured Earnout; h. NJ GSD Junior Secured Seller Notes; i. NJ GSD Unsecured Assumed Debt; j. NV LivFree Unsecured Seller Note; k. NV Green Unsecured Seller Note; l. NV Tahoe Hydro Unsecured Seller Note; m. PA CannTech Junior Secured Seller Notes;

[3] Notwithstanding anything contained herein or in the RSA to the contrary, nothing contained herein or in the RSA shall constitute a modification or waiver of any of the rights and remedies of the Senior Noteholders under the Existing Subordination Agreements, and all such rights and remedies are hereby expressly preserved.

	n. PA CannTech Unsecured Assumed Debt; and o. PA DocHouse Unsecured Seller Notes. ▪ For the avoidance of doubt, the Seller Notes/Debt Claims shall constitute Excluded Liabilities for purposes of the APA. ▪ In full satisfaction and release of the Seller Notes/Debt Claims, all holders of Seller Notes/Debt Claims shall be entitled to receive: a. In the event a Consensual Seller Notes/Debt Agreement is reached with respect to any of the Seller Notes/Debt Claims prior to the APA Execution Date, the treatment set forth in such agreement; b. In the event a Consensual Seller Notes/Debt Agreement is not reached prior to the APA Execution Date with a holder of Seller Notes/Debt Claims, at the election of the Required Consenting Senior Noteholders, (i) the Company shall return the collateral securing such Seller Notes/Debt Claims unless any such collateral constitutes Senior Notes Collateral that is acquired as Acquired Assets in connection with the Sale Proceeding, in which case such Seller Notes/Debt Claims shall be extinguished as junior claims in connection with the Sale Proceeding pursuant to the UCC, (ii) such Seller Notes/Debt Claims shall be subject to the applicable Liquidation Proceeding and shall be entitled, on the Liquidation Transaction Effective Date (as applicable), to the distribution (in accordance with and subject to the Priority Waterfall) of the net cash proceeds (if any) resulting from the monetization, disposition, sale or liquidation of the Excluded Assets owned by the Company Parties pursuant to the CCAA Proceeding and the U.S. Liquidation Proceedings (as applicable), until such Claims are paid in full in cash, or (iii) such other treatment determined by the AHC in its discretion.[4]
Parent Claims	▪ On the CCAA Effective Date, all Claims against AYR (other than the Bridge Facility Obligations, the Credit Bid Amount, the Assumed Liabilities and any liabilities assumed by a third party buyer in connection with any Non-Core Divestiture Transactions) shall be subject to the treatment set forth in the CCAA Proceeding (which shall be in form and substance reasonably acceptable to the Required Consenting Senior Noteholders) and shall be released and discharged in connection with the CCAA Proceeding.
Subsidiary Claims	▪ On each applicable Liquidation Transaction Effective Date, all Claims against the direct and indirect subsidiaries of AYR (other than the Bridge Facility Obligations, the Credit Bid Amount, the Assumed Liabilities and any liabilities assumed by a third party buyer in connection with any Non-Core Divestiture Transactions) shall be entitled to the distribution (in accordance with and subject to the Priority Waterfall) of the net cash proceeds (if any) resulting from the monetization, disposition, sale or liquidation of the Excluded Assets owned by the U.S. Company Parties pursuant to the U.S. Liquidation Proceedings (as applicable), until such Claims are paid in full in cash.
Parent Equity Interests	▪ On the CCAA Effective Date, all outstanding equity interests, warrants, options, rights to convert into equity interests, stock options, stock appreciation rights, phantom stock, or other equity incentives issued or granted by AYR shall be extinguished, canceled and/or

[4] Notwithstanding anything contained herein or in the RSA to the contrary, nothing contained herein or in the RSA shall constitute a modification or waiver of any of the rights and remedies of the Senior Noteholders under the Existing Subordination Agreements, and all such rights and remedies are hereby expressly preserved.

	discharged pursuant to the CCAA Proceeding and shall not be entitled to receive any distribution.
Intercompany Interests	▪ Except to the extent otherwise provided in the APA, on the applicable Liquidation Transaction Effective Date (as defined below), all intercompany equity interests shall be extinguished and/or canceled and shall not be entitled to receive any distribution.
TAKE BACK FACILITY	
General	On the Sale Transaction Effective Date, all principal and accrued but unpaid interest outstanding under the Bridge Facility (other than the unfunded portion of the Tranche B of the Bridge Facility as of the Sale Transaction Effective Date and those Bridge Facility Loans comprised of any Bridge Facility Exit Premium, Bridge Facility Commitment Premium, and Bridge Facility Backstop Premium that are converted into New Equity Interests in accordance with the terms set forth herein and the Bridge Credit Facility Agreement) shall be assumed by NewCo and converted into a new debt facility ("**Take-Back Facility**") pursuant to which new debt ("**Take-Back Debt**) shall be issued upon the following terms: ▪ **Borrower:** NewCo **("Exit Facility Borrower")** ▪ **Guarantors:** Each of NewCo's direct and indirect subsidiaries ("**Exit Facility Guarantors**, and together with the Exit Facility Borrower, the "**Exit Facility Loan Parties**") ▪ **Interest Rate:** 10% payable in cash; *provided* that, at the Exit Facility Borrower's option, for the first twenty-four months following the closing of the Take Back Facility (the "**Take Back Facility Closing Date**"), the Exit Facility Borrower may make payments of interest in-kind ▪ **Maturity:** Seven (7) years from the Take Back Facility Closing Date ▪ **Security:** First priority liens on all or substantially all assets of the Exit Facility Loan Parties (subject to exceptions acceptable to the Required Consenting Senior Noteholders) ▪ **Priority:** Senior to all other indebtedness of the Exit Facility Loan Parties ▪ **Covenants:** Affirmative and negative covenants, events of default, representations, warranties, prepayment requirements, indemnities and reimbursements that are usual and customary for transactions of this type, in each case, that are acceptable to the Required Consenting Senior Noteholders.
NEW MONEY EXIT FACILITY	
Overview	▪ On the Sale Transaction Effective Date, the members of the Ad Hoc Committee shall provide NewCo with additional new money loans ("**New Money Exit Loans**") in an amount to be determined by the Ad Hoc Committee, on terms similar to the Take Back Debt Facility (the "**New Money Exit Facility**", and together with the Take Back Facility, the "**Exit Facility**") the proceeds of which shall be used in accordance with a "sources and uses" approved in writing by the Ad Hoc Committee. ▪ All beneficial holders of Senior Notes (and/or one or more Related Funds of such holders) that become a party to the RSA and certify that they are "accredited investors" (as defined under Regulation D of the Securities Act) shall have the opportunity to participate in its *pro rata* share of the New Money Exit Facility based on its pro rata holdings of Senior

	Notes pursuant to formal or informal syndication procedures and as of a record date determined by the Ad Hoc Committee). ▪ The New Money Exit Facility will be backstopped by members of the Ad Hoc Committee and/or their respective Related Funds (collectively, the "**New Money Exit Facility Backstop Parties**") based on their respective *pro rata* holdings of Senior Notes held by all New Money Exit Facility Backstop Parties in the aggregate as of a record date that may be determined by the Ad Hoc Committee. ▪ In exchange for backstopping the New Money Exit Facility, the New Money Exit Facility Backstop Parties shall be entitled to a non-refundable put option premium (the "**New Money Exit Backstop Equity Premium**") in the form of 10% of the New Equity Interests issued by NewCo as of the Sale Transaction Effective Date (subject to dilution by the MIP), fully earned and payable on the Sale Transaction Effective Date. ▪ In exchange for providing the New Money Exit Facility, all lenders under the New Money Exit Facility shall be entitled to a premium in the form of 5% of the New Equity Interests issued by NewCo as of the Sale Transaction Effective Date (subject to dilution by the MIP), fully earned and payable on the Sale Transaction Effective Date ("**New Money Equity Premium**", and together with the New Money Exit Backstop Equity Premium and, to the extent converted into New Equity Interests issued by NewCo as of the Sale Transaction Effective Date as set forth herein, the Bridge Facility Backstop Premium, the Bridge Facility Commitment Premium, and the Bridge Facility Exit Premium, the "**Equity Premiums**").
NEWCO GOVERNANCE & MIP	
NewCo Governance	▪ The form, structure and domicile of Purchaser, NewCo and the NewCo Entities shall be determined by the Required Consenting Senior Noteholders. ▪ The Organizational Documents (as defined in the RSA) for Purchaser, NewCo and the NewCo Entities shall be acceptable to Required Consenting Senior Noteholders. ▪ The new board of directors or managers of NewCo ("**New Board**") and each of the NewCo Entities shall be selected by the Required Consenting Senior Noteholders. ▪ On the Sale Transaction Effective Date, NewCo shall not be a public reporting company and the New Equity Interests shall not be listed on a national securities exchange. Transfers of the New Equity Interests will be restricted by the terms of the New Organizational Documents. ▪ The issuance of all securities in connection with the Restructuring Transactions shall be exempt from registration under the Securities Act and applicable state (blue sky) laws.
Management Incentive Plan	▪ Following the Sale Transaction Effective Date, the New Board shall adopt a management incentive plan ("**MIP**") that provides for the grant of equity and equity-based awards of up to 6% of the New Equity Interests (for the avoidance of doubt, after conversion of any Bridge Facility Commitment Premium, Bridge Facility Exit Premium, or Bridge Facility Backstop Premium into any New Equity Interests in accordance with the terms hereof) issued or reserved for issuance by NewCo as of the Sale Transaction Effective Date to employees, consultants and directors/managers of NewCo, with the form of awards (i.e., options, restricted units, appreciation rights, etc.), and the terms and conditions of the awards (e.g., exercise prices, base values, hurdles, performance metrics, vesting, timing, eligibility, forfeiture, repurchase rights and transferability) and other terms and conditions to be determined by the New Board.

GENERAL PROVISIONS	
Definitive Documents	All definitive documentation contemplated under the RSA and this Restructuring Term Sheet, and any definitive documentation necessary or advisable to implement the Restructuring Transactions, shall each be in form and substance acceptable to the Required Consenting Senior Noteholders (the "**Definitive Documents**").
Tax Attributes	The Parties agree to structure the Restructuring Transactions in a manner that optimizes the tax efficiency to NewCo and the Required Consenting Senior Noteholders. The Parties further agree that the purchase and sale of the Acquired Assets shall be consummated free and clear of all liabilities arising under, in connection with, or related to section 280E of the Internal Revenue Code that are accrued but unpaid as of the Sale Transaction Effective Date. The Parties further agree that (a) any Credit Bid Amount, and (b) any distribution to holders of Senior Notes in respect of the Senior Notes Remaining Amount or otherwise, shall in each case be comprised first, on account of principal of the Senior Notes (excluding, for greater certainty, any interest that was capitalized and added to principal), second, on account of premium (if any), and third, on account of accrued and unpaid interest.
Transaction Expenses	All Transaction Expenses (as defined in the RSA) shall be paid as set forth in the RSA.
Mutual Release	As a condition precedent to the consummation of the Sale Transaction and prior to the Sale Transaction Effective Date, the Parties to the RSA shall execute and deliver a mutual release agreement in form and substance acceptable to the Parties (the "**Mutual Release Agreement**"), subject to the right to enforce the RSA and assert all rights in connection with the Liquidation Proceedings. The Mutual Release Agreement shall provide that each of the Parties to the RSA (together with all of their employees, officers, directors, shareholders, agents, advisors, professionals, members, in each case, in their capacity as such) shall provide a full, complete, unconditional, and irrevocable release to each of the other Parties to the RSA (together with all of their employees, officers, directors, shareholders, agents, advisors, professionals, members, in each case, in their capacity as such) from any and all claims, causes of action and other debts, obligations, rights, suits, judgments, damages, actions, remedies and liabilities whatsoever, whether accrued or unaccrued, known or unknown, foreseen or unforeseen, existing or arising before, as of, or after the Sale Transaction Effective Date, except for (i) the right to enforce the RSA and assert all rights in connection with the Liquidation Proceedings and (ii) preservation of all rights and remedies with respect to the Senior Note Remaining Amounts and any Bridge Facility obligations remaining outstanding.
CONDITIONS PRECEDENT	
Sale Transaction	It shall be a condition to the consummation of the Sale Transaction that the following conditions shall have been satisfied (or waived by the Required Consenting Senior Noteholders): a. the satisfactory completion of due diligence by the Required Consenting Senior Noteholders;

	b. the RSA and the Bridge Facility shall each be in full force and effect and shall not have been terminated, and no termination event, default or event of default arising thereunder shall have occurred; c. the APA and Asset Purchase Documents shall be in full force and effect, and all Asset Purchase Documents shall have been executed by the applicable parties thereto and delivered, all conditions to the consummation of the transactions contemplated by the APA and all Asset Purchase Documents shall have been satisfied (or waived by the Required Consenting Senior Noteholders) in accordance with their respective terms; d. all Exit Facility Documents (as defined in the RSA) shall have been executed by the applicable parties thereto and delivered, all conditions to the consummation of the transactions contemplated thereunder shall have been satisfied (or waived by the Required Consenting Senior Noteholders) in accordance with their respective terms and the Exit Facility shall be in full force and effect; e. all of the New Equity Interests contemplated to be issued on the Sale Transaction Effective Date shall have been validly issued by NewCo, shall be fully paid and non-assessable, and shall be free and clear of all taxes, liens and encumbrances, except as may be imposed by (i) applicable securities laws, and (ii) the New Organizational Documents; f. the Company Parties shall have paid in full in cash all Transaction Expenses in accordance with the RSA; g. the New Organizational Documents shall be in full force and effect; h. any and all requisite governmental, regulatory, and third-party filings, notices, approvals, and consents shall have been made or obtained, shall be in full force and effect, and shall not be subject to any unfulfilled conditions; i. no temporary restraining order, preliminary or permanent injunction, judgment, or other law preventing, challenging, voiding, or making illegal the consummation of any of the Restructuring Transactions shall have been entered, issued, rendered, or made, nor shall any proceeding seeking any of the foregoing be commenced or pending; and j. the Mutual Release shall be executed and delivered by the Parties, and shall be in full force and effect.
Liquidation Proceedings	It shall be a condition to the consummation of any Liquidation Transaction that the following conditions shall have been satisfied (or waived by the Required Consenting Senior Noteholders): a. the APA Execution Date shall have occurred; b. the RSA shall be in full force and effect and shall not have been terminated, and no termination event, default or event of default arising thereunder shall have occurred; c. to the extent the Bridge Facility has not yet been assumed by NewCo and converted into the Take Back Debt Facility as contemplated hereunder, the Bridge Facility shall be in full force and effect and shall not have been terminated, and no termination event, default or event of default arising thereunder shall have occurred d. all definitive documents necessary or advisable to consummate each Liquidation Transaction and/or Liquidation Proceeding (the "**Definitive Liquidation Transaction Documents**") shall have been executed by the applicable parties thereto and delivered, all conditions to the consummation of the transactions contemplated thereunder shall have been satisfied (or waived by the Required Consenting Senior

Noteholders or the Company Parties, as applicable) in accordance with their respective terms and shall be in full force and effect;

e. any and all requisite governmental, regulatory, and third-party filings, notices, approvals, and consents that have been made or obtained, shall be in full force and effect, and shall not be subject to any unfulfilled conditions; and

f. no temporary restraining order, preliminary or permanent injunction, judgment, or other law preventing, challenging, voiding, or making illegal the consummation of any of the Restructuring Transactions shall have been entered, issued, rendered, or made, nor shall any proceeding seeking any of the foregoing be commenced or pending.

Schedule 1

Additional Defined Terms

"FL Mortgage"	That certain Amended and Restated Promissory Note, dated as of March 26, 2024, and that certain Loan Agreement, dated as of July 5, 2023 (each as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between 242 Cannabis, LLC, and Needham Bank, with $47,990,165.96 aggregate principal amount outstanding as of the Execution Date, which is secured by a lien on the assets of 242 Cannabis, LLC.
"IL Herbal Remedies Unsecured Seller Note"	That certain Amended and Restated Promissory Note, dated as of November 13, 2023 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition IL Corp. and Luke J. Lansing, Jamie E. Philbeck, and Sarah K. Hoffman, as trustee of the Robert J. Lansing Trust (as successor by assignment from Robert J. Lansing), with $13,000,000.00 (with $4 million maturing December 31, 2025, and $9 million maturing May 20, 2027) aggregate principal amount outstanding as of the Execution Date, which is unsecured and subject to a Subordination Agreement, dated as of November 21, 2022, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**IL Herbal Remedies Subordination Agreement**").
"IL Land of Lincoln Unsecured Settlement"	That certain Global Settlement Agreement and Mutual Release, dated as of June 6, 2024 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between AYR Wellness Inc. and RMDYA2 LLC, Chi-Town CTPA LLC, Strategic Healthcare Initiatives LLC, Raj Mukherji, and Danielle Y. Alvarez Wolf, with $412,500.00 outstanding as of the date hereof
"MA Mortgage"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition PA II Corp. with $47,990,165.96 aggregate principal amount outstanding as of the Execution Date, which are secured by a lien on the assets of Parker RE MA, LLC and DFMMJ Investments LLC: (a) That certain Commercial Loan Note, dated as of March 15, 2022, and that certain Loan Agreement, dated as of March 11, 2022 (each as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between Parker RE MA, LLC, and BCB Community Bank, with $24,318,370.24 aggregate principal amount outstanding as of the Execution Date. (b) That certain Commercial Loan Note and that certain Loan Agreement, each dated as of March 24, 2023 (each as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between Parker RE MA, LLC, and BCB Community Bank, with $9,680,387.63 aggregate principal amount outstanding as of the Execution Date.
"MA Sira Unsecured Earnout"	That certain First Amended and Restated Equity Exchange Agreement, dated as of May 24, 2019 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition Inc. and, inter alia, Green Partners Investor LLC and Green Partners Sponsor I, LLC, with respect to that certain Earn-Out Payment (as defined therein), with $24,750,000.00 aggregate outstanding as of the Execution Date, which is unsecured.
"NJ GSD Junior Secured Seller Notes"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition NJ Corp. with $5,375,873.78 aggregate principal amount outstanding as of the Execution Date, which are secured by a junior lien on the assets of AYR Wellness NJ, LLC (formerly known as GSD NJ LLC) and subject to a Subordination Agreement, dated as of October 5, 2021, in favor of the Senior Notes Trustee (as amended pursuant to the First Amendment to Subordination Agreement, dated as of May 19, 2023, as further amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**GSD Subordination Agreement**"): (a) That certain Secured Promissory Note, dated as of September 15, 2021 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NJ Corp. and Elk Spring Partners LLC, with $5,110,458.11 aggregate principal amount outstanding as of the Execution Date.

	(b) That certain Secured Promissory Note, dated as of September 15, 2021 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NJ Corp. and JJE Special Assets, LLC, with $265,415.67 aggregate principal amount outstanding as of the Execution Date. (c) That certain Secured Promissory Note, dated as of May 19, 2023 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NJ Corp. and Elk Spring Partners LLC, with $10,793,328.00 aggregate principal amount outstanding as of the Execution Date. (d) That certain Secured Promissory Note, dated as of May 19, 2023 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NJ Corp. and Strategic Healthcare Initiatives LLC, with $1,325,184.00 aggregate principal amount outstanding as of the Execution Date. (e) That certain Secured Promissory Note, dated as of May 19, 2023 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NJ Corp. and JJE Special Assets, LLC, with $560,560.00 aggregate principal amount outstanding as of the Execution Date.
"NJ GSD Unsecured Assumed Debt"	That certain Promissory Note, dated as of August 6, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between AYR Wellness NJ LLC (formerly known as GSD NJ LLC) and JJE Special Assets, LLC (as successor by assignment from James J. Elek), with $3,000,000.00 aggregate principal amount outstanding as of the Execution Date, which is unsecured.
"NV LivFree Unsecured Seller Note"	That certain Secured Promissory Note, dated as of May 24, 2019 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition Inc. and Steve Menzies, with $17,000,000.00 aggregate principal amount outstanding as of the Execution Date, which is unsecured and is subject to a Subordination Agreement, dated as of December 10, 2020, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**NJ LivFree Subordination Agreement**").
"NV Green Unsecured Seller Note"	That certain Secured Promissory Note, dated as of July 11, 2024 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NV Corp. and Mark Bruno, with $1,406,666.67 aggregate principal amount outstanding as of the Execution Date, which is unsecured and subject to a Subordination Agreement, dated as of July 11, 2024, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**NV Green Subordination Agreement**").
"NV Tahoe Hydro Unsecured Seller Note"	That certain Secured Promissory Note, dated as of April 7, 2023 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition NV Corp. and Mark Bruno, with $888,750.00 aggregate principal amount outstanding as of the Execution Date, which is unsecured and subject to a Subordination Agreement, dated as of April 7, 2023, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**NV Tahoe Hydro Subordination Agreement**").
"PA CannTech Junior Secured Seller Notes"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition PA Corp. with $11,071,415.32 aggregate principal amount outstanding as of the Execution Date, which are secured by a junior lien on the assets of CannTech PA LLC and are subject to a Subordination Agreement, dated as of October 5, 2021, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**PA CannTech Subordination Agreement**"): (a) That certain Secured Promissory Note, dated as of December 23, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time),

	by and between CSAC Acquisition PA Corp. and Canna Research LLC, with $10,500,932.39 aggregate principal amount outstanding as of the Execution Date. (b) That certain Secured Promissory Note, dated as of December 23, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA Corp. and JJE Special Assets, LLC (as successor by assignment from James J. Elek), with $570,482.93 aggregate principal amount outstanding as of the Execution Date.
"PA CannTech Unsecured Assumed Debt"	That certain Promissory Note, dated as of July 10, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CannTech PA, LLC and Cannapharmacy Inc., with $1,500,000.00 aggregate principal amount outstanding as of the Execution Date, which is unsecured.
"PA DocHouse Unsecured Seller Notes"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition Inc. with $1,908,899.02 aggregate principal amount outstanding as of the Execution Date, which are unsecured and subject to a Subordination Agreement, dated as of December 3, 2020, in favor of the Senior Notes Trustee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "**PA DocHouse Subordination Agreement**"): (a) That certain Promissory Note, dated as of November 18, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition Inc. and Matthew Radebach, with $1,054,191.00 aggregate principal amount outstanding as of the Execution Date. (b) That certain Promissory Note, dated as of November 18, 2020 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition Inc. and Justin Moriconi, with $854,708.02 aggregate principal amount outstanding as of the Execution Date.
"PA Natural Secured Seller Notes"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition PA II Corp. with $18,720,000.00 aggregate principal amount outstanding as of the Execution Date, which are secured by a lien on the assets of, and a pledge of Equity Interests in, PA Natural Medicine LLC: (a) That certain Second Amended and Restated Secured Promissory Note, dated as of March 22, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and AFC Institutional Fund LLC (formerly known as A BDC Warehouse II, LLC) (as successor by assignment from Aumega Health and Wellness, LLC), with $8,049,600.00 aggregate principal amount outstanding as of the Execution Date. (b) That certain Second Amended and Restated Secured Promissory Note, dated as of March 22, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Anthony J. DePaul, with $3,650,400.00 aggregate principal amount outstanding as of the Execution Date. (c) That certain Second Amended and Restated Secured Promissory Note, dated as of March 22, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Austin Meehan, with $3,650,400.00 aggregate principal amount outstanding as of the Execution Date. (d) That certain Second Amended and Restated Secured Promissory Note, dated as of March 22, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Sunrising Health and Wellness, LLC, with $3,369,600.00 aggregate principal amount outstanding as of the Execution Date.

"PA Natural Secured Earnout Notes"	Collectively, those certain promissory notes set forth below, issued by CSAC Acquisition PA II Corp. with $9,058,380.61 aggregate principal amount outstanding as of the Execution Date, which are secured by a lien on the assets of, and a pledge of Equity Interests in, PA Natural Medicine LLC: (a) That certain Secured Promissory Note, dated as of March 1, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and AFC Institutional Fund LLC (formerly known as AFC BDC Warehouse LLC) (as successor by assignment from Flower Loan Holdco, LLC, as successor by assignment from Devi Holdings, Inc.), with $7,790,207.31 aggregate principal amount outstanding as of the Execution Date. (b) That certain Secured Promissory Note, dated as of March 1, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Anthony J. DePaul, with $433,848.76 aggregate principal amount outstanding as of the Execution Date. (c) That certain Secured Promissory Note, dated as of March 1, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Austin Meehan, with $433,848.76 aggregate principal amount outstanding as of the Execution Date. (d) That certain Secured Promissory Note, dated as of March 1, 2022 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time), by and between CSAC Acquisition PA II Corp. and Sunrising Health and Wellness, LLC, with $400,475.78 aggregate principal amount outstanding as of the Execution Date.

Exhibit 1

Bridge Facility Term Sheet

This term sheet (together with all exhibits, annexes, and schedules attached hereto, this "**Bridge Facility Term Sheet**") sets forth certain material terms of the Bridge Facility contemplated under the RSA.

Bridge Facility:	Priming senior secured multiple delayed-draw term loan facility (the "**Bridge Facility**", and the loans outstanding thereunder, the "**Bridge Facility Loans**"), in an aggregate principal amount of up to $50 million, comprised of two tranches: (a) Tranche A, the proceeds of which shall be used in accordance with the Approved Budget, and (b) Tranche B, the proceeds of which shall be used to fund the preparation, commencement and prosecution of the Liquidation Proceedings (the "**Wind Down**") in accordance with a wind down budget in an amount and in form and substance reasonably acceptable to the Required Bridge Facility Lenders (the "**Wind Down Budget**" and the initial Wind Down Budget attached hereto as Annex II approved by the Ad Hoc Committee); *provided* that all fees, costs and expenses (including professional fees) incurred in connection with the preparation, commencement and prosecution of the (a) CCAA Proceeding shall not exceed $1,175,000, and (b) the U.S. Liquidation Proceeding and/or the Liquidation Transactions, as applicable, shall not exceed $2,125,000; *provided further, however,* that funds allocated to the CCAA Proceeding and the U.S. Liquidation Proceedings or Liquidation Transactions may be cross-utilized to fund the U.S. Liquidation Proceedings or Liquidation Transactions and the CCAA Proceeding, as applicable (so long as the aggregate amount of fees, costs and expenses incurred in connection with the Wind Down do not exceed the aggregate amount set forth in the Wind Down Budget). Amounts repaid or prepaid on the Bridge Facility may not be reborrowed.
Bridge Facility Borrower:	AYR or one or more of the other Company Parties acceptable to the Required Consenting Senior Noteholders (the "**Bridge Facility Borrower**").
Bridge Facility Guarantors:	Each direct or indirect subsidiary of the Bridge Facility Borrower, and the direct and indirect parent of the Bridge Facility Borrower (other than AYR), as obligors (collectively, the "**Bridge Facility Guarantors**" and together with the Bridge Facility Borrower, the "**Bridge Facility Loan Parties**").
Bridge Facility Agent:	The administrative agent and the collateral agent for the Bridge Facility Lenders with respect to the Bridge Facility (in such capacities, the "**Bridge Facility Agent**") shall be a financial institution selected by, and qualified to perform the duties customarily associated with such roles as determined by, the Required Consenting Senior Noteholders, which shall be reasonably acceptable to the Bridge Facility Borrower.
Bridge Lenders:	One or more of the Consenting Senior Noteholders (and/or one or more their respective Related Funds) (collectively, the "**Bridge Facility Lenders**").
Bridge Facility Backstop:	All beneficial holders of Senior Notes (and/or one or more Related Funds of such holders) that become a party to the RSA and certify that they are "accredited investors" (as defined under Regulation D of the Securities Act) shall have the opportunity to participate in its pro rata share of the Bridge Facility based on its *pro rata* holdings of Senior Notes pursuant to formal or informal syndication procedures and as of a record date that may be determined by the Required Consenting Noteholders. The Bridge Facility will be backstopped by members of the Ad Hoc Committee and/or their respective Related Funds (collectively, the "**Bridge Facility Backstop Parties**") based on their respective *pro rata* holdings of Senior Notes held by all Bridge Facility Backstop Parties in the aggregate as of a record date determined by the Ad Hoc Committee.
Use of Proceeds:	The proceeds of Tranche A of the Bridge Facility Loans shall be applied only (i) to pay the administrative costs of the Sale Transactions and Sale Proceedings (including professional fees and expenses), (ii) for working capital purposes of Bridge Facility Loan Parties, and (iii) for any other purpose set forth in the Approved Budget, in each case, solely to the extent permitted under

	the Bridge Facility Credit Agreement, including the Approved Budget (subject to Permitted Variances (as defined below)). The proceeds of Tranche B of the Bridge Facility Loans shall be used in accordance with the Wind Down, subject to the Wind Down Budget.
Bridge Facility Closing Date:	The date of the satisfaction (or waiver) of each of the conditions precedent to the initial funding of the Bridge Facility under the Bridge Facility Credit Agreement (the "**Bridge Facility Closing Date**").
Availability:	The Bridge Facility Loans will be available in multiple draws during the period commencing on the day after the Bridge Facility Closing Date through the earlier to occur of (i) the Maturity Date or (ii) an Event of Default (as defined below) under the Bridge Facility Credit Agreement, in each case, solely to the extent permitted under the Bridge Facility Credit Agreement, including the Approved Budget (subject to Permitted Variances) and the Wind Down Budget, as applicable.
Maturity Date:	Tranche A of the Bridge Facility shall mature on the earliest to occur of the following: (a) the earlier of sixty (60) days after the Bridge Facility Closing Date and November 16, 2025 (which date may be extended with the prior written consent of the Required Bridge Facility Lenders for up to three (3) consecutive thirty (30) day periods or such shorter periods as may be agreed to by the Required Bridge Facility Lenders); (b) upon demand, to the extent the Ad Hoc Committee elects to credit bid all or a portion of the Bridge Facility Obligations in connection with the Sale Proceeding; (c) the occurrence of a termination event under the RSA; (d) the consummation of a sale of all or substantially all assets or equity of the Bridge Facility Loan Parties, other than the Sale Transaction; (e) the occurrence of the Sale Transaction Effective Date; or (f) the acceleration of the Bridge Facility Loans and the termination of the commitments under the Bridge Facility ("**Bridge Facility Commitments**") in accordance with the terms of the Bridge Facility Credit Agreement. Tranche B of the Bridge Facility shall mature on the earliest to occur of the following: (a) the earlier of (1) ninety (95) days after the Sale Transaction Effective Date and (2) February 19, 2026 (which date may be extended with the prior written consent of the Required Bridge Facility Lenders for up to three (3) consecutive thirty (30) day periods or such shorter periods as may be agreed to by the Required Bridge Facility Lenders); (b) the occurrence of a termination event under the RSA; (c) the consummation of a sale of all or substantially all assets or equity of the Bridge Facility Loan Parties, other than the Sale Transaction; or (d) the acceleration of the Bridge Facility Loans and the termination of the commitments under the Bridge Facility in accordance with the terms of the Bridge Facility Credit Agreement.
Amortization:	None.
Payments and Interest Rates:	As set forth on Annex I attached hereto.
Mandatory Prepayments:	Mandatory prepayments of the Bridge Facility Loans shall be required (x) in an amount equal to (i) 100% of net cash proceeds of any event of loss or condemnation, (ii) 100% of net cash proceeds from the issuance of indebtedness after the Bridge Facility Closing Date not permitted by the Bridge Facility Credit Agreement, (iii) 100% of net cash proceeds from the issuance after the Bridge Closing Date of any equity of the Bridge Facility Loan Parties or any controlled subsidiary thereof, (iv) 100% of the net cash proceeds of extraordinary receipts, and (v) 100% of the net cash proceeds of any sale of assets of any of the Bridge Facility Loan Parties or their subsidiaries (other

	than asset sales for surplus or obsolete assets or in the ordinary course of business),[5] and (y) upon other mandatory prepayment events usual and customary for financings of this type, in each case, subject to the Documentation Principles. Net cash proceeds from any mandatory prepayment shall be applied toward repayment of the Bridge Facility Loans on a *pro rata* basis without premium or penalty.
Voluntary Prepayments:	Permitted, in whole or in part, subject to limitations as to minimum amounts, without premium or penalty, subject to the Documentation Principles (as defined below).
Collateral:	As security for the prompt payment and performance of all amounts due and obligations arising under, in connection with or related to the Bridge Facility, including, without limitation, all principal, interest, premiums, fees, costs, expenses, indemnities or other amounts (the "**Bridge Facility Obligations**"), effective as of the Bridge Facility Closing Date, the Bridge Facility Agent, for the benefit of itself and the Bridge Facility Lenders, shall be granted properly perfected liens and security interests ("**Bridge Facility Liens**") in all assets and properties of each of the Bridge Facility Loan Parties, whether tangible or intangible, real, personal or mixed, wherever located, whether now owned or consigned by or to, or leased from or to, or hereafter acquired by, or arising in favor of, the Bridge Facility Loan Parties (including under any trade names, styles or derivations thereof), whether prior to or after the Bridge Facility Closing Date, including, without limitation, all of the Bridge Facility Loan Parties' rights, title and interests in all (1) Senior Notes Collateral, (2) collateral securing the obligations outstanding under the Seller Notes/Debt Claims, and (3) all products, offspring, profits, and proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing (collectively, the "**Bridge Facility Collateral**"); *provided* that Bridge Facility Collateral shall exclude other assets to be mutually agreed among the Bridge Facility Borrower and the Required Bridge Facility Lenders, but shall include any and all proceeds and products of such excluded assets, unless such proceeds and products otherwise separately constitute excluded assets. The Bridge Facility Collateral shall rank *pari passu* with the Senior Notes Collateral, as evidenced by an intercreditor agreement by and between the Senior Notes Trustee and the Bridge Facility Agent, which shall be in form and substance acceptable to AYR and the Required Consenting Senior Noteholders. Both the Bridge Facility Collateral and the Senior Notes Collateral shall include, among other things, a pledge of the Equity Interests in CSAC Acquisition VA Corp and AYR Virginia LLC (the "**Virginia Entities**").
Guarantees:	Each Bridge Facility Guarantor shall unconditionally guarantee, on a joint and several basis, all Bridge Facility Obligations.
Conditions Precedent to Closing and the Initial Borrowing:	The Bridge Facility Closing Date, and the initial borrowing thereunder, shall be subject to customary conditions to closing for financings of this type, including, without limitation, the following: (a) the preparation, authorization and execution of the Bridge Facility Documents (as defined below), which shall be in form and substance consistent with this Bridge Facility Term Sheet and otherwise acceptable to the Bridge Facility Loan Parties and the Required Bridge Facility Lenders; (b) the delivery of the updated business plan; (c) the Bridge Facility Loan Parties shall be in compliance with the applicable Approved Budget and the other Budget and Variance Covenants (as defined below);

[5] The sale of any assets will pay down the Bridge Facility and the Senior Notes Remaining Amount on a *pari* basis, and any funding under the Bridge Facility will take into account, via the Approved Budget or the Wind Down Budget, as applicable, any such sale proceeds (i.e. by reducing the need for borrowing).

	(d) the delivery of opinion from legal counsel who is reasonably acceptable to the Bridge Facility Agent and which opinion is in form and substance acceptable to the Bridge Facility Agent and the Required Bridge Facility Lenders; (e) the delivery of (i) a secretary's (or other officer's) certificate of the Bridge Facility Borrower and each of the other Bridge Facility Loan Parties, dated as of the Bridge Facility Closing Date and in such form as is customary for the jurisdiction in which the relevant Bridge Facility Loan Party is organized, with appropriate insertions and attachments; and (ii) a customary closing officer's certificate of the Bridge Facility Borrower; (f) all Transaction Expenses and any premiums, payments, fees, costs and expenses (including, without limitation, the fees and expenses of the AHC Advisors and all other counsel, financial advisors and other professionals of the Bridge Facility Lenders and Bridge Facility Agent to the extent earned, due and owing, and including estimated fees and expenses through the Bridge Facility Closing Date) shall have been paid; (g) the Bridge Facility Lenders shall have received from the Bridge Facility Borrower and each of the Bridge Facility Loan Parties, at least three (3) Business Days prior to the Facility Bridge Closing Date, documentation and other information requested by any Bridge Lender that is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act; and (h) payment of the applicable Bridge Facility Backstop Premium and the Bridge Facility Commitment Premium in accordance with the terms hereof.
Conditions to Each Borrowing	In addition to the conditions precedent noted above, each borrowing under the Bridge Facility shall be subject to further customary conditions to closing for financings of this type, including, without limitation, the following: (a) since the date of the RSA Execution Date, there shall have been no event, development or circumstance that has had, or would reasonably be expected to have, a material adverse effect (to be defined in a manner consistent with the Documentation Principles); (b) the representations and warranties of each Bridge Facility Loan Party set forth in the Bridge Facility Credit Agreement and in each other Bridge Facility Document shall be true and correct in all material respects on and as of such date as if made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; *provided*, that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates; (c) no Default or Event of Default shall exist or would result from the borrowing or from the application of the proceeds therefrom; (d) the RSA shall have been executed and be in full force and effect and no breach, termination event, default or event of default shall have occurred and be continuing thereunder; (e) the APA Agreement Date shall have occurred and, solely to the extent the APA Execution Date has occurred, no breach, termination event, default or event of default shall have occurred and be continuing under the APA; (f) compliance with the Milestones; (g) the delivery of Updated Budgets (as defined below) and compliance certifications as set forth herein; and (h) pro forma compliance with the Liquidity Covenant (after giving effect to the initial borrowing on the Bridge Facility closing date); (i) compliance with the Approved Budget, including with respect to the amount and timing of each borrowing under the Bridge Facility, and the other Budget and Variance Covenants;

	(j) each borrowing under Tranche A of the Bridge Facility shall be funded in accordance with the Approved Budget and each borrowing under Tranche B shall be funded in accordance with the Wind Down Budget; and (k) with respect to the Tranche B, in addition to satisfaction of each of the foregoing conditions precedent, (a) the APA Execution Date shall have occurred, (b) the borrowing complies with the Wind Down Budget, and (c) the Liquidation Proceedings are being conducted in a manner consistent with the RSA.
Representations and Warranties:	The Bridge Facility Documents shall contain usual and customary representations and warranties for financings of this type, subject to the Documentation Principles.
Milestones:	The Bridge Facility Loan Parties shall comply with the Milestones (as such Milestones may be extended in accordance with the terms therein), which Milestones shall be incorporated into the Bridge Facility Credit Agreement, as applicable.
Affirmative and Negative Covenants:	The Bridge Facility Documents shall contain usual and customary affirmative and negative covenants for financings of this type, subject to the Documentation Principles; *provided*, that, without limitation, the Bridge Documents shall require: (a) compliance with the Milestones; (b) the Bridge Facility Borrower and each of its direct and indirect subsidiaries shall maintain liquidity (to be defined in a manner consistent with the Documentation Principles) of not less than $17.5 million, tested at the end of each weekly reporting period (the "**Liquidity Covenant**"), and the Bridge Facility Borrower shall certify as to compliance with such minimum Liquidity Covenant on a weekly basis in connection with delivery of the Variance Report; (c) delivery of monthly financial statements for the Company Parties, including a profit and loss statement, an income statement for such month and certain, key balance sheet line items (accounts payable, accounts receivable, inventory, and other working capital items) as of the end of such month for such month, *provided*, that such statements shall include breakouts by state and shall be delivered by the 15th day of each month; (d) bi-weekly conference calls and/or video calls among (i) the Bridge Facility Loan Parties' relevant senior management, specifically including at least one of the CRO, CFO, President and Chief Revenue Officer, (ii) the Bridge Facility Loan Parties' advisors, and (iii) the AHC Advisors, which update calls may cover the Bridge Facility Loan Parties' financial performance, the latest Updated Budget (defined below) or Approved Budget, the latest Variance Report (defined below), the transition of licenses and leases, updates regarding operations and wind-down, and the other information provided pursuant to the reporting covenant described above; *provided* that the Ad Hoc Committee Advisors shall deliver an agenda to the Company Parties prior to any such management calls; and (e) the Bridge Facility Borrower shall, and shall cause its officers, members of senior management and advisors to furnish such other available information regarding the Bridge Facility Collateral and/or the financial affairs, finances, business, assets, operations or condition (financial or otherwise) of the Bridge Facility Loan Parties and each of their direct and indirect subsidiaries that is reasonably requested by or on behalf of the Required Bridge Facility Lenders or any of the Ad Hoc Committee Advisors, and shall accommodate any reasonable request by the Required Bridge Facility Lenders or any of the Ad Hoc Committee Advisors for physical inspections or site visits of the Bridge Facility Loan Parties' physical assets, including pre-closing walkthroughs for retained sites and spot-checks of closed/divested locations, at mutually agreed times, upon reasonable notice and that do not interfere with the ordinary course of business.
Approved Budget; Cash	The Initial Approved Budget (as defined in the RSA and attached as Exhibit C thereto) is approved by the Ad Hoc Committee.

Flow; Variance:	No later than 5:00 p.m. (New York City time) on every other Thursday following the Bridge Facility Closing Date (each such Thursday, the "**Updated Budget Deadline**"), the Bridge Facility Loan Parties shall deliver to the Ad Hoc Committee Advisors and the Bridge Facility Lenders a supplement to the Initial Approved Budget (each, an "**Updated Budget**"), covering the then-upcoming 13-week period that commences with Saturday of the calendar week immediately preceding such Updated Budget Deadline, in each case consistent with the form and detail set forth in the Initial Approved Budget and including a forecasted unrestricted cash balance as well as a line-item report setting forth the estimated professionals fees and expenses to be incurred by each professional advisor on a weekly basis. Each Updated Budget shall be deemed the "**Approved Budget**" only upon receipt by the Bridge Facility Loan Parties of affirmative written approval thereof by the Required Bridge Facility Lenders (or one of the Ad Hoc Committee Advisors on behalf of the Required Bridge Facility Lenders) in their sole discretion (which approval may be provided via email from Ad Hoc Committee's Advisors to the Bridge Facility Loan Parties' advisors); *provided, however*, that, in the event such Updated Budget is not so approved by the Required Bridge Facility Lenders, the prior Approved Budget shall remain in effect; *provided, further, however*, that the Required Bridge Facility Lenders shall not have any obligation to approve any Updated Budget, and, no modification to any Updated Budget or any Approved Budget, or any reforecasting of any information relating to any period covered by any other Updated Budget or any Approved Budget, as the case may be, shall in any event be effective without the affirmative written consent of the Required Bridge Facility Lenders. Not later than 5:00 p.m. New York City time each Thursday (commencing with Thursday of the week immediately following the week in which the Bridge Facility Closing Date occurs) (each such Thursday, the "**Variance Report Deadline**"), the Bridge Facility Loan Parties shall deliver to the AHC Advisors and the Bridge Facility Lenders a variance report, each in the form set forth on Annex III attached hereto (each, a "**Variance Report**"), setting forth the difference between, on a line-by-line and aggregate basis, (i) actual operating receipts and budgeted operating receipts as set forth in the Approved Budget, as the case may be (the "**Receipts Variance**"), and (ii) actual operating disbursements and budgeted operating disbursements as set forth in the Approved Budget, as the case may be (the "**Disbursements Variance**"), in each case, for the Applicable Period (as defined below), in each case, together with a reasonably detailed explanation of such Receipts Variance and Disbursements Variance. The Bridge Facility Loan Parties shall not permit the Receipts Variance or the Disbursements Variance with respect to any Applicable Period to exceed the Permitted Variance (as defined below). "**Applicable Period**" means, (x) with respect to the first eight (8) Variance Reports, the one-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadlines, and (y) with respect to the ninth Variance Report, and each Variance Report thereafter, (i) to the extent no material Receipts Variance or material Disbursements Variance has occurred with respect to any Applicable Period, the two-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadline and (ii) to the extent a material Receipts Variance or material Disbursements Variance occurs with respect to any Applicable Period, the one-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadline. "**Permitted Variance**" means up to 12.5% less than the amount set forth in the Approved Budget for the Receipts Variance and up to 12.5% greater than the amount set forth in the Approved Budget for the Disbursements Variance, in each case, on an aggregate basis (excluding any professional fees), in each case, on an aggregate basis (and not on a line-item basis) and excluding, in any event, any professional fees. The Approved Budget and Permitted Variance shall be prepared in the form set forth on Annex II attached hereto, which for the avoidance of doubt shall, for purposes of calculating the Approved Budget and Permitted Variance, consistent with past practices, provide that any offsetting balances paid in exchange shall be treated as cash. "**Budget and Variance Covenants**" means, collectively, the obligations to (i) comply with the Approved Budget and any Permitted Variance, (ii) deliver Updated Budgets and Variance Reports

	in each case, in accordance the terms and conditions set forth herein, and (iii) comply with the Wind Down Budget.
Events of Default:	The Bridge Facility Documents shall contain usual and customary events of default for financings of this type, subject to the Documentation Principles (including grace periods and materiality qualifiers), including, without limitation, the following (the "**Events of Default**"): (a) the failure to pay principal, interest, or other amounts (other than professional fees) when due under the Bridge Facility Documents, subject to a three (3) day grace period; (b) the failure to pay professional fees when due under the Bridge Facility Documents, subject to a five (5) day grace period; (c) the failure to comply with the Affirmative and Negative Covenants set forth herein, subject to customary grace periods as shall be set forth in the Bridge Facility Credit Agreement; (d) the occurrence of a termination event, default or event of default under the RSA; (e) the failure to satisfy any of the Milestones; (f) the failure to satisfy any conditions to borrowing set forth herein; (g) the breach of any of the Budget and Variance Covenants; (h) the CCAA Court grants any order or relief that restricts, prevents, interferes with, modifies, delays or otherwise affects the Sale Transaction; and (i) the failure of the Bridge Loan Facility Parties or any of their respective subsidiaries to observe or perform any covenant, condition or agreement contained in any Bridge Facility Document (other than those specified above) and such failure shall continue unremedied for a period of five (5) Business Days after written notice thereof from the Bridge Facility Agent or the Required Bridge Facility Lenders to the Bridge Facility Borrower.
Bridge Facility Roll Commitment:	Notwithstanding anything contain herein or the RSA to the contrary, each Bridge Facility Lender shall agree that, on the Sale Transaction Effective Date, and so long as the RSA remains in full force and effect, the Bridge Facility Loans (other than the unfunded portion of the Tranche B of the Bridge Facility as of the Sale Transaction Effective Date) held by each Bridge Facility Lender shall be converted, on a dollar-for-dollar basis, into Take-Back Loans under the Take-Back Debt Facility.
Amendments:	Usual and customary for facilities of this type requiring the consent of the Required Bridge Lenders, except for amendments customarily requiring approval by adversely affected Bridge Lenders under the Bridge Facility, subject to the Documentation Principles. "**Required Bridge Facility Lenders**" shall mean Bridge Facility Lenders holding Bridge Facility Loans and unused Bridge Facility Commitments representing at least 50.1% of the aggregate amount of Bridge Facility Loans and unused Bridge Facility Commitments at such time.
Documentation Principles:	The Bridge Facility shall be documented (this paragraph, the "**Documentation Principles**") pursuant to and evidenced by Bridge Facility Documents (as defined in the RSA), each of which shall be consistent with this Bridge Facility Term Sheet and otherwise in form and substance acceptable to the Bridge Facility Loan Parties and the Required Bridge Facility Lenders.
Governing Law:	The Bridge Facility Documents shall be governed by the laws of the State of New York (except as otherwise set forth therein).

ANNEX I

Bridge Facility - Interest and Certain Payments

Interest Rate:	The Bridge Facility Loans shall bear interest at 14.00% per annum.
Interest Payment Dates:	Interest shall be payable in kind on a monthly basis in arrears, upon any prepayment or refinancing in full, and on the Maturity Date.
Default Rate:	During the continuance of an event of default, principal, overdue interest, overdue premium, and fees and other overdue amounts shall bear interest at 2.00% per annum in excess of the applicable interest rate otherwise applicable to such obligations.
Bridge Facility Commitment Premium:	The Bridge Facility Borrowers shall pay to the Bridge Facility Lenders a non-refundable commitment premium (the "**Bridge Facility Commitment Premium**") equal to 10% of aggregate principal amount of Bridge Facility Commitment of each Bridge Facility Lender, which shall be fully earned, due, and payable in kind on the Bridge Facility Closing Date; *provided, however*, that each Bridge Facility Lender may elect in writing, at its sole discretion, the option to convert such Bridge Facility Commitment Premium in connection with the rollover to the Take Back Debt Facility into 10% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date.
Bridge Facility Exit Premium:	The Bridge Facility Borrowers shall pay to the Bridge Facility Lenders a non-refundable exit premium (the "**Bridge Facility Exit Premium**"), equal to 10% of the aggregate principal amount of the Bridge Facility Commitments of each Bridge Facility Lender, which shall be deemed fully earned as of Bridge Facility Closing Date; *provided, however*, that each Bridge Facility Lender may elect in writing, at its sole discretion, the option to convert such Bridge Facility Exit Premium in connection with the rollover to the Take Back Debt Facility into 10% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date.
Bridge Facility Backstop Premium	In consideration for the Bridge Facility Backstop, the Bridge Facility Borrowers shall pay to the Bridge Facility Backstop Parties a non-refundable put option premium (the "**Bridge Facility Backstop Premium**") in an amount equal to 15% of the aggregate amount of the Bridge Facility Commitments, which shall be fully earned and due and payable in kind as of the Bridge Facility Closing Date and to be included in the principal amount of the Bridge Loans; *provided, however*, that each Bridge Facility Lender that received a Bridge Facility Backstop Premium may elect in writing, at its sole discretion, the option to convert such Bridge Facility Backstop Premium in connection with the rollover to the Take Back Debt Facility into 15% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date.
Rate and Payment Basis:	All per annum rates shall be calculated based on a year of 365 or 366 days, as applicable. All amounts payable under the Bridge Facility shall be made in U.S. dollars.

ANNEX II

WIND DOWN BUDGET

[REDACTED – commercially sensitive information]

ANNEX III

FORM OF VARIANCE REPORT

EXHIBIT C

Initial Approved Budget

[REDACTED – commercially sensitive information]

EXHIBIT D

Form of Transfer Agreement

The undersigned (the "**Transferee**") hereby acknowledges that it has read and understands that certain Restructuring Support Agreement, dated as of July 29, 2025 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the "**Agreement**"),[1] by and among the Company Parties and the Consenting Senior Noteholders party thereto, including the transferor to the Transferee of any Company Claims/Equity Interests (each such transferor, the "**Transferor**").

1. Agreement to be Bound. The Transferee hereby agrees to be bound by all of the terms and conditions of the Agreement, a copy of which is attached hereto as **Annex I** (as the same has been or may hereafter be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof). The Transferee shall hereafter be deemed to be a "Consenting Senior Noteholder" and a "Party" for all purposes under the Agreement and with respect to all Company Claims/Interests held by such Transferee.

2. Representations and Warranties. The Transferee hereby makes all representations and warranties of the Parties and Consenting Senior Noteholders set forth in the Agreement to each other Party as of the date of the Transfer, including the agreement to be bound by the vote of the Transferor if such vote was cast before the effectiveness of the Transfer discussed herein.

3. Notice. The Joinder Party shall deliver an executed copy of this transfer agreement (the "**Transfer Agreement**") to the Parties identified in Section 14.09 of the Agreement.

[*Signature Page Follows.*]

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[1] Capitalized terms used but not otherwise defined herein shall having the meanings ascribed to such terms in the Agreement.

Date Executed: [•]

[**TRANSFEREE**]

_____

Name:
Title:
Address:
E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Senior Notes Claims:	
Equity Interests in Canadian Parent:	

Annex I to Transfer Agreement

Restructuring Support Agreement

(See attached.)

EXHIBIT E

Form of Joinder Agreement

The undersigned (the "**Joinder Party**") hereby acknowledges that it has read and understands that certain Restructuring Support Agreement, dated as of July 29, 2025 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the "**Agreement**"),[1] by and among the Company Parties and the Consenting Senior Noteholders party thereto.

1. Agreement to be Bound. The Joinder Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached hereto as **Annex I** (as the same has been or may hereafter be amended, supplemented, amended and restated, or otherwise modified from time to time in accordance with the provisions hereof). The Joinder Party shall hereafter be deemed to be a "Consenting Senior Noteholders" and a "Party" for all purposes under the Agreement and with respect to all Company Claims/Interests held by such Joinder Party.

2. Representations and Warranties. The Joinder Party hereby makes all representations and warranties of the Parties and Consenting Senior Noteholders set forth in the Agreement to each other Party as of the date of this Joinder.

3. Notice. The Joinder Party shall deliver an executed copy of this joinder agreement (the "**Joinder**") to the Parties identified in Section 14.09 of the Agreement.

[*Signature Page Follows.*]

[1] Capitalized terms used but not otherwise defined herein shall having the meanings ascribed to such terms in the Agreement.

Date Executed: [•]

[JOINDER PARTY]

_____

Name:
Title:
Address:
E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Senior Notes Claims:	
Equity Interests in Canadian Parent:	

Annex I to Joinder

Restructuring Support Agreement

(See attached.)

From: Thomas, Schlea <schleathomas@paulhastings.com>
Sent: Thursday, November 13, 2025 6:06 PM
To: Project Tropic- DLA
Cc: Project Tropic; Project_Tropic_Ext; AYR.PH,All; AYR-FK; O'Neill,Brendan; Liu, Victor; Wiffen, Bradley; DuceraArrow
Subject: [EXTERNAL] AYR - Milestones

DLA Piper (Canada) LLP ALERT: This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

All,

Reference is made to that certain (1) Restructuring Support Agreement (as amended, supplemented or otherwise modified from time to time, the "RSA"), dated July 30, 2025, by and among the Company Parties and the Consenting Senior Noteholders party thereto, and (2) Senior Secured Bridge Term Loan Agreement (as amended, supplemented or otherwise modified from time to time, the "Bridge Credit Agreement", and together with the RSA, the "Agreements"), dated as of August 29, 2025, by and among CSAC Holdings Inc., as Borrower, the lenders from time to time party thereto, and Acquiom Agency Services LLC, as Administrative Agent and Collateral Agent. Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Agreements, as applicable.

Each Agreement provides that the Milestones may be extended with the prior written consent, including by email from counsel, of the Required Consenting Senior Noteholders. Accordingly, this email serves as such written consent of the Required Consenting Senior Noteholders to extend the Milestones as expressly set forth below:

For purposes of the Bridge Credit Agreement:

1. The deadline for the APA Execution Date set forth in clause (8) of Schedule 7.24 to the Bridge Credit Agreement is hereby extended to November 14, 2025;
2. The deadline for the submission of regulatory applications set forth in clause (9) of Schedule 7.24 to the Bridge Credit Agreement is hereby extended as follows: (a) the deadline for the submission of state level regulatory applications is hereby extended to December 31, 2025, and (b) the deadline for the submission of municipality level regulatory applications is hereby extended to a future date to be determined by the Required Consenting Senior Noteholders; and
3. The deadline for the occurrence of the Sale Transaction Effective Date set forth in clause (10) of Schedule 7.24 to the Bridge Credit Agreement is hereby extended to June 1, 2026.

For purposes of the RSA:

1. The deadline for the occurrence of the APA Execution Date set forth in clause (g) of the Sale Proceeding Milestones is hereby extended to November 14, 2025;
2. The deadline for the submission of regulatory applications set forth in clause (i) of the Sale Proceeding Milestones is hereby extended as follows: (a) the deadline for the submission of state level regulatory applications is hereby extended to December 31, 2025, and (b) the deadline for the submission of municipality level regulatory applications is hereby extended to a future date to be determined by the Required Consenting Senior Noteholders; and
3. The deadline for the occurrence of the "Outside Sale Transaction Effective Date" set forth in clause (j) of the Sale Proceeding Milestones is hereby extended to June 1, 2026.

The Milestones set forth herein may be further extended with the prior written consent, including by email from counsel, of the Required Consenting Senior Noteholders, and are hereby retroactively incorporated into the

Agreements *mutatis mutandis* to amend and supersede any conflicting Milestones previously set forth therein. The Required Consenting Senior Noteholders hereby affirm that all prior Milestones (other than those extended hereunder) have been satisfied or waived in accordance with the terms of the Agreements.

Except as expressly set forth herein, this email shall not directly or indirectly (i) create any obligation to continue to defer any enforcement action after the occurrence of any Default or Event of Default (including, without limitation, related to any Milestones that are not met from this day forward), (ii) constitute a consent or waiver of any past, present or future violations of any provisions of the Agreements, or (iii) constitute a course of dealing or other basis for altering any obligations under the Agreements or any other contract or instrument. Except as expressly set forth herein, the Required Consenting Senior Noteholders reserve all of their rights, powers, and remedies under the Agreements and applicable law.

Best,
Schlea

PAUL HASTINGS

Schlea Thomas | Associate | Financial Restructuring Group
Paul Hastings LLP | 609 Main Street, Suite 2500, Houston, TX 77002 |
Direct: +1.713.860.7360 | Main: +1.713.860.7300 | Mobile: +1.713.392.9319 |
schleathomas@paulhastings.com | www.paulhastings.com

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This is **Exhibit " F "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

BID PROCEDURES

October 9, 2025

Reference is made to that certain:[1]

(i) Amended and Restated Indenture, dated as of February 7, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Indenture"), by and among, *inter alia*, AYR Wellness Inc., formerly known as AYR Strategies Inc., a company subsisting under the laws of the Province of British Columbia (the "Issuer") and Odyssey Trust Company, a trust company continued under the laws of the Canada authorized to carry on the business of a trust company in British Columbia (the "Trustee");

(ii) Amended and Restated Guarantee, dated as of dated as of February 7, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Guarantee"), by Issuer and each of the Issuer's direct and indirect subsidiaries party thereto from time to time, as guarantors (collectively, the "Guarantors"), in favor of the Trustee for the benefit of the Senior Noteholders;

(iii) Amended and Restated U.S. Pledge and Security Agreement, dated as of dated as of February 7, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Pledge Agreement" and together with the Guarantee and each of the other agreements, documents and instruments providing for or evidencing any Senior Notes Obligations, the "Senior Notes Documents"), by each of the Issuer's direct and indirect subsidiaries party thereto from time to time, as grantors (the "Grantors" and together with the Guarantors, other than Issuer, the "Debtors"), in favor of the Trustee for the benefit of the Senior Noteholders;

(iv) Restructuring Support Agreement, dated as of July 30, 2025 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "RSA"), by and among, the Issuer, the other Company Parties party thereto. and the Consenting Senior Noteholders party thereto from time to time; a copy RSA is available on the Form 6-K/A the Company filed with the Securities and Exchange Commission on August 18, 2025, which is available on the Company's website (https://ir.ayrwellness.com/financial-results/sec-filings); and

(v) Senior Secured Bridge Term Loan Agreement, dated as of August 29, 2025 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Bridge Credit Agreement" and together with the Loan Documents, as defined therein, the "Bridge Loan Documents"), by and among the CSAC Holdings Inc., as borrower, the lenders party thereto from time to time (the "Bridge Lenders"), and Acquiom Agency Services LLC, in its capacity as administrative and collateral agent (the "Bridge Agent").

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[1] Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the RSA (as defined herein).

On October 9, 2025, in connection with certain events of default that have occurred and are continuing under the Indenture, certain Senior Noteholders constituting holders of over two-thirds in aggregate principal amount of the Senior Notes outstanding under the Indenture (the "Majority Noteholders") (a) delivered a written notice to the Issuer, the Debtors, and the Trustee accelerating and declaring all principal, accrued and unpaid interest, fees and premiums, and any other Senior Notes Obligations outstanding on all of the Senior Notes under the Indenture, the Guarantee, and the other Senior Notes Documents immediately due and payable on a joint and several basis, and (b) directed and authorized the Trustee in writing (the "Noteholder Direction") to institute foreclosure proceedings through a public disposition of certain of the Debtors' collateral pursuant to §§ 9-610 and 9-611 of the Uniform Commercial Code (the "Sale"), as in effect from time to time in the State of New York ("UCC"), and execute and deliver a notification of disposition pursuant to all parties entitled to notification under UCC § 9-611 in accordance with the terms of the Senior Notes Documents, the UCC, and applicable law.

In accordance with the Noteholder Direction, and pursuant to the procedures set forth herein (the "Bid Procedures"), the Trustee, with the support of the Debtors, is soliciting bids in connection with the Sale under the UCC of (a) the assets designated as assumed on the summary set forth on **Schedule I** attached hereto of the Debtors listed on **Schedule II** attached hereto and (b) the equity interests set forth on **Schedule III** attached hereto (collectively, the "Specified Assets") pursuant to a form of master purchase agreement attached hereto as **Exhibit A** (the "Proposed Purchase Agreement"). For the avoidance of doubt, the Trustee, in coordination with the Debtor Advisors, Ducera, and Paul Hastings (each as defined below), is distributing these Bid Procedures at the direction of the Majority Noteholders pursuant to the Noteholder Direction and all actions taken by the Trustee in accordance herewith shall be taken in accordance with the Noteholder Direction and any subsequent direction from the Majority Noteholders, as applicable.

In accordance with the RSA and the Noteholder Direction, the Debtors and the Trustee agreed to execute a master purchase agreement (the "Credit Bid Purchase Agreement"), which is in form and substance substantially consistent with the Proposed Purchase Agreement and contemplates a purchase price comprised of (1) a credit bid of obligations under the Guarantee, and (2) the assumption of the Assumed Liabilities (as defined in the Credit Bid Purchase Agreement) of the Debtors (collectively, the "Credit Bid"), to the extent the Credit Bid being designed as the winning bidder in accordance with the Bid Procedures. Certain of the Senior Noteholders further agreed to provide the bridge facility under Bridge Credit Agreement, which is secured on a *pari passu* basis with liens securing the obligations under the Senior Notes Documents pursuant to the Equal Priority Intercreditor Agreement (as defined in the Bridge Credit Agreement), to provide the Debtors with working capital and to fund the restructuring transactions contemplated under the RSA, including the Sale.

ANY PARTY INTERESTED IN BIDDING ON THE SPECIFIED ASSETS SHOULD CONTACT:

(A) THE FINANCIAL ADVISOR FOR THE MAJORITY NOTEHOLDERS, DUCERA PARTNERS LLC ("DUCERA"):

David Zubricki (dzubricki@ducerapartners.com),
Sean Lancaster (slancaster@ducerapartners.com),
Riley Van Duzer (RVanDuzer@ducerapartners.com), and
Dhruv Patel (DPatel@ducerapartners.com); AND

(B) COUNSEL FOR THE MAJORITY NOTEHOLDERS, PAUL HASTINGS LLP ("PAUL HASTINGS"):

Josh Ratner (joshratner@paulhastings.com),
Luke Dixon (lukedixon@paulhastings.com),
Maura Noone (mauranoone@paulhastings.com), and
AYR PH Listserv (AYR.PH.All@paulhastings.com); AND

(C) ODYSSEY TRUST COMPANY, IN ITS CAPACITY AS THE TRUSTEE:

Brett Higgs (BHiggs@OdysseyTrust.com),
Amy Douglas (ADouglas@OdysseyTrust.com),
June Lam (JLam@OdysseyTrust.com), and
Shirley Yang (SYang@OdysseyTrust.com); AND

(D) WITH A COPY TO THE ADVISORS FOR THE DEBTORS: DLA PIPER LLP ("DLA"), AS COUNSEL, MOELIS AND COMPANY LLC ("MOELIS"), AS INVESTMENT BANKER, AND ANKURA, AS FINANCIAL ADVISOR ("ANKURA" AND TOGETHER WITH DLA AND MOELIS, COLLECTIVELY, THE "DEBTOR ADVISORS"):

Richard Chesley (richard.chesley@us.dlapiper.com),
Jamila Willis (jamila.willis@us.dlapiper.com),
Scott Davido (scott.david@ankura.com),
Blake Holzgrafe (blake.holzgrafe@ankura.com),
Cullen Murphy (cullen.murphy@moelis.com),
Grant Kassel (grant.kassel@moelis.com), and
Andrew Carlson (andrew.carlson@moelis.com).

Summary of Key Dates Established by Bid Procedures

Date and Time (E.T.)	Event or Deadline
October 30, 2025 at 5:00 p.m.	Deadline for Prospective Bidders to Submit Non-Binding Indications of Interest
November 6, 2025 at 10:00 a.m.	Deadline for Prospective Bidders to Submit Qualifying Bids
November 10, 2025 at 10:00 a.m.	Auction Date
November 11, 2025 at 5:00 pm	Deposit by Successful Bidder (other than the Credit Bid) of 10% of Aggregate Cash Purchase Price in Escrow With Trustee
No later than November 11, 2025	Successful Bidder to execute Proposed Purchase Agreement
No later than November 14, 2025	Successful Bidder to submit all applications necessary and advisable to obtain regulatory approvals for the Sale in each applicable jurisdiction in cooperation with the Debtors
No later than January 19, 2025	Consummation of the Sale

1. Participation Requirements

Any person or entity that wishes to conduct diligence about the Debtors (an "Interested Party") may request, through Paul Hastings and Ducera (with a copy to the Debtor Advisors), to be granted access to the Debtors' confidential electronic data room concerning the Specified Assets and Assumed Liabilities (the "Data Room"), and must accept the Data Room Terms & Conditions and thereby agree to maintain the confidentiality of all information in the Data Room.

Any Interested Party (other than the Trustee) that wishes to participate in the bidding process (each, a "Potential Bidder") must first become a "Qualifying Bidder." To become a Qualifying Bidder, a Potential Bidder must submit to Paul Hastings and Ducera (with a copy to the Debtor Advisors):

(a) documentation identifying the Interested Party, its principals, and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction;

(b) a statement and other factual support demonstrating to the Trustee's reasonable satisfaction that the Interested Party has a *bona fide* interest in consummating a sale transaction, including without limitation, funding a cash purchase price sufficient to satisfy all Secured Obligations;

(c) sufficient information, as determined by the Trustee, relying on the advice of counsel, to allow the Trustee and the Majority Noteholders to determine that the

Interested Party would not be precluded from acquiring the Specified Assets under applicable law, including but not limited to: (1) a list of all cannabis licenses in which the Interested Party, and any of its owners, officers, directors or other principals, or any spouse thereof, has an ownership, financial or controlling interest, and (2) a statement identifying any criminal convictions of the Interested Party, and any of its owners, officers, directors or other principals (collectively, the "Regulatory Information"); and

(d) sufficient information, as determined by the Trustee, relying on the advice of counsel, to allow the Trustee and the Majority Noteholders to determine that the Interested Party has, or can obtain, the financial wherewithal and any required internal corporate, legal or other authorizations to close a sale transaction, including, but not limited to, current audited financial statements of the Interested Party (or such other form of financial disclosure acceptable to the Trustee and the Majority Noteholders).

Each Potential Bidder shall comply with all reasonable requests for information and due diligence access by the Paul Hastings, Ducera, the Trustee, and the Debtors (and their advisors) regarding the ability of such Potential Bidder to consummate its contemplated transaction. For the avoidance of doubt, each of the Trustee, on behalf of the Senior Noteholders, and the Bridge Agent, on behalf of the Bridge Lenders, shall be deemed to constitute a Qualifying Bidder.

Notwithstanding anything to the contrary herein, and for the avoidance of doubt, the Trustee may reject any Alternative Purchase Agreement (as defined below) if the Trustee determines that the purchase price set forth therein is insufficient to satisfy in full in cash all the outstanding obligations under the Senior Notes Documents (the "Senior Notes Obligations") and the Bridge Loan Documents (the "Bridge Facility Obligations", and together with the Senior Notes Obligations, the "Secured Obligations") or such lesser amount acceptable to the Trustee, acting on the direction of a Majority of Noteholders. As of October 9, 2025, approximately $325 million in aggregate principal amount (*plus* at least $47.8 million of accrued and unpaid interest, fees, and premiums) of the Secured Obligations remain outstanding.

2. Form of Agreement

Potential Bidders should reference the Proposed Purchase Agreement in connection with their bids. As set forth below, Potential Bidders intending to submit bids must include with their bids a clean and duly executed purchase agreement (an "Alternative Purchase Agreement") and a marked redline copy of the Alternative Purchase Agreement that reflects any variations from the Proposed Purchase Agreement.

3. Confidential Due Diligence

Subject to the confidentiality undertaking set forth in the Data Room Terms & Conditions, the Trustee, through the Debtors will, in coordination with the Paul Hastings and Ducera, provide any Qualifying Bidder with reasonable access to the Data Room and will request the Debtors to provide additional information reasonably requested by any Qualifying

Bidder. Any such additional information will be provided by posting such information to the Data Room or otherwise providing such information to each Qualifying Bidder. All additional due diligence requests must be directed to:

(a) Debtor Advisors; AND

(b) with a copy to Ducera and Paul Hastings.

The due diligence period will extend through and including the Bid Deadline (as defined below).

The Trustee reserves the right, at the direction of the Majority Noteholders or the Debtors, to withhold or limit access to any due diligence information that the Trustee, the Majority Noteholders, and/or the Debtors determine is business-sensitive or otherwise not appropriate for disclosure to a Qualifying Bidder. The Debtors and Trustee will be authorized to provide due diligence information to Qualifying Bidders *provided* that such Qualifying Bidders have accepted the Data Room Terms & Conditions. Neither the Trustee, any Senior Noteholder, any Bridge Lender, nor the Debtors (nor any advisors or representatives of the foregoing, including Paul Hastings, Ducera, DLA, Ankura or Moelis) are responsible for, and will have no liability with respect to, any information obtained by, or provided to, any Qualifying Bidders in connection with the Bid Procedures and the Sale.

4. Bid Requirements

To be deemed a "Qualifying Bid," a bid must be received from a Qualifying Bidder on or before the Bid Deadline and satisfy each of the following requirements (each, a "Bid Requirement"):

(a) be in writing;

(b) fully disclose the identity of the Qualifying Bidder (and to the extent that the Qualifying Bidder is a newly formed acquisition entity or the like, the identity of the Qualifying Bidder's parent company or sponsor), and provide the contact information of the specific person(s) whom the Trustee, Paul Hastings, Ducera or the Debtors should contact in the event that the Trustee, Paul Hastings, Ducera or the Debtors have any questions or wish to discuss the bid submitted by the Qualifying Bidder;

(c) set forth the cash purchase price to be paid by such Qualifying Bidder;

(d) a clean and duly executed Alternative Purchase Agreement, in form and substance substantially consistent with the Proposed Purchase Agreement;

(e) state that such Qualifying Bidder's offer is unconditional and is irrevocable until the conclusion of the Auction;

(f) to the extent that a bid is not accompanied by evidence of the Qualifying Bidder's capacity to consummate the Sale set forth in its bid with cash on hand, each bid

must include unconditional committed financing from a reputable financing institution, documented to the satisfaction of the Majority Noteholders, that demonstrates that the Qualifying Bidder has received sufficient debt and/or equity funding commitments to satisfy the Qualifying Bidder's purchase price and other obligations under its bid (including, without limitation, payment of the Secured Obligations in full in cash). Such funding commitments or other financing must be unconditional and must not be subject to any internal approvals, syndication requirements, diligence, or credit committee approvals, and shall have covenants and conditions reasonably acceptable to the Majority Noteholders;

(g) contain such financial and other information to allow the Trustee to make a reasonable determination as to the Qualifying Bidder's financial and other capabilities to close the transactions contemplated by the Alternative Purchase Agreement. To the extent that the Qualifying Bidder is a newly formed acquisition entity or the like, the financial and other information supporting the Qualifying Bidder's financial wherewithal must include financial and other information supporting the financial wherewithal of the Qualifying Bidder's parent company or sponsor;

(h) not request or entitle such Qualifying Bidder to any break-up fee, termination fee, expense reimbursement, or similar type of fee or payment;

(i) not contain any contingencies of any kind, including, without limitation, contingencies related to financing, internal approval or due diligence;

(j) contain written evidence satisfactory to the Majority Noteholders that the Qualifying Bidder has a commitment for financing or other evidence of the ability to close the transactions contemplated by the Alternative Purchase Agreement, with appropriate contact information for such financing sources;

(k) contain a written acknowledgment and representation that the Qualifying Bidder (i) has had an opportunity to conduct any and all due diligence regarding the Specified Assets and Assumed Liabilities, (ii) has relied solely upon its own independent review, investigation or inspection of any documents and other information in making its Qualifying Bid, and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Specified Assets or the Assumed Liabilities, or the completeness of any documents or other information provided in connection with the Bid Procedures and the Sale;

(l) set forth (i) any regulatory and third-party approvals, including all Requisite Regulatory Approvals (as defined in the Proposed Purchase Agreement), required for the Qualifying Bidder to close the transactions contemplated by the Alternative Purchase Agreement, and (x) the time period within which the Qualifying Bidder expects to receive such regulatory and third-party approvals and the Requisite Regulatory Approvals (as defined in the Proposed Purchase

Agreement), and (y) a statement or evidence that the Qualifying Bidder has made or will make in a timely manner all necessary filings with respect to the Requisite Regulatory Approvals (and in the case that receipt of any such regulatory or third-party approval or Requisite Regulatory Approval is expected to take more than five (5) days following execution and delivery of such Qualifying Bidder's Alternative Purchase Agreement, those actions the bidder will take to ensure receipt of such approval(s) as promptly as possible); *provided* that a Qualifying Bidder agrees that its legal counsel will coordinate in good faith with legal counsel for the Majority Noteholders and the Debtors to discuss and explain Qualifying Bidder's regulatory analysis, strategy, and timeline for securing all such approvals as soon as reasonably practicable, and in no event later than the time period contemplated in the Alternative Purchase Agreement; *provided, further* that the offer contains a covenant to cooperate with the Majority Noteholders and the Debtors to provide pertinent factual information regarding the bidder's operations reasonably required to analyze issues arising with respect to any applicable antitrust laws and other applicable regulatory requirements (including, without limitation, the Regulatory Information);

(m) provide for the Qualifying Bidder to serve as a backup bidder (the "Back-Up Bidder") if the Qualifying Bidder's bid is the next highest and best bid (the "Back-Up Bid") after the Successful Bid, in accordance with the terms of the Alternative Purchase Agreement;

(n) include written evidence of authorization and approval from the Qualifying Bidder's board of directors (or comparable governing body) with respect to the submission, execution, and delivery of the Alternative Purchase Agreement;

(o) provide that, if selected as the winning bid at the Auction, a good faith cash deposit (the "Deposit") in an amount equal to at least ten percent (10%) of the aggregate purchase price provided for in the Alternative Purchase Agreement shall be deposited in an account controlled by the Trustee no later than November 11, 2025 at 5:00 pm (E.T.); and

(p) provide that in the event of the Qualifying Bidder's breach of, or failure to perform under, the Alternative Purchase Agreement, the Trustee and/or the Majority Noteholders will be entitled to pursue all available legal and equitable remedies, including, without limitation, retention of the Deposit as part of the damages resulting to the Trustee and/or Majority Noteholders for such breach or failure to perform.

A bid from a Qualifying Bidder satisfying all of the above requirements, as determined by the Trustee (with notice to the Debtor Advisors), will constitute a Qualifying Bid. The Trustee and the Majority Noteholders reserve the right to work with any Qualifying Bidder in advance of the Auction to cure any deficiencies in a bid that is not initially deemed a Qualifying Bid. For the avoidance of doubt, the Credit Bid shall be deemed to constitute a Qualifying Bid.

Each Qualifying Bidder submitting a bid will be deemed to acknowledge and represent that it is bound by all of the terms and conditions of the Bid Procedures.

5. Bid Deadline

A Qualifying Bidder that desires to make a bid must deliver a written and electronic copy of its bid in both PDF and MS-WORD format to the Trustee, Paul Hastings, and Ducera for distribution to the Majority Noteholders so as to be received on or before **November 6 2025 at 10:00 a.m. (E.T.)** (the "Bid Deadline"); *provided* that the Trustee, acting on the direction of a Majority of Noteholders, may extend the Bid Deadline. To the extent that the Bid Deadline is extended for all parties, the Trustee shall notify all such parties of the same. **Any party that does not submit a bid by the Bid Deadline will not be allowed to (a) submit any offer after the Bid Deadline, or (b) participate in the Auction.**

6. Evaluation of Qualifying Bids

The Trustee will (with notice to the Debtor Advisors) make a determination regarding whether a timely submitted bid from a Qualifying Bidder is a Qualifying Bid.

The Trustee shall: (i) notify all Qualifying Bidders whether their respective bids have been determined to be Qualifying Bids; and (ii) if the Trustee timely receives one or more Qualifying Bids (other than the Credit Bid), determine which of the Qualifying Bids, at such time, is the highest or best bid for purposes of constituting the opening bid of the Auction (the "Baseline Bid" and the Qualifying Bidder submitting the Baseline Bid, the "Baseline Bidder"), and shall promptly notify all Qualifying Bidders with Qualifying Bids of the Baseline Bid.

7. No Qualifying Bids

If no timely Qualifying Bids (other than the Credit Bid) are submitted on or before the Bid Deadline, the Trustee shall not hold an Auction and the Trustee shall deem the Credit Bid as the Successful Bid (as defined below) and foreclose on the Specified Assets in accordance with the terms of the Indenture, the UCC and applicable law.

8. Auction

If the Trustee timely receives one or more Qualifying Bids (other than the Credit Bid), then the Trustee shall conduct an auction or series of auctions (the "Auction"). Following the Auction, the Trustee will determine whether a Qualifying Bid is an acceptable bid for the Specified Assets (it being understood that any Qualifying Bid that satisfies all of the Secured Obligations shall be deemed to be the winning bid at the Auction), which will be determined by considering, among other things, the following non-binding factors: (a) the number, type and nature of any changes to the Proposed Purchase Agreement requested by each Qualified Bidder in its Alternative Purchase Agreement; (b) the extent to which such modifications are likely to delay closing of the Sale and the cost to the Debtors of such modifications or delay; (c) the total consideration to be received by the Senior Noteholders and Bridge Lenders; (d) the transaction structure and execution risk, including conditions to, timing of and certainty of closing, termination provisions, availability of financing and financial wherewithal to meet all

commitments, and required governmental or other approval, including the Requisite Regulatory Approvals; and (e) any other factors the Senior Noteholders may reasonably deem relevant.

The Auction will be governed by the following procedures:

(a) the Auction will be held on **November 10, 2025 at 10:00 a.m. (E.T.)** at the offices of Paul Hastings LLP, 200 Park Avenue, New York, NY 10166, or virtually via telephone or video conference pursuant to information to be timely provided by the Trustee to the Auction Participants (as defined below);

(b) only the Qualifying Bidders with Qualifying Bids (together, the "Auction Bidders") will be entitled to make any subsequent bids at the Auction;

(c) the Auction Bidders may appear at the Auction, or through a duly authorized representative;

(d) the Trustee, the Senior Noteholders, the Bridge Lenders, the Bridge Agent, the Auction Bidders, the Debtor Advisors and advisors or counsel to any of the foregoing may attend the Auction (collectively, the "Auction Participants");

(e) the Trustee or its designee shall, as directed by the Majority Noteholders, direct and preside over the Auction, which shall be transcribed;

(f) prior to start of the Auction, each of the Auction Bidders must confirm that they it has engaged in any collusion with respect to the Bid Procedures, the Auction, or the Sale;

(g) the Auction will be conducted in an open cry format (and not by way of sealed bids). Bidding will commence at the amount of the Baseline Bid, and the Auction Bidders may submit successive bids in increments of at least $500,000, *provided* that: (i) each such successive bid must be a Qualifying Bid; and (ii) the Trustee will retain the right to modify the bid increment requirements at the Auction;

(h) the Auction may include individual negotiations with any of the Auction Bidders, but all bids must be made on the record and in the presence of all of the Auction Bidders;

(i) all material terms of the Qualified Bid that is deemed to be the highest and best bid for each round of bidding will be fully disclosed to the Auction Bidders, and the Trustee will use reasonable efforts to clarify any and all questions that the Auction Bidders may have regarding the Trustee's announcement of the then-current highest and best bid;

(j) the Auction Bidders and the Trustee, in consultation with the Debtors,will have the right to make additional modifications to the Proposed Purchase Agreement or any Alternative Purchase Agreement, as applicable, or the Credit Bid Purchase Agreement with respect to the Trustee, in conjunction with each Qualifying Bid submitted in each round of bidding during the Auction, *provided* that (i) any such

modifications on an aggregate basis and viewed in whole, must not, in the discretion of the Majority Noteholders and/or the Debtors, be less favorable to the Senior Noteholders and the Debtors than the terms of the Proposed Purchase Agreement, and (ii) each Qualifying Bid must constitute an unconditional and irrevocable offer by the Auction Bidder submitting such bid until such party submits a subsequent Qualifying Bid at the Auction, unless such bid is selected as the Successful Bid (as defined below) or the Back-Up Bid, which will remain binding as provided for herein;

(k) the Trustee and Majority Noteholders will have the right to request, and provide copies to the Debtor Advisors of, any additional financial information that will allow the Trustee and Majority Noteholders to make a reasonable determination as to an Auction Bidder's financial and other capabilities to consummate the transactions contemplated by the Proposed Purchase Agreement or any Alternative Purchase Agreement, as applicable, as may be amended during the Auction, and any further information that the Trustee or Majority Noteholders may believe is reasonably necessary to clarify and evaluate any bid made by an Auction Bidder during the Auction;

(l) upon the conclusion of the Auction, the Majority Noteholders shall determine, and shall direct the Trustee as to, the offer or offers for the Specified Assets that is or are the highest or best from among the Qualifying Bids submitted at the Auction (the "Successful Bid"); notwithstanding anything to the contrary herein, and for the avoidance of doubt, the Trustee shall not deem any Qualifying Bid to be the Successful Bid if the Majority Noteholders determine the purchase price set forth therein is insufficient to satisfy the Secured Obligations in full in cash, or such lesser amount acceptable to the Trustee as directed by the Majority Noteholders; if no Qualifying Bids (other than the Credit Bid) are deemed to be the Successful Bid, then the Trustee shall determine the Credit Bid is the Successful Bid;

(m) throughout the Auction, the Trustee will have the continuing right to credit bid the Senior Note Obligations, or any part thereof, to purchase the Specified Assets;

(n) in the event the purchase price exceeds the aggregate amount of the Senior Notes Obligations, and the Senior Notes Obligations would be paid in full in cash upon consummation, then the Bridge Agent (which, for the avoidance of doubt, shall be deemed to constitute a Qualifying Bidder hereunder), at the direction of the Required Lenders (as defined in the Bridge Credit Agreement), shall have the continuing right to credit bid the Bridge Facility Obligations then outstanding, or any part thereof, to purchase the Specified Assets as part of the Credit Bid (which, for the avoidance of doubt, will be deemed to constitute a Qualifying Bid hereunder);[2]

[2] In the event that all Secured Obligations are indefeasibly paid in full in cash, the Debtors shall assume control over the sale and auction process and the Trustee, the Majority Noteholders and their advisors shall serve as consultation parties through the completion of the sale and auction process.

(o) the bidder submitting the Successful Bid at the Auction will become the "Successful Bidder," and will have such rights and responsibilities of the purchaser as set forth in the Proposed Purchase Agreement or any Alternative Purchase Agreement, as applicable (or, in the case that the Credit Bid is the Successful Bidder, the Credit Bid Purchase Agreement). The Majority Noteholders shall designate a Back-Up Bid, which may be the Credit Bid, (and the corresponding Back-Up Bidder) to purchase the Specified Assets in the event that the Successful Bidder does not close the Sale;

(p) within one day after the conclusion of the Auction or as soon as reasonably practicable thereafter, the Trustee will (i) identify the Successful Bidder and the Back-Up Bidder and (ii) set forth any other information necessary to reasonably apprise the parties of the outcome of the Auction;

(q) no later than November 11, 2025 at 5:00 pm (E.T.), the Successful Bidder must supplement the Successful Bidder's Deposit such that the Deposit is an amount that is at least ten (10%) percent of the Successful Bid; and

(r) no later than November 11, 2025, the Successful Bidder shall complete and execute all agreements, contracts, instruments and other documents evidencing and containing the terms and conditions upon which the Successful Bid was made; and

(s) no later than November 14, 2025, the Successful Bidder shall submit all applications necessary and advisable to obtain Requisite Regulatory Approvals for the Sale in each applicable jurisdiction in cooperation with the Debtors.

THE SUCCESSFUL BID AND ANY BACK-UP BID AND THEIR RELATED PURCHASE AGREEMENTS SHALL CONSTITUTE AN IRREVOCABLE OFFER AND BE BINDING ON THE SUCCESSFUL BIDDER AND THE BACK-UP BIDDER, RESPECTIVELY, FROM THE TIME THE QUALIFIED BID IS SUBMITTED UNTIL TWO (2) BUSINESS DAYS AFTER THE SALE HAS CLOSED. EACH QUALIFYING BID THAT IS NOT THE SUCCESSFUL BID OR THE BACK-UP BID SHALL BE DEEMED WITHDRAWN AND TERMINATED UPON THE TRUSTEE'S IDENTIFICATION OF THE SUCCESSFUL BIDDER AND THE BACK-UP BIDDER IN ACCORDANCE WITH SECTION 9(O) HEREOF.

9. Back-Up Bidder

Notwithstanding any of the foregoing, in the event that the Successful Bidder fails to close the Sale on or before January 19, 2026 (or such date as may be extended by the Trustee), (a) the Back-Up Bid will be deemed to be the Successful Bid, (b) the Back-Up Bidder will be deemed to be the Successful Bidder, (c) the Trustee shall be authorized to close the Sale to the Back-Up Bidder subject to the terms of the Back-Up Bid without the need for further notice to any interested parties and (d) not later than fifteen (15) days after receiving notice from the

Trustee that the initial Successful Bidder failed to close the Sale, the Back-Up Bidder must make all the State-specific submissions required to obtain the Requisite Regulatory Approvals.

10. No-Shop or No-Solicitation Provisions

The Bid Procedures do not limit the Trustee's, Majority Noteholders' or Debtors' ability or right to solicit higher or otherwise better bids.

11. Reservation of Rights

Notwithstanding any of the foregoing, the Trustee may, with notice to the Debtors, (a) extend the deadlines set forth in the Bid Procedures, and (b) adopt, implement, and waive such other, additional or existing procedures or requirements that in its discretion serve to further an orderly Auction and bid process, including, but not limited to, the imposition of a requirement that all Qualifying Bidders submit sealed Qualifying Bids during the Auction, all without further notice except to the Auction Participants, as appropriate.

The Trustee may, with notice to the Debtors, (a) determine which Qualifying Bid, if any, is the Successful Bid, and (b) reject any bid that, in the discretion of the Majority Noteholders, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the UCC or the Bid Procedures, or (iii) contrary to the best interests of the Senior Noteholders. At or before the conclusion of the Auction, the Trustee may impose such other terms and conditions upon Qualifying Bidders as the Majority Noteholders determine to be in the best interests of the Senior Noteholders.

Schedule I

Summary of Specified Assets

AYR WELLNESS, INC.

	State-Level Overview	Classification
Florida	**Assets:**	
	64 Open Retail Stores	Assume
	Gainesville Cultivation Facility	Assume
	Ocala Cultivation Facility	Assume
	1 OMMU License	Assume
	16 Trademarks	Assume
	3 Trademarks	Exclude
	3 Retail Stores	Exclude
	Liabilities:	
	Gainesville Cultivation Facility Mortgage	Assume
	Ocala Cultivation Facility Lease	Assume
	66 Retail Store Leases	Assume
	11 Retail Store Leases	Exclude
Ohio	**Assets:**	
	6 Open Retail Stores	Assume
	Akron Production Facility	Assume
	11 Dispensary Licenses	Assume
	1 Cultivation License	Assume
	1 Production License	Assume
	6 Trademarks	Assume
	Parma Cultivation Facility	Exclude
	Liabilities:	
	8 Retail Store Leases	Assume
	Akron Cultivation Facility Lease	Assume
	Parma Cultivation Facility Lease	Exclude
Nevada	**Assets:**	
	6 Open Retail Stores	Assume
	6 Retail Store Licenses	Assume
	4 Cultivation Licenses	Assume
	3 Production Licenses	Assume
	2 Distribution Licenses	Assume
	35 Trademarks	Assume
	4 Trademarks	Exclude
	NV Kynd Cultivation / Production Facility	Exclude
	NV Green Cultivation / Production Facility	Exclude
	LVF Cultivation / Production Facility	Exclude
	Tahoe Hydro Cultivation / Production Facility	Exclude
	Liabilities:	

[redacted]	6 Retail Store Leases	Assume
	NV LivFree Unsecured Seller Note	Exclude
	NV Tahoe Hydro Unsecured Seller Note	Exclude
	NV Green Unsecured Seller Note	Exclude
	NV Kynd Cultivation / Production Facility Lease	Exclude
	NV Green Cultivation / Production Facility Lease	Exclude
	LVF Cultivation / Production Facility Lease	Exclude
	Tahoe Hydro Cultivation / Production Facility Lease	Exclude
New Jersey	**Assets:**	
	3 Open Retail Stores	Assume
	Woodbridge Cultivation Facility	Assume
	Cranbury Production Facility	Assume
	3 Medical Marijuana & Class 5 Retail Licenses	Assume
	1 Class 1 Cultivator License	Assume
	1 Class 2 Manufacture License	Assume
	10 Trademarks	Assume
	1 Cultivate & Process License	Exclude
	Lakewood Cultivation Facility	Exclude
	Liabilities:	
	3 Retail Stores Leases	Assume
	Woodbridge Cultivation Facility Lease	Assume
	Cranbury Production Facility Lease	Assume
	Lakewood Cultivation Facility Lease	Exclude
	NJ GSD Unsecured Assumed Debt	Exclude
[redacted]	**Assets:**	
	6 Open Retail Stores	Assume
	Warrendale Cultivation / Production Facility	Assume
	6 Dispensary Facility Permits	Assume
	1 Grower/Processor Permit	Assume
	11 Trademarks	Assume
	3 Retail Stores	Exclude
	DocHouse Cultivation / Production Facility	Exclude
Pennsylvania	3 Dispensary Facility Permits	Exclude
	1 Grower/Processor Permit	Exclude
	Liabilities:	
	6 Retail Stores Leases	Assume
	Warrendale Cultivation / Production Facility Lease	Assume
	3 Retail Stores Leases	Exclude
	DocHouse Cultivation / Production Facility Lease	Exclude
	PA Natural Secured Seller Notes	Exclude
	PA Natural Secured Earnout Notes	Exclude

[redacted]	PA Dochouse Unsecured Seller Notes	Exclude
	PA Canntech Junior Secured Seller Note	Exclude
	PA Canntech Unsecured Assumed Debt	Exclude
Massachusetts	**Assets:**	
	3 Open Retail Stores	Assume
	3 Retail Store Licenses	Assume
	1 Retail Store	Exclude
	1 Retail Store License	Exclude
	4 Product Manufacturer Licenses	Exclude
	2 Cultivation / Tier 2 – Indoor Licenses	Exclude
	1 Cultivation / Tier 8 – Indoor License	Exclude
	1 Cultivation License	Exclude
	1 Transporter License	Exclude
	M1 Cultivation / Production Facility	Exclude
	M2 Cultivation / Production Facility	Exclude
	M3 Cultivation / Production Facility	Exclude
	37 Trademarks	Exclude
	Levia Production Facility	Exclude
	Liabilities:	
	3 Retail Store Leases	Assume
	1 Retail Store Lease	Exclude
	MA Mortgage	Exclude
	M1 Cultivation / Production Facility Lease	Exclude
	M2 Cultivation / Production Facility Lease	Exclude
	Levia Production Facility Lease	Exclude
	MA Sira Unsecured Earnout	Exclude
Illinois	**Assets:**	
	4 Open Retail Stores	Exclude
	1 Registered Medical Cannabis Dispensing Org.	Exclude
	4 Retail Store Licenses	Exclude
	Liabilities:	
	4 Retail Store Leases	
	IL Herbal Remedies Unsecured Seller Note	Exclude
	IL Land of Lincoln Unsecured Settlement	Exclude
Connecticut	**Assets:**	
	1 Open Retail Store	Exclude
	2 Licenses	Exclude
	Liabilities:	
	1 Retail Store Lease	Exclude

Virginia	**Assets:** 1 Retail License	Assume
Texas	**Assets:** Land	Exclude

Schedule II

List of Debtors with Specified Assets

1. AYR Wellness, Inc.
2. CSAC Holdings Inc.
3. CSAC Acquisition Inc.
4. CSAC Acquisition FL Corp.
5. DFMMJ Investments LLC
6. 242 Cannabis LLC
7. CSAC Acquisition TX Corp
8. CSAC Acquisition NJ Corp
9. Sira Naturals Inc.
10. LivFree Wellness LLC
11. CSAC Acquisition NV Corp
12. NV Green Inc.
13. Tahoe Hydroponics Company LLC
14. CSAC Acquisition PA Corp
15. CSAC Acquisition PA II Corp
16. AYR Wellness NJ LLC
17. AYR Wellness Holdings LLC
18. Tahoe-Reno Botanicals, LLC
19. DWC Investments LLC
20. Kynd-Strainz LLC
21. Tahoe-Reno Extractions LLC
22. Lemon Aide LLC
23. CSAC Ohio LLC
24. CSAC Acquisition VA Corp
25. Green Light Management LLC
26. Parma Wellness Center LLC
27. Green Light Holdings LLC
28. Heaven Wellness LLC
29. Twice The Wellness LLC
30. Daily Releaf LLC
31. Good Day Dispensary LLC
32. Mercer Strategies FL LLC
33. Parker Solutions FL LLC
34. AYR NJ LLC
35. Parker Solutions NJ LLC
36. BP Solutions LLC
37. AYR Ohio LLC
38. Parker Solutions OH LLC
39. Parker Solutions PA LLC
40. Parker RE PA LLC
41. Mercer Strategies PA LLC
42. AYR Wellness Texas, LLC

Schedule III

Specified Assets (Equity Interests)

Equityholder	Acquired Entity	Type of Interest	Percentage Interest
CSAC Acquisition VA Corp.	Ayr Virginia LLC	Membership Interest (LLC)	100%
CSAC Acquisition PA Corp.	CannTech PA, LLC	Membership Interest (LLC)	100%
Green Light Management LLC	PWC D1 LLC	Membership Interest (LLC)	49%
Green Light Management LLC	PWC D2 LLC	Membership Interest (LLC)	49%
Green Light Management LLC	PWC D3 LLC	Membership Interest (LLC)	49%

Exhibit A

Proposed Purchase Agreement

MASTER PURCHASE AGREEMENT

BY AND AMONG

[BUYER]

ODYSSEY TRUST COMPANY

AND

THE OTHER PARTIES NAMED HEREIN

DATED AS OF [•], 2025

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MASTER PURCHASE AGREEMENT

THIS MASTER PURCHASE AGREEMENT (this "Agreement") is made as of October [•], 2025, by and among (a) [Buyer], a [•] (the "Buyer"), (b) Odyssey Trust Company, a trust company organized under the laws of Canada and authorized to carry on the business of a trust company in British Columbia, in its capacity as trustee and collateral trustee under the Senior Notes Indenture (as defined below) and the other Senior Notes Documents (as defined below) (the "Collateral Agent"), (c) certain Subsidiaries of AYR Wellness, Inc., a corporation formed under the laws of British Columbia ("AYR" or the "Company"), listed hereto on Schedule I (the "Company Asset Sellers"), (d) the equityholders (the "Equityholders") of certain of the Company's Subsidiaries opposite such Equityholder's name listed hereto on Schedule II (such Subsidiaries of the Company on Schedule II, the "Acquired Entities") and (e) certain of the Company's Subsidiaries listed hereto on Schedule III (the "Company Non-Sellers," and together with the Company Asset Sellers and the Equityholders and the Acquired Entities, the "Company Entities"). The Collateral Agent, the Company Asset Sellers and the Equityholders are herein referred to collectively as the "Sellers" and each individually as a "Seller". Capitalized terms used in this Agreement without definition shall have the meanings given to such terms in Section 1.1 hereof.

WHEREAS, the Company is in default of its obligations under the Senior Notes and, as a result of such defaults, the Senior Notes Trustee is entitled to exercise its remedies under the Senior Notes and Applicable Laws, including instituting foreclosure proceedings through a public disposition of certain collateral pursuant to Sections 9-610 and 9-611 of the UCC.

WHEREAS, the Buyer desires to acquire from the Sellers, and the Sellers desire to sell to Buyer, certain assets and equity interests of the Sellers for the consideration set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means, with respect to any Person, any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person whether through the ownership of voting securities, as trustee, personal representative or executor, by contract, credit arrangement or otherwise.

"Affiliated Group" means an affiliated group as defined in Section 1504 of the Code (or analogous combined, consolidated or unitary group defined under state, local or foreign income tax law).

"Allocation Schedule" shall mean the schedule allocating the Purchase Price and the Assumed Liabilities in accordance with Section 1060 of the Code and the Treasury Regulations

thereunder and any corresponding requirements of any state, local, or foreign tax laws, as applicable.

"Ancillary Agreements" means each of the agreements entered into in connection with this Agreement and the transactions contemplated hereby, including the Bill of Sale, the Lease Assignments and Deed for each Owned Real Property.

"Applicable Law" means any applicable provision of any constitution, treaty, statute, law, rule, regulation, ordinance, code, order, decree, consent decree, or settlement enacted, adopted, issued or promulgated by any Governmental Authority.

"Assumed Benefit Plan" means each Employee Benefit Plan listed on Schedule 6.6(c).

"Automatic Transfer Contingent Worker" means a Business Contingent Worker who is engaged by an Acquired Entity or its Subsidiary as of the applicable Closing.

"Automatic Transfer Employee" means a Business Employee who is employed by an Acquired Entity or its Subsidiary as of the applicable Closing.

"Bill of Sale" means the Bill of Sale and Assignment and Assumption Agreement to be executed by the applicable Seller and the Buyer at the applicable Closing with respect to the applicable Acquired Assets and/or Acquired Equity Interests, substantially in the form of Exhibit A.

"Bridge Credit Agreement" means that certain Senior Secured Bridge Term Loan Agreement, dated as of August 29, 2025 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), by and among CSAC Holdings Inc., as borrower, the lenders party thereto from time to time and Acquiom Agency Services LLC, in its capacity as administrative and collateral agent.

"Bridge Facility" means the bridge financing provided by the lenders party to the Bridge Credit Agreement in the form of a senior secured multiple draw term loan facility, subject to the terms and conditions of the Bridge Credit Agreement and all other agreements, documents, instruments, or other related documents executed or delivered in connection with the Bridge Facility, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

"Business" means the business of the Company Entities as currently conducted and as currently proposed to be conducted immediately prior to the applicable Closing, including the business of cultivating, packaging, distributing and selling cannabis products in the U.S.

"Business Contingent Worker" means a Contingent Worker directly engaged by a Company Entity.

"Business Day" means any day that is not a Saturday, Sunday or other day on which banks are required or authorized by law to be closed in the state of New York.

"Business Employee" means an employee of a Company Entity.

"Cash" means the amount of cash and cash equivalents (including marketable securities and marketable short term investments) that would be recorded on a consolidated balance sheet for the applicable Seller prepared in accordance with GAAP using the same accounting methods, policies, practices and procedures, with consistent classifications, judgments and estimation methodology, as were used in preparation of the Reference Balance Sheet (as defined in Section 3.5).

"Closing" shall mean a closing for the purchase and sale of all or a portion of the Acquired Assets and/or Acquired Equity Interests on the terms and conditions set forth in this Agreement, including a Single Closing and any State-Specific Closings.

"COBRA" means the continuation coverage requirements for "group health plans" under Section 4980B of the Code and Sections 601 through 608 of ERISA, and any similar and applicable State or local Applicable Law, and in each case, any official guidance promulgated thereunder.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral Assets" means, in each case, to the extent the Collateral Agent has a perfected first priority Lien thereon (subject to only Permitted Liens), all of the right, title and interest of each of the Company Entities in and to all of the assets, property, Assumed Contracts, claims and rights of every kind and nature, whether tangible or intangible, whether real, personal or mixed, in electronic form or otherwise, and wherever situated, used in or relating solely or principally to the Business conducted at the locations of the Company or its Subsidiaries, transferred pursuant to the Sale Proceeding and this Agreement by the Collateral Agent.

"Company Sellers" means the Company Asset Sellers and Equityholders.

"Consenting Senior Noteholders" means the beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary funds, accounts or sub-accounts that beneficially hold, Senior Notes and are party to the RSA.

"Contingent Worker" means an independent contractor, consultant, temporary employee, or leased employee who is a natural Person classified, treated, and paid other than as an employee, or compensated other than through the direct payment of wages through payroll.

"Contract" means any legally binding written contract, intellectual property license, sublicense, mortgage, purchase order, indenture, loan agreement, lease, sublease, agreement or instrument or any binding written commitment to enter into any of the foregoing to which any Seller is a party or by which any Seller's assets are bound.

"Deed" means a special warranty deed (or equivalent in the applicable jurisdiction) for each Owned Real Property transferring fee simple ownership of each Owned Real Property to Buyer (or its designee), free and clear of all Liens other than Permitted Liens, in substantially the form of Exhibit C;

"Disclosure Schedule," "Disclosure Schedules" or "Schedule" means the Disclosure Schedule attached hereto, delivered by the Sellers to the Buyer in connection with this Agreement.

"Employee Benefit Plan" means an "employee benefit plan" (as defined in Section 3(3) of ERISA, whether or not such plan is subject to ERISA), and each other compensation or benefit plan, program, policy, arrangement or agreement providing for employment, individual consulting, severance, termination, separation, incentive or bonus, commission, retention, change in control, deferred compensation, profit sharing, retirement, welfare, post-employment welfare, vacation or paid-time-off, equity or phantom equity, or other compensation or benefits, that is maintained, sponsored or contributed to (or required to be maintained, sponsored or contributed to) by any of the Company Entities or with respect to which any of the Company Entities have or could have any Liability.

"Employee Representative Body" means a labor or trade union, works council, or similar employee representative body.

"Environmental Claim" means any written notice, demand, claim, suit, proceeding or other communication alleging liability or potential responsibility (including for investigatory cost, cleanup cost, governmental response cost, natural resources damage, property damage, personal injury or penalty) under any Environmental Law, including any of the foregoing arising out of, relating to or resulting from (a) the presence or Release of any Hazardous Substance or (b) any violation or duty to comply with any Environmental Law or Permit required thereunder.

"Environmental Law" means any applicable federal, state or local law (including common law), statute, regulation, ordinance, code, guidance having the force of law, or other legal requirement relating to the protection of human health and safety (as each concern exposure to Hazardous Substances), or the environment, natural resources, climate change, biodiversity, wildlife or habitats, including any of the foregoing relating to any presence, emission, discharge, Release or potential Release of any Hazardous Substance, or otherwise relating to the manufacture, processing, distribution, use, registration, treatment, storage, disposal, transport, handling or human exposure to any Hazardous Substance.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means an entity that is considered one employer with the Company or any of the Sellers under Section 4001 of ERISA or Section 414 of the Code.

"Excluded Taxes" means (i) all Taxes of the applicable Seller or any of its Affiliates, or for which the applicable Seller or any of its Affiliates are otherwise liable as a transferee or successor, pursuant to an express or implied obligation to indemnify any other Person, by contract or pursuant to any Applicable Law or otherwise, (ii) all Taxes relating to the Excluded Assets or Excluded Liabilities for any taxable period, (iii) all Taxes relating to the Acquired Assets or the Assumed Liabilities for any taxable period ending on or prior to the applicable Closing Date and, with respect to any Straddle Period, for the portion of such taxable period ending on the applicable Closing Date, as calculated in accordance with Section 6.5(b), (iv) all Taxes for which the applicable Seller has responsibility under Section 6.5(a) and (v) all Taxes imposed on Buyer or any of its Affiliates as a transferee or successor of any Seller or any of its Affiliates.

"Existing Subordination Agreements" means, collectively, each "Subordination Agreement" as defined in the Senior Notes Indenture, including, without limitation, the IL Herbal Remedies Subordination Agreement, GSD Subordination Agreement, NJ LivFree Subordination Agreement, NV Green Subordination Agreement, NV Tahoe Hydro Subordination Agreement, PA CannTech Subordination Agreement, and PA DocHouse Subordination Agreement (each as defined in the Restructuring Term Sheet), in each case, as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof.

"Federal Cannabis Laws" means any U.S. federal Laws, civil, criminal or otherwise, as such relate, either directly or indirectly, to the cultivation, harvesting, production, distribution, sale and possession of cannabis, marijuana or related substances or products containing or relating to the same, including, without limitation, the prohibition on drug trafficking under 21 U.S.C. § 841(a), et seq., the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another's felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957, and 1960 and the regulations and rules promulgated under any of the foregoing.

"FL Owned Real Property" means the real property located at 19228 N. County Rd. 225, Unincorporated Alachua County, FL, together with all buildings, structures, improvements and fixtures located thereon, and all easements and other rights and interests appurtenant thereto or used in connection therewith.

"GAAP" means United States generally accepted accounting principles, consistently applied throughout the periods involved.

"Governmental Authority" means any government or political subdivision, whether federal, state, local or foreign, or any legislative, administrative, executive or judicial branch, body, entity or forum, agency, regulatory body or authority, or instrumentality of any such government or political subdivision, or any federal, state, local or foreign court, tribunal or arbitrator.

"Hazardous Substance" means (a) pesticides, petroleum or petroleum byproducts, per- and polyfluoroalkyl substances, asbestos or asbestos containing materials, polychlorinated biphenyls, mold or radioactive, flammable or explosive substances, and (b) any materials, substances, chemicals, contaminants, pollutants or wastes regulated or listed by, or for which liability or standards of conduct are imposed pursuant to, any Environmental Law or Permit required thereunder.

"Indebtedness" means any liability of the Sellers under or for any of the following (excluding any trade payable incurred in the Ordinary Course of Business of such Seller): (a) indebtedness for borrowed money, including any mortgages and substantially similar instruments or arrangements, whether or not evidenced by any note, bond or debenture or any similar instrument, and including, for the avoidance of doubt, all liabilities and obligations of such Seller to any Person for indebtedness for borrowed money; (b) all obligations of the Sellers issued or assumed as the deferred purchase price of property, conditional sale obligations or under any title retention agreement; (c) all obligations and liabilities in respect of any letter of credit, bond, surety

or similar obligations; (d) all liabilities and obligations of the Sellers under any lease that is required to be treated as a capital lease under GAAP; (e) obligations under any interest rate swaps currency swaps, foreign exchange, hedging or similar instruments; (f) any amounts owed to any Business Employee or Business Contingent Worker under any severance, change-of-control, retention, bonus or similar arrangements through the Closing, (g) any indebtedness of the nature described in subclauses (a)-(f) above with respect to which such Seller is a guarantor (excluding, for the avoidance of doubt, endorsements of negotiable instruments or guarantees of performance) or (h) interest, premium, penalty, fee, Taxes or other expense regarding any of the foregoing.

"Intellectual Property" means all intellectual property and proprietary rights in any applicable jurisdiction, whether registered or unregistered, including without limitation any of the following: (A) patents, patent applications of any kind, patent rights, inventions, discoveries and invention disclosures (whether or not patented) (including reissues, continuations, continuations-in-part, divisions, substitutions, provisionals, revisions, extensions, patent disclosures, and reexaminations); (B) rights in registered and unregistered trademarks, service marks, trade names, trade dress, logos, packaging designs, and slogans, together with all of the goodwill associated therewith; (C) copyrights in both published and unpublished works, and all other works of authorship, including all compilations, databases and computer programs, manuals and other documentation, all derivatives, translations, adaptations and combinations of the above, and any associated moral rights; (D) rights in know-how, trade secrets, confidential or proprietary information, research in progress, work-for-hire, algorithms, data, designs, processes, formulae, drawings, schematics, blueprints, flow charts, models, strategies, prototypes, techniques, testing procedures and testing results; (E) domain names, uniform resource locators and other names and locators associated with the internet; (F) registrations and applications to register any of the foregoing; (G) any and all other intellectual property rights and/or proprietary rights recognized by Applicable Law; and (H) all causes of action, damages, and remedies related to any of the foregoing, including damages for past, present and future infringement thereof; and (I) all copies and tangible embodiments of the foregoing (in whatever form or medium).

"IRS" means the Internal Revenue Service.

"ISRA" means the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K et seq. and N.J.A.C. 7:26B et seq., in each case as amended or supplemented from time to time.

"Knowledge of the Company Entities" or "the Company Entities' Knowledge" or any similar knowledge qualification means the actual knowledge of the executive management team of the Company, after reasonably due inquiry under the circumstances.

"Leased Real Property" means the real property leased, subleased or licensed by the applicable Seller, in each case, as tenant, subtenant, licensee or other similar party, together with, to the extent leased, licensed or owned by any Seller, all buildings and other structures, facilities or leasehold improvements, fixtures, systems, and equipment as described in the applicable leases, subleases or licenses therefor.

"Liability" means any liability, debt, obligation, deficiency, Tax, penalty, assessment, fine, order, decree, claim, charge, cause of action or other loss, fee, cost or expense of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, known or unknown, accrued

or unaccrued, liquidated or unliquidated, and whether due or to become due and regardless of when asserted.

"Lien" means any mortgage, deed of trust, pledge, security interest, hypothecation, lien (including environmental and Tax liens), or similar charge or encumbrance of any kind (including any conditional sale or title retention agreement or lease in the nature thereof) or any agreement to file any of the foregoing, any sale of receivables with recourse against any Seller, and any filing or agreement to file any financing statement as debtor under the Uniform Commercial Code or any similar statute, in each case, that affects an Acquired Asset.

"Liquidation Proceedings" means (a) commencing a proceeding for the Company under the *Companies' Creditors Arrangement Act* (Canada) in the Supreme Court of British Columbia to effectuate a liquidation and wind down of the Company upon such terms and conditions acceptable to the Consenting Senior Noteholders and the Company; and (b) consummating the liquidation or sale of the Excluded Assets and the discharge of the Excluded Liabilities of the U.S. Company Sellers, and winding down the applicable U.S. Company Sellers through the commencement of one or more proceedings under applicable state law (including, without limitation, a receivership, liquidation, foreclosure, dissolution, and/or an assignment for the benefit of creditors), in each case, upon such terms and conditions acceptable to the Company with the approval of the Consenting Senior Noteholders.

"Losses" (collectively) or "Loss" (individually) means any loss, Liability, demand, claim, action, cause of action, cost, damage, deficiency, Tax, penalty, fine or expense, whether or not arising out of third party claims (including interest, penalties, attorneys', accountants' and other professionals' fees and expenses, court costs and all amounts paid in investigation, defense or settlement of any of the foregoing).

"Material Adverse Effect" means any event, occurrence, fact, condition or change that has, or reasonably would be expected to have, individually or in the aggregate, a material adverse effect on the condition of the Acquired Assets, the Acquired Companies or the Business; provided, however, that none of the following shall constitute a Material Adverse Effect: (i) except to the extent that such event, occurrence, fact, condition or change disproportionately affects the applicable Seller relative to others in the same or similar industries, any change arising from or relating to (A) changes in Applicable Laws or other requirements issued by any Governmental Authority, (B) changes in GAAP, or (C) changes in general economic or political conditions or the securities markets in general (whether as a result of acts of terrorism, war (whether or not declared), armed conflicts or otherwise); (ii) any adverse change, effect or circumstance that directly results from the announcement of the transactions contemplated by this Agreement and the other agreements contemplated hereby; (iii) any action taken at the written request of the Buyer; (iv) any failure to meet a forecast (whether internal or published) of revenue, earnings, cash flow, or other data for any period or any change in such a forecast; and (v) and any action reasonably necessary to implement the Restructuring Transactions.

"Material Leases" means the Leases, and all applicable Ancillary Lease Documents, for the Leased Real Property at each of the locations set forth on Annex B.

"Non-Core Divestiture Transactions" means the sale of (a) the "Levia" business held by Cultivauna, LLC (a wholly-owned subsidiary of the Company), (b) select dispensaries located in Illinois and identified by the Company to the Senior Note Holders, (c) real property located at 16735 Renewable Way, Fernley, NV, and (d) real property located at 1300 SH 21, Cedar Creek, TX, to third party buyers.

"Ordinary Course of Business" or "Business in the Ordinary Course" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Owned IP" means all Intellectual Property owned or purported to be owned by the applicable Seller.

"Owned Real Property" means the FL Owned Real Property and the TX Owned Real Property.

"Parties" (collectively) or "Party" (individually) shall refer to the Sellers, the Equityholders, and/or the Buyer.

"Permit" means all permits, licenses, clearances, approvals, authorizations, registrations, certificates, concessions, grants, variances, permissions and similar rights issued by or obtained or required to be obtained, from a Governmental Authority.

"Permitted Liens" means the liabilities of the Acquired Entities and, to the extent assumed, the loan evidenced by the FL Mortgage Loan Documents.

"Person" means any individual, partnership, limited liability company, corporation, cooperative, association, joint stock company, trust, joint venture, unincorporated organization or Governmental Authority, body or entity or any department, agency or political subdivision thereof.

"Post-Closing Tax Period" means any Tax period (or portion thereof) beginning after the applicable Closing Date.

"Pre-Closing Tax Period" means any Tax period (or portion thereof) ending on or before the applicable Closing Date.

"Proceeding" means any action, suit, proceeding at law or in equity, arbitration, or administrative or other proceeding by or before any Governmental Authority.

"Release" of any Hazardous Substance means any release, or the threat thereof, and any deposit, discharge, emission, leaking, leaching, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Substance into or upon or through any land or water or air, or otherwise entering into the environment, and including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Substance.

"Requisite Regulatory Approval" means evidence of approval from the applicable regulatory authorities of the transaction(s) contemplated herein pertaining to such state, to the

extent required by such governing body, and granting the required Permit in such state to Buyer or its designee allowing Buyer or its designee to cultivate, process, manufacture distribute, sell and/or deliver cannabis products in such state, as the case may be in any given state.

"RSA" means that certain Restructuring Support Agreement (including all exhibits, annexes, and schedules attached thereto, as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof), dated July 30, 2025, by and among the Company and the Consenting Senior Noteholders.

"Sale Proceeding" means implementing the transactions contemplated by this Agreement through a public disposition of collateral pursuant to §§ 9-610 and 9-611 of the UCC, as in effect from time to time in the State of New York, to be conducted by the Senior Notes Trustee, coupled with a consensual assignment of other property by the Company Parties to the Buyer.

"Senior Noteholders" means holders of, or investment advisors, sub-advisors or managers of discretionary funds, accounts or sub-accounts that beneficially hold, Senior Notes.

"Senior Notes" means the senior secured notes outstanding under the Senior Notes Indenture.

"Senior Notes Documents" means, collectively, (a) the Senior Notes, (b) the Senior Notes Indenture, and (c) any other agreements, documents, instruments, or other related documents delivered or entered into or in connection with the Senior Notes and the Senior Notes Indenture, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents, as any of the foregoing may be amended, modified, or supplemented from time to time in accordance with the terms thereof (including any Existing Subordination Agreements, cash management arrangements, and ancillary facilities).

"Senior Notes Indenture" means that certain Amended and Restated Indenture, dated as of February 7, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time), by and among, inter alia, the Company, in its capacity as the issuer of the Senior Notes under such Senior Notes Indenture, and the Collateral Agent.

"Senior Notes Obligations" means the aggregate principal amount of at least $293.25 million, plus accrued but unpaid interest (including default interest, if applicable) thereon, plus all fees, costs, expenses (including attorneys', financial advisors' and other professionals' fees and expenses), charges, disbursements, indemnification and reimbursement obligations (contingent or otherwise), and all other amounts that may be due or owing under the Senior Notes Documents.

"State" shall mean the states where the Collateral Assets or Transferred Assets are located and set forth on Annex A attached hereto.

"Subsidiary" means, with respect to any Person, any and all corporations, partnerships, limited liability companies, joint ventures, associations and other entities of which more than 50% of the outstanding equity interests or other voting securities or economic interests are owned by any such Person, directly or indirectly through one or more intermediaries. For purposes hereof, a Person or Persons shall be deemed to control a partnership, limited liability company, association or other business entity if such Person or Persons (i) shall be or control the managing director or

general partner of such partnership, limited liability company, association or other business entity or (ii) holds or controls at least a majority of the securities or other interests that have by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization.

"Tax" or "Taxes" means (i) any federal, state, local or local or non-U.S. income, gross receipts, capital gains, franchise, alternative or add-on minimum, estimated, sales, use, goods and services, transfer, registration, value added, excise, natural resources, severance, stamp, occupation, premium, unclaimed property or escheat (whether or not considered a tax under Applicable Laws), imputed underpayment, windfall profit, environmental, customs, duties, real property, ad valorem, special assessment, personal property, capital stock, social security, unemployment, employment, disability, payroll, license, employee or other withholding, contributions or other tax, of any kind whatsoever, whether disputed or not, imposed by any Governmental Authority, including any interest, penalties or additions to tax or additional amounts in respect of the foregoing; (ii) any Liability for the payment of any amounts of the type described in clause (i) above of another Person arising as a result of being (or ceasing to be) a member of any Affiliated Group (or being included (or required to be included) in any Tax Return relating thereto); and (iii) any Liability for the payment of any amounts of the type described in clause (i) above of another Person as a result of any transferee or secondary Liability or any Liability assumed by Contract, Applicable Law, or otherwise.

"Tax Returns" means returns, declarations, reports, elections, notices, claims for refund, information returns or other statements relating to Taxes (including any amendments, related or supporting schedules, attachments, statements or information and Treasury Form TD F 90-22.1 and FinCEN Form 114) filed or required to be filed, or required to be maintained, in connection with the determination, assessment or collection of Taxes or the administration of any Applicable Laws relating to any Taxes.

"Title Deliverables" means an owner's affidavit in form and substance reasonably acceptable to the Title Company and Sellers to enable the Title Company to delete the standard title insurance exceptions from Buyer's Title Policy, but excluding the survey exception, which shall be Buyer's responsibility to have removed, together with a GAP indemnity, and any other affidavit requested by the Title Company to issue the Title Policy or required to effectuate the sale of each Owned Real Property.

"Transferred Assets" means all of the assets, property, Assumed Contracts, claims and rights of every kind and nature, whether tangible or intangible, whether real, personal or mixed, in electronic form or otherwise, and wherever situated, used in or relating solely or principally to the Business conducted at the locations of the Company Entities, including, without limitation, all of the assets and properties listed in Section 2.2 but, for the avoidance of doubt, excluding any Excluded Assets, acquired pursuant to this Agreement which are transferred pursuant to this Agreement by the Company Sellers.

"TX Owned Real Property" means the real property located at 1300 W SH21, Cedar Creek, TX, together with all buildings, structures, improvements and fixtures located thereon, and all easements and other rights and interests appurtenant thereto or used in connection therewith.

"UCC" means the Uniform Commercial Code.

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, as amended.

"Wind Down Amount" means an amount of cash proceeds from the Tranche B Loans (as defined in the Bridge Credit Agreement) used to fund the Company Entities' costs and expenses estimated to be incurred in connection with the Liquidation Proceedings in accordance with the terms and conditions of the RSA and the Bridge Credit Agreement (subject to the Wind Down Budget, as defined therein), in an amount not to exceed $3,555,000.00.

1.2 Other Definitions.

Each of the following defined terms has the meaning given such term in the Section set forth opposite such defined term:

Term	Section
Acquired Assets	2.2(a)
Acquired Entities	Preamble
Agreement	Preamble
Ancillary Lease Documents	3.10(b)
Assumed Contracts	2.2(a)
Assumed Liabilities	2.2(c)(1)
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Closing	2.5
Closing Date	2.5
Company	Preamble
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control	Definition of Affiliate
Delayed Transfer Service Provider	6.6(b)
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Equityholders	Preamble
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Foreign Benefit Plan	3.18(k)
Information Security Reviews	3.12(b)(6)
Initial Closing	2.5
Insiders	3.23
Inspections	6.1(g)
Interim Period	6.1(a)
IT Systems	3.12(b)(7)

Term	Section
Labor Agreement	3.11(a)(4)
Lease Assignment	7.1(b)(21)
Leases	3.10(b)
Offer Contingent Worker	6.6(a)
Offer Employee	6.6(a)
Personal Data	3.12(b)(1)
Privacy Requirements	3.12(b)(1)
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Property Taxes	6.5(b)
Purchase Price	2.4
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Released Party	9.17(b)
Releasor	9.17(b)
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Seller Licenses	3.14
Sellers	Preamble
Single Closing	2.5
State-Specific Closing	2.5
Straddle Period	6.5(b)
Subcontractors	3.22(a)
Top Suppliers	3.22(b)
Transferred Service Provider	6.6(a)
Transfer Taxes	6.5(a)

1.3 Other Definitional Provisions.

(a) The recitals, Preamble, schedules, annexes, exhibits, and Disclosure Schedules (as well as any attachments thereto) in this Agreement are incorporated herein by reference and form an integral part hereof.

(b) The words "hereof", "herein", "hereto" and "hereunder" and words of similar import, when used in this Agreement, refers to this Agreement as a whole and not to any particular provision of this Agreement.

(c) Unless the context shall otherwise require, all references herein to "Sections", "Articles", "Clauses", "Paragraphs" and "Schedules" are deemed references to sections, articles, clauses, paragraphs and schedules in this Agreement. The descriptive headings to "Sections", "Articles", "Clauses", "Paragraphs" and "Schedules" are inserted for convenience only, and shall have no legal effect.

(d) Except when used with the word "either", the word "or" has a disjunctive and not alternative meaning (i.e., where two items or qualities are separated by the word "or", the existence of one item or quality shall not be deemed to be exclusive of the existence of the other and the word "or" shall be deemed to include the word "and").

(e) Whenever used in this Agreement the words "include", "includes" and "including" are deemed to be followed by the phrase "without limitation".

(f) With respect to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding".

(g) References to "written" or "in writing" include electronic transmissions delivered via electronic mail.

(h) Any reference to "days" means calendar days unless Business Days are specified.

(i) The meaning assigned to each term defined in this Agreement is equally applicable to both the singular and the plural forms of such term. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Where a word or phrase is defined in this Agreement, each of its other grammatical forms shall have a corresponding meaning.

(j) A reference to any Party or to any party to any contract or document includes such Person's successors and permitted assigns. A reference to a contract or document shall include all exhibits and schedules thereto and all amendments and modifications thereto in accordance with the terms thereof and hereof.

(k) A reference to any Applicable Law or to any provision of any Applicable Law includes any amendment thereto, and any modification or re-enactment thereof, any Applicable Law substituted therefor and all rules and regulations issued thereunder or pursuant thereto, and with respect to all of the above, as such Applicable Law or any provision of such Applicable Law, as was in effect on the date hereof.

(l) The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

(m) The words "made available" or "delivered" or any other similar phrase shall mean made available in the virtual data room, populated and maintained by the Sellers at https://app.idealsvdr.com/project/4/Project_Arrow_u1h6y/documents/all, for review by the Buyer and its Representatives prior to the date hereof, as set forth on an electronic storage device downloaded on such date.

(n) The terms "dollars" and "$" means United States of America dollars.

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1 Background. The Collateral Agent and the Company Entities hereby confirm the following:

(a) Amount of Senior Note and Bridge Facility Obligations. The aggregate outstanding principal amount of the obligations under the Senior Notes owed by the Company to the Senior Noteholders as of [•], 2025 is at least $[•] in outstanding principal, plus accrued but unpaid interest (including default interest, if applicable) thereon, plus all fees, costs, expenses (including attorneys', financial advisors' and other professionals' fees and expenses), charges, disbursements, indemnification and reimbursement obligations (contingent or otherwise), and all other amounts that may be due or owing under the Senior Notes Documents. The aggregate outstanding amount of obligations under the Bridge Facility owed by the Company to the lenders party to the Bridge Credit Agreement as of [•], 2025 is at least $[•].

(b) Defaults. The Company is in default under multiple provisions of the Senior Notes Documents, including, without limitation, the Specified Defaults (as defined in the Limited Waiver Amendment) under Section 3.6 of the Senior Notes Indenture (collectively, the "Existing Events of Default"). As a result of such continuing Existing Events of Default and the commencement of the Sale Proceeding, the Buyer may acquire for value in a public sale all of the Company's right, title and interest in and to the Collateral Assets in accordance with the Sale Proceeding, and the Sellers hereby consent to such Sale Proceeding.

2.2 Purchase and Sale of Assets.

(a) Acquired Assets. On the terms and subject to the conditions contained in this Agreement, including by operation of the Sale Proceeding, the RSA and Applicable Law, at the applicable Closing (as defined below) for a State (whether a Single Closing or a State-Specific Closing), the Buyer shall purchase, acquire and accept from the Collateral Agent and/or applicable Company Asset Sellers, and the Collateral Agent and/or such Company Asset Sellers (on behalf of and at the direction of the Consenting Senior Noteholders) shall sell, convey, assign, transfer and deliver to the Buyer, free and clear of all Liens other than Permitted Liens, all of the Collateral Assets (in the case of the Collateral Agent) and Transferred Assets (in the case of the Company Asset Sellers), as the case may be, for such State, other than the Excluded Assets of such State, of every kind or nature owned, leased, licensed or otherwise held by the Collateral Agent and/or Company Asset Sellers (including indirect and other forms of beneficial ownership), which shall include for the avoidance of doubt (i) any Contract listed hereto on Annex A for such State (the "Assumed Contracts"), (ii) the Collateral Assets and Transferred Assets listed hereto on Annex A for such State and all amounts received in respect of refunds of Taxes for the Pre-Closing Tax Period and the portion of the Straddle Period ending on the Closing Date for such State (collectively, the "Acquired Assets"), and (iii) the Collateral Agent's and each Company Asset Seller's lien and security interest on and in the Collateral Assets and Transferred Assets, as the case may be, for such State, will be discharged by operation of, and to the fullest extent provided in, UCC Section 9-617 and any applicable contracts or agreements.

(b) Excluded Assets. Notwithstanding the foregoing, all assets of the Company Asset Sellers other than Acquired Assets are expressly excluded from the purchase and sale contemplated hereby (the "Excluded Assets") and, as such, are not included in the assets to be conveyed as contemplated hereby, including but not limited to:

(1) Cash proceeds of the Tranche B Loans (as defined in the Bridge Credit Agreement) in an amount not to exceed the Wind Down Amount;

(2) any Contract that is not an Assumed Contract, including each Contract that is listed on Schedule 2.2(b)(2) or which was entered into outside of the Ordinary Course of Business;

(3) all personal effects set forth on Schedule 2.2(b)(3);

(4) all refunds of Taxes to the extent such Taxes being refunded were an Excluded Tax;

(5) all rights and control of the Sellers' attorney-client privilege and any other related rights vis a vis its legal counsel;

(6) all bank accounts; and

(7) all assets expressly identified as "Excluded Assets" on Annex A.

(c) Assumption and Exclusion of Liabilities.

(1) Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement, the Buyer shall assume and shall agree to pay, defend, discharge and perform as and when due and performable for only the Liabilities identified on Annex A for such State, if any (the "Assumed Liabilities").

(2) Excluded Liabilities. Notwithstanding anything to the contrary contained herein and except for the Assumed Liabilities (if any), the Buyer will not assume, and the applicable Seller will pay, defend, discharge and perform, as when due and performable, and otherwise retain and remain solely responsible for, all Liabilities that are not expressly included in the Assumed Liabilities, (such excluded Liabilities, the "Excluded Liabilities"). For the avoidance of doubt and without limiting the foregoing, the Liabilities listed hereto on Annex A and Excluded Taxes are expressly Excluded Liabilities and, as such, are not included in the assets to be conveyed as contemplated hereby.

(d) Assignment of Contracts and Rights. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall not constitute an agreement to assign any Contract if an attempted assignment thereof, without consent of a third party thereto, would constitute a breach or other contravention thereof or in any way adversely affect the rights of the Buyer or the applicable Seller thereunder. In the event that any Closing proceeds without the assignment of such Contract, then (i) such asset shall be regarded as an Acquired Asset for purposes of determining the Purchase Price and (ii) following the applicable Closing, the applicable Seller will use commercially reasonable efforts to obtain the consent of the other parties to any such Contract for the assignment thereof to the Buyer, but in no event shall any Party or any of their respective Affiliates be required to pay any consideration, incur any Liabilities, commence or become involved with any litigation or offer or grant any accommodation (financial or otherwise) to any other Person in connection with the Parties' efforts to obtain such consent. Unless and until such consent is obtained, or if an attempted assignment thereof would be

ineffective or would adversely affect the rights of the Buyer or the applicable Seller thereunder so that the Buyer would not in fact receive all rights under such Contract, the applicable Seller(s) and the Buyer will cooperate in an arrangement under which the Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement, including subcontracting, sub-licensing, or subleasing to the Buyer (if possible), or under which the applicable Seller would enforce, for the benefit of the Buyer, any and all rights of such Seller against a third party thereto. The applicable Seller will promptly pay to the Buyer when received all monies received by such Seller under any such Contracts, and the Buyer shall pay, defend, discharge and perform all Liabilities under such Contracts.

2.3 Purchase and Sale of Equity Interests. On the terms and subject to the conditions contained in this Agreement, including by operation of the Sale Proceeding, the RSA and Applicable Law, at the applicable Closing for a State (whether a Single Closing or a State-Specific Closing), the Equityholders agree to sell, assign, transfer, convey and deliver to the Buyer, and the Buyer agrees to, or to cause its Subsidiaries to, purchase, acquire and accept from the Equityholders, free and clear of all Liens other than Permitted Liens, all of the Equityholders' right, title and interest in and to the equity interests of the Acquired Entities listed on Annex A hereto (such equity interests, the "Acquired Equity Interests").

2.4 Purchase Price. The Buyer has agreed to purchase the Acquired Assets and the Acquired Equity Interests through the Sale Proceeding at the direction of the Consenting Senior Noteholders and by the terms hereof the Sellers shall convey the Acquired Assets, the Acquired Equity Interests to the Buyer in exchange for the assumption of the Assumed Liabilities, as set forth on Annex A, and the greater of (x) an amount of cash equal to the aggregate amounts owed by the Company under Section 2.1(a) as if calculated on the Closing Date and (y) $[_____] (the "Purchase Price").

2.5 Closing(s). Subject to the terms and conditions of this Agreement, the closing(s) on the Acquired Assets and Acquired Equity Interests contemplated by this Agreement shall take place, in the Buyer's reasonable discretion after consulting with the Sellers, either (A) in a single Closing for all States simultaneously no later than three (3) Business Days after all conditions requisite to the applicable Closing set forth in ARTICLE 7 for each State have been satisfied or waived, including the Requisite Regulatory Approvals for each State (a "Single Closing") or (B) in multiple Closings on a separate State-by-State basis, in each case for a given State, no later than three (3) Business Days after all conditions requisite to the applicable Closing set forth in ARTICLE 7 for such State have been satisfied or waived, including the Requisite Regulatory Approvals for such State (each, a "State-Specific Closing"). The Parties will use commercially reasonable efforts to effectuate a Single Closing. In the event the Buyer elects to effect State-Specific Closings, once all of the conditions in ARTICLE 6 for a State have been satisfied or waived, including the State-specific Requisite Regulatory Approval for the applicable State:

(1) *Nevada*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Nevada" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Nevada" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Nevada" on Annex A, if any (such Closing, the "Nevada Closing");

(2) *Florida*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Florida" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Florida" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Florida" on Annex A, if any (such Closing, the "Florida Closing");

(3) *Virginia*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Virginia" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Virginia" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Virginia" on Annex A, if any (such Closing, the "Virginia Closing");

(4) *New Jersey*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "New Jersey" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "New Jersey" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "New Jersey" on Annex A, if any (such Closing, the "New Jersey Closing");

(5) *Ohio*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Ohio" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Ohio" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Ohio" on Annex A, if any (such Closing, the "Ohio Closing");

(6) *Massachusetts*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Massachusetts" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Massachusetts" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Massachusetts" on Annex A, if any (such Closing, the "Massachusetts Closing");

(7) *Texas*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Texas" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Texas" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Texas" on Annex A, if any (such Closing, the "Texas Closing"); and

(8) *Pennsylvania*: the Parties shall close on (a) all of the Acquired Assets listed under the heading "Pennsylvania" on Annex A, if any, (b) all of the Assumed Liabilities listed under the heading "Pennsylvania" on Annex A, if any, and (c) all of the Acquired Equity Interests listed under the heading "Pennsylvania" on Annex A, if any (such Closing, the "Pennsylvania Closing").

A Single Closing for all the States and each State-Specific Closing shall take place via electronic exchange of signatures at 10:00 a.m., Eastern Time, or at such other place or at such other time or on such other date as may be mutually agreeable to the Buyer and the Sellers. The date of each such Closing is herein referred to as a "Closing Date." All transactions shall be deemed to occur at 12:01 a.m., Eastern Time on the applicable Closing Date, and the Closings shall be effective as of 12:01 a.m., Eastern Time on the applicable Closing Date. To the extent there are State-Specific Closings, the first Closing to occur under this Agreement shall herein be referred to as the "Initial Closing" and the final Closing to occur under this Agreement shall herein be referred to as the "Final Closing." To the extent there is a Single Closing, such Single Closing shall be deemed to

be the Initial Closing and Final Closing hereunder. Notwithstanding the foregoing, upon the reasonable request of the Buyer, the Closing for any particular State shall be structured as an asset sale, equity sale, merger or consolidation on terms reasonable satisfactory to the Buyer.

2.6 Withholding. The Buyer and its Affiliates, representatives and agents shall be entitled to deduct and withhold from any payments made pursuant to this Agreement any amounts required to be deducted or withheld from such payment(s) under any federal, state, local or foreign Applicable Law. In the event any such amounts are so deducted or withheld, the amount deducted or withheld shall be treated as having been paid to the Person in respect of which such amounts would otherwise have been paid for purposes of this Agreement.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES CONCERNING THE COMPANY ENTITIES

Notwithstanding anything to the contrary provided in this Agreement, all representations, warranties covenants and disclosures of Buyer in this Article 3 are being made with exception to and not with respect to Federal Cannabis Laws. For purposes of this Article 3, each Company Entity is making these representations and warranties on behalf of itself and each of its Subsidiaries. As a material inducement to the Buyer's entering into this Agreement, the Company Entities, jointly and severally, hereby represent and warrant to the Buyer that:

3.1 Organization and Power. Each Company Entity is a legal entity duly organized, validly existing, and in good standing (where such concept is applicable) under the laws of the jurisdiction of its organization. Each Company Entity is duly licensed or qualified to conduct business and is in good standing (where such concept is applicable) under the laws of each jurisdiction in which the character of the assets owned or leased, or the nature of the business conducted, by each of them requires such licensing or qualification, except where the failure to be so licensed or qualified or to be in good standing would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. All jurisdictions in which a Company Entity is qualified to do business are set forth on Schedule 3.1. Each Company Entity has full power and authority to own and operate its properties and to carry on its business as now conducted and currently proposed to be conducted. The Company Entities have delivered or made available to the Buyer correct and complete copies of the certificate of formation and operating agreement (or comparable organizational documents) of each Company Entity (as amended to date). Each Company Entity is not and has not been in default under or in violation of any provision of its certificate of such organizational documents.

3.2 Authorization of Transactions; Valid and Binding Agreement. Each Company Entity has full power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereunder and thereunder and to perform its obligations hereunder and thereunder. The execution of this Agreement and all Ancillary Agreements to which any Company Entity is a party, and the consummation of the transactions contemplated hereby and thereby, have been authorized by all necessary actions of each Company Entity and the Equityholders of the applicable Seller. This Agreement and the Ancillary Agreements to which any Company Entity is a party have been duly

executed and delivered by such Company Entity, and, assuming the valid execution and delivery by the Buyer, this Agreement and the Ancillary Agreements to which any such Company Entity is a party constitute, valid and binding obligations of such Company Entity, enforceable against such Company Entity in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

3.3 Non-Contravention. Except as set forth on Schedule 3.3 and other than the Permitted Liens and Senior Debt, the execution, delivery and performance by the Company Entities of this Agreement and all agreements, documents and instruments executed and delivered by the Company Entities pursuant hereto (including the Ancillary Agreements to which it is a party) and the performance of the transactions contemplated by this Agreement and such other agreements, documents and instruments do not and will not: (i) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any Seller Contract, Permit or authorization to which any of the Company Entities are a party or by which it or any of the applicable Company Entity's assets are bound, (ii) violate or result in a violation of, conflict with or constitute or result in a default (whether after the giving of notice, lapse of time or both) under, or accelerate any obligation under, any provision of the applicable Company Entity's organizational documents; (iii) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, any provision of any Applicable Law, or any order of, or any restriction imposed by, any court or Governmental Authority applicable to any of the Company Entities; or (iv) require from any Company Entity any notice to, declaration or filing with, or consent or approval of, any Governmental Authority or other third party regarding any Seller Contract.

3.4 Ownership and Capitalization.

(a) Except as identified in Schedule 3.4(a), as of the date hereof, the Equityholders are the sole owners of outstanding equity interests in the Acquired Entities listed opposite such Equityholder's name on and in the amounts set forth in Schedule II. The issued and outstanding membership interests held by the Equityholders in the Acquired Entities as of the date hereof have been duly and validly issued, are fully paid and, to the extent applicable, are non-assessable. There are no outstanding options, warrants or other similar rights to acquire from the Acquired Entities, or other obligations of the Acquired Entities to issue, any of its equity ownership interests or securities convertible into or exchangeable for equity ownership interests of the Acquired Entities.

(b) Except as identified in Schedule 3.4(b), there are no (i) voting trusts, proxies, or other agreements or understandings with respect to the voting units or voting power of the Acquired Entities to which the Equityholders or the Acquired Entities are a party, by which any Acquired Entity is bound, or which, to the knowledge of any Acquired Entity, exist, or (ii) agreements or understandings to which any Acquired Entity is a party, by which any Equityholders or any of the Acquired Entities are bound, or of which, to the Knowledge of any Acquired Entity, exist, relating to the registration, issuance, sale or transfer (including agreements relating to rights of first refusal, preemptive rights, "co-sale" rights or "drag-along" rights) of any equity, partnership interest or other equity or equity-linked ownership interest or voting securities of any

Acquired Entity, and no membership interest, partnership interest or other equity or equity-linked ownership interest or voting security of any Acquired Entity was issued in violation of any such rights.

3.5 Financial Statements; Indebtedness.

(a) The Company Entities have made available to the Buyer: (i) unaudited balance sheets and statements of operations and cash flows as of and for the Company Entities for the fiscal years ended December 31, 2024 and December 31, 2023; and (ii) an unaudited balance sheet and statement of operations and cash flows for the Company Entities as of and for the eight (8) month period ended August 31, 2025 (the "Reference Balance Sheet"). Each of the foregoing financial statements (the "Financial Statements") is consistent with the books and records of the Company Entities (which, in turn, are accurate and complete in all material respects), presents fairly, in all material respects, the financial condition and results of operations of each Company Entity as of and for the periods referred to therein. The Company Entities maintain and have maintained a system of internal controls that is sufficient to provide reasonable assurance that, in all material respects: (i) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP, (ii) receipts and expenditures are executed only in accordance with the authorization of management and (iii) the unauthorized acquisition, use or disposition of the applicable Company Entity's assets that would materially affect the financial statements of the Company Entities are prevented and timely detected.

(b) Except for Indebtedness listed on Schedule 3.5, the Company Entities have no Indebtedness outstanding.

3.6 Absence of Undisclosed Liabilities. The Company Entities do not have any Liabilities except for (i) Liabilities set forth on the face of the Reference Balance Sheet (rather than in any notes thereto), (ii) Liabilities that have arisen in the Ordinary Course of Business since the date of the Reference Balance Sheet and (iii) Liabilities set forth on Schedule 3.6.

3.7 Accounts Receivable; Accounts Payable.

(a) All of the accounts receivable of each Company Entity arose out of bona fide, arms' length transactions for the sale of goods or performance of services, are valid and enforceable claims, except as such enforceability may be subject to applicable bankruptcy, reorganization, insolvency, moratorium and similar Applicable Laws affecting the enforcement of creditors' rights generally, and by general principles of equity, and are not subject to set-off or counterclaim. For the past two (2) years, each Company Entity has collected its accounts receivable in the Ordinary Course of Business and in a manner which is consistent with past practices and has not accelerated any such collections. All accounts receivable are good and collectible within the Ordinary Course of Business. Each Company Entity's accounts receivable balance does not include any customer deposits that are older than five (5) years. No accounts receivables are subject to any setoff or counterclaim, discounts or warranty claims.

3.8 Absence of Changes. Except as set forth on Schedule 3.8 and other than in accordance with the transactions contemplated by the RSA, the wind down of the Business, the Bridge Facility, or as expressly contemplated by this Agreement, since June 30, 2025, each

Company Entity has conducted its business only in the Ordinary Course of Business, and there has not been any Material Adverse Effect. Since June 30, 2025, such Company Entity has not:

(a) suffered any theft, damage, destruction or casualty loss in excess of $25,000 in the aggregate to its assets, whether or not covered by insurance;

(b) borrowed an amount or incurred or become subject to any Indebtedness (including contingently as a guarantor or otherwise) other than the Bridge Facility or in the Ordinary Course of Business;

(c) incurred any Liabilities in excess of $250,000, except current liabilities incurred in the Ordinary Course of Business and not constituting Indebtedness and the Bridge Facility;

(d) issued, sold, redeemed or repurchased, directly or indirectly, any of its equity interests or any securities convertible into, or options with respect to, warrants to purchase, or rights to subscribe for, any equity interests of such Company Entity;

(e) entered into any material Contract or amended or terminated such Company Entity's rights thereunder, or entered into any other material transaction, other than in the Ordinary Course of Business;

(f) other than in connection with the transactions contemplated hereunder, in the Ordinary Course of Business, as required by Applicable Law, or pursuant to a Contract in effect as of the date hereof, (i) granted any bonus or any wage, salary or compensation increase to, or made any other material change in employment terms (or terms of engagement or service relationship) of or for, any Business Employee or Business Contingent Worker, (ii) increased or accelerated the funding, payment, or vesting of any compensation or benefits provided under any Employee Benefit Plan or any other benefit or compensation plan, policy, program, contract, agreement or arrangement with respect to any Business Employee or Business Contingent Worker, or (iii) established, adopted, amended or terminated any Employee Benefit Plan or any other benefit or compensation plan, policy, program, contract, agreement or arrangement that would be an Employee Benefit Plan if in effect as of the date thereof with respect to any Business Employee or Business Contingent Worker;

(g) made any material change in its business practices, including, without limitation, any change in accounting methods or practices or collection, credit, pricing, rebate, discount or payment policies of such Company Entity;

(h) made any loans or advances to, or guarantees for the benefit of, any Persons;

(i) changed or authorized any change in its certificate of formation, operating agreement or other governing or organizational documents;

(j) instituted or settled any claim or lawsuit;

(k) acquired any other business or Person (or any significant portion or division thereof), whether by merger, consolidation or reorganization or by purchase of its assets or stock or acquired any other material assets;

(l) made or changed any Tax election, changed any Tax accounting period, adopted or changed any method of Tax accounting, filed any amended Tax Return, entered into any closing agreement with respect to Taxes, settled any Tax claim or assessment, surrendered any right to claim a Tax refund, or consented to any extension or waiver of the limitations period applicable to any Tax claim or assessment;

(m) terminated or failed to maintain any insurance policy covering the applicable Company Entity's tangible assets, Owned Real Property, or Leased Real Property, as applicable;

(n) experienced any material change in its relationships with its material subcontractors, material suppliers, consumer financing providers, or Governmental Authorities that is adverse to such Company Entity;

(o) become legally committed to any new capital expenditures required to be made following the Initial Closing in excess of $100,000 in the aggregate;

(p) entered into any transaction that was not in the Ordinary Course of Business;

(q) abandoned, dedicated to the public, allowed to lapse, cancelled, or allowed any other waiver or termination of any rights with or in any Owned IP, disclosed any confidential information of such Company Entity to any Person (excluding Persons under any agreement or obligation of confidentiality), or licensed to any Person any Owned IP (other than non-exclusive licenses granted in the Ordinary Course of Business);

(r) failed to maintain or timely renew, or allowed to lapse, any license or Permit, or otherwise agreed to any penalties or changes affecting such licenses or Permits;

(s) hired, promoted, or engaged or otherwise entered into any Contract for the employment of any Business Employee other than in the Ordinary Course of Business or in connection with the transactions contemplated hereunder;

(t) hired, promoted, or engaged or otherwise entered into any Contract for the engagement of any Business Contingent Worker other than in the Ordinary Course of Business or in connection with the transactions contemplated hereunder;

(u) terminated any employee of an Acquired Entity or Contingent Worker whose annual base compensation exceeded $200,000, or had any such individual resign, other than in the Ordinary Course of Business or in connection with the transactions contemplated hereunder; or

(v) committed or agreed, in writing or otherwise, to any of the foregoing, except as expressly contemplated by this Agreement and the Ancillary Agreements.

3.9 Title to Personal Property; Sufficiency of Assets.

(a) Except as set forth on Schedule 3.9(a) and excluding any Permits, the Company Entities have good and marketable title to, or a valid leasehold interest in, free and clear of all Liens (other than Permitted Liens), all of the personal property and assets included in the Acquired Assets. All of the tangible personal property and assets included in the Acquired Assets (i) have been properly maintained in the Ordinary Course of Business and pursuant to good industry practice, (ii) are in good condition and working order and repair (ordinary wear and tear excepted) and (iii) are suitable and sufficient for the purposes for which they are used.

(b) Except as set forth on Schedule 3.9(b) and excluding any Permits, the Acquired Assets are sufficient for the Buyer and its Affiliates to operate the Business in each State after the relevant Closing for such State in substantially the same manner as operated by the Company Entities prior to the relevant Closing for such State.

3.10 Real Property.

(a) Schedule 3.10(a) identifies the street address and owner of record of the each Owned Real Property. With respect to each Owned Real Property, to the Knowledge of the Company Entities: (i) the applicable Company Entity or Subsidiary has good and marketable indefeasible fee simple title to the Owned Real Property, free and clear of all Liens, except Permitted Liens; (ii) except as set forth on Schedule 3.10(a)(i), the applicable Company Entity has not leased or otherwise granted to any Person the right to use or occupy the Owned Real Property or any portion thereof; (iii) other than the right of Buyer pursuant to this Agreement, there are no outstanding options, rights of first offer or rights of first refusal to purchase the Owned Real Property or any portion thereof or interest therein; (iv) [intentionally omitted]; (v) except for any matters set forth in any Property Condition report obtained by Buyer, all buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof, included in the Owned Real Property are in good condition and repair and sufficient for the operation of the Business; and (vi) no Company Entity has received any written notice of any condemnation, expropriation or other proceeding in eminent domain pending or, to the applicable Company Entity's Knowledge, threatened, affecting the Owned Real Property or any portion thereof or interest therein.

(b) Schedule 3.10(b) identifies (i) the street address and Company Entity that is a tenant of each parcel of Leased Real Property, and (ii) the identification of the lease, license, sublease or other occupancy agreements and all amendments, modifications, supplements, and assignments thereto, in the possession of the Company Entities or to which the Company Entities have Knowledge (collectively, the "Leases"), and to the extent applicable, the identification of all subleases, overleases, occupancy agreements and other ancillary agreements or material documents pertaining to each Company Entity's tenancy at each such parcel of Leased Real Property (collectively the "Ancillary Lease Documents").

(c) To the Knowledge of the Company Entities, the Leases and the Ancillary Lease Documents constitute all of the agreements under which the Company Entities hold leasehold or subleasehold interests in the Leased Real Property. To the extent in the possession of the Company Entities, the Company Entities have made available to the Buyer full, complete and

accurate copies of each of the Leases and all Ancillary Lease Documents described in Schedule 3.10(b), as well as any and all exhibits, addenda, riders, estoppel certificates and other documents constituting a part of or relating to the Leases.

(d) With respect to each of the Leases identified on Schedule 3.10(b), except as set forth on Schedule 3.10(d):

(1) the Leases and all Ancillary Lease Documents are legal, valid, binding, enforceable and in full force and effect, subject to applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement or assignment for the benefit of creditors, or similar state or federal laws and judicially developed doctrines relevant to any such laws, affecting the rights and remedies of creditors generally, and general principles of equity and in full force and effect and have not been modified or amended except as disclosed on Schedule 3.10(b);

(2) the Leases and all Ancillary Lease Documents are free and clear of all Liens, excluding any Permitted Liens;

(3) neither the Company Entities, nor, to the Knowledge of the Company Entities, any other party to any Leases or Ancillary Lease Documents are in material breach or default, and, no event has occurred which, with notice or lapse of time, would constitute such a material breach or default or permit termination, modification or acceleration under the Leases or any Ancillary Lease Documents;

(4) the rental set forth in each Lease of the Leased Real Property is the actual rental being paid, and there are no separate agreements or understandings with respect to the same; and

(5) except as set forth in any amendment, modification, or supplement identified in Schedule 3.10(b), the Company Entities have not exercised or given any notice of exercise, nor has any Company Entity received from any lessor or landlord exercised or received any notice of exercise, of any option, right of first offer or right of first refusal contained in any such Lease or Ancillary Lease Document, including any such option or right pertaining to purchase, expansion, renewal, extension or relocation.

(e) Other than this Agreement, no Company Entity has entered into any other outstanding contract for the assignment or other transfer of the Leased Real Property.

(f) [intentionally omitted].

(g) Except as set forth on Schedule 3.10(g), to the Knowledge of the Company Entities, no security deposit or portion thereof deposited with respect to any of the Leases has been applied in respect of a breach or default under such Lease which has not been redeposited in full.

(h) Except as set forth on Schedule 3.10(h), which sets forth the amount and duration of any delinquent rent or other charges due under the Leases, all rent and other charges currently due and payable under the Leases have been paid.

(i) To each applicable Company Entity's Knowledge: (i) there are no material defects in the physical or structural condition of the premises leased under the Leases that would have a Material Adverse Effect on the Business; (ii) except as set forth in each applicable Lease, there are no material items of maintenance or repair with respect to which such Company Entity is responsible under any Lease; and (iii) such Company Entity has not received written notice of any pending or, threatened, or existing appropriation, condemnation, eminent domain or like proceedings relating to the Leased Real Property.

(j) To the Knowledge of the Company Entities, during the preceding three (3) years (or from the date of commencement of a Lease if such Lease is commenced less than three (3) years ago from the date hereof), none of the Leased Real Property has suffered any material damage by fire or other casualty which has not heretofore been repaired and restored in all material respects, except for damage that would not individually or in the aggregate, materially impair the conduct of the Business of the applicable Company Entity.

3.11 Contracts and Commitments.

(a) Except as set forth in this Agreement or in accordance with the transactions contemplated by the RSA, the wind down of the Business and excluding any Leases, or as set forth on Schedule 3.11(a), no Company Entity is a party to or bound by any:

(1) Contract for the purchase or sale of goods or services, whether by or from any Company Entity, for consideration in excess of $250,000;

(2) Except as disclosed pursuant to clause (1) above, Contract involving a potential commitment or payment by a Company Entity in excess of $250,000 or more within the twelve (12) month period following the date hereof and that is not cancelable without Liability on thirty (30) or fewer days' notice to the other party thereto, other than any such Contract with respect to any employee or Contingent Worker;

(3) Contract for the employment or engagement of any Business Employee or Business Contingent Worker that provides (i) for an annual base compensation opportunities that exceed $200,000 and that cannot be terminated upon 60 days' or less notice without payment, liability, or obligation, (ii) for any change-of-control, retention or other payments or benefits that will be triggered solely by the consummation of the transactions contemplated herein, or (iii) any right to be issued, or to purchase, equity (or any award or compensation denominated in equity) of any Company Entity;

(4) collective bargaining agreement or other labor-related Contract with an Employee Representative Body with respect to any Business Employee (each, a "Labor Agreement");

(5) Contract relating to Indebtedness (including guaranty arrangements) or to mortgaging, pledging or otherwise placing a Lien on any of its assets, or any guaranty of an obligation of a third party, other than any such Contract with respect to any employee or Contingent Worker;

(6) Contract under which a Company Entity is lessee of, or holds or operates, any property, real or personal, owned by any other party calling for payments in excess of $100,000 annually or under which it is lessor of or permits any third party to hold or operate any property, real or personal, owned or controlled by a Company Entity;

(7) Contract relating to the ownership of or investment in any business or enterprise (including investments in joint ventures and minority equity investments);

(8) Contract limiting the freedom of a Company Entity, or that would limit the freedom of any of the Buyer or any of its Affiliates after the applicable Closing Date, to freely engage in any line of business or with any Person anywhere in the world or during any period of time, including, without limitation, any Contract containing an exclusivity obligation, most-favored-nation provision or "best price" obligation enforceable against a Seller or any of its Affiliates;

(9) Contract for the license of any Intellectual Property, whether licensed out by any Company Entity to any other Person or licensed in to any of a Company Entity by any other Person (excluding any (A) "off-the-shelf" or other software that is readily available pursuant to a standard "shrink-wrap" or other similar license agreement and has a purchase price or annual license fee of less than $25,000; (B) non-exclusive licenses granted in the Ordinary Course of Business to or from any customer; and (C) open source licenses);

(10) Contract which contains a non-competition, non-solicitation or other restrictive covenant applicable to any counterparty to such agreement, other than any such Contract with respect to any employee or Contingent Worker;

(11) Contract under which a Company Entity has advanced or loaned any other Person any amount that remains outstanding in excess of $100,000;

(12) Contract pursuant to which any Company Entity has agreed to settle any litigation, administrative charge, investigation by a Governmental Authority or other material dispute under which any Company Asset Sellers or Acquired Entity or its Subsidiary has any Liability as of the date hereof;

(13) Contract with any Subcontractor of a Company Entity;

(14) Contract with any supplier of a Company Entity;

(15) Contract with any Governmental Authority;

(16) Contract which contains any provisions requiring a Company Entity to indemnify any other party, other than commercial contracts entered into in the Ordinary Course of Business;

(17) Contract with retailers or otherwise which provides a Company Entity with the ability to market and generate leads at that particular venue;

(18) Contract that relates to the sale of a Company Entity's material assets, other than in the Ordinary Course of Business;

(19) power of attorney; or

(20) acquisition agreement, whether by merger, stock or asset sale or otherwise.

(b) The Contracts required to be disclosed on Schedule 3.11(a) are referred to herein as the "Seller Contracts". The Company Entities have delivered or made available to the Buyer true and correct copies of each Seller Contract, together with all amendments, waivers and other changes thereto. Except as disclosed on Schedule 3.11(b), (i) no Seller Contract has been canceled or, to the applicable Company Entity's Knowledge, materially breached by the other party, and the applicable Company Entity has no Knowledge of any planned material breach by any other party to any Seller Contract, (ii) no Company Entity is in material default under or in material breach of any Seller Contract, and no event or condition has occurred or arisen which with the passage of time or the giving of notice or both would result in a material default or breach thereunder, and (iii) each Seller Contract is legal, valid, binding, enforceable and in full force and effect, subject to applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement or assignment for the benefit of creditors, or similar state or federal laws and judicially developed doctrines relevant to any such laws, affecting the rights and remedies of creditors generally, and general principles of equity.

3.12 Intellectual Property.

(a) Schedule 3.12(a) contains a list of all registered and pending applications of Owned IP ("Registered IP"), in each case listing the (i) name of the applicant/registrant or current owner, (ii) jurisdiction where the application or registration has been filed, (iii) application or registration number, and (iv) current status. The Registered IP is registered or applied for, as applicable, in the name of the applicable Company Entity. To the applicable Company Entity's Knowledge, the Registered IP and all Intellectual Property exclusively licensed to such Seller is valid and enforceable and in full force and effect. No Registered IP is subject to any challenge or proceeding in which the ownership, scope, validity or enforceability is being contested or challenged (including any cancellation, opposition, interference, inter partes review, or reexamination proceedings). No loss or expiration of any of Registered IP is pending in the thirty (30) days prior to the Effective Date, or, to the applicable Company Entity's Knowledge, threatened. The Owned IP and all other Intellectual Property that is material to the operation of the business as now conducted is either (a) exclusively owned by such Company Entity, free and clear of all encumbrances (other than Permitted Liens), or (b) validly licenses to such Company entity pursuant to a written license agreement, from a third Person.

(b) Except as set forth on Schedule 3.12(b):

(1) (A) No Company Entity has received in the five (5) years prior to the date hereof any written notices of, nor are there any claims pending or, to any Company Entity's Knowledge, threatened, alleging the infringement, misappropriation, or other violation of rights in Intellectual Property of any other Person with respect to any activity of

such Company Entity, including the operation of the Business and the use by such Company Entity of any Intellectual Property; and (B) to any Company Entity's Knowledge, no third party is currently infringing, misappropriating or otherwise violating any Owned IP, and in the five (5) years prior to the date hereof, no such claims have been brought or threatened in writing against any Person by or on behalf of such Company Entity.

(2) To the Knowledge of the Company Entities, the activities of the Company Entities and the conduct of the Business of the Company Entities do not infringe, constitute an unauthorized use of, misappropriate, dilute, or otherwise violate any Intellectual Property of any Person.

(3) The Company Entities have taken reasonable measures to protect, maintain and enforce the Company Entities' rights in and the confidentiality and value of all trade secrets that the Company Entities own or use in the operation of its business, and, to the Company Entities' Knowledge, there have been no unauthorized uses or disclosures of any such trade secrets or confidential information which disclosure would cause a Material Adverse Effect.

(4) The Company Entities are and at all times have been in compliance with all (A) Applicable Laws and with all of its internal and posted policies and procedures that relate to or govern the collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use ("Processing") of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "Personal Data"); (B) the Payment Card Industry Data Security Standards; and (C) all contractual obligations regarding the Processing of Personal Data ("Privacy Requirements"). With respect to such Personal Data, the Company Entities have taken commercially reasonable steps to seek to protect such Personal Data against loss and against unauthorized access or use in a manner that would violate the privacy rights of any Person under Applicable Law. There has been no security breach of or ransomware attack on any of the Company Entities' security systems used for the collection, storage or retrieval of Personal Data nor has there been any other incident that resulted in any unauthorized access to, use and/or disclosure of any Personal Data held by the foregoing. The Company Entities have not received any written (or, to any Company Entity's Knowledge, oral) complaints, or notices of inquiry or investigation, from any person, patient, client, regulatory authority or customer regarding any Company Entity's compliance with the Privacy Requirements and/or its or any of its agents', employees' or contractors' uses or disclosures of, or security practices regarding Personal Data. The Company Entities have: (A) regularly conducted and regularly conduct vulnerability testing, risk assessments, and external audits of, and tracks security incidents related to each Company Entity's systems and products (collectively, "Information Security Reviews"); (B) timely corrected any material exceptions or vulnerabilities identified in such Information Security Reviews; (C) made available true and accurate copies of all Information Security Reviews; and (D) timely installed software security patches and other fixes to identified technical information security vulnerabilities. Each Company Entity provides its employees with regular training on privacy and data security matters. Each Company Entity has required and does require all third parties to which it provides Personal Data and/or access thereto to maintain the privacy and security of such Personal Data, including by contractually obligating such third parties to protect such Personal

Data in accordance with the Privacy Requirements, and the Company Entities have not been notified by any such third party of any security breach impacting Personal Data processed on behalf of the Company Entities. None of the Company Entities are subject to the General Data Protection Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 or any other privacy or data protection laws of any jurisdictions outside of the United States. The Company Entities have not distributed and do not distribute marketing communications to any Person, except in accordance with Privacy Requirements. Schedule 3.12(b)(1) identifies the categories of Personal Data collected by each applicable Company Entity and sets forth the physical and electronic locations where such Personal Data is stored.

(5) The computer systems, servers, network equipment and other computer hardware owned, leased or licensed by each Company Entity and otherwise used in the business of any of the Company Entities (the "IT Systems") are adequate and sufficient (including with respect to working condition and capacity) for the operations of the Company Entities, as currently conducted. The Company Entities have continuously operated in a reasonable manner to preserve and maintain the performance, security and integrity of the IT Systems (and all software, information or data stored on any IT Systems) and has maintained reasonable documentation regarding its methods of operation and its support and maintenance. To each Company Entity's Knowledge, during the five (5) year period prior to the date of this Agreement there has been no unauthorized access to, use of or material disruption to the operation of any IT Systems. During the five (5) year period prior to the date of this Agreement, the Company Entities' IT Systems have not malfunctioned or experienced defects that caused a material disruption to the operation of the businesses of any of the Company Entities, which such defects have not been resolved in all material respects. To each Company Entity's Knowledge, the IT Systems and all software included in the Owned IP is free of viruses, malware, time bombs, Trojan horses and other similar corruptants.

3.13 Litigation; Proceedings. Except as set forth on Schedule 3.13, there are no material Proceedings pending or, to each Company Entity's Knowledge, threatened against any such Company Entity or any of such Company Entity's directors, managers, officers or employees, in or by virtue of their capacity as such (excluding any relating to workers' compensation or unemployment benefits) for which damages could reasonably be expected to exceed $100,000. To the Knowledge of each Company Entity, no material event has occurred, and no claim, dispute or other condition or circumstance exists, that will or could reasonably be expected to rise to or serve as a basis for the commencement of any material Proceeding. With respect to each of the matters set forth on Schedule 3.13, such schedule indicates whether a claim was, has been or will be filed for coverage under any applicable insurance policy. None of the Company Entities has any pending material Proceeding or, to each Company Entity's Knowledge, any governmental investigation, audit or inquiry before or by any Governmental Authority relating to the Business, the Acquired Assets or the Assumed Liabilities. No Company Entity is subject to any outstanding order, judgment or decree issued by any Governmental Authority relating to the Business, the Acquired Assets, the Assumed Liabilities or the Acquired Equity Interests.

3.14 Governmental Licenses and Permits. Schedule 3.14 contains a list of all material Permits, registrations, and licenses issued by Governmental Authorities that are owned or possessed by each Company Entity or any Person in connection with the Business, and no other material Permits, registrations, or licenses issued by Governmental Authorities are required to be

owned or possessed by any of the Company Entities or any Person for the conduct of the Business as now conducted and currently proposed to be conducted in all material respects. The licenses, registrations, and Permits set forth on Schedule 3.14 are collectively referred to herein as the "Seller Licenses". Except as set forth on Schedule 3.14, all of the Seller Licenses are valid and in full force and effect. Each Company Entity is, and at all times during the four (4) year period prior to the Initial Closing has been, in compliance with all obligations under each such Seller License and any other license or permit any of the Company Entities or any Person possessed at any time during the four (4) year period prior to the applicable Closing. No event has occurred that, with or without notice or lapse of time or both, would constitute a breach or default under any Seller License or would reasonably be expected to result in the revocation, suspension, lapse or limitation of any such Seller License, with or without notice or lapse of time or both. With respect to each Seller License and any other material license, registration, or permit any of the Company Entities or any Person possessed or was required to have possessed to operate the Business as of the applicable Closing and at any time during the four (4) year period prior to the applicable Closing, neither any Company Entity, nor to the Knowledge of any Company Entity, any other Person to whom any Seller License has been issued or was required to have possessed a license, registration or Permit, has received any written notice of the pending, threatened, or actual revocation, dispute, suspension, lapse, modification, restriction or other limitation of any such Seller License or other license, registration or Permit, or notice of any alleged or actual breach of or non-compliance with any obligation under such Seller License, other license, registration or Permit, or any Applicable Law requiring such Company Entity or such Person to obtain a license, registration or Permit. There are no provisions in, or agreements relating to, any Seller License that preclude or limit a Company Entity from operating and carrying on its business as currently conducted. There has been no decision by a Company Entity or, to the Knowledge of any Company Entity, any other Person to whom any Seller License, or other Permit or license used in connection with the Business has been issued, not to renew any such Seller License.

3.15 Compliance with Laws. Except as disclosed on Schedule 3.15, to each Company Entity's Knowledge, each Company Entity is, and for the past two (2) years each Company Entity has been, in compliance in all material respects with all Applicable Laws that are applicable to such Company Entity, its business, business practices (including the applicable Company Entity's cultivation, marketing, sales and distribution of its cannabis products and services), operations, services, properties or assets (including the Acquired Assets) and to which any Company Entity may be subject, (excluding Federal Cannabis Laws). All regulatory disclosures, consumer agreements, advertising, promotional and sales materials and any and all other marketing practices used by any of the Company Entities, have complied and are currently in compliance with all Applicable Laws in all material respects. Each Company Entity is currently, and for the past two (2) years each Company Entity has been, in material compliance with all (i) state and local licensing and regulating bodies pertaining to cannabis (including marijuana, hemp and derivatives thereof, including cannabidiol), including emergency rules and industry bulletins, in each case as they are released and (ii) Applicable Laws governing or pertaining to cannabis (including marijuana, hemp and derivatives thereof, including cannabidiol), in each case as applicable to the Business (except for Federal Cannabis Laws). During the two (2) year period

prior to the date hereof, no Company Entity has received any written notice alleging a material violation of any such Applicable Laws.

3.16 Taxes. Except as set forth on Schedule 3.16, with respect to the Business, the Acquired Assets, the Assumed Liabilities and the Acquired Entities:

(a) Each Company Entity has timely filed all income or other material Tax Returns that were required to be filed, and all such income or other material Tax Returns are true, correct and complete in all material respects.

(b) All Taxes due and payable by the Company Entities, whether or not shown or required to be shown on any Tax Return, have been timely paid.

(c) There are no Liens for Taxes upon any of the Acquired Assets.

(d) The Company Entities have withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, Contingent Worker, creditor, Equityholder or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed, and the Company Entities have complied with all other material reporting requirements (including maintenance of the required records with respect thereto) with respect to such payments.

(e) No deficiency for any amount of Tax has been asserted, in writing or, to the Knowledge of any Company Entity, orally, or assessed by a Governmental Authority against any Company Entity.

(f) There is no action, suit, proceeding or audit or any notice of inquiry of any of the foregoing pending against or with respect to any Company Entity regarding Taxes and no action, suit, proceeding or audit has been threatened in writing against or with respect to any Seller regarding Taxes.

(g) No claim has ever been made by a Governmental Authority in a jurisdiction where a Company Entity does not file Tax Returns that such Company Entity is or may be subject to taxation by that jurisdiction or may be required to file a Tax Return in that jurisdiction.

(h) The Company Entities do not "participate" and have not ever "participated" in any "reportable transactions" within the meaning of Treasury Regulations Section 1.6011-4(b)(1).

(i) No agreement, waiver or other document or arrangement extending or having the effect of extending the period for the assessment or collection of Taxes (including any applicable statute of limitation), has been executed or filed with the IRS or any other taxing authority by or on behalf of the Company Entities and no power of attorney with respect to any Tax matter is currently in force.

(j) The Company Entities are not a party to or bound by any Tax allocation or Tax sharing or indemnification agreement (other than any agreement entered into in the Ordinary Course of Business the primary focus of which is not Taxes) and are not liable for Tax of another

Person (including under Treasury Regulations Section 1.1502-6 or any comparable provision of local, state or non-U.S. law) whether as a successor or transferee, by operation of law, or by contract (other than any contract entered into in the Ordinary Course of Business the primary focus of which is not Taxes).

(k) None of the Acquired Assets or assets of the Acquired Entities is an interest (other than indebtedness within the meaning of Section 163 of the Code) in an entity taxable as a corporation, partnership, trust or real estate mortgage investment conduit for U.S. federal income tax purposes.

(l) Schedule 3.16(l) lists the U.S. federal income tax classification of each Acquired Entity and except as set forth on such schedule, such classification has not changed since the formation of each such entity.

3.17 Labor.

(a) Schedule 3.17(a) sets forth a true, accurate, and complete list of the following information for each Business Employee as of the date hereof: (i) name or employee ID, (ii) position or job title, (iii) date of hire, (iv) primary work location, (v) full-time or part-time status, (vi) annualized base salary or hourly wage rate (as applicable), (vii) active or inactive status (and, if inactive, the type of leave and estimated return to work date), (viii) exempt or non-exempt status, (ix) actual incentive compensation paid for the 2025 calendar year and the 2024 calendar year, (x) accrued paid time off balance, and (xi) employing entity.

(b) Schedule 3.17(b) sets forth a true, accurate, and complete list of the following information for each Business Contingent Worker as of the date hereof: (i) name or service provider ID, (ii) service start date, (iii) term of relationship and anticipated or scheduled end date, (iv) a general description of the services being provided or the role in the Business served, (v) fee or compensation arrangements (i.e. hourly, salary, project fee basis), and (vi) fees and other compensation paid and accrued in respect of services performed for the Business from January 1, 2025, through the date of this Agreement.

(c) Except as set forth on Schedule 3.17(c), no Company Entity is party to or bound by any Labor Agreement with respect to Business Employees, no Labor Agreements are currently being negotiated by or on behalf of any Company Entity with respect to Business Employees, and no Business Employees are represented by an Employee Representative Body with respect to their employment with any Company Entity.

(d) No Labor Agreement that any Company Entity is party to or bound by with respect to any Business Employee requires consultation with or consent from any Employee Representative Body in connection with the entry into this Agreement or the consummation of the transactions contemplated by this Agreement.

(e) Except as set forth on Schedule 3.17(e), during the past four (4) years, to the Knowledge of the Company Entities, there have been no labor organizing activities by or on behalf of any Business Employees with respect to their employment with any Company Entity. Except as set forth on Schedule 3.17(e), in the past three (3) years, there has been no actual or, to the Knowledge of the Company Entities, threatened unfair labor practice charge, material

grievance, material labor arbitration, strike, lockout, work stoppage, picketing, slowdown, hand billing or other material labor dispute against or affecting any Company Entity by or on behalf of any Business Employee.

(f) Except as set forth on Schedule 3.17(f), each Company Asset Seller and Acquired Entity and each of its Subsidiaries is, and for the last three (3) years has been, (A) in material compliance with all Applicable Laws relating to wages and hours, including, without limitation, with respect to treatment and payment of tips, commissions, overtime, wages and all other compensation, deductions from pay, timely payment of wages and compensation, meal breaks and rest periods, time records and time keeping, and the proper classification, treatment and payment of each (x) employee for purposes of all Applicable Laws (including the treatment of employees as exempt or non-exempt for wage and hour law purposes), and (y) Contingent Worker (including, without limitation, for purposes of compensation, benefits, Taxes, and perquisites) and (B) in material compliance with all Applicable Laws relating to labor, employment, employment practices and terms and conditions of employment including, without limitation, fair employment practices, discrimination, harassment, retaliation, whistleblower protections, accommodation of disabilities, background checks, child labor, mass layoffs, plant closings, reductions in force, furloughs, family and medical leave, leaves of absence, time off, work authorization and immigration, workplace safety and health, workers compensation, unemployment insurance and compensation, affirmative action, prevailing wages and terms and conditions of employment.

(g) Except as set forth on Schedule 3.17(g), there are no, and during the past three (3) years there have been no, Proceedings with respect to any employment or labor matters, policies, procedures, or practices (including, without limitation, regarding allegations of employment discrimination, sexual or other harassment, sexual misconduct, retaliation, wage and hour law violations, misclassifications of Business Employees, former employees, Business Contingent Workers or former Contingent Workers, breach of any employment, consulting or independent contractor agreement, or Labor Agreement, or unfair labor practices) pending or, to the Knowledge of the Company Entities, threatened against any Company Entity by or with respect to any Business Employees or Business Contingent Workers.

(h) Except as set forth on Schedule 3.17(h), there are no, and during the past three (3) years there have been no, conciliation agreements with, noncompliance findings by, or audits by a Governmental Authority with respect to any executive, director or officer of any Company Asset Seller or Acquired Entity or any of its Subsidiaries in their capacity as an executive, director or officer of such Person or the employment policies or practices of any Company Asset Seller or Acquired Entity or any of its Subsidiaries, and to Knowledge of the Company Entities, no such audit or investigation is threatened or planned.

(i) To the Knowledge of the Company Entities, no Business Employee or Business Contingent Worker with annual base compensation opportunities at or above $200,000 intends not to accept an offer of employment or engagement from Buyer or its Affiliates provided that such offer is for employment or engagement on substantially the same terms as those provided to such Business Employee or Business Contingent Worker immediately prior to the Closing.

(j) Except as set forth on Schedule 3.17(j), no Company Asset Seller or Acquired Entity or any of its Subsidiaries has any outstanding Liability under the WARN Act.

3.18 Employee Benefit Plans.

(a) Schedule 3.18(a) sets forth a true and complete list of each material Employee Benefit Plan and the entity that sponsors or is the counterparty to the Employee Benefit Plan.

(b) With respect to each Employee Benefit Plan, the Sellers have provided the Buyer with the following: (i) the most current plan document (or, if not written, a written summary of its terms), (ii) each related trust agreement and other funding instrument, administrative services agreement, group annuity contract, and insurance contract, (iii) the most recent IRS determination or prototype opinion letter, if applicable, (iv) each summary plan description, (v) each non-routine correspondence with any Governmental Authority dated within the past three years, and (vi) the most recent financial statements and Form 5500 annual report (including attached schedules).

(c) Each Employee Benefit Plan (and each related trust, insurance, contract, and fund) is and has been established, documented, operated, maintained, funded, and administered in compliance in all respects with its terms and all Applicable Laws. All contributions and payments that are due pursuant to an Employee Benefit Plan have been paid on a timely basis or, to the extent not yet due, accrued in accordance with GAAP.

(d) No Company Entity or ERISA Affiliate has at any time maintained, sponsored, contributed to or had any outstanding Liability with respect to any (i) "multiemployer plan" (as defined in Section 3(37) of ERISA), (ii) plan that is or has been subject to Title IV of ERISA Section 412 of the Code or Section 302 of ERISA, (iii) "multiple employer plan" (within the meaning of Section 210 of ERISA or Section 413(c) of the Code), (iv) "multiple employer welfare arrangement" (as such term is defined in Section 3(40) of ERISA) or (v) voluntary employees beneficiary association under Section 501(c)(9) of the Code. No Liability under (x) Title IV of ERISA, (y) Section 302 of ERISA or (z) Section 412 of the Code has been, or could reasonably be expected to be, incurred by any Company Entity.

(e) No Company Entity has any obligation to provide post-employment, post-termination or post-ownership welfare benefits other than as required under COBRA for which the covered individual pays the full cost of coverage.

(f) No Employee Benefit Plan is the subject of a Proceeding with any Governmental Authority.

(g) Each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS or is the subject of a favorable opinion letter from the IRS on the form of such Employee Benefit Plan upon which each adopting employer is entitled to rely in accordance with the applicable IRS pronouncements, and there is no reasonable basis for any such Employee Benefit Plan to lose its Tax-qualified status.

(h) Each Employee Benefit Plan that constitutes in any part a nonqualified deferred compensation plan within the meaning of Section 409A of the Code has been documented, operated, and maintained in compliance with Section 409A of the Code and all applicable IRS guidance promulgated thereunder. No Company Entity has been required to report any Taxes due to the operation of Section 409A of the Code.

(i) No Company Entity has a current or contingent obligation to indemnify, gross up, reimburse, or otherwise make whole any Person for any Taxes, including those imposed under Section 4999 or Section 409A of the Code (or any similar provisions of state, local, or foreign Applicable Law).

(j) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby could (either alone or in conjunction with any other event) (i) accelerate the time of vesting, payment or funding of any compensation or benefits under any Employee Benefit Plan, (ii) increase any benefits otherwise payable under any Employee Benefit Plan, (iii) result in the payment of any amount that could, individually or in combination with any other such payment, constitute an "excess parachute payment" (within the meaning of Section 280G of the Code) or (iv) entitle the recipient of any payment or benefit under any Employee Benefit Plan to a "gross-up" payment for any income or other Taxes that might be incurred with respect to such payments or benefits.

(k) Except as set forth on Schedule 3.18(k), no Employee Benefit Plan is maintained primarily for individuals who are residents outside of the United States (each, a "Foreign Benefit Plan"). Each Foreign Benefit Plan required to be registered or approved has been registered or approved and has been maintained and administered in good standing with applicable Governmental Authorities in all material respects. Each Foreign Benefit Plan that is intended to qualify for favorable Tax benefits under the applicable Laws of any jurisdiction is so qualified, and no condition exists, and no event has occurred that would reasonably be expected to result in the loss or revocation of such qualification. No Foreign Benefit Plan is a defined benefit pension plan or scheme. There are no unfunded Liabilities for deferred compensation, pension benefits, pension schemes or termination indemnities related to any period of time under any Foreign Benefit Plan, or with respect to any current or former employee, director, officer or Contingent Worker employed or engaged outside of the United States, except for any Liabilities reflected in accordance with GAAP on the Financial Statements.

3.19 Insurance. Each Company Entity has in full force and effect insurance policies of the types and in the amounts that such Company Entity reasonably believes is adequate for the Business and all such insurance that is required by Applicable Law. Schedule 3.19 lists each insurance policy maintained by or on behalf of each Company Entity with respect to its properties, assets and business. All of such insurance policies are in full force and effect and will continue in full force and effect following the applicable Closing. All premiums or other payment obligations due and payable with respect to such insurance policies have been paid to date, and since January 1, 2022, such Company Entity has not been (i) in default with respect to its Liabilities under any such insurance policies or (ii) denied insurance coverage. During the past four (4) years there have been no material changes in the amounts of premiums charged for such policies (including any precedent or successor policies) other than ordinary market based or coverage change increases and none of the Company Entities have received any written indication that the insurance carriers issuing any policy currently in effect intends to cancel any policy or increase the premiums by more than an immaterial amount upon renewal or otherwise. The Company Entities do not have any self-insurance or co-insurance program. The Company Entities have given notice or have otherwise presented in a timely fashion every material claim that has been asserted but is not yet resolved relating to the Business that is known by the

applicable Company Entity to be covered by insurance under the policies in place at the time of such claim.

3.20 Environmental Matters. Except as listed in Schedule 3.20:

(a) the Company Entities have made available to the Buyer true, correct and complete copies of all material reports, assessments, testing results, and other material documents that are in the possession or control of any of the Company Entities relating to compliance with Environmental Law or the environmental conditions at, or the status with respect to any Environmental Law of, any of the Owned Real Property or Leased Real Property, including Phase I and Phase II environmental site assessments, any material tests, surveys or plans concerning asbestos, mold or lead paint, and any Permits required or issued under any Environmental Law;

(b) no Hazardous Substances have been generated, used, treated, contained, handled or stored on, transported to or from, or Released on, under, in, at, to or from any of the Owned Real Property or Leased Real Property (i) by any Company Entity or (ii) to any Company Entity's Knowledge, by any other party, in each case, in an amount, manner or condition that requires notification, investigation, abatement, remediation or any response action by any Company Entity under any Environmental Laws or Permits required thereunder;

(c) to any Company Entities' Knowledge, no Hazardous Substance has been Released at any offsite location, as a result of conducting the Business, in an amount, manner or condition that requires notification, investigation, abatement, remediation or any response action by any Company Entity under any Environmental Laws or Permits required thereunder;

(d) neither the Owned Real Property nor, to any Company Entity's Knowledge, the Leased Real Property contains in-ground, below or underground storage tanks, either in or not in use;

(e) to any Company Entity's Knowledge, no employee or former employee of the Company Entities or their Affiliates has been exposed to any Hazardous Substance in connection with their employment by the Business and no Person has been exposed to any Hazardous Substance at any location as a result of the conduct of the Business;

(f) [Intentionally omitted];

(g) each of the Company Entities has obtained and is in compliance in all material respects with all Permits that are required under any Environmental Law with respect to the Business and all operations of such Company Entity at the Owned Real Property and/or Leased Real Property, all such Permits are currently in full force and effect, and none of the Company Entities is aware of any fact, condition, circumstance or development that is reasonably expected to result in any such Permit being modified, suspended, revoked or not renewed;

(h) there is no Environmental Claim pending or, to any Company Entity's Knowledge, threatened against any Company Entity or the Business;

(i) to any Company Entity's Knowledge, neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will trigger or require

(i) any notice to be given to or consent to be obtained from any Governmental Authority pursuant to any Environmental Law, or (ii) any investigation, assessment or other action related to any Hazardous Substance, including, without limitation, pursuant to ISRA.

(j) each Company Entity is, and since January 1, 2021, has been, in compliance in all material respects with all Environmental Laws.

3.21 Customers. All of the Company Entities' contracts with customers are substantially on the same form as the Company Entities' standard form customer agreements (other than retail customers), which have been made available to the Buyer. All of the Company Entities' customer deposits or payments are handled and applied in accordance with the applicable contractual terms and in compliance with Applicable Laws.

3.22 Subcontractors and Suppliers.

(a) Schedule 3.22(a) sets forth a true, complete and correct list of each Company Entity's subcontractors (the "Subcontractors") and their respective volume of purchases (by dollar value), for each of 2023, 2024 and the first eight (8) months of 2025. Except as set forth on Schedule 3.22(a), in the two (2) years prior to the date hereof, no Company Entity has received any written indication from any Subcontractor to the effect that, and, to the Knowledge of such Company Entity, a Subcontractor intends to stop or materially reduce or materially change the terms of (whether related to payment, price or otherwise) supplying materials, products or services to such Company Entity.

(b) Schedule 3.22(b) sets forth a true, complete and correct list of the ten (10) largest suppliers of each Company Entity (the "Top Suppliers") by volume of sales and purchases (by dollar value), for each of 2023, 2024 and the first eight (8) months of 2025. Except as set forth on Schedule 3.22(b), in the two (2) years prior to the date hereof, no Company Entity has received any written indication from any Top Supplier to the effect that such (nor, to the Knowledge of any Company Entity, does any) Top Supplier intends to stop or materially reduce or materially change the terms of (whether related to payment, price or otherwise) supplying materials, products or services to any Company Entity.

3.23 Affiliate Transactions. Except as disclosed on Schedule 3.23, no officer, director, employee, Equityholder or other Affiliate of the Company Entities or any individual related by blood, marriage or adoption to any such Person or any entity in which any such Person owns any beneficial interest (collectively, the "Insiders"), is a party to any Contract or transaction with any Company Entity or which is pertaining to the Business or any of the Company Entities or has any interest in any property, real or personal or mixed, tangible or intangible, used in or pertaining to the Business or any of the Company Entities. Except as set forth on Schedule 3.23, no Insider is, directly or indirectly, entitled to any bonus or payment by the Company Entities in connection with the transactions contemplated by this Agreement or for any other reason.

3.24 Inventory. All items included in the inventory of each Company Entity consist of items of a quality usable or saleable in the Ordinary Course of Business, including being non-expired and free from mildew, fungus, rot, spoilage and agricultural neglect (except for an immaterial number of obsolete or damaged items that have been written off or for which adequate

reserves have been established in the Financial Statements) and are in quantities sufficient for the normal operation of the business in accordance with past practice. All of the inventory is owned by the applicable Company Entities free and clear of all Liens (other than Permitted Liens). All of the inventory for sale has been properly tested and marked in accordance with applicable Laws.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE COLLATERAL AGENT

As a material inducement to the Sellers and the Buyer to enter into this Agreement, the Collateral Agent hereby represents and warrants to the Sellers and the Buyer that:

4.1 Organization and Qualification of Collateral Agent. The Collateral Agent is a trust company duly organized, validly existing and in good standing under the Laws of Canada. The Collateral Agent has the requisite power and authority on behalf of the Senior Noteholders under the Senior Notes Documents to (a) convey the Company's right, title and interest in and to the Acquired Assets and Acquired Equity Interests under the UCC and other Applicable Law in accordance with the terms of this Agreement, (b) execute and deliver this Agreement and the other Ancillary Agreements to which it is a party and (c) carry out all of the actions required of it pursuant to the terms of this Agreement and the other Ancillary Agreements to which it is a party.

4.2 Approval; Binding Effect. The Collateral Agent has obtained all necessary authorizations and approvals required for the execution and delivery of this Agreement and the other Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Collateral Agent and constitutes the legal, valid and binding obligation of the Collateral Agent, enforceable against the Collateral Agent in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law). All approvals of the Collateral Agent, if any, required to consummate the transactions provided for in this Agreement and the other Ancillary Agreements to which it is a party will have been obtained prior to the applicable Closing. The Collateral Agent has the absolute and unrestricted right, power, authority and capacity to sell, on behalf of the Consenting Senior Noteholders, the Company's right, title and interest in and to the Acquired Assets and the Acquired Equity Interests and to enter into this Agreement and the other Ancillary Agreements to which it is a party. Neither the execution and delivery by the Collateral Agent of this Agreement or the other Ancillary Agreements to which it is a party nor the consummation of the transactions contemplated hereby or thereby will (a) violate or conflict with any provision of the articles of incorporation, by-laws, operating agreement or any other organizational documents of the Collateral Agent or (b) violate or conflict with any provision of any law. The execution of this Agreement and the other Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby are within the authority of the individual who shall execute this Agreement on behalf of the Collateral Agent.

4.3 Security Interest. The Collateral Agent, for the benefit of itself and the Senior Noteholders, has a valid, properly perfected and enforceable Lien on all of the Acquired Assets

and Acquired Equity Interests to be sold hereunder by the Collateral Agent, to the extent such Lien can be perfected by the proper filing of a UCC financing statement with the applicable filing office specified in the UCC, with priority over all Liens thereon other than any Permitted Liens.

4.4 Transfer of Interest. The Collateral Agent has not heretofore sold, assigned, transferred or subordinated (other than with respect to certain of the Permitted Liens pursuant to applicable Law) any of its Liens in the Acquired Assets or the Acquired Equity Interests being purchased hereunder.

4.5 Valid Obligations. All of the obligations of the Company to the Collateral Agent and the Senior Noteholders under the Senior Notes Documents are valid, binding and enforceable, and the Company is in default of such obligations in a manner that vests in the Collateral Agent the right to convey, subject to the terms and conditions of this Agreement and the other Ancillary Agreements, all of the Company's right, title and interest in and to the Acquired Assets and the Acquired Equity Interests to Buyer pursuant to Section 9-617(a) of the UCC. As of [DATE], the aggregate amount of the outstanding Obligations under the Senior Notes was greater than $[•].

4.6 Liens. The Collateral Agent, on behalf of itself and the Senior Noteholders, hereby agrees and acknowledges that after the consummation of the transactions contemplated by this Agreement and the other Ancillary Agreements, the Collateral Agent shall not hold any Lien in or to any of the Acquired Assets or Acquired Equity Interests being transferred to Buyer pursuant hereto or thereto and shall take all reasonable steps and execute and deliver all documents necessary or appropriate to release or otherwise extinguish such Liens.

4.7 Compliance with the UCC. The sale by the Collateral Agent (on behalf of itself and the Consenting Senior Noteholders) of the Company's right, title and interest in and to the Acquired Assets and the Acquired Equity Interests contemplated hereby shall be conducted and consummated by the Collateral Agent as a public sale pursuant to and in accordance with Sections 9-610 through 9-619 and 9-623 through 9-628 of the UCC and all other applicable Laws. To the extent not waived by such parties in writing to the satisfaction of the Collateral Agent and Buyer, the Collateral Agent, on behalf of itself and the Consenting Senior Noteholders, has, not less than ten (10) days prior to the Closing Date, sent notices with respect to the sale pursuant to Article 9 of the UCC contemplated hereby to (a) any secondary obligor (as defined in the UCC), (b) any Person from whom the Collateral Agent has received before the notification date (as defined in Section 9-611(a) of the UCC) and authentication notification of a claim of an interest in Acquired Assets and (c) any secured party or lienholder pursuant to Sections 9-611(c)(3)(B) (by compliance with Sections 9-611(e)) and 9-611(c)(3)(C) of the UCC.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF THE BUYER

As a material inducement to the Sellers and the Equityholders of the Acquired Entities to enter into this Agreement, the Buyer hereby represents and warrants to the Sellers and the Equityholders that:

5.1 Organization and Power. The Buyer is duly organized, validly existing and in good standing under the laws of the State of Nevada.

5.2 Authorization of Transactions. The Buyer has full limited liability power and authority to execute and deliver this Agreement and each of the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby. The Buyer has duly authorized the execution and delivery of this Agreement and all Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby. No other corporate proceedings on the part of the Buyer are necessary to approve and authorize the execution and delivery of this Agreement or the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby. This Agreement and all Ancillary Agreements to which the Buyer is a party have been duly executed and delivered by the Buyer and, assuming the valid execution and delivery by the Sellers, constitute the valid and binding agreements of the Buyer, enforceable against the Buyer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

5.3 Non-Contravention. The execution, delivery and performance by the Buyer of this Agreement and all agreements, documents and instruments executed and delivered by it pursuant hereto and the performance of the transactions contemplated by this Agreement and such other agreements, documents and instruments do not and will not: (i) materially violate or result in a material violation of, materially conflict with or constitute or result in a material default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any contract, agreement, obligation, Permit, license or authorization to which the Buyer is a party or by which they or their respective assets are bound, (ii) materially violate or result in a material violation of, materially conflict with or constitute or result in a material default (whether after the giving of notice, lapse of time or both) under, or accelerate any obligation under, any provision of the Buyer's organizational documents; (iii) materially violate or result in a material violation of, or constitute a material default (whether after the giving of notice, lapse of time or both) under, any provision of any law, regulation or rule, or any order of, or any restriction imposed by, any court or governmental agency applicable to the Buyer; or (iv) require from the Buyer any notice to, declaration or filing with, or consent or approval of, any governmental authority or other third party.

5.4 Litigation. There are no actions, suits, proceedings or orders pending or, to the Buyer's knowledge, threatened against or affecting the Buyer at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which would adversely affect the performance of the Buyer under this Agreement and the Ancillary Agreements or the consummation of the transactions contemplated hereby or thereby.

ARTICLE 6

ADDITIONAL AGREEMENTS.

6.1 Pre-Closing Covenants.

(a) Conduct of the Business. Except (i) as set forth on Schedule 6.1(a), (ii) as required by any law or order or Contract, (iii) as permitted, required or contemplated by this Agreement, (iv) as set forth in or in furtherance of the transactions contemplated by the RSA or the wind down of the Business, or (v) with the prior written consent of Buyer, during the period from the date of this Agreement to the earlier of (a) the applicable Closing for a State or (b) the date on which this Agreement is terminated in accordance with this Agreement (as it pertains to each State, the "Interim Period"), each Seller and Company Entity shall use commercially reasonable efforts to conduct the Business in the Ordinary Course in such State in all material respects and in material compliance with all Applicable Laws. During the Interim Period, each Seller and Company Entity will keep the Business and its assets, the Owned Real Property and the Leased Real Property in such State, including each Company Entity's present operations, the Owned Real Property and Leased Real Property, licensees, working conditions, insurance policies, goodwill and relationships with lessors, licensors, suppliers, customers, employees and other business relations substantially intact, open and operational. Without limiting the generality of the foregoing, during the Interim Period, each Seller and Company Entity will not, without the prior written consent of the Buyer, take any of the following actions, in each case with respect to the Business or the Acquired Assets, as applicable:

(1) amend, extend or terminate any material Contract or enter into any Contract, which if entered into trio to the date hereof, would be a material Contract, other than in the Ordinary Course of Business, required by Applicable Law, or pursuant to such Contract;

(2) incur any Liability (including further Indebtedness) other than in the Ordinary Course of Business;

(3) dispose of or encumber any assets of any Seller other than in the Ordinary Course of Business;

(4) modify, extend, terminate, or enter into any Labor Agreement or recognize or certify any Employee Representative Body as the bargaining representative for any Business Employee;

(5) implement or announce any employee layoff, furlough, reduction in force, plant closing, reduction in compensation, or other similar action that triggers or could trigger notice obligations under the WARN Act with respect to Business Employees or any of the Acquired Entities, other than as a direct result of the consummation of the Liquidation Proceedings or the Non-Core Divestiture Transactions;

(6) increase any compensation or benefits of any Business Employee or Business Contingent Worker, other than an increase made in the Ordinary Course of Business with respect to any Person whose annual base compensation is less than $150,000, or establish adopt, amend or terminate any Employee Benefit Plan or compensation plan, policy, program, contract, agreement, or arrangement that would be an Employee Benefit Plan if in effect on the date hereof with respect to Business Employees or Business Contingent Workers other than as

a direct result of the consummation of the Liquidation Proceedings or the Non-Core Divestiture Transactions or to facilitate the offer and hire process set forth in Section 6.6;

(7) (i) hire, promote, retain, engage or terminate any Business Employee or Business Contingent Worker, other than in the Ordinary Course of Business with respect to any Person whose annual base compensation is less than $150,000, or those terminations that are a direct result of the consummation of the Liquidation Proceedings or the Non-Core Divestiture Transactions, or (ii) transfer the employment or service relationship of any Business Employee or Business Contingent Worker from any Company Entity to any other Company Entity or the principal work location of any Business Employee or Business Contingent Worker from one Business location or store to another Business location or store, other than to facilitate the offer and hire process set forth in Section 6.6;

(8) accelerate any accounts receivable, delay or postpone any capital expenditure or the payment of accounts payable or other Liabilities;

(9) grant any Person any license of or other right to IP;

(10) commence or settle any Legal Proceeding;

(11) apply for, terminate or amend any license or Permit;

(12) declare, set aside, or pay any cash or non-cash dividend;

(13) amend, modify, waive, supplement or restate any organizational documents of any Seller;

(14) increase or decrease the size of any board of directors or managers of any Seller;

(15) authorize or approve any material change in the nature of the Business of any Seller;

(16) authorize or issue any new equity securities of any Seller (including options, warrants, convertible securities, or other rights to acquire equity);

(17) dissolve, wind up or liquidate any Seller;

(18) make any change to existing accounting principles, practices, methods or policies of any Seller; or

(19) make or change any Tax election, change any Tax accounting period, adopt or change any method of Tax accounting, file any amended Tax Return, enter into any closing agreement with respect to Taxes, settle any Tax claim or assessment, surrender any right to claim a Tax refund, or consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment.

Nothing contained in this Agreement shall be deemed to give Buyer, directly or indirectly, the right to control or direct the business or any operations of the Company Entities in any particular State prior to the applicable Closing for such State. Prior to the Final Closing, the Company Entities shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over their respective operations.

(b) Preservation of Inventory. During the Interim Period, the Sellers will, and the Company Entities will cause the Sellers and the Equityholders to, as applicable, use their commercially reasonable efforts to maintain and preserve all inventory associated with the Business in a good and saleable condition, including being non-expired, properly labeled and free from mildew, fungus, rot, spoilage and agricultural neglect. During the Interim Period, each Seller will maintain at least substantially similar levels of inventory of flower, trim, concentrate and edibles at each Business location as each Seller has maintained over the twelve (12) month period prior to the date hereof.

(c) Real Estate Covenants. During the Interim Period, subject to the terms and conditions herein, Buyer, at Buyer's sole cost and expense, shall have the right to obtain the following items for the Owned Real Property, and the Company Entities and each Seller shall use commercially reasonable efforts to, and shall cause the applicable Subsidiaries of each Company Entity to, assist Buyer by granting access to the Owned Real Property by the Buyer pursuant to Section 6.1(g) below to allow Buyer to obtain all such items:

(1) a commitment for an ALTA Owner's Title Insurance Policy 2021 Form (or other form of policy reasonably acceptable to Buyer), issued by a national title insurance company reasonably satisfactory to Buyer (the "Title Company"), together with a copy of all documents referenced therein (the "Title Commitment");

(2) an ALTA survey, dated no earlier than the date of this Agreement, prepared by a licensed surveyor reasonably satisfactory to Buyer, and conforming to 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, including Table A Items Nos. 2, 3, 4, 6(a), 6(b), 7(a), 7(b)(l), 7(c), 8, 9, 13, 14, 16, 17 and 20 ($1,000,000) and such other standards as the Title Company and Buyer require as a condition to the removal of any survey exceptions from the Title Policy (defined below), and certified to Buyer, Buyer's lender and the Title Company, in a form and substance satisfactory to each of such parties (the "Survey");

(3) a zoning report, dated no earlier than the date of this Agreement and prepared by a company reasonably satisfactory to Buyer, in form and substance satisfactory to Buyer and the Title Company (the "Zoning Report");

(4) a title insurance policy in accordance with the Title Commitment, insuring the applicable Company Entity's fee simple title to the Owned Real Property as of the Closing Date (including all recorded appurtenant easements insured as separate legal parcels) with extended coverage and gap coverage from the applicable Company Entities through the date of recording, subject only to Permitted Liens, in such amount as Buyer reasonably determines to be the value of the Owned Real Property insured thereunder, including all

endorsements reasonably requested by Buyer, in form and substance reasonable satisfactory to Buyer (the "Title Policy");

(5) a current flood hazard determination certifying that the Owned Real Property is not located in an area designated by the Federal Emergency Management Agency as having special flood hazards (the "Flood Certificate");

(6) a property condition report, dated no earlier than the date of this Agreement and prepared by a company satisfactory to Buyer, in form and substance satisfactory to Buyer (the "Property Condition Report");

(7) an appraisal, dated no earlier than the date of this Agreement and prepared by a company satisfactory to Buyer, in form and substance satisfactory to Buyer (the "Appraisal");

(8) a Phase 1 environmental sit assessment, dated no earlier than the date of this Agreement and prepared by a company satisfactory to Buyer, in form and substance satisfactory to Buyer (the "Phase 1"); and

(9) each Company Entity and each Seller shall (i) obtain and execute all agreements, documentation, actions, information, and all other assurances needed for Buyer to assume the existing Needham Bank loan, mortgage, and all other loan and security documents currently encumbering or affecting the FL Owned Real Property (collectively, the "FL Mortgage Loan Documents"), in form and substance satisfactory to Buyer, Sellers and Needham Bank (collectively, the "FL Mortgage Loan Deliverables"), including, without limitation, the consent of Needham Bank to the assumption, and (ii) timely perform all obligations under each of the FL Mortgage Loan Documents. In connection with any such assumption, each Company Entity, each Seller, and Buyer shall execute and/or deliver all documents, know your customer, financial information, assumption review fees and other information as required or requested by Needham Bank to effectuate any such loan assumption.

The Title Commitment, Survey, Zoning Report, Title Policy, Flood Certificate, Property Condition Report, Appraisal, Phase I FL Mortgage Loan Deliverables, and all Title Deliverables required by the Title Company to issue the Title Policy shall be collectively referred to herein as the "Owned Real Property Deliverables". Seller shall pay all fees, costs and expenses with respect to the Owned Real Property Deliverables. At or prior to Closing, the Company Entities shall use commercially reasonable efforts to remove or cause to be removed from the Owned Real Property's title any Liens which are not Permitted Liens; provided, however, that none of the Company Entities, Sellers or Subsidiaries shall be obligated to expend an amount in excess of $50,000, commence any litigation otherwise take any action outside of the ordinary course of business to effectuate such removal. The applicable Seller or Company Entity shall cause the applicable Subsidiary to provide the Title Company with the Title Deliverables.

(d) Appropriate Actions. Each of the Parties shall use commercially reasonable efforts to take all action necessary to consummate the transactions contemplated by this Agreement as soon as possible after the execution of this Agreement, including taking all actions necessary to

comply promptly with all Applicable Laws that may be imposed on it or any of its Affiliates with respect to the applicable Closing.

(e) Notices and Consents. Each of the Parties shall use commercially reasonable efforts to obtain, as soon as possible after the execution of this Agreement, any and all consents, approvals and authorizations set forth on Schedule 6.1(e), including the Requisite Regulatory Approvals, and each Party shall cooperate with the other Parties to this Agreement in obtaining all such consents, approvals and authorizations set forth on Schedule 6.1(e), including the Requisite Regulatory Approvals.

(f) Further Assurances. If any further action is necessary or desirable to carry out the purposes of this Agreement, each Party, upon request of the other Party and from time to time, will take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request and deem necessary or desirable to consummate, confirm or evidence the transactions contemplated by this Agreement, all at the sole cost and expense of the requesting Party.

(g) Inspections; AS IS.

(1) During the Interim Period, Buyer and Buyer's surveyors, consultants, agents and contractors (each, a "Consultant") shall have the right to access the Owned Real Property for the sole purpose of its Consultants preparing the Survey, Zoning Report, Appraisal, Phase I and similar environmental site assessment reports, and Property Condition Report (the "Inspections"), provided, that: (i) Buyer provides Sellers prior notice at least one (1) Business Day prior to the intended Inspection; (ii) such Inspection is conducted during normal business hours under the supervision of a Seller's or a Company Entity's personnel and in such a manner as not to interfere with the operations occurring thereon; (iii) Buyer shall not conduct any Phase II environmental investigations or other sampling of soil, groundwater or building materials without the prior written consent of the Sellers; (iv) each Consultant accessing the Owned Real Property shall be covered by (A) broad form commercial general liability insurance with limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate, naming the Subsidiary owner of the Owned Real Property as an additional insured, and (B) worker's compensation insurance in compliance with applicable Laws, and prior to accessing the Owned Real Property shall provide evidence of the foregoing; and (v) Buyer shall repair all damage to the Property caused by Buyer or any of Buyer's Consultants. Buyer shall indemnify, defend and hold harmless the Sellers, the Company Entities and the Subsidiaries from any Losses resulting from the Inspections, except that Buyer's indemnification shall not apply to (y) the mere discovery or identification of preexisting conditions or (z) damage caused by any Seller, any Company Entity or any Subsidiary.

(2) Buyer agrees that except as expressly set forth in ARTICLE 3 of this Agreement and in any Disclosure Schedules, closing document, or conveyance document delivered in conjunction with this Agreement, the Acquired Assets and Assumed Liabilities are transferred "AS IS," "WHERE IS" AND, SUBJECT ONLY TO THE REPRESENTATIONS AND WARRANTIES CONTAINED IN ARTICLE 3, AND IN ANY DISCLOSURE SCHEDULES, CLOSING DOCUMENT, OR CONVEYANCE DOCUMENT DELIVERED IN CONNECTION WITH THIS AGREEMENT WITH ALL

FAULTS AND WITHOUT ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE WHATSOEVER, EXPRESS OR IMPLIED, ORAL OR WRITTEN, AND IN PARTICULAR, WITHOUT ANY IMPLIED WARRANTY OR REPRESENTATION AS TO: (A) CONDITION, VALUE, MERCHANTABILITY OR FITNESS OR SUITABILITY FOR ANY SPECIFIC PURPOSE AS TO ANY OF THE ACQUIRED ASSETS; (B) THE OPERATION OF THE ACQUIRED ASSETS BY BUYER AFTER THE CLOSING; OR (C) THE PROBABLE SUCCESS OR PROFITABILITY OF THE OWNERSHIP, USE OR OPERATION OF THE ACQUIRED ASSETS BY BUYER AFTER THE CLOSING.

6.2 Access to Information; Cooperation.

(a) From and after the applicable Closing and through the earlier of (i) the third (3rd) anniversary of the date thereof and (ii) the completion of the Liquidation Proceedings, the Company Entities shall maintain the following books and records of the Company Entities dating from January 1, 2022 through the Final Closing and provide access thereto and/or copies thereof as reasonably requested by the Buyer: (a) general records and journals; (b) historical income statements, balance sheets and statements of cash flows; (c) business, accounting and financial records; (d) personnel records and employment data; provided that the applicable Company Entity is not required to provide access to any such personnel records and employment data, except (1) as allowed under Applicable Law or (2) if prohibited by Applicable Law, with such employee's consent; (e) any correspondence to, with or from any Person in connection with the Business; (f) all telephone and facsimile numbers and internet access (including email) accounts and (g) all information relating to Taxes (to the extent relating solely to Taxes paid by or on behalf of any Company Entity or relating to any Acquired Entity or Acquired Asset).

6.3 Refunds and Remittances. After each Closing, if any Seller receives any refund or other amount which is attributable to an Acquired Asset or is otherwise properly due and owing to the Buyer in accordance with the terms of this Agreement (which for the avoidance of doubt shall include any payment received from any customer or any Person who provides financing to any customer), such Seller shall hold all such funds in trust for the Buyer and shall promptly remit, or shall cause to be remitted, such amount to the Buyer within one (1) Business Day of receipt of such funds. Payments remitted to the Buyer pursuant to this Section 6.3 shall be in the form received by such Seller or any of its Affiliates. In order to facilitate each Seller's compliance with the foregoing, such Seller shall from and after the applicable Closing cause all bank accounts currently used by such Seller to be used only for the purpose of receiving funds to which the Buyer is entitled as stated above and shall provide a designee of the Buyer with sole signing authority over such account and ensure that the Buyer has access to the account records for such account. After the applicable Closing, if the Buyer receives any refund or other amount which is attributable to an Excluded Asset or is otherwise properly due and owing to the applicable Seller in accordance with the terms of this Agreement, the Buyer shall promptly remit, or shall cause to be remitted, such amount to the applicable Seller. Payments remitted to such Seller pursuant to this Section 6.3 shall be in the form received by the Buyer or any of its Affiliates.

6.4 Confidentiality. Following each Closing, each applicable Seller agrees to, and shall cause its respective agents, representatives, Affiliates, employees, officers and directors to, treat and hold as confidential all confidential documents and information relating to the Business

and the affairs of the Sellers, including any notes, analyses, compilations, studies, forecasts, interpretations or other documents that are derived from, contain, reflect or are based upon any such information (the "Confidential Information") and refrain from using any Confidential Information except in connection with this Agreement, and deliver promptly to the Buyer, at the Buyer's request, all Confidential Information (and all copies thereof in whatever form or medium) in its possession or under its control. Notwithstanding the foregoing, Confidential Information shall not include information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement. In the event that any Seller or any of its respective agents, representatives, Affiliates, employees, officers or directors becomes legally compelled to disclose any Confidential Information, such Person shall provide the Buyer with prompt written notice of such requirement so that the Buyer may seek a protective order or other remedy or waive compliance with the provisions of this Section 6.4. In the event that a protective order or other remedy is not obtained or if the Buyer waives compliance with this Section 6.4, such Person shall furnish only that portion of such Confidential Information that is legally required to be provided and exercise its commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such information.

6.5 Tax Matters.

(a) Transfer Taxes. Any transfer, documentary, sales, use, value added, excise, stock transfer, stamp, recording, registration and any similar Taxes, including any penalties and interest thereon, that become payable in connection with the purchase and sale of the Acquired Assets and the Acquired Equity Interests contemplated by this Agreement ("Transfer Taxes") shall be paid by the Company. For the avoidance of doubt, "Transfer Taxes" shall not include any income Taxes.

(b) Apportioned Taxes. In any case under this Agreement involving a Tax period that includes (but does not end on) the applicable Closing Date (a "Straddle Period"), (i) all real property Taxes, personal property Taxes and similar ad valorem obligations levied with respect to the Acquired Assets ("Property Taxes") for the Pre-Closing Tax Period shall be equal to the amount of such Property Taxes for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days during the Straddle Period that are in the portion of the Straddle Period on the Closing Date and the denominator of which is the number of days in the Straddle Period; and (ii) Taxes (other than Property Taxes) shall be computed as if such taxable period ended on the end of the Closing Date (and for such purposes, the taxable period of any partnership or other pass-through entity, or any non-U.S. entity in which such Person holds a beneficial interest, directly or indirectly, shall be deemed to terminate at such time) based on an interim closing of the books. Except as otherwise provided under this Agreement, the Sellers shall be liable for the amount of such Taxes attributable to the Pre-Closing Tax Period, and the Buyer shall be liable for the amount of such Taxes (other than Excluded Taxes) attributable to the Post-Closing Tax Period, as allocated pursuant to the preceding sentence.

(c) Intended Tax Treatment. The Parties agree that the transfer of the sale of the Acquired Assets and the Acquired Equity Interests to the Buyer is intended to be treated as a taxable acquisition of assets and the Parties shall prepare and file all relevant U.S. federal income tax returns consistent with such intended treatment absent a contrary "determination" (within the meaning of Section 1313(a) of the Code).

(d) Cooperation on Tax Matters. The Parties shall cooperate fully, as and to the extent reasonably requested by any other Party, in connection with the filing of Tax Returns, and any audit, litigation or other proceeding with respect to Taxes relating to the Acquired Assets. Such cooperation shall include the retention and (upon the other Party's reasonable request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding concerning an amount of Taxes related to the Acquired Assets and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Each Party shall provide to the others, within ten (10) Business Days of the receipt thereof, any tax related communications and notices it receives which may impact the other Party's Tax Liability or filing responsibilities associated with the Acquired Assets or the Acquired Equity Interests.

(e) Bulk Sale. The Parties hereby waive compliance with any requirements or provisions of any "bulk transfer" laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Acquired Assets; provided, that such waiver shall not otherwise limit any liability (other than an Assumed Liability) arising from such waiver that shall constitute an Excluded Liability.

(f) Tax Sharing Agreements. All Tax sharing agreements or similar Contracts between the Acquired Entities and the Company Asset Sellers or any of their Affiliates shall be terminated prior to the Closing and after the Closing, the Acquired Entities, the Buyer and any of their Affiliates shall not be bound thereby nor shall the Acquired Entities, the Buyer and any of their Affiliates have any liability thereunder.

(g) Purchase Price Allocation for Tax Purposes. Within ninety (90) days after the Final Closing, the Buyer shall prepare the Allocation Schedule which shall be deemed final and shall be binding upon the Parties. Except as otherwise required by a "determination" within the meaning of Section 1313(a) of the Code, the Parties shall file all Tax Returns (including amended returns and claims for refunds) and cooperate in the filing of any information reports (including Internal Revenue Service Form 8594) consistent with this Section 6.5(g) and the allocations set forth on such Allocation Schedule and shall not take any position for applicable Tax purposes inconsistent therewith.

6.6 Employee and Related Matters.

(a) Prior to the Single Closing or the applicable State-Specific Closing, as applicable, the Buyer or one of its Affiliates, in consultation with the management team of the Company Entities, will determine the Business Employees and the Business Contingent Workers to whom the Buyer or an Affiliate will make an offer of employment or engagement (each such Person, an "Offer Employee" or "Offer Contingent Worker," as applicable), and each such offer will contain terms that the Buyer and its Affiliates determine in consultation with the management team of the Company Entities and will be effective as of, and subject to the occurrence of, the Single Closing or the applicable State-Specific Closing, as applicable (each, an "Employment Offer" or an "Engagement Offer," as applicable, and each, an "Offer"). For each Offer Employee and Offer Contingent Worker who is not an Automatic Transfer Employee or Automatic Transfer Contingent Worker, as applicable, such Offer will provide, as a condition to accepting employment or engagement, respectively, with the Buyer or such Affiliate, that the Offer Employee or Offer

Contingent Worker, respectively, resign from employment or service with the applicable service recipient as of immediately prior to the Single Closing or the applicable State-Specific Closing, as applicable. Each Offer Employee and Offer Contingent Worker who accepts an Offer, is referred to herein as a "Transferred Service Provider." With respect to each Automatic Transfer Employee and Automatic Transfer Contingent Worker who either (x) is not an Offer Employee or Offer Contingent Worker or (y) is an Offer Employee or Offer Contingent Worker who rejects his or her Offer, the applicable Acquired Entity or Subsidiary who directly engages the services of such Business Employee or Business Contingent Worker, as applicable, will terminate such Person's employment or service effective immediately prior to the Single Closing or the applicable State-Specific Closing, as applicable. The Sellers hereby consent to the hiring and continued employment or engagement of each Transferred Service Provider by the Buyer or any of its Affiliates and agree not to enforce any non-competition or similar covenant that could, but for this provision, prevent such Transferred Service Provider from fulfilling the terms and conditions of his or her services to the Business following the Single Closing or the applicable State-Specific Closing, as applicable.

(b) If the Buyer determines that it is illegal for a Business Employee or Business Contingent Worker who would have been a Transferred Service Provider to be a Transferred Service Provider at the Single Closing or the applicable State-Specific Closing, as applicable but for such illegality (a "Delayed Transfer Service Provider"), such Delayed Transfer Service Provider will remain employed or engaged by the applicable pre-Closing service recipient until the earlier of the date on which the Buyer determines that such delay is no longer necessary and the Final Closing, and during such period such Delayed Transfer Service Provider will provide services to the Buyer and its Affiliates pursuant to the terms and conditions of an Employee Leasing Agreement to be entered into prior to the Single Closing, or if applicable, the first State-Specific Closing.

(c) For the avoidance of doubt, and without limiting the generality of Section 2.2(c)(2), the Company Entities (other than the Acquired Entities and their respective Subsidiaries) will retain and bear all Liabilities relating to any Business Employee or Business Contingent Worker, including any Transferred Service Provider, that accrued prior to the Single Closing or the applicable State-Specific Closing, as applicable, whether under any Employee Benefit Plan or otherwise (including all severance and separation-related Liabilities arising in connection with a Transferred Service Provider's termination of employment or service with any Company Entity as of the Single Closing or the applicable State-Specific Closing, as applicable). The Buyer shall be solely responsible for any Liabilities with respect to any Assumed Benefit Plans on or after the Closing.

(d) The Buyer shall be responsible for the continuation of health plan coverage, in accordance with the requirements of COBRA and Sections 601 through 608 of ERISA, including for all individuals who are "M&A qualified beneficiaries" as described in the COBRA regulations.

(e) The Buyer shall be solely responsible for any Liabilities arising under the WARN Act or similar Applicable Law for any actions taken by the Buyer or any of its Affiliates on or after the Single Closing or the applicable State-Specific Closing, as applicable.

(f) The provisions of this Section 6.6 are solely for the benefit of the Parties, and no provision of this Section 6.6 will create any third-party beneficiary or other rights in any current or former Business Employee or Business Contingent Worker or any Transferred Service Provider (including any dependent or beneficiary thereof) in respect of the terms and conditions of employment or engagement with, or any benefits that may be provided by, the Buyer or any of its Affiliates. Nothing herein will be construed as an amendment to any Employee Benefit Plan for any purpose.

ARTICLE 7

CONDITIONS TO CLOSING.

7.1 Closing Conditions and Deliverables of the Sellers. As condition precedent to the Buyer's obligations hereunder: (i) no federal or state court of competent jurisdiction or other Governmental Authority shall have enacted any Applicable Law or issued, promulgated, enforced or entered any order, decree, judgment, injunction or other ruling (whether temporary, preliminary or permanent), in any case which is in effect and which prevents or prohibits consummation of the transactions contemplated by this Agreement and the Ancillary Agreements; (ii) Buyer shall have received all Owned Real Property Deliverables in form and substance acceptable to Buyer; and (iii) the Title Company shall be irrevocably committed to issue each Title Policy insuring that fee simple title to the Owned Real Property is vested in Buyer (or its designee) as of the Closing Date.

(b) At the applicable Single Closing or State-Specific Closing for the applicable State, as the case may be, the applicable Company Sellers shall deliver or cause to be delivered to the Buyer for (x) all States if such Closing is a Single Closing or (y) the applicable State if the Closing is a State-Specific Closing, each of the following, each executed, acknowledged and notarized, as applicable:

(1) the Transferred Assets;

(2) executed counterparts of each Ancillary Agreement to which any applicable Company Seller is a party;

(3) a certificate executed by an authorized officer of the applicable Company Sellers certifying that:

(A) the representations and warranties of such Company Sellers set forth in ARTICLE 3 are true and correct in all material respects as of the applicable Closing Date; and

(B) such Company Sellers have performed in all material respects all of the covenants and agreements required to be performed by it under this Agreement prior to or at the applicable Closing;

(4) copies of all applicable consents set forth on Schedule 6.1(e);

(5) a certificate of the Secretary of State of the applicable State stating that such Acquired Entity is in good standing, dated as of a date not earlier than ten (10) Business Days prior to such Closing;

(6) a copy, as applicable, of (x) the certificate of formation (or similar organizational documents), as amended, of the applicable Acquired Entity certified by the Secretary of State of the applicable State, dated as of a date not earlier than ten (10) Business Days prior to the applicable Closing and accompanied by a certificate of the Secretary of the applicable Acquired Entity, dated as of the applicable Closing, stating that no amendments have been made to such organizational documents since such date, (y) the operating agreement (or similar organizational documents) of the applicable Acquired Entity, certified by the Secretary of the applicable Acquired Entity, and (z) the resolutions of the applicable Acquired Entity's board of managers or directors (or similar governing body) and the equityholders or members necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements and approving the consummation of the transactions contemplated hereby and thereby, in each case, certified by a Secretary of such Acquired Entity;

(7) a Deed for each Owned Real Property, executed and acknowledged by the applicable Company Entity;

(8) all maintenance records, operating manuals, and unexpired, transferrable guarantees and warranties pertaining to the Owned Real Property to the extent in a Sellers' possession and delivery of which may be made by leaving same at the Owned Real Property;

(9) all keys, combinations and security codes for all locks and security devices for the Owned Real Property, delivery of which may be made by leaving same at the Owned Real Property;

(10) a FIRPTA certificate from each applicable Company Entity of the Owned Real Property;

(11) notices to those entities providing services to the Owned Real Property which Buyer desires to retain, in form and substance reasonably acceptable to Buyer;

(12) the Title Deliverables from the applicable Company Entity relating to the sale of the Owned Real Property;

(13) such evidence or documents as may reasonably be required by Buyer or the Title Company evidencing the status and capacity of the applicable Company Entity and the authority of the applicable Company Entity and the person or persons who are executing the various documents on behalf of such Company Entity in connection with the sale of the Owned Real Property in accordance with the terms of this Agreement;

(14) provided that Buyer has prepared and delivered to Sellers, a customary estoppel for each Material Lease within thirty (30) days after the date hereof for delivery to a landlord under a Material Lease (each, an "Estoppel Certificate") and the landlord thereunder

is required to deliver such Estoppel Certificate under its Material Lease, Estoppel Certificates, dated no earlier than the date that is thirty (30) days prior to the Closing Date, indicating that the applicable Material Lease is in full force and effect and free from any breach or default on the part of the tenant thereunder; provided, further, however, that the failure of a landlord to deliver an Estoppel Certificate or an Estoppel Certificate indicating a breach or default on the part of the tenant thereunder shall not be a breach or default by Sellers, any Company Entity or any Subsidiary under this Agreement;

(15) all transferable permits for the Owned Real Property in the possession of Buyer, delivery of which can be made by leaving same at the Owned Real Property, if any;

(16) all transfer and other tax declarations for the Owned Real Property as may be required by law in connection with the transactions contemplated by this Agreement duly executed and sworn to by the applicable Company Entity;

(17) [intentionally omitted];

(18) title to each vehicle applicable to such Company Entity, if any;

(19) assignments and assumptions of Leases and, if applicable, landlord consents thereto ("Lease Assignments") applicable to such Company Entity for each Lease in substantially the form attached hereto as Exhibit B, executed by each lessor, lessee or other contract party under any Leases for Leased Real Property.

(20) Bill of Sale, duly executed by each applicable Company Seller, in the form attached hereto as Exhibit A;

(21) unless there is a Single Closing, an Employee Leasing Agreement, duly executed by each applicable Company Entity.

(22) stock certificates of purchased equity, if applicable;

(23) IRS Form W-9;

(24) copies of the Requisite Regulatory Approvals;

(25) solely with respect to the Ohio Closing, the Company Entities shall own, on terms and conditions reasonably acceptable to Buyer, all of the issued and outstanding equity of (i) Twice the Wellness, LLC, an Ohio limited liability company, (ii) Heaven Wellness, LLC, an Ohio limited liability company, (iii) Good Day Dispensary, LLC, an Ohio limited liability company, (iv) Daily Releaf, LLC, an Ohio limited liability company [and (v) Parma Wellness Center LLC, an Ohio limited liability company], such that each these Company Entities are indirect wholly-owned Subsidiaries of the Company as of the Ohio Closing; and

(26) solely with respect to the Texas Closing, (i) the Company Entities shall, on the terms and conditions reasonably acceptable to Buyer, file for and obtain a Dispensing Organization license from the Texas Department of Public Safety, together with all other

applicable licenses, permits and approvals required to operate its business in Texas, (ii) the applicable Requisite Regulatory Approvals for the Texas Closing have been received and (iii) Buyer shall have completed its due diligence on the assets located in Texas, and such due diligence is reasonably acceptable to Buyer; and

(27) such other documents or instruments as the Buyer may reasonably request to effect the transactions contemplated hereby.

(c) At the applicable Single Closing or State-Specific Closing for the applicable State, as the case may be, the Collateral Agent shall deliver or cause to be delivered to the Buyer for (x) all States if such Closing is a Single Closing or (y) the applicable State if the Closing is a State-Specific Closing, each of the following, each executed, acknowledged and notarized, as applicable:

(1) the Collateral Assets;

(2) executed counterparts of each Ancillary Agreement to which the Collateral Agent is a party;

(3) a certificate certifying that the representations and warranties of the Collateral Agent set forth in ARTICLE 4 are true and correct in all material respects as of the applicable Closing Date; and

(4) any other evidence reasonably requested by Buyer evidencing the transfer of the Collateral Assets, duly executed by the Collateral Agent;

7.2 Closing Conditions and Deliverables of the Buyer.

(a) As condition precedent to the applicable Seller's obligations hereunder, no federal or state court of competent jurisdiction or other Governmental Authority shall have enacted any Applicable Law or issued, promulgated, enforced or entered any order, decree, judgment, injunction or other ruling (whether temporary, preliminary or permanent), in any case which is in effect and which prevents or prohibits consummation of the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) At the applicable Closing for each State, the Buyer shall deliver or cause to be delivered to the applicable Seller as it pertains to such State:

(1) executed counterparts of each Ancillary Agreement to which the Buyer is a party;

(2) executed counterparts to the Lease Assignments;

(3) executed counterparts to the Employee Leasing Agreement, if such agreement is deemed required;

(4) copies of the Requisite Regulatory Approvals;

(5) a copy of the resolutions of the Buyer's sole member authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and approving the consummation of the transactions contemplated hereby and thereby, certified by a duly authorized officer of the Buyer.

ARTICLE 8

TERMINATION

8.1 Termination. This Agreement may be terminated by the Buyer with respect to the obligation of Buyer to purchase the Acquired Assets and Acquired Equity Interests for any particular State at a Closing for such State at any time prior to the Final Closing following any of the following events:

(1) (i) any of the representations or warranties of any Company Entity in Article 3 or the Collateral Agent in Article 4 is or becomes untrue or inaccurate such that the condition set forth in Section 7.1(b)(2) would not be satisfied (treating such time as if it were the applicable Closing for purposes of this Section 7.1) or (ii) there has been a breach on the part of the Company Entities of any of their covenants or agreements contained in this Agreement such that the condition set forth in Section 7.1(b)(3) would not be satisfied (treating such time as if it were the applicable Closing for purposes of this Section 8.1), in each case of clauses (i) and (ii), which breach cannot be cured by the Sellers or the Company Entities by the Outside Date (as defined below) or, if capable of being cured, shall not have been cured within ten (10) days after delivery of notice thereof by the Buyer to the applicable Sellers or any shorter period of time that remains between the date the Buyer delivers written notice of such breach and the Outside Date; provided that Buyer shall not be entitled to terminate pursuant to this Section (3) if such inaccuracy or breach was primarily caused by the failure of Buyer to perform in any material respect any of the covenants or agreements to be performed by it prior to the applicable Closing;

(2) the Requisite Regulatory Approvals (x) have not been approved within one hundred eighty (180) days, which deadline can be extended by mutual agreement of the Company Entities and the Buyer, after such approval has been sought from the applicable Governmental Authority or (y) have been rejected by the applicable Governmental Authority;

(3) a law or regulation is enacted, adopted, promulgated or enforced that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or if the consummation of the transactions contemplated hereby would violate any order of any governmental authority having competent jurisdiction; or

(4) anytime on or following March 31, 2026 (as may be extended with the written consent of Buyer) (the "Outside Date").

8.2 Effect of Termination. In the event of termination of this Agreement in accordance with Section 8.1 with respect to any particular State, this Agreement shall immediately terminate and have no further force and effect with respect to such State and there shall be no Liability on the part of any Party to any other Party under this Agreement for such State, except that the

Company Entities and the Sellers shall remain liable for any willful breach by the Company Entities or any of the Sellers of this Agreement prior to such termination.

ARTICLE 9

MISCELLANEOUS

9.1 Survival. All representations, warranties, covenants and agreements set forth in this Agreement, the Disclosure Schedules, or in any certificate or instrument delivered in connection herewith shall survive until the relevant Closing for a particular State and all such representations, warranties, covenants and agreements shall terminate on the date on which the Final Closing occurs.

9.2 Amendment. This Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of the Buyer and the Sellers (b) by a waiver in accordance with Section 9.3.

9.3 Waiver. Any Party to this Agreement may waive compliance or performance of any provision of this Agreement that is intended for the benefit of such waiving Party. Any such extension or waiver shall be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this Agreement. The failure of any Party to assert any of its rights under this Section 9.3 shall not constitute a waiver of any of such rights. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

9.4 Specific Performance. The Sellers agree and acknowledge that the Sellers' business is unique and recognizes and affirms that in the event of a breach of this Agreement by such Person, money damages may be inadequate and Buyer may have no adequate remedy at law. Accordingly, the Sellers and each Equityholder agrees that the Buyer shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and the Sellers' and each such Equityholder's obligations hereunder not only by an action or actions for damages but also by an action or actions for equitable relief, including injunction and specific performance. If any such action is brought by the Buyer to enforce this Agreement, the Sellers and each Equityholder hereby waives the defense that there is an adequate remedy at law or the requirement for the posting of any bond or similar security.

9.5 Expenses. Except as otherwise expressly provided in this Agreement, each of the Parties hereto shall pay all of its own fees, costs and expenses (including fees, costs and expenses of legal counsel, investment bankers, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred in connection with the negotiation of this Agreement

and the Ancillary Agreements, and the consummation of the transactions contemplated hereby and thereby.

9.6 Notices. All notices, claims, demands and other communications given or delivered under this Agreement shall be in writing and shall be deemed to have been duly made or given when personally delivered, mailed by first class mail, return receipt requested, or delivered by express courier service or via facsimile (with original copy to follow) to the respective Parties at the following addresses (or such other address for a Party as shall be specified in a notice given in accordance with this Section 9.6):

If to the Company Entities:

AYR Wellness Inc.
2601 South Bayshore Drive, Suite 900
Miami, FL 33133
Attention: Scott Davido, Interim Chief Executive Officer
E-mail address: Scott.Davido@ankura.com

with copies to:

DLA Piper LLP (US)
1251 Avenue of the Americas
New York, NY 10020
Attention: Richard Chesley; Jamila Willis
E-mail address: Richard.Chesley@us.dlapiper.com;
Jamila.Willis@us.dlapiper.com

and

DLA Piper (Canada) LLP
Suite 2700
1133 Melville Street
Vancouver
British Columbia
V6E 4E5
Canada
Attention: Russel Drew; Jeffrey Bradshaw
E-mail address: Russel.Drew@ca.dlapiper.com;
Jeffrey.Bradshaw@ca.dlapiper.com

If to the Buyer:

[Buyer]
[Address]
E-mail address: [Email]
Attention: [Name]

with a copy (which shall not constitute notice) to:

[Legal Counsel]
[Address]
Attention: [Name]
E-mail address: [Email]

If to the Collateral Agent:

Odyssey Trust Company
350 – 409 Granville Street
Vancouver, British Columbia V6C 1T2
Attention: Corporate Trust

9.7 Binding Agreement; Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by operation of law or otherwise without the prior written consent of the Sellers and the Buyer; provided, however, that notwithstanding the foregoing, the Buyer may at any time in its sole discretion and without the consent of any other Party assign, in whole or in part, (a) its right to purchase the Acquired Assets and Acquired Equity Interests and assume the Assumed Liabilities to one or more of its Affiliates (provided that no such assignment shall release the Buyer from its obligations hereunder); (b) its rights under this Agreement and the Ancillary Agreements for collateral security purposes to any lender providing financing to the Buyer, such permitted assign or any of their Affiliates, and any such lender may exercise all of the rights and remedies of such assignee hereunder and thereunder; and (c) its rights under this Agreement and the Ancillary Agreements to any subsequent purchaser of the Buyer or any material portion of its assets (whether such sale is structured as a sale of stock, or other equivalent sale of assets, merger, recapitalization or otherwise). If this Agreement is assigned pursuant to this Section 9.7, such assignee shall agree in writing to be bound by all of the terms, conditions and provisions contained in this Agreement and no such assignment shall release the Buyer, the Sellers or the Equityholders (as applicable) from their obligations under this Agreement.

9.8 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under Applicable Law or public policy, such provision shall be ineffective only to the extent of such prohibition or invalidity, and all other terms of this Agreement shall remain in full force and effect for so long as the economic or

legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

9.9 Disclosure Schedules. The disclosure of any matter in any Disclosure Schedule or Schedule to this Agreement shall be deemed to be a disclosure with respect to any other section or subsection of this Agreement with respect to which its relevance is reasonably apparent on its face for all purposes of this Agreement, but shall expressly not be deemed to constitute an admission by the Buyer or the Sellers, or to otherwise imply, that any such matter is material for the purposes of this Agreement. Matters reflected in the Disclosure Schedules are not necessarily limited to matters required by this Agreement to be set forth on the Disclosure Schedules, and any such additional matters are for informational purposes only and do not necessarily include other matters of a similar nature.

9.10 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement and the other agreements, documents and instruments executed and delivered in connection herewith with sophisticated counsel. In the event an ambiguity or question of intent or interpretation arises, this Agreement and the agreements, documents and instruments executed and delivered in connection herewith shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement and the agreements, documents and instruments executed and delivered in connection herewith. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant.

9.11 Entire Agreement. This Agreement, the Disclosure Schedules identified in this Agreement and the other documents referred to herein contain the entire agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way.

9.12 Exculpatory Provisions. Notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, (i) the Collateral Agent shall not be liable to any Person for any breach by any Company Entity or the Buyer of their respective representations, warranties, covenants or other agreements in connection with this Agreement or Ancillary Agreement or the transactions contemplated by this Agreement, and (ii) the Collateral Agent shall not have any obligation or liability under or in respect of this Agreement or any Ancillary Agreement or the transactions contemplated by this Agreement.

9.13 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

9.14 Governing Law; Submission to Jurisdiction; Selection of Forum. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH

THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party agrees that it shall bring any action or Proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Federal District Court for the Southern District of New York in New York City, New York or the state courts located in New York City, New York, Borough of Manhattan, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of any such court; (b) waives any objection to laying venue in any such action or Proceeding in any such court; and (c) waives any objection that any such court is an inconvenient forum or does not have jurisdiction over any Party.

9.15 Parties in Interest. Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

9.16 Press Releases and Announcements; Confidentiality. No press release or public statement related to this Agreement or the transactions contemplated hereby shall be issued without the prior written consent of the Buyer, except as required by Applicable Law.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement as of the day and year first above written.

BUYER:

[Buyer]

By: _____
Name:
Title:

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement as of the day and year first above written.

COLLATERAL AGENT:

ODYSSEY TRUST COMPANY

By: _____
Name:
Title:

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement as of the day and year first above written.

COMPANY ASSET SELLERS:

[•]

By: _____
Name:
Title:

EQUITYHOLDERS:

[•]

By: _____
Name:
Title:

COMPANY NON-SELLERS:

[•]

By: _____
Name:
Title:

Schedule I
Company Asset Sellers[1]

[1] **Note to Draft**: To be updated based on final schedule of assets and liabilities

Schedule II

Equityholders of the Acquired Entities[2]

Equityholder	Acquired Entity	Type of Interest	Percentage Interest

**To confirm in diligence the relationship between the Company and each of these entities.

[2] **Note to Draft**: To be updated based on final schedule of assets and liabilities

Schedule III

Company Non-Sellers[3]

[3] **Note to Draft**: To be updated based on final schedule of assets and liabilities

ANNEX A

State-by-State Assets and Liabilities

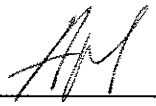
[See attached]

ANNEX B

Material Leases

[See attached]

This is **Exhibit " G "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.



A Commissioner for taking Affidavits for British Columbia

EXECUTION VERSION

SENIOR SECURED BRIDGE TERM LOAN AGREEMENT

Dated as of August 29, 2025

among

CSAC HOLDINGS INC.,

as Borrower,

THE LENDERS FROM TIME TO TIME PARTY HERETO

and

ACQUIOM AGENCY SERVICES LLC,

as Administrative Agent and Collateral Agent

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[Remainder of page intentionally blank.]

SENIOR SECURED BRIDGE TERM LOAN AGREEMENT

THIS SENIOR SECURED BRIDGE TERM LOAN AGREEMENT, dated as of August 29, 2025, (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, this "Agreement"), CSAC Holdings Inc., a Nevada corporation (together with its successors and permitted assigns, the "Borrower"), the lenders from time to time party hereto (each a "Lender" and collectively the "Lenders"), ACQUIOM AGENCY SERVICES LLC ("Acquiom"), as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "Administrative Agent") and ACQUIOM, as collateral agent for the benefit of the Secured Parties (in such capacity, together with its successors and assigns in such capacity, the "Collateral Agent").

WHEREAS, subject to the terms and conditions of this Agreement and the other Loan Documents, the Borrower has requested that the Lenders extend, and the Lenders have agreed to extend, senior secured loans to the Borrower in an aggregate principal amount of up to $50,000,000 comprised of Tranche A Loans and Tranche B Loans in the amounts and for the uses provided for herein, and the Borrower is willing to grant security interests in the Collateral to the Collateral Agent for the benefit of the Secured Parties in order to secure Borrower's obligations hereunder.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS AND ACCOUNTING TERMS

Section 1.1 Defined Terms.

As used in this Agreement, the following terms shall have the meanings set forth below:

"Accounts" means any checking, savings or other deposit or securities account maintained by the Loan Parties. All funds in each Account shall be conclusively presumed to be Collateral or the proceeds of Collateral and neither the Collateral Agent nor any Lender shall have any duty to inquire as to the source of the amounts on deposit in any Account.

"Acquiom" has the meaning assigned to such term in the preamble hereto.

"Ad Hoc Committee" means that certain ad hoc committee consisting of certain Consenting Senior Noteholders (as defined in the Restructuring Support Agreement), as may be reconstituted from time to time, represented by the Ad Hoc Committee Advisors.

"Ad Hoc Committee Advisors" means the advisors to the Ad Hoc Committee, including: (a) Paul Hastings, as U.S. counsel, (b) Goodmans LLP, as Canadian counsel, (c) the Law of Office of Charles Patrizia, Esq. and Feuerstein Kulick LLP, as regulatory counsel, (d) Davis Graham, as local counsel, (e) Ducera Partners LLC, as financial advisor ("Ducera"), and (f) such other professionals that may be retained by or on behalf of the Ad Hoc Committee (including the retention of any such professional by Paul Hastings).

"Administrative Agent" has the meaning assigned to such term in the preamble hereto.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on the signature page, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

"Administrative Questionnaire" means an administrative questionnaire in a form supplied by the Administrative Agent.

"Advance" means an advance of any portion of the Loans pursuant to the provisions of this Agreement.

"Affected Lender" has the meaning specified in Section 12.1(d).

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. Notwithstanding the foregoing, under no circumstance shall any Agent, any Lender or any of their respective Affiliates be deemed to be an Affiliate of any of the Loan Parties or any Subsidiary thereof for purposes of this Agreement or any other Loan Document.

"Agent" means the Administrative Agent or the Collateral Agent, as applicable.

"Agreement" has the meaning assigned to such term in the preamble hereto.

"Anti-Corruption Laws" has the meaning specified in Section 6.23(a).

"Anti-Money Laundering and Anti-Terrorism Laws" means any requirement of Law relating to terrorism, economic sanctions or money laundering, including, without limitation, (a) the Money Laundering Control Act of 1986 (i.e., 18 U.S.C. §§ 1956 and 1957), (b) the Bank Secrecy Act of 1970 (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959), and the implementing regulations promulgated thereunder, (c) the USA PATRIOT Act and the implementing regulations promulgated thereunder, (d) the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), (e) laws, regulations and Executive Orders administered under any Sanctions Programs, (f) any law prohibiting or directed against terrorist activities or the financing or support of terrorist activities (e.g., 18 U.S.C. §§ 2339A and 2339B) and (g) any similar laws enacted in the United States, Canada or any other jurisdictions in which the parties to this Agreement operate, as any of the foregoing laws have been, or shall hereafter be, amended, renewed, extended, or replaced and all other present and future legal requirements of any Governmental Authority governing, addressing, relating to, or attempting to eliminate, terrorist acts and acts of war and any regulations promulgated pursuant thereto.

"APA" has the meaning assigned to such term in the Restructuring Support Agreement.

"APA Agreement Date" has the meaning assigned to such term in the Restructuring Support Agreement.

"APA Execution Date" has the meaning assigned to such term in the Restructuring Support Agreement.

"Applicable Percentage" means with respect to any Lender as of any date, the percentage (carried out to the ninth decimal place) of the Principal Amount of the Loans owed to such Lender at such time.

"Applicable Period" means, (x) with respect to the first eight (8) Variance Reports, the one-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadlines, and (y) with respect to the ninth Variance Report, and each Variance Report thereafter, (i) to the extent no Default or Event of Default shall have occurred (but not necessarily be continuing), the two-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadline and (ii) to the extent any Default or Event of Default shall have occurred (but not necessarily be continuing), the one-week period ending on the Friday of the week immediately preceding the applicable Variance Report Deadline.

"Applicable Rate" means 14.00%.

"Approved Budget" means the Initial Approved Budget and each Updated Budget that is deemed to be an "Approved Budget" in accordance with Section 7.1(k)(A).

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.6(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit B attached hereto and made a part hereof or any other form approved by the Administrative Agent at the direction of the Required Lenders.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy", as now and hereinafter in effect, or any successor statute.

"Bankruptcy Event" means any of the following with respect to the Parent or its subsidiaries: (a) a receiver, liquidator or trustee shall be appointed; (b) it shall be adjudicated as bankrupt or insolvent; (c) any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal, state or provincial law, shall be filed by or against, consented to, or acquiesced in, or (d) any proceeding for the dissolution, liquidation, insolvency, bankruptcy or wind-up (voluntary or involuntary) shall be instituted.

"Backstop Parties" means members of the Ad Hoc Committee (including their respective Related Funds) and any designee thereof.

"BIA" means the Bankruptcy and Insolvency Act (Canada) as now and hereinafter in effect, or any successor statute.

"Blocked Person" means any Person:

(a) that (i) is identified on the list of "Specially Designated Nationals and Blocked Persons" published by OFAC and/or any other similar lists maintained by OFAC pursuant to authorizing statute, executive order or regulation; (ii)(A) is an agency

of the government of a country, (B) an organization controlled by a country, or (C) resides, is organized or chartered in a country, region or territory that is the target of comprehensive sanctions under any Sanctions Program (a "Sanctioned Country"); (iii) a Person listed in any economic or financial sanctions-related or trade embargoes-related list of designated Persons maintained under any of the Anti-Money Laundering and Anti-Terrorism Laws; or (iv)(A) is a Person whose property or interest in property is blocked or subject to blocking pursuant to Section 1 of the Executive Order or any related legislation or any other similar executive order(s) or (B) engages in any dealings or transactions prohibited by Section 2 of the Executive Order or is otherwise associated with any such Person in any manner violative of Section 2 of the Executive Order; and

(b) that is owned or controlled by or that is acting for or on behalf of, any Person described in clause (a) above.

"Borrower" has the meaning assigned to such term in the preamble hereto.

"Borrowing Request" means a written notice of a proposed borrowing in substantially the form of Exhibit E.

"Bridge Facility Commitment Premium" has the meaning assigned to such term in Section 2.5(a).

"Bridge Facility Exit Premium" has the meaning assigned to such term in Section 2.5(b).

"Bridge Facility Backstop Premium" has the meaning assigned to such term in Section 2.5(c).

"Budget and Variance Covenants" means, collectively, the obligations to (i) comply with the Approved Budget and any Permitted Variance, (ii) deliver Updated Budgets and Variance Reports.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the State of New York.

"Canadian Defined Benefit Plan" means a Canadian Pension Plan which contains a "defined benefit provision", as such term is defined for purposes of Section 147.1(1) of the ITA.

"Canadian Pension Plan" means any "registered pension plan", as such term is defined in Section 248(1) of the ITA and any other pension plan that is subject to any applicable federal or provincial pension standards legislation in Canada, but shall not include the Canada Pension Plan or Québec Pension Plan, as, administered by the Government of Canada and Government of Québec, respectively.

"Cannabis License" means (a) each license specified on Schedule 1.1, (b) any license acquired after the Closing Date by any Loan Party or Subsidiary thereof permitting such Loan Party or such Subsidiary to cultivate, produce, warehouse, store, transport, modify, distribute or

sell cannabis or THC-infused products to medical or recreational purchasers in any jurisdiction, including in Canada, the United States or any province, territory or state thereof, or (c) any authorization, permit or licence otherwise required by any Loan Party or any Subsidiary thereof to operate the Core Business.

"Cash Equivalents" means (a) any readily-marketable securities (i) issued by, or directly, unconditionally and fully guaranteed or insured by the United States or Canadian federal government or (ii) issued by any agency of the United States or Canadian federal government the obligations of which are fully backed by the full faith and credit of the United States or Canadian federal government, (b) any readily-marketable direct obligations issued by any other agency of the United States or Canadian federal government, any state of the United States or any Canadian province or any political subdivision of any such state or province or any public instrumentality thereof, in each case having a rating of at least "A-1" from S&P or at least "P-1" from Moody's, (c) any commercial paper rated at least "A-1" by S&P or "P-1" by Moody's and issued by any Person organized under the laws of any state of the United States, (d) any Dollar-denominated time deposit, insured certificate of deposit, overnight bank deposit or bankers' acceptance issued or accepted by (i) any Lender or (ii) any commercial bank that is (A) organized under the laws of the United States or Canada, any state thereof or the District of Columbia, (B) "adequately capitalized" (as defined in the regulations of its primary federal banking regulators) and (C) has Tier 1 capital (as defined in such regulations) in excess of $250,000,000, (e) shares of any United States or Canadian money market fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clauses (a), (b), (c) or (d) above with maturities as set forth in the proviso below, (ii) has net assets in excess of $500,000,000 and (iii) has obtained from either S&P or Moody's the highest rating obtainable for money market funds in the United States or Canada; provided, however, that the maturities of all obligations specified in any of clauses (a), (b), (c) and (d) above shall not exceed three hundred sixty-five (365) days, and (f) instruments equivalent to those referred to in clauses (a) through (e) above denominated in other currencies and comparable in credit quality and tenor to those referred to above and customarily used for short and medium term investment purposes in jurisdictions outside the United States or Canada to the extent reasonably required in connection with any business conducted by such Person in such jurisdictions.

"CCAA" means the Companies' Creditors Arrangement Act (Canada) as now and hereinafter in effect, or any successor statute.

"CCAA Court" has the meaning assigned to such term in the Restructuring Support Agreement.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any applicable Governmental Authority or (d) the Loans being classified as an HVCRE; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank

for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means the occurrence of any one or more of the following events:

(a) the sale, lease, exchange or other transfer of all or substantially all of the assets of the Borrower, Parent and the Subsidiaries, taken as a whole; provided that and notwithstanding anything to the contrary, any foreclosure sale pursuant to the APA shall not constitute a Change of Control;

(b) any Person or group of Persons, acting jointly or in concert, is or becomes the beneficial owner, directly or indirectly, of more than 50% of the Equity Interests of Borrower or Parent; or

(c) the adoption of a plan relating to the liquidation or dissolution of Borrower or Parent, which is not permitted by Section 8.5.

For purposes of this definition, (i) a beneficial owner of a security includes any Person or group of persons who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (A) voting power, which includes the power to vote, or to direct the voting of, such security; and/or (B) investment power, which includes the power to dispose of, or to direct the disposition of, such security; (ii) a Person or group of Persons shall not be deemed to have beneficial ownership of securities subject to a stock purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement; and (iii) to the extent that one or more regulatory approvals are required for any of the transactions or circumstances described in clauses (a), (b) or (c) above to become effective under applicable law and such approvals have not been received before such transactions or circumstances have occurred, such transactions or circumstances shall be deemed to have occurred at the time such approvals have been obtained and become effective under applicable law.

"Claims" has the meaning set forth in Section 12.4(b).

"Closing Date" means August 29, 2025.

"Code" means the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended and in effect.

"Collateral" means all real property and personal property assets securing or intending to secure the Obligations, except for the Excluded Collateral.

"Collateral Agent" is defined in the preamble to this Agreement.

"Commitment" means, the commitment of the Lenders to make Loans to the Borrower pursuant to Section 2.1 as set forth on Schedule 1.

"Competitor" means the Persons listed on the "Competitor List" delivered by the Borrower to the Administrative Agent in writing prior to or on the Closing Date, which "Competitor List" the Borrower may update once per calendar year by delivering such updated list to the Administrative Agent in writing which shall become effective upon delivery of such list, and the Affiliates of such Persons; provided that in each case such Competitor List shall be acceptable to the Administrative Agent and the Required Lenders (it being understood that the Competitor List delivered to the Administrative Agent prior to, or on, the Closing Date is acceptable).

"Compliance Certificate" means a compliance certificate delivered in accordance with Section 7.1(d).

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Contractual Obligation" means, as to any Person, any provision of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" (including the correlative meanings, the terms, "controlling", "controlled by" and "under common control with") of any specified Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Control Agreement" means, with respect to any Account established by the Borrower or any Loan Party, an agreement in form and substance satisfactory to the Collateral Agent and the Required Lenders establishing "control" (as defined in the UCC) of such Account by the Collateral Agent and whereby the bank maintaining such account agrees, upon the occurrence and during the continuance of an Event of Default, to comply only with the instructions originated by the Collateral Agent (acting at the direction of the Required Lenders), without the further consent of any Loan Party or any Subsidiary thereof all as set forth in such Control Agreement, as the same may be amended, restated, amended and restated, replaced, supplemented or otherwise modified from time to time.

"Controlled Substances Act" means the Controlled Substances Act (21 U.S.C. § 801 et seq.), and any rules or regulations promulgated thereunder as in effect from time to time.

"Core Business" means the cultivation, production, warehousing, storage, transportation, modification, distribution or sale of cannabis or THC-infused products to medical or recreational purchasers in any jurisdiction, including in Canada, the United States or any province or state thereof.

"Current Value" has the meaning set forth in Section 7.12(c).

"Debtor Relief Laws" means each of the (a) the Bankruptcy Code, (b) the BIA, (c) the CCAA, (d) the Winding-Up and Restructuring Act (Canada) and (e) all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States, the

Laws of Canada or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event, act or condition described in Section 10.1 that is, with the giving of notice, lapse of time, or both, and would constitute, unless cured or waived, an Event of Default.

"Default Rate" means an interest rate equal to (a) the Applicable Rate plus (b) two percent (2.00%) per annum.

"Defaulting Lender" means any Lender that (a) has failed to fund any portion of an Advance when required hereunder, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one (1) Business Day of the date when due, unless the subject of a good faith dispute, or (c) has been deemed insolvent or become the subject of a bankruptcy, insolvency, receivership or other similar proceeding.

"Delinquency" has the meaning set forth in Section 7.5.

"Depository Institution" means a bank, credit union or other financial institution that regularly takes deposits or holds investments and is duly chartered under federal, state, or provincial Law and the deposits of which are insured by the Federal Deposit Insurance Corporation or equivalent governmental agency in the case of operating or deposit accounts.

"Disbursements Variance" has the meaning specified in Section 7.1(k).

"Disinterested Director" shall mean, with respect to any person and transaction, a member of the Board of Directors of such person who does not have any material direct or indirect financial interest in or with respect to such transaction.

"Disposition" or "Dispose" means, with respect to any Person, the sale, lease, sale and leaseback, assignment, conveyance, transfer or other voluntary disposition (whether in one transaction or series of transactions) of any property (including, without limitation, any Equity Interests) by such Person. Notwithstanding the foregoing, "Disposition" shall not be construed to include the issuance or sale of any Equity Interest issued by the Parent.

"Disqualified Stock" shall mean, with respect to any person, any Equity Interests of such person that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a Change of Control or asset sale so long as any rights of the holders thereof upon the occurrence of a Change of Control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock, in each case, prior to the date that is ninety-one (91) days after the

Maturity Date (provided that only the portion of the Equity Interests that so mature or are mandatorily redeemable, are so convertible or exchangeable or are so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock). Notwithstanding the foregoing, but subject to the limitations set forth in Section 8.7: (i) any Equity Interests issued to any employee or to any plan for the benefit of employees of the Parent or its Subsidiaries or by any such plan to such employees shall not constitute Disqualified Stock because they may be required to be repurchased by the Parent in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability and (ii) any class of Equity Interests of such person that by its terms authorizes such person to satisfy its obligations thereunder by delivery of Equity Interests that are not Disqualified Stock shall not be deemed to be Disqualified Stock.

"Dollar" and "$" mean dollars in lawful currency of the United States.

"EDGAR" means the United States Securities and Exchange Commission's Electronic Data Gathering, Analysis, and Retrieval system.

"Eligible Assignee" means any Person (other than a natural person); provided that notwithstanding the foregoing, "Eligible Assignee" shall not include the Borrower or any of the Borrower's Affiliates or any Competitor except as otherwise provided in Section 12.6(b).

"Eligible Participant" means any Person (other than a natural person); provided that notwithstanding the foregoing, "Eligible Participant" shall not include the Borrower or any of the Borrower's Affiliates or any Competitor.

"Employee Benefit Plan" means any employee benefit plan that is described in Section 3(3) of ERISA and which is maintained for employees of any Loan Party or their respective Subsidiaries or any ERISA Affiliate thereof.

"Environment" means the natural environment (including soil, land, surface or subsurface strata), surface waters, groundwater, sediment, ambient air (including all layers of the atmosphere), indoor air, organic and inorganic matter and living organisms, and any other environmental medium or natural resource.

"Environmental Actions" means any summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding or judgment from any Person or Governmental Authority involving violations or alleged violations of Environmental Laws or Releases, exposure to or cleanup of any Hazardous Materials (a) from any assets, properties or businesses owned or operated by any Loan Party or any of their respective Subsidiaries or any predecessor in interest; (b) onto any facilities which received Hazardous Materials generated by any Loan Party or any of their Subsidiaries or any predecessor in interest, or (c) with respect to any Environmental Liabilities and Costs.

"Environmental Law" means any and all current or future foreign, federal, state, provincial or local statutes, laws, common-law doctrine, ordinances, orders, rules, regulations, judgments, governmental authorizations, or any other requirements of Governmental Authorities relating to (a) the Environment, including those Laws relating to Releases of Hazardous Materials, (b)protection of the public health and welfare with respect to the exposure to or the Release of any

Hazardous Materials or (c) occupational safety and health, industrial hygiene or the protection of human, plant or animal health or welfare (to the extent related to exposure to or management of Hazardous Materials), in any manner applicable to any Loan Party or any Subsidiary.

"Environmental Liabilities and Costs" means all liabilities, monetary obligations, Remedial Actions, losses, damages, punitive damages, treble damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand by any Governmental Authority or any third party, and which relate to any actual or alleged noncompliance with or liability pursuant to any Environmental Law or Environmental Action, including any condition of the Environment or a Release of Hazardous Materials from or onto (a) any property presently or formerly owned by any Loan Party or any Subsidiary thereof or (b) any facility which received Hazardous Materials generated by any Loan Party or any Subsidiary thereof.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities and Costs.

"Environmental Permit" means any permit, approval, identification number, license or other authorization pursuant to or required under any Environmental Law.

"Equal Priority Intercreditor Agreement" means that certain Equal Priority Intercreditor Agreement, dated as of August 29, 2025, by and between, *inter alia*, Parent, the Borrower, the Subsidiaries party thereto, the Administrative Agent and Collateral Agent, and the Existing Indenture Trustee.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants or options for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, membership or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate": As applied to any Person, any trade or business (whether or not incorporated) which is a member of a group of which that Person is a member and which is under common control within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"Erroneous Payment" has the meaning assigned thereto in Section 11.10(a).

"Event of Default" has the meaning assigned to such term in Section 10.1.

"Excluded Account" has the meaning specified therefor in the Pledge and Security Agreement.

"Excluded Collateral" shall include (i) any pledge or security interest prohibited or restricted by applicable law, rule, order, decree or regulation or any agreement with any governmental authority or which would require governmental (including regulatory) consent, approval, license or authorization to provide such pledge or security (with no requirement to obtain the consent of any governmental authority or third party after giving effect to any provisions under Article 9 of the UCC which renders such limitations ineffective); (ii) any interest in a Material Permit (or Equity Interests in a Person who holds a Material Permit or its assets) to the extent that any law, regulation, permit, order or decree of any governmental authority in effect at the time applicable thereto prohibits the grant of a security interest therein or any necessary governmental approval is not received after giving effect to any provisions under Article 9 of the UCC which renders such limitations ineffective; provided that, subject to the following proviso, the Loan Parties shall not be required to obtain the consent of any governmental authority with respect to any Material Permit if such consent is not given after reasonable efforts to do so; provided further, that notwithstanding the foregoing proviso, (A) at such time as the condition causing such prohibition shall be remedied such rights or interests shall immediately and automatically cease to constitute Excluded Collateral and the security interest of the Collateral Agent shall immediately and automatically attach to such assets and such assets shall be "Collateral" for all purposes of the Security Documents; it being understood and agreed that to the extent severable, the security interest of the Collateral Agent shall attach immediately and automatically to any portion of such license, property rights or agreements that is not prohibited and such interests shall be "Collateral" for all purposes of the Security Documents) and (B) upon and after the exercise of remedies by the Collateral Agent pursuant to the terms of the Security Documents and this Agreement, Parent and its Subsidiaries agree to cooperate in obtaining the consent of the Collateral Agent as required in connection with such exercise of remedies; (iii) Equity Interests in a Person to the extent that the pledging of such Equity Interests under the Security Documents is (A) contractually prohibited on the Closing Date or, following the Closing Date, the date of acquisition of such Equity Interests, in each case, solely to the extent that, and for so long as, such prohibition is not created in contemplation of the Closing Date or such transaction as the case may be, and provided that Parent or its Subsidiaries have taken all commercially reasonable efforts to obtain such consent or have such prohibition waived; (iv) any rights or interests in any lease, license, contract, property rights or agreement, including the Vendor Take Back Notes (other than any lease, license, contract, property right or agreement among Parent, Borrower and/or any of the Subsidiaries), as such or the assets subject thereto if under the terms of such lease, license, contract, or agreement, including the Vendor Take Back Notes, or applicable laws with respect thereto, the valid grant of a lien therein or in such assets to the Collateral Agent is prohibited and such prohibition has not been or is not waived or the consent of one or more third parties party to such lease, license, contract, or agreement, including the Vendor Take Back Notes, has not been or is not otherwise obtained (in each case, after commercially reasonable efforts by any Loan Party to obtain such third-party consent or have such prohibition waived) or under applicable laws such prohibition cannot be waived and the grant of a Lien would result in (A) the abandonment, invalidation or unenforceability of the right, title or interest of any Subsidiary therein or (B) a material breach or termination pursuant to the terms of, or a default under, any such lease, license, contract or agreement (provided, however, that at such time as the condition causing such prohibition, abandonment, invalidation or unenforceability shall be remedied such rights or interests shall immediately and automatically cease to constitute Excluded Collateral and the security interest of the Collateral Agent shall immediately and automatically attach to such assets and such assets shall

be "Collateral" for all purposes of the Security Documents (provided that Borrower shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to put in place a deposit account control agreement with respect thereto within seventy-five (75) days after such assets cease to constitute Excluded Collateral); it being understood and agreed that to the extent severable, the security interest of the Collateral Agent shall attach immediately and automatically to any portion of such lease, license, contract, property rights or agreement, including the Vendor Take Back Notes, that is not prohibited and does not result in any of the consequences specified in clauses (A) and (B) above and such interests shall be "Collateral" for all purposes of the Security Documents); (v) those assets as to which the Collateral Agent (at the direction of the Required Lenders) in consultation with Borrower, relying upon an opinion of counsel, determine that the cost of obtaining or perfecting such a security interest is excessive in relation to the benefit to the Lenders to be afforded thereby; provided, however, the foregoing exclusions (i) through (iv) shall in no way be construed (1) to limit, impair or otherwise affect Collateral Agent's unconditional continuing liens upon any rights or interests of any Loan Party in or to the proceeds or receivables in respect thereof (including proceeds from the sale, license, lease or other disposition thereof), including monies due or to become due under any such lease, license, contract, or agreement (including any accounts or other receivables), (2) to apply at such time as the condition causing such propitiation or exclusion shall be remedied or, to the extent severable, the "Collateral" shall include such rights, or portion of such assets that is permitted (or that would not be subject to a prohibition of the types described in clauses (i) through (iv) above) and the security interest of the Collateral Agent granted under the applicable Security Documents shall attach to such Collateral (or portion thereof) at such time.

"Excluded Taxes" means, with respect to any Agent or any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender that is a bank, its applicable lending office, located in the jurisdiction (or any political subdivision thereof) imposing such tax, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender that is a bank, its applicable lending office, located in the jurisdiction (or any political subdivision thereof) imposing such tax, (c) Connection Income Taxes not otherwise described in (a) or (b) above, (d) in the case of a Lender, any U.S. federal withholding tax that is imposed on amounts payable to such Lender at the time such Lender becomes a party to this Agreement (or, if it is a bank, designates a new lending office) or is attributable to such Lender's failure or inability (other than as a result of a Change in Law after such Lender becomes a party hereto) to comply with Section 4.2, except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (if it is a bank) or assignment, to receive additional amounts from the Loan Parties with respect to such withholding tax pursuant to Section 4.2(a), (e) any U.S. federal withholding taxes imposed on amounts payable by the Borrower pursuant to FATCA, and (f) any Taxes that are required to be deducted or withheld under the ITA or in respect of any payment or deemed payment under the ITA, to or for the benefit of the Lender as a result of (i) the Lender not dealing at arm's length for purposes of the ITA with the Loan Party at the time of the making of the payment or deemed payment (except where such non-arm's length relationship arises solely in connection with or as result of the Lender's having become party to, received or perfected a security interest

under, or received or enforced any rights under, any Loan Document) or (ii) the Lender being a "specified shareholder" (as defined in subsection 18(5) of the ITA) of the applicable Loan Party at any relevant time or not dealing at arm's length for purposes of the ITA with a "specified shareholder" (as defined in subsection 18(5) of the ITA) of the applicable Loan Party at any relevant time (except where such status arises solely in connection with or as result of the Lender having become party to, received or perfected a security interest under, or received or enforced any rights under, any Loan Document) or (iii) the Loan Party being a "specified entity" (as defined in subsection 18.41(l) of the ITA) in respect of the Lender (except where such status arises solely in connection with or as a result of the Lender having become party to, received or perfected a security interest under, or received or enforced any rights under, any Loan Document).

"Executive Order" means Executive Order No. 13224 on Terrorist Financings: - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism issued on 23rd September, 2001, as amended by Order No. 132684, as so amended.

"Existing Indenture" means that certain Amended and Restated Indenture dated as of February 7, 2024 (as amended, restated, supplemented or otherwise modified from time to time), by and among, *inter alia*, AYR Wellness, Inc. and Odyssey Trust Company, as trustee and collateral trustee.

"Existing Indenture Trustee" means Odyssey Trust Company, as trustee and collateral trustee under the Existing Indenture.

"Existing Senior Secured Indebtedness" means that Indebtedness of AYR Wellness, Inc. under the Existing Indenture.

"Fee Letter" has the meaning assigned thereto in Section 5.01(l).

"Fiscal Quarter" means each of the calendar quarters during any Fiscal Year.

"Fiscal Year" means any period of twelve (12) consecutive months ending on December 31 of any calendar year.

"Fitch" means Fitch Ratings Inc.

"Foreign Official" has the meaning specified in Section 6.23(b).

"Fraudulent Act" means any fraudulent written statement, fraudulent written misrepresentation or fraudulent act (not constituting an oral statement or representation) by a Loan Party or Subsidiary to a Secured Party, which at the time given or done, such Person made such statement or misrepresentation or undertook such action with the intent to deceive such Secured Party.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States, consistently applied.

"Governing Documents" means (a) (i) with respect to any corporation, the certificate or articles of incorporation or formation, notice of articles, articles and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), (ii) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement, and (iii) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity, (b) any certificate of designation or instrument relating to the rights of holders (including preferred shareholders) of Equity Interests in such entity, and (c) any shareholder rights agreement, voting trusts or other similar agreement to which such entity is a party.

"Governmental Authority" means the government of the United States or Canada or any other nation, or of any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Guarantee" or "Guaranty" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien); provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantee Agreement" means the Guarantee dated as of the date hereof and executed by each Guarantor from time to time party thereto in favor of the Administrative Agent for the benefit

of the Lenders, in substantially the form acceptable to the Administrative Agent and the Lenders, as the same may be amended, restated, amended and restated, replaced, supplemented or otherwise modified.

"Guarantor" means the Parent and each Subsidiary of the Parent or of any Loan Party that has executed the Guarantee Agreement or otherwise guaranteed the Obligations.

"Hazardous Materials" means all chemicals, materials, substances, solid and hazardous wastes, toxic substances, flammable materials, solvents, radioactive materials, carcinogens, pesticides, pollutants, contaminants, compounds, in any form, including petroleum or petroleum distillates and any petroleum by-products, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas or mold, subject to regulation under, or which may give rise to liability pursuant to, any Environmental Law.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person under:

(a) interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and other agreements or arrangements with respect to interest rates;

(b) commodity swap agreements, commodity option agreements, forward contracts and other agreements or arrangements with respect to commodity prices;

(c) foreign exchange contracts, currency swap agreements and other agreements or arrangements with respect to foreign currency exchange rates; and

(d) other agreements or arrangements designed to protect such Person against fluctuations in interest rates, commodity prices or currency exchange rates.

"HVCRE" means a loan that is categorized as a high volatility commercial real estate loan exposure pursuant to Part 217 of Chapter II of title 12 of the Code of Federal Regulations.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following if and to the extent included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) any Hedging Obligations;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business as described in clause 8 of this definition), net of any past due amounts owed by such

third party to such Person to the extent such amounts are subject to a valid and enforceable contractual right of setoff and are neither contingent nor subject to a bona fide dispute;

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse, but limited to the lower of (i) the fair market value of such property (as determined by the Borrower in good faith) and (ii) the amount of the such indebtedness secured;

(f) the aggregate amount of all Finance Lease Obligations and Purchase Money Obligations of such Person which, in accordance with GAAP, is required to be shown on the balance sheet of such Person;

(g) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock (excluding accrued dividends that have not increased the liquidation preference of such Disqualified Stock);

(h) all lease liabilities arising from any sale-leaseback transaction (including any such liabilities arising from sale-leaseback transactions classified as Operating Leases under GAAP); and

(i) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any Hedging Obligation on any date shall be the Mark-to-Market Exposure thereof as of such date.

Notwithstanding the foregoing, the following shall not constitute Indebtedness:

(1) any obligation arising from any agreement providing for indemnities, Guarantees, purchase price adjustments, holdbacks, contingency payment or earnout obligations based on the performance of the acquired or disposed assets, subordinated vendor takeback loan or similar obligations (other than Guarantees of Indebtedness) customarily incurred by any Person in connection with the acquisition or disposition of any assets, in each case, until such obligations become a liability on the balance sheet of such Person in accordance with GAAP;

(2) any indebtedness that has been defeased in accordance with GAAP or defeased pursuant to the irrevocable deposit of cash or Cash Equivalents (in an amount sufficient to satisfy all obligations relating thereto at maturity or redemption, as applicable, including all payments of interest and premium, if any) in a trust or account created or pledged for the sole benefit of the holders of such indebtedness, and subject to no other Liens, and in accordance with the other applicable terms of

the instrument governing such indebtedness; provided, however, if any such defeasance shall be terminated prior to the full discharge of the indebtedness for which it was incurred, then such indebtedness shall constitute Indebtedness for all relevant purposes of this Agreement;

(3) [reserved];

(4) for greater certainty, Operating Leases (other than lease liabilities arising from any sale-leaseback transaction);

(5) prepaid or deferred revenue, deferred tax liabilities, liabilities associated with customer prepayments and deposits and other similar accrued obligations (including transfer pricing), customary obligations under employment agreements and deferred compensation, obligations in respect of workers' compensation claims, or social security or wage taxes;

(6) intercompany liabilities arising from cash management, tax, and accounting operations and intercompany loans, advances or indebtedness having a term not exceeding 364 days (inclusive of any rollover or extensions of terms) and made in the ordinary course of business;

(7) any Equity Interests (other than of the type described in clause (g) of this definition);

(8) trade and other ordinary course payables, accrued expenses and intercompany liabilities arising in the ordinary course of business paid within one-hundred twenty (120) days from when such payables, expenses and liabilities are due and payable;

(9) obligations in respect of Third Party Funds not to exceed the amount of cash held by the Parent or any Subsidiary thereof held in segregated accounts in respect of such Third Party Funds;

(10) any unsecured liabilities that are only capable of settlement through issuance of Equity Interests of the Parent which are Qualified Equity Interests; and

(11) any obligations constituting an Uncertain Tax Position.

"Independent Accountant" means any firm of nationally recognized, certified public accountants which is independent and which is selected by the Borrower and reasonably acceptable to the Administrative Agent, acting at the direction of the Required Lenders.

"Indemnified Liabilities" has the meaning specified in Section 12.4(b).

"Indemnified Taxes" means (a) Taxes other than Excluded Taxes and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" has the meaning specified in Section 12.4(b).

"Initial Approved Budget" means the 13-week cash flow projection attached as Annex I hereto, which shall set forth a schedule of Tranche A Term Loan borrowings to be made after the Closing Date and otherwise be consistent with the form of the "Initial Approved Budget" attached to the Restructuring Support Agreement and acceptable to the Required Lenders.

"Insolvency Proceeding" means a bankruptcy, insolvency, receivership, liquidation, winding up, reorganization or similar proceeding.

"Inspection" has the meaning specified in Section 7.3(a).

"Intellectual Property" has the meaning specified therefor in the Pledge and Security Agreement.

"Intercreditor Agreement" has the meaning specified therefor in Section 11.9(b).

"Interest Payment Date" means (a) the last Business Day of each calendar month following the Closing Date, beginning on September 30, 2025 and (b) the Maturity Date.

"Investment" means, with respect to any Person, all direct or indirect investments by that Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances, extensions of credit or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. The acquisition by a Loan Party or any Subsidiary thereof of a Person that holds an Investment in any third Person shall be deemed to be an Investment by such Loan Party in that third Person in an amount equal to the fair market value of the Investment held by the acquired Person in that third Person.

"IRS" means the United States Internal Revenue Service.

"ITA" means the *Income Tax Act* (Canada), as amended.

"Laws" means, collectively, each international, foreign, Federal, state, provincial, territorial, municipal and local statute, treaty, rule, regulation, ordinance, code and administrative or judicial precedent or authority, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and each applicable administrative order, directive, decree, policy, directed duty, license, authorization and permit of, and agreement with, any Governmental Authority.

"Lender" has the meaning assigned to it in the preamble to this Agreement.

"Lender Advisors" means Paul Hastings LLP, as U.S. counsel, Goodmans LLP, as Canadian counsel, and Ducera Partners LLC, as financial advisor.

"Lien" means, with respect to any asset, any mortgage, pledge, deed of trust, hypothecation, assignment, encumbrance, lien, charge, or security interest (including the interest of a vendor or lessor under any conditional sale, or other title retention agreement, and any

financing lease having substantially the same economic effect as any of the foregoing); provided that in no event shall an Operating Lease or an agreement to sell be deemed to constitute a Lien.

"Liquidity" means, at any time, solely with respect to the Loan Parties, the sum of: (i) the aggregate amount of unused Commitments at such time solely to the extent the Borrowers can satisfy the applicable conditions set forth in Section 5.2 at the time of such determination (for the avoidance of doubt, disregarding any required borrowing notice period for this purpose); and (ii) the aggregate amount of unrestricted cash and Cash Equivalents.

"Loan" means any extension of credit by a Lender to the Borrower under this Agreement or any other Loan Document, including the Term Loans.

"Loan Documents" means, collectively, this Agreement, the Notes, the Security Documents, the Guarantee Agreement, the Perfection Certificate, the Fee Letter and any and all other documents, instruments, letters and agreements executed or delivered in connection with the Loans or this Agreement or any other Loan Document.

"Loan Parties" means the Parent, the Borrower and any Guarantor.

"Loan Proceeds" means the aggregate Advances made by the Lenders to the Borrower pursuant to the Loan Documents.

"Mandatory Prepayment Event" means the occurrence of any of the following at any time while any Obligations remain outstanding hereunder:

(a) the aggregate principal amount of outstanding Loans exceeds the Maximum Loan Amount;

(b) any Governmental Authority having jurisdiction enforces against a Loan Party or any Subsidiary a prohibition or ban on the Core Business or processes or methods related to the Core Business (e.g., cultivation, production, warehousing, storage, transportation, modification, distribution or sale), whether under the Controlled Substances Act or otherwise;

(c) any Cannabis License is revoked, suspended, cancelled without replacement on or before the date of such revocation, suspension or cancellation, or any illegality of such Cannabis License under applicable Law, including the Controlled Substances Act, is actively enforced by a Governmental Authority having jurisdiction;

(d) the making or payment of any Loan or other Obligations by any Lender or any Loan Party is made illegal or unenforceable by action of any applicable Governmental Authority having jurisdiction; provided that a "Mandatory Prepayment Event" shall not occur under this clause (d) if the Borrower or the Administrative Agent (acting at the direction of the Required Lenders) exercises its right to replace an Affected Lender as a Lender party to this Agreement pursuant to Section 12.1(d) and each such Affected Lender is so replaced;

(e) any Loan Party, after the Closing Date, (i) incurs or issues any Indebtedness after the Closing Date not permitted to be incurred or issued pursuant to Section 8.1 or (ii) issues Equity Interests of a Loan Party or any Subsidiary;

(f) a Change in Law which has a material adverse impact on the Core Business;

(g) the receipt of any Net Cash Proceeds from a Disposition by the Parent or any Subsidiary pursuant to Section 8.3(c), to the extent such Net Cash Proceeds are not applied (or committed to be applied) to reinvestments in Collateral under the Loan Documents within the time periods described in Section 8.3(c)(iii);

(h) the receipt of insurance proceeds arising from casualty or loss of property by any Loan Party or any Subsidiary, solely to the extent such proceeds are not applied (or committed to be applied) to reinvestments in assets of a type that would constitute Collateral under the Loan Documents within one (1) year of receipt (or, if committed to be so reinvested within such period, actually reinvested within one hundred eighty (180) days thereafter); or

(i) the receipt of any cash not in the ordinary course of business, including, without limitation, (a) foreign, United States, state or local tax refunds, (b) pension plan reversions, (c) proceeds of insurance, (d) judgments, proceeds of settlements or other consideration of any kind in connection with any cause of action, (e) condemnation awards (and payments in lieu thereof), or (f) indemnity payments (other than to the extent such indemnity payments are immediately payable to a Person that is not an Affiliate of the Borrower or any of its Subsidiaries).

"Margin Regulations" has the meaning specified in Section 6.11(a).

"Mark-to-Market Exposure" means all net obligations of a Person under any Hedging Obligation that such Person would be required to pay if the agreements governing such Hedging Obligation were terminated.

"Master Purchase Agreement" means that certain master purchase agreement in form and substance acceptable to the Required Lenders.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect on, the operations, business, assets or financial condition of the Loan Parties taken as a whole; (b) a material impairment of the legality, validity or binding effect against the Loan Parties, taken as a whole, of any Loan Document to which they are a party or (c) a material impairment of the validity, perfection or priority of the security interest created pursuant to the Security Documents.

"Material Agreements" has the meaning specified in Section 6.14(a).

"Owned Real Property" means (a) on the Closing Date, each fee-owned real property listed on Schedule 7.12 and (b) any fee-owned real property acquired by any Subsidiary of the Parent after the Closing Date.

"Maturity Date" means (x) with respect to the Tranche A Loans, the Tranche A Loan Maturity Date and (y) with respect to the Tranche B Loans, the Tranche B Loan Maturity Date.

"Maximum Commitment" means (a) as to any Lender, the aggregate commitment of such Lender to make its ratable portion of the Loans and (b) as to all Lenders, the aggregate commitment

of all Lenders to make the Loans which aggregate commitment shall be the Maximum Loan Amount.

"Maximum Loan Amount" means the aggregate principal amount of the Loans permitted to be advanced pursuant to Section 2.1, which shall be $50,000,000.

"Maximum Rate" has the meaning set forth in Section 12.8.

"MIP" has the meaning assigned to such term in the Restructuring Support Agreement.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan that is described in Section 3(37) of ERISA and which is maintained for employees of any Loan Party or their respective Subsidiaries or any ERISA Affiliate thereof.

"Net Cash Proceeds" means the gross cash proceeds of any Disposition, net of: (A) all fees and out-of-pocket expenses paid by the Loan Parties or any of their Subsidiaries in connection with such Disposition (including attorneys' fees, accountants' fees, investment banking fees, search and recording charges, transfer taxes, underwriting discounts and commissions, other customary expenses, and brokerage, consultant, accountant and other customary fees), (B) required debt payments, mandatory prepayments and other required payments of obligations (other than under the Loan Documents) relating to the applicable asset, to the extent such debt or obligations are permitted under Section 8.1, (C) Taxes paid or payable (in the good faith determination of the Borrower) as a result of such Disposition, (D) the amount of any reasonable reserve established by the Loan Parties or any of their Subsidiaries in accordance with GAAP against (x) any adjustment to the sale price or (y) any liabilities (including indemnification obligations) other than Taxes deducted under clause (C), relating to the applicable Disposed assets and retained by the Loan Parties or any such Subsidiary (provided that the amount of any subsequent reduction of such reserve, other than in connection with a payment in respect of such liability, shall be deemed to be cash proceeds of such Disposition on the date of such reduction), and (E) payments made on a ratable (or less than ratable) basis to holders of non-controlling interests in non-Wholly Owned Subsidiaries as a result of such Disposition.

"Net Income" means, for any period, the net income (or net loss) of such Person for such period, determined in accordance with GAAP.

"New Equity Interests" has the meaning assigned to such term in the Restructuring Support Agreement.

"NewCo" has the meaning assigned to such term in the Restructuring Support Agreement.

"Note" means a promissory note made by the Borrower in favor of a Lender evidencing such Lender's Loan, substantially in the form of Exhibit A attached hereto and made a part hereof, as the same may be amended, restated, amended and restated, replaced, supplemented or otherwise modified from time to time.

"Obligations" means any and all present and future Indebtedness (principal, interest, fees, costs and expenses, indemnities, attorneys' fees and other amounts), liabilities and obligations (including, without limitation, guaranty obligations, indemnity obligations, Bridge Facility Backstop Premium, Bridge Facility Commitment Premium, Bridge Facility Exit Premium, and any other amounts owing under Article 3, and reimbursement obligations) of the Loan Parties to any Agent or any Lender and/or any indemnified person evidenced by or arising under or in respect of this Agreement, any Note and/or any of the other Loan Documents, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, fees, costs, expenses and indemnities that accrue after the commencement by or against any Loan Party or any Subsidiary thereof of any proceeding under Debtor Relief Laws naming such Person as the debtor in such proceeding regardless of whether any such amounts are allowed or allowable claims in such proceeding.

"OFAC" means the United States Department of the Treasury's Office of Foreign Assets Control.

"Operating Lease" means any lease that would be classified as an operating lease pursuant to GAAP prior to the effectiveness of FASB ASC 842.

"Other Connection Taxes" means, with respect to the Administrative Agent or any Lender, Taxes imposed as a result of a present or former connection between such Person and the jurisdiction imposing such Tax (other than connections arising from such Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, this Agreement or any other Loan Document.

"Parent" means AYR Wellness Holdings LLC, a Nevada limited liability company.

"Participant" has the meaning specified in Section 12.6(d).

"Patent" has the meaning specified therefor in the Pledge and Security Agreement.

"Patriot Act" means the USA PATRIOT Improvement and Reauthorization Act of 2005, Pub. L. 109-77, signed into law March 9, 2006, as amended.

"Percentage Ownership" means, with respect to a Restricted Party, the percentage of such Restricted Party's issued and outstanding Equity Interests (excluding directors' qualifying shares or other securities required by applicable Law to be owned by a Person other than a Restricted Party) that are beneficially owned by Restricted Parties.

"Perfection Certificate" means a certificate in form and substance reasonably satisfactory to the Administrative Agent and the Required Lenders providing information with respect to the property of each Loan Party and each Subsidiary thereof.

"Permitted Indebtedness" has the meaning specified in Section 8.1.

"Permitted Investments" has the meaning specified in Section 8.4.

"Permitted Liens" has the meaning specified in Section 8.2.

"Permitted Variance" means up to 12.5% less than the amount set forth in the Approved Budget for the Receipts Variance and up to 12.5% greater than the amount set forth in the Approved Budget for the Disbursements Variance, in each case, on an aggregate basis (excluding any professional fees), in each case, on an aggregate basis (and not on a line-item basis) and excluding, in any event, any professional fees. The Approved Budget and Permitted Variance shall be prepared in the form set forth on Annex II to the Restructuring Support Agreement, which for the avoidance of doubt shall, for purposes of calculating the Approved Budget and Permitted Variance, consistent with past practices, provide that any offsetting balances paid in exchange shall be treated as cash.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Phase I ESA" means an ASTM E1527-13 Phase I Environmental Site Assessment.

"Phase II ESA" means an ASTM E1903-11 Phase II Environmental Site Assessment.

"Pledge and Security Agreement" means that certain Pledge and Security Agreement of even date herewith by and among each Loan Party and the Collateral Agent for the benefit of the Secured Parties, in substantially the form acceptable to the Collateral Agent and the Secured Parties, as the same may be amended, restated, amended and restated, replaced, supplemented or otherwise modified from time to time.

"Post-Closing Obligations" has the meaning specified in Section 7.23.

"Premium Event" means, with respect to any Term Loans, (a) any voluntary prepayment of all, or any part, of the principal amount of such Term Loans, as applicable, and any mandatory prepayment of such Term Loans, as applicable, in each case, whether before or after (i) the occurrence of a Default or an Event of Default, (ii) the commencement of any proceeding with respect to any Loan Party under any Debtor Relief Law or (iii) any acceleration (for any reason) of the Term Loans; (b) the acceleration of all of the Term Loans for any reason, including, but not limited to, acceleration following or pursuant to an Event of Default, including as a result of the commencement of a proceeding under any Debtor Relief Law (including, without limitation, pursuant to Section 10.01(e) or Section 10.01(f)); (c) the satisfaction, release, payment, redemption, restructuring, reorganization, replacement, reinstatement, defeasance or compromise of any of the Term Loans in any proceeding under any Debtor Relief Law, foreclosure (whether by power of judicial proceeding or otherwise) or deed in lieu of foreclosure or the making of a distribution of any kind in any proceeding under any Debtor Relief Law to the Lenders (whether directly or indirectly, including through the Administrative Agent or Collateral Agent or any other

distribution agent), in full or partial satisfaction of the Term Loans; (d) the substantial consummation of any plan of reorganization with respect to any Loan Party under any Debtor Relief Law; and (e) the termination of any proceeding with respect to any Loan Party under any Debtor Relief Law.

If a Premium Event occurs under clause (b), (c), (d) or (e) above, the entire outstanding principal amount of the Term Loans shall be deemed to be subject to the Premium Event on the date on which such Premium Event occurs.

"Principal Amount" means, (i) when used with respect to the Loan, at any time, the then-outstanding principal amount of the Loan, and (ii) when used with respect to any other Indebtedness, the then-outstanding principal amount or accreted value of such Indebtedness, as the same may be increased or decreased, as a result of prepayment or otherwise, from time to time, including interest that accrues and remains unpaid in accordance with this Agreement or any agreement governing such other Indebtedness.

"Qualified Equity Interests" shall mean any Equity Interest other than Disqualified Stock.

"Receipts Variance" has the meaning specified in Section 7.1(k).

"Registered Intellectual Property" means Intellectual Property that is issued, registered, renewed or the subject of a pending application.

"Related Funds" means, with respect to any Person, any fund, account or investment vehicle that is controlled, advised or managed by (a) such Person, (b) an Affiliate of such Person, or (c) the same investment manager, advisor, or subadvisor that controls, advises, or manages such Person or an Affiliate of such investment manager, advisor or subadvisor.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees and administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, seeping, migrating, dumping or disposing of any Hazardous Material (including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Material) into the Environment, including, without limitation, the movement of Hazardous Materials through or in the ambient air, soil, surface or ground water, or property.

"Remedial Action" means all actions taken to (a) investigate, clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way address Hazardous Materials in the Environment, (b) respond to any Environmental Actions, (c) prevent or mitigate any Release, or (d) perform pre-remedial studies and investigations and post-remedial operation and maintenance activities.

"Reportable Event" means a "reportable event" as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to an Employee Benefit Plan (other than an event for which the thirty (30) day notice period is waived pursuant to applicable regulations).

"Required Lenders" means Lenders holding at least a majority of the aggregate Principal Amount of the Loans and unused Commitments, from time to time; provided, however, that any such amounts held by any of the Loan Parties or any of their respective Affiliates or by any Defaulting Lender shall be excluded for all purposes under this definition for determining "Required Lenders" for any purpose.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer or the general counsel of the Parent or Borrower, as applicable, or any Person designated by a Responsible Officer to act on behalf of a Responsible Officer, or other duly authorized Person acceptable to the Administrative Agent and the Required Lenders; provided that such designated Person may not designate any other Person to be a Responsible Officer. Any document delivered hereunder that is signed by a Responsible Officer of the Parent or Borrower, as applicable, shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of the Parent or Borrower, respectively, and such Responsible Officer shall be conclusively presumed to have acted on behalf of the Parent or Borrower, respectively.

"Restricted Party" has the meaning specified in the introductory paragraph of Article 8.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interest of any Loan Party or any of their Subsidiaries, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, or similar contractual arrangement providing for similar payments, to which any Loan Party or any of their Subsidiaries are party, in each case, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such Equity Interest, or on account of any return of capital to such Person's stockholders, partners or members (or the equivalent of any thereof), or any option, warrant or other right to acquire any such dividend or other distribution or payment. Without limiting the foregoing, "Restricted Payments" with respect to any Person shall also include all payments made by such Person with respect to its Equity Interests with any proceeds of a dissolution or liquidation of such Person to any holders of Equity Interests of such Person.

"Restructuring Support Agreement" means that certain Restructuring Support Agreement, dated as of July 30, 2025, by and among, *inter alia*, the Borrower, the Guarantors and the Lenders party thereto, as amended, amended and restated, supplement or otherwise modified from time to time.

"S&P" means Standard & Poor's Financial Services LLC, a division of McGraw-Hill Financial Inc., and any successor thereto.

"Sale Proceeding" has the meaning assigned to such term in the Restructuring Support Agreement.

"Sale Transaction" has the meaning assigned to such term in the Restructuring Support Agreement.

"Sale Transaction Effective Date" has the meaning assigned to such term in the Restructuring Support Agreement.

"Sanctions Program" means any of the sanctions programs and related requirements of Law administered by (a) the U.S. government, including those administered by the Treasury Department's Office of Foreign Assets Control or the U.S. Department of State, or (b) the Government of Canada, the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom, in each case, as renewed, extended, amended, or replaced.

"Secured Parties" means, collectively, the Agents and the Lenders.

"Security Documents" means the Pledge and Security Agreement, the Equal Priority Intercreditor Agreement and any other Intercreditor Agreement, any Control Agreement, any mortgage and all other security agreements or other instruments, agreements, and documents (including UCC financing statements) executed and delivered by or on behalf of a Loan Party to the Collateral Agent or the Administrative Agent granting a Lien to secure any of the Obligations.

"SEDAR" means the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval.

"Solvent" and "Solvency" means, with respect to any Person on a particular date, that on such date (a) at fair valuation, all of the properties and assets of such Person are greater than the sum of the debts, including contingent liabilities, of such Person, (b) the present fair saleable value of the properties and assets of such Person is not less than the amount that would be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person is able to realize upon its properties and assets and pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts beyond such Person's ability to pay as such debts mature, (e) such Person is not engaged in a business or a transaction, and is not about to engage in a business or transaction, for which such Person's properties and assets would constitute unreasonably small capital after giving due consideration to the prevailing practices in the industry in which such Person is engaged, (f) such Person is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code and (g) such person is not "insolvent" under the BIA or CCAA. The amount of all guarantees or other contingent liabilities at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, can reasonably be expected to become an actual or matured liability.

"Specified Currency" has the meaning specified in Section 12.20.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which more than fifty percent (50.00%) of securities having the total voting power of the Equity Interests entitled to vote for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise Controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Parent.

"Take-Back Debt Facility" has the meaning assigned to such term in the Restructuring Support Agreement.

"Tax Distributions" means distributions required by a partnership agreement or limited liability company agreement of any Restricted Party or to which any Restricted Party is subject in order to enable the members or partners of the respective partnership or limited liability company to satisfy their tax obligations in respect of taxable income allocated to the members or partners by the respective partnership or limited liability company.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Loans" means the Tranche A Term Loans and the Tranche B Term Loans.

"Termination Event" means (i) the filing of a notice of intent to terminate an Employee Benefit Plan or the treatment of an Employee Benefit Plan amendment as a termination under Section 4041 of ERISA or (ii) the institution of proceedings by the PBGC to terminate an Employee Benefit Plan.

"Third Party" shall mean a person other than the Parent or any Subsidiary.

"Third Party Funds" shall mean any segregated accounts or funds, or any portion thereof, held by the Parent or any Subsidiary as agent on behalf of Third Parties in the ordinary course of business and (to the extent such practice has been established) consistent with past practice and in accordance with a written agreement that imposes a duty upon Parent or any Subsidiary to collect and remit those funds to such Third Parties.

"Trademark" has the meaning specified therefor in the Pledge and Security Agreement.

"Tranche A Lender" means each Lender holding a Tranche A Loan Commitment.

"Tranche A Loans" means the Term Loans made pursuant to the Tranche A Loan Commitments. For the avoidance of doubt, $28,195,000 of Tranche A Loans shall be drawn on the Closing Date.

"Tranche A Loan Commitment" means, as to each Tranche A Lender, its obligation to make a Tranche A Loans to the Borrower pursuant to Section 2.1 in an aggregate amount not to exceed, in each case, as applicable, the amount set forth opposite such Lender's name in Schedule 1 under the captions "Tranche A Loan Commitment Amount".

"Tranche A Loan Maturity Date" means the earliest to occur of the following: (a) the earlier of (i) sixty (60) days after the Closing Date and (ii) November 16, 2025 (which date set forth in this clause (a) may be extended with the written consent of the Required Lenders for up to three (3) consecutive thirty (30) day periods or such shorter periods as may be agreed to by the Required Lenders); (b) upon demand, to the extent the Required Lenders elect to credit bid all or a portion of the Obligations in connection with the Sale Proceeding; (c) the occurrence of a termination event under the Restructuring Support Agreement; (d) the consummation of a sale of all or

substantially all assets or Equity Interests of the Loan Parties, other than the Sale Transaction; (e) the occurrence of the Sale Transaction Effective Date; or (f) the acceleration of the Loans and the termination of the Commitments in accordance with the terms of this Agreement.

"Tranche B Lender" means each Lender holding a Tranche B Loan Commitment.

"Tranche B Loans" means the Term Loans made pursuant to the Tranche B Loan Commitments.

"Tranche B Loan Commitment" means, as to each Tranche B Lender, its obligation to make Tranche B Loans to the Borrower pursuant to Section 2.1 in an aggregate amount not to exceed, in each case, as applicable, the amounts set forth opposite such Lender's name in Schedule 1 under the caption "Tranche B Loan Commitment Amount".

"Tranche B Loan Maturity Date" means the earliest to occur of the following: (a) the earlier of (i) ninety-five (95) days after the Sale Transaction Effective Date (such date shall be promptly communicated to the Administrative Agent) and (ii) February 19, 2026 (which date set forth in this clause (a) may be extended with the prior written consent of the Required Lenders for up to three (3) consecutive thirty (30) day periods or such shorter periods as may be agreed to by the Required Lenders); (b) the occurrence of a termination event under the Restructuring Support Agreement; (c) the consummation of a sale of all or substantially all assets or Equity Interests of the Loan Parties or AYR Wellness Inc., other than the Sale Transaction; or (d) the acceleration of the Loans and the termination of the Commitments in accordance with the terms of this Agreement.

"Transactions" means the transactions provided for in, or contemplated by, the Loan Documents.

"Treasury Rate" means, as of any date, the rate of interest per annum on U.S. Treasury Notes having a maturity equal to, or if not equal to then closest to and greater than, the remaining period to the Maturity Date as are reported in the FEDERAL RESERVE statistical release FORM H 15 which has been most recently published (or, if for any reason that published rate as of a date not more than 10 days prior to the date of determination is not available, another rate determined by the Agent, acting at the direction of the Required Lenders, to be comparable, in its reasonable discretion, will be used for this purpose).

"UCC" or "Uniform Commercial Code" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided further that, if by reason of mandatory provisions of law, perfection, or the effect of perfection, priority or non-perfection, of a security interest in any of the Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "Uniform Commercial Code" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection, priority, or effect of perfection or non-perfection or availability of such remedy, as the case may be.

"UETA" has the meaning specified in Section 12.21.

"Uncertain Tax Position" means an uncertain tax position as determined in accordance with GAAP; provided that, for the avoidance of doubt, any such position shall cease to be an Uncertain Tax Position to the extent it becomes a tax payable.

"United States" and "U.S." mean the United States of America.

"Updated Budget" has the meaning specified in Section 7.1(k).

"Updated Budget Deadline" has the meaning specified in Section 7.1(k).

"U.S. State Cannabis Laws" means any law enacted by any state of the United States which implements regulatory and/or enforcement systems to control the cultivation, distribution, sale and/or possession of cannabis and related products.

"Variance Report" has the meaning specified in Section 7.1(k).

"Variance Report Deadline" has the meaning specified in Section 7.1(k).

"Vendor Take Back Notes" means the aggregate amount of liabilities Incurred by Ayr Wellness and its Subsidiaries in connection with promissory notes issued in connection with acquisitions on or prior to October 31, 2023, which aggregate principal amount as of such date is equal to $123,668,344.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(a) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(b) the then outstanding principal amount of such Indebtedness.

"Wholly-Owned Subsidiary" means, a Subsidiary, for which all of the Equity Interests of such Subsidiary are, directly or indirectly, owned or controlled by the Parent and/or one or more of its Wholly-Owned Subsidiaries (except for directors' qualifying shares or other shares required by applicable Law to be owned by a Person other than the Parent and/or one or more of its Wholly-Owned Subsidiaries).

"Wind Down Budget" means the initial wind down budget attached to the Restructuring Support Agreement and any other wind down budget from time to time, in each case, in an amount and in form and substance acceptable to the Required Lenders.

Section 1.2 Uniform Commercial Code. Any terms used in this Agreement that are defined in the UCC shall be construed and defined as set forth in the UCC unless otherwise defined herein, provided, however, that to the extent that the UCC is used to define any term herein and such term is defined

differently in different Divisions of the UCC, unless expressly stated otherwise the definition of such term contained in Article 8 of the UCC shall govern.

Section 1.3 Construction. All references to sections and schedules are to sections and schedules in or to this Agreement unless otherwise specified. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. When used herein, the term "financial statements" shall include the notes and schedules thereto. Unless otherwise specified herein or therein, all terms defined in this Agreement shall have the definitions given them in this Agreement when used in any other Loan Document or in any certificate or other document made or delivered pursuant thereto. All uses of the word "including" shall mean "including, without limitation" unless the context shall indicate otherwise. Unless otherwise specified, the words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified, all meanings attributed to defined terms herein shall be equally applicable to both the singular and plural forms of the terms so defined. With respect to terms defined by cross-reference to another agreement, such defined terms shall have the definitions set forth in such other agreement as of the Closing Date, and no modifications to such agreement shall have the effect of changing such definitions for the purposes of this Agreement unless the Administrative Agent, at the direction of the Required Lenders, expressly agrees that such definitions as used in this Agreement have been revised. The parties hereby acknowledge and agree that, as to any clauses or provisions contained in this Agreement or any of the other Loan Documents to the effect that the Borrower (a) represents or warrants on behalf of, or covenants on behalf of, any other Loan Party or an Affiliate thereof, (b) shall cause any other Loan Party or an Affiliate thereof to act or refrain from acting, to comply with, to permit, to perform, to pay, to furnish, to cure, to remove, to observe, to deliver, to suffer, to initiate, to provide, to make available, to furnish in any manner, or (c) shall cause to occur or not to occur, or otherwise be obligated in any manner with respect to, any matters pertaining to any other Loan Party or an Affiliate thereof, such clause or provision is intended to mean, and shall be construed as meaning, that the Borrower shall cause such other Loan Party or such Affiliate to take such action (and in all cases throughout the Loan Documents the words "Borrower shall" or "Borrower shall not" (or words of similar meaning) means "Borrower shall cause the applicable Loan Party or the applicable Affiliate" or "Borrower shall not permit such applicable Loan Party or the applicable Affiliate" to so act or not to so act, as applicable, as the context may require (and any instance in the Loan Documents where such words already appear shall not be deemed or construed to mean that any other instance where such words do not appear were not intended to be interpreted as provided above)). Unless otherwise expressly provided for herein or in any other Loan Documents, any approval or consent required or permitted to be taken by any Lender, the Required Lenders or any Agent pursuant to this Agreement and any other Loan Documents may be exercised, made or withheld in the sole discretion of such Lender or the Required Lenders, or the discretion of such Agent at the direction of the Required Lenders, as applicable, acting reasonably.

Section 1.4 Time Periods. In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". Periods of days referred to in this Agreement shall be counted in calendar days unless Business Days are expressly prescribed. Any period determined hereunder by reference to a month or months or year or years shall end on the day in the relevant calendar month in the relevant year, if applicable, immediately preceding the date numerically corresponding to the first day of the next such period, provided, that if such period commences on the last day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month during which such period is to end), such period shall, unless otherwise expressly required by the other provisions of this Agreement,

end on the last day of the calendar month. Unless otherwise specified, all references to specific times shall mean and be a reference to such time in New York, New York.

Section 1.5 Changes in GAAP. As used herein and in any certificate or other document made or delivered pursuant hereto, accounting terms not defined in Section 1.1, and accounting terms partly defined in Section 1.1 to the extent not defined, shall have the respective meanings given to them under GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Administrative Agent (at the direction of the Required Lenders) shall so request, the Borrower and the Administrative Agent (at the direction of the Required Lenders) shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP, provided that until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) the Borrower shall provide the Administrative Agent financial statements and other documents required under this Agreement or as reasonably requested herein setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Section 1.6 Delaware Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.7 Take-Back Facility Roll. With the written consent of Required Lenders hereunder and so long as the Restructuring Support Agreement remains in full force and effect as of such date, the Loans may be satisfied and discharged pursuant to a refinancing thereof with proceeds of, or a roll thereof into, including pursuant to a "cashless" exchange or otherwise, term loans under a Take-Back Debt Facility (as defined in the Restructuring Support Agreement) of the Borrower or such other borrower as may be agreed by Required Lenders following the Sale Transaction Effective Date; provided, it is understood that (x) the provisions of this Section 1.7 shall not be applicable with respect to any unfunded portion of the Commitments and (y) any unfunded Tranche A Loan Commitment shall be terminated on the Sale Transaction Effective Date.

Section 1.8 Sale Transaction. Notwithstanding anything to the contrary herein, the Sale Transaction and actions directly related thereto may be effectuated with the written consent of the Required Lenders and to the extent such written consent of the Required Lenders is received, shall not violate any provision hereof or in any Loan Document, including, without limitation, Article 8 or Section 12.1, and shall not constitute a Change of Control hereunder.

ARTICLE 2
THE LOAN

Section 2.1 Loans; Commitments.

(a) Closing Date Term Loan Borrowings. Subject to the terms and conditions set forth herein, (i) each Lender with Tranche A Loan Commitment severally agrees to make to the Borrower on the Closing Date borrowings of Tranche A Term Loans denominated in Dollars in an aggregate amount not to exceed at any time outstanding the amount of such Tranche A Term Lender's Tranche A Loan Commitment and (ii) each Lender with Tranche B Loan Commitment severally agrees to make to the Borrower on the Closing Date borrowings of Tranche B Term Loans denominated in Dollars in an aggregate amount not to exceed at any time outstanding the amount of such Tranche A Term Lender's Tranche A Loan Commitment. Amounts borrowed under this Section 2.1(a) and repaid or prepaid may not be re-borrowed.

(b) Tranche A Term Loan Borrowings Made After the Closing Date. Subject to the terms and conditions set forth herein, each Lender with a Tranche A Loan Commitment severally agrees to make to the Borrower after the Closing Date one or more Borrowings of Tranche A Term Loans denominated in Dollars in an aggregate amount not to exceed at any time outstanding the amount of such Tranche A Lender's Tranche A Loan Commitment; provided, that (x) any such requests for borrowings of Tranche A Term Loans made after the Closing Date shall be made in accordance with, and any borrowings shall be subject to, the Approved Budget then in effect (including liquidity needs set forth therein) and (y) the Required Lenders shall make the determination (in their reasonable discretion) as to whether any such requests or fundings are made in accordance with such Approved Budget; provided, further, that no Tranche A Lender shall be required to make any borrowing which would result in such Tranche A Lender exceeding its Maximum Commitment. Amounts borrowed under this Section 2.1(b) and repaid or prepaid may not be re-borrowed.

Section 2.2 Advances.

(a) The proceeds of the Loans made on the Closing Date shall be utilized in accordance with Section 2.4 below.

(b) The Loan shall be made by the Lenders simultaneously and proportionately to their pro rata shares of the Commitments, it being understood that no Lender shall be responsible for any default by any other Lender in that other Lender's obligations to make a Loan requested hereunder, nor shall the Commitment of any Lender be increased or decreased as a result of the default by any other Lender in that other Lender's obligation to make a Loan requested hereunder, and each Lender shall be obligated to make the portion of the Loan required to be made by it by the terms of this Agreement regardless of the failure by any other Lender. Not later than 10:00 am New York City time, on the Closing Date, each Lender shall make available to the Administrative Agent an amount in immediately available funds equal to the Advance to be made by such Lender.

(c) On the Closing Date, the Administrative Agent shall deliver to the Borrower the aggregate of the amounts made available to the Administrative Agent by the Lenders in immediately available funds, as specified in Section 2.1.

Section 2.3 [Reserved].

Section 2.4 Use of Proceeds.

(a) The proceeds of the Tranche A Loans shall be used only (i) to pay the administrative costs of the Sale Transactions and Sale Proceedings (including professional fees and expenses) and (ii) for working capital purposes of the Loan Parties, and (iii) for any other purpose set forth in the Approved Budget, in each case to the extent permitted under this Agreement, including the Approved Budget.

(b) The proceeds of the Tranche B Loans shall be used in accordance with the Wind Down (as defined in the Restructuring Support Agreement), subject to the Wind Down Budget then in effect; provided, that all fees, costs and expenses (including professional fees) incurred in connection with the preparation, commencement and prosecution of the (a) CCAA Proceeding (as defined in the Restructuring Support Agreement) shall not exceed $1,175,000, and (b) the U.S. Liquidation Proceeding and/or the Liquidation Transactions (as each term is defined in the Restructuring Support Agreement), as applicable, shall not exceed $2,125,000.

Section 2.5 Payments.

(a) The Borrower agrees to pay to the Administrative Agent, for the account of each Lender, a nonrefundable commitment premium (the "Bridge Facility Commitment Premium") equal to 10% of aggregate principal amount of the Commitments of the Lenders, which shall be fully earned on the Closing Date and due and payable upon any Premium Event with respect to the Loans subject to such Premium Event; provided, however, that (x) such Bridge Facility Commitment Premium shall paid in kind and added to the principal amount of Tranche A Loans and Tranche B Loans, as applicable, which shall be subject to Section 1.7 and (y) each Lender may elect in writing, at its sole discretion, no later than ten (10) days following receipt of a written notice for request of election from the Administrative Agent (such notice to be delivered at the direction of the Required Lenders), the option to convert such Bridge Facility Commitment Premium in connection with the rollover to the Take Back Debt Facility into a *pro rata* share of 10% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date (such pro rata share to be based on the election of such Lender as compared to the election of all Lenders entitled to the Bridge Facility Commitment Premium); provided, further, that any such Lender that does not make an election pursuant to the preceding clause (y), shall be deemed to have consented to receiving its portion of the Bridge Facility Commitment Premium in the form of an in-kind payment pursuant to the preceding clause (x). For the avoidance of doubt the Commitments of the Tranche A Lenders on the Closing Date is $46,445,000.00 and the Commitments of the Tranche B Lenders on the Closing Date is $3,555,000.00.

(b) The Borrower agrees to pay to the Administrative Agent, for the account of each Lender, a non-refundable exit premium (the "Bridge Facility Exit Premium") equal to 10% of the aggregate principal amount of the Commitments of the Lenders, which shall be deemed fully earned as of the Closing Date due and payable upon any Premium Event with respect to the Loans subject to such Premium Event; provided, however, that (x) such Bridge Facility Exit Premium shall paid in kind and added to the principal amount of Tranche A Loans and Tranche B Loans, as applicable, which shall be subject to Section 1.7 and (y) each Lender may elect in writing, at its sole discretion, no later than ten (10) days following receipt of a written notice for request of election from the Administrative Agent (such notice to be delivered at the direction of the Required Lenders), the option to convert such Bridge Facility Exit Premium in connection with

the rollover to the Take Back Debt Facility into a pro rata share of 10% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date (such pro rata share to be based on the election of such Lender as compared to the election of all Lenders entitled to the Bridge Facility Exit Premium); provided, further, that any such Lender that does not make an election pursuant to the preceding clause (y), shall be deemed to have consented to receiving its portion of the Bridge Facility Exit Premium in the form of an in-kind payment pursuant to the preceding clause (x). For the avoidance of doubt the Commitments of the Tranche A Lenders on the Closing Date is $46,445,000.00 and the Commitments of the Tranche B Lenders on the Closing Date is $3,555,000.00.

(c) The Borrower agrees to pay to the Backstop Parties a non-refundable put option premium (the "Bridge Facility Backstop Premium") in an amount equal to 15% of the aggregate amount of the Commitments of such Backstop Party, which shall be deemed fully earned as of the Closing Date due and payable upon any Premium Event with respect to the Loans subject to such Premium Event; provided, however, that (x) such Bridge Facility Backstop Premium shall be paid in kind and added to the principal amount of Tranche A Loans and Tranche B Loans, as applicable, which shall be subject to Section 1.7 and (y) each Backstop Party may elect in writing, at its sole discretion, no later than ten (10) days following receipt of a written notice for request of election from the Administrative Agent (such notice to be delivered at the direction of the Required Lenders), the option to convert all or a portion of such Bridge Facility Backstop Premium in connection with the rollover to the Take Back Debt Facility into a *pro rata* share of 15% of the New Equity Interests (subject to dilution by the MIP) issued by NewCo as of the Sale Transaction Effective Date (such pro rata share to be based on the election of such Backstop Party as compared to the election of all Backstop Parties entitled to the Bridge Facility Backstop Premium); provided, further, that any such Backstop Party that does not make an election pursuant to the preceding clause (y), shall be deemed to have consented to receiving its portion of the Bridge Facility Backstop Premium in the form of an in-kind payment pursuant to the preceding clause (x) and to the extent any such Backstop Party elects to receive only a portion (rather than all) of its Bridge Facility Backstop Premium in New Equity Interests pursuant to the preceding clause (y), the remaining portion of its Bridge Facility Backstop Premium shall be paid in the form of an in-kind payment pursuant to the preceding clause (x). The Borrower or Required Lenders shall provide the Administrative Agent with a list of the Backstop Parties along with allocations for each such Backstop Party.

(d) If any Premium Event occurs, then the Borrower shall pay to the Administrative Agent, for the account of the Term Lenders in accordance with their pro rata shares, the Bridge Facility Commitment Premium, Bridge Facility Exit Premium and the Bridge Facility Backstop Premium, as applicable (the "Specified Premium"). In any such case, the Specified Premium shall constitute part of the Loan Document Obligations payable by the Borrower (and guaranteed by the Guarantors) in respect of the Term Loans, which Obligations are guaranteed by the Guarantors and secured by the Collateral, and constitutes liquidated damages, not unmatured interest or a penalty, as the actual amount of damages to the Term Lenders as a result of the relevant Premium Event would be impracticable and extremely difficult to ascertain. The Specified Premium is provided by mutual agreement of the Borrower and the Guarantors and the applicable Term Lenders as a reasonable estimation and calculation of such actual lost profits and other actual damages of such Term Lenders. Without limiting the generality of the foregoing, it is understood and agreed that upon the occurrence of any Premium Event, the Specified Premium shall be

automatically and immediately due and payable and shall constitute part of the Obligations payable by the Borrower (and guaranteed by the Guarantors) in respect of the Term Loans, as applicable, which Obligations are secured by the Collateral. The Specified Premium shall also be automatically and immediately due and payable if the Term Loans, as applicable, are satisfied, released or discharged by foreclosure (whether by power of judicial proceeding or otherwise), deed in lieu of foreclosure or by any other means. THE BORROWER AND THE GUARANTORS HEREBY EXPRESSLY WAIVE (TO THE FULLEST EXTENT THEY MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR OTHER LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING SPECIFIED PREMIUM IN CONNECTION WITH ANY SUCH EVENTS, ANY RESCISSION OF SUCH ACCELERATION OR THE COMMENCEMENT OF ANY BANKRUPTCY OR INSOLVENCY EVENT. The Borrower and the Guarantors expressly agree (to the fullest extent it and they may lawfully do so) that with respect to the Specified Premium payable under the terms of this Agreement: (i) the Specified Premium is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (ii) the Specified Premium shall be payable notwithstanding the then-prevailing market rates at the time payment is made; (iii) there has been a course of conduct between the Term Lenders and the Borrower and the Guarantors giving specific consideration in this transaction for such agreement to pay the Specified Premium; and (iv) the Borrower and the Guarantors shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Borrower and the Guarantors expressly acknowledge that their agreement to pay the Specified Premium as herein described is a material inducement to the Lenders' agreement to enter into this Agreement.

(e) The Borrower shall pay to the Administrative Agent such fees as shall have been separately agreed upon in writing (including pursuant to the Fee Letter) in the amounts and at the times so specified.

ARTICLE 3
REPAYMENTS, PREPAYMENTS, INTEREST AND FEES

Section 3.1 Repayments and Prepayments; Application. The Borrower agrees that the Loan shall be repaid and prepaid pursuant to the provisions of this Article 3.

Section 3.2 Repayment of Loan; Maturity Date. On the Maturity Date the Borrower shall repay to the Lenders the aggregate Principal Amount of the Loan in full, together with all accrued and unpaid interest, fees, costs and other Obligations and amounts owed to any Agent or any Lender. Any payments made prior to the repayments on the Maturity Date as set forth in this Section 3.2 shall be made as set forth below in Section 3.3.

Section 3.3 Prepayments; Repayments.

(a) Voluntary Prepayment. Subject to Section 2.5, the Borrower may voluntarily prepay the Loan at any time prior to the Maturity Date, in whole or in part, upon ten (10) Business Days' notice to the Administrative Agent; provided, that no such prepayment may be made by the Borrower without the consent of Required Lenders. Any such voluntary prepayment shall be in the amount of all outstanding Obligations with respect to such portion of the Loans to be prepaid, together with all unpaid interest, fees and costs payable hereunder to (but

excluding, with respect to the accrual of interest) the date of such prepayment and shall be tendered to the Administrative Agent at a time and in such manner as determined by the Administrative Agent (at the direction of the Required Lenders). Any partial prepayment of the Loans shall be in a minimum aggregate amount equal to $5,000,000 or a higher integral multiple of $5,000,000 (or, if less, the remaining outstanding balance of the Loan to be prepaid).

(b) Mandatory Prepayments. Subject to Section 2.5, the Borrower will promptly notify the Administrative Agent of the occurrence of any Mandatory Prepayment Event as required under Section 7.4(a), and the applicable prepayment will be made no later than ten (10) Business Days from the date such notice is given; provided that any Lender may decline its pro rata allocation of such prepayment with written notice to the Administrative Agent (which the Administrative Agent shall forward to the Borrower), which Lender shall deliver promptly (and in any event within ten (10) days) after such notice is given by the Borrower. On such prepayment date, the Borrower shall prepay the principal amount of the Loans, together with all unpaid interest, fees and costs payable hereunder to (but excluding, with respect to the accrual of interest) the date of such prepayment, and all other outstanding Obligations with respect thereto; provided that:

(i) with respect to clause (a) of the definition of "Mandatory Prepayment Event", the principal amount of the Loans payable shall be the amount by which the outstanding principal amount of the Loans exceeds the Maximum Loan Amount;

(ii) with respect to clause (d) of the definition of "Mandatory Prepayment Event", if the making of a portion of the Loans by one or more Lenders is made illegal by any applicable Governmental Authority, the Borrower shall be obligated to prepay such portion of the Loans and corresponding Obligations only to such Lenders (and not to others); and

(iii) with respect to clause (g) of the definition of "Mandatory Prepayment Event", the Borrower shall be obligated to offer to prepay an aggregate principal amount of the Loans in an amount equal to one hundred percent (100%) of the Net Cash Proceeds giving rise to such Mandatory Prepayment Event, with such offer to be made to all Lenders on a pro rata basis. Any portion of such Net Cash Proceeds not required to be applied to prepay the Loans as a result of rejection by Lenders of such offer may thereafter be used by the Parent or applicable Subsidiary for any purpose not otherwise prohibited by this Agreement. The Borrower shall provide no less than ten (10) Business Days' prior written notice of any such prepayment to the Administrative Agent; and

(iv) with respect to clauses (e), (i) and (j) of the definition of "Mandatory Prepayment Event", the Borrower shall be obligated to prepay an aggregate principal amount of the Loans in an amount equal to one hundred percent (100%) of the Net Cash Proceeds giving rise to such Mandatory Prepayment Event.

Nothing in this clause (b) shall be construed to permit or waive any Default or Event of Default arising from any event, action or other circumstance giving rise to any Mandatory Prepayment obligation that also causes the occurrence of a Default or Event of Default.

Notwithstanding anything in this Section 3.3 or anything else herein or in any other Loan Document to the contrary, the Required Lenders may elect to reject any prepayment required by

this Section 3.3, and instead require the Borrower to segregate such proceeds in an account pledged to the Collateral Agent to secure the Obligations, pending the Sale Transaction; provided, that at any time such amounts are held in such segregated account, the Required Lenders may elect to permit such prepayment (and upon such election, such prepayment shall be promptly made by the Borrower).

(c) Provisions Applicable to All Prepayments or Repayments. Notwithstanding anything to the contrary in this Agreement or any other Loan Document or otherwise, upon the prepayment or repayment of the Loans in whole or in part (whether such prepayment is a mandatory prepayment, or a repayment upon acceleration pursuant to Section 10.2, whether by notice or automatically (on account of a Bankruptcy Event or otherwise, in each case, following the occurrence and during the continuance of an Event of Default)), the Borrower shall pay to the Administrative Agent for the ratable benefit of the Lenders in accordance with each Lender's Applicable Percentage of the paid or prepaid Loan all accrued but unpaid interest, fees, and costs payable hereunder to (but excluding, with respect to the accrual of interest) the date of such prepayment on the amount prepaid and any and all other outstanding Obligations which may be payable hereunder and under the other Loan Documents.

(d) Scheduled Amortization. There shall be no scheduled amortization of the Loans prior to the Maturity Date.

Section 3.4 Interest.

(a) Subject to the provisions of Section 3.4(b) the outstanding Principal Amount of the Loans will bear interest at a rate per annum equal to the Applicable Rate, payable in kind and not in cash. All accrued and unpaid interest on any Loan shall be paid on each Interest Payment Date, commencing with the first Interest Payment Date immediately beginning on September 30, 2025.

(b) After an Event of Default has occurred and is continuing, at the election of the Required Lenders and upon notice to the Borrower, the entire Principal Amount of each Loan shall bear interest at a rate per annum equal to the Default Rate, accruing from the date on which such Event of Default occurred and all interest thereafter accrued on the Loans during the continuance of an Event of Default (including following the exercise of remedies pursuant to Section 10.2) shall be payable on demand.

(c) Interest shall accrue from and including the date of the Advance through payment in full of the Obligations. All interest shall be calculated by multiplying (i) the actual number of days elapsed for which the calculation is being made by (ii) a daily rate based on a three hundred sixty-five (365) day year or three hundred sixty-six (366) day year in a leap year, as applicable (that is, the Applicable Rate or the Default Rate, as then applicable, expressed as an annual rate divided by 365 or 366, as applicable) by (iii) the Principal Amount; provided, however, that if any payment made under the Loans is ever rescinded, voided, or must otherwise be returned by the Lenders to the Borrower in connection with any bankruptcy, reorganization, receivership, insolvency, or otherwise, the amount returned shall bear interest from the date returned to the Borrower until the date such amount is paid to the Lenders.

Section 3.5 Application of Payments. So long as no Event of Default has occurred and is continuing, all payments, repayments and prepayments shall be applied: first, to the Agents' and the Lenders' charges, fees, expenses, indemnities and other obligations (other than the interest and principal) as provided in the Loan Documents; second, to accrued and unpaid interest then owing; and third, to all other Obligations, and in each case with respect to the Lenders, as applicable to each Lender, pro rata.

Section 3.6 Fees. All charges, fees, expenses, indemnities and other obligations (other than the interest and principal) owing under any of the Loan Documents shall be paid by the Loan Parties (who shall be jointly and severally liable therefor) in immediately available funds, at the times and in the amounts set forth in such Loan Documents.

Section 3.7 Evidence of Debt. The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive, absent manifest error, of the amount of the Loans made by the Lenders to the Borrower and the interest, costs and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through Administrative Agent) a Note, which shall evidence such Lender's Loan in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, amount and maturity of its Loan and payments with respect thereto which shall be conclusive, absent manifest error.

Section 3.8 Payments Generally; Administrative Agent's Claw Back. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to (a) the Administrative Agent, for the account of the respective Lenders to which such payments are owed, at the Administrative Agent's Office, or (b) at the direction of the Administrative Agent, acting for the benefit of the Secured Parties, directly to the respective Lenders to which such payment are owed, at the applicable Lender's lending office, in each case, in Dollars and in immediately available funds not later than 1:00 p.m. New York City time on the date(s) specified herein. The Administrative Agent, at the direction of the Lenders, will (or will direct the Borrower to) promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's lending office. All payments received by the Administrative Agent after 1:00 p.m. New York City time shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

Section 3.9 Sharing of Payments. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of any Obligation in excess of its ratable share of payments on account of similar obligations obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in such similar obligations held by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably

with each of them; provided, however, that (a) if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and each Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid by the purchasing Lender in respect of the total amount so recovered and (b) the provisions of this Section 3.9 shall not be construed to apply to (i) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement, or (ii) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its portion of the Loans to any assignee or participant. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 3.9 may, to the fullest extent permitted by law, exercise all of its rights (including the Lender's right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 3.10 Apportionment of Payments.

(a) All payments of principal and interest in respect of the outstanding Loan, all payments of fees (other than the fees set forth in Section 3.6 and the fees in any fee letter with any Agent) and all other payments in respect of any other Obligations shall be allocated by the Administrative Agent among such of the Lenders as are entitled thereto, in proportion to their respective pro rata share of the outstanding Loan or otherwise as provided herein or, in respect of payments not made on account of the Loan, as designated by the Person making payment when the payment is made.

(b) (i)(A) After the occurrence and during the continuance of an Event of Default described in Section 10.1(a), (e) or (f), (B) after the acceleration of the Loans pursuant to Section 10.2, (C) after the exercise of enforcement remedies by the Administrative Agent (acting at the written direction of Required Lenders) pursuant to the Loan Documents or (D) otherwise upon the direction of the Required Lenders, after the occurrence and during the continuance of an Event of Default, then (ii) in each case, the Administrative Agent shall apply all payments in respect of any Obligations, including, without limitation, proceeds of the Collateral and any amounts received on account of the Obligations (whether received as a consequence of the exercise of any remedies under Section 10.2 hereof or any Loan Document or as a distribution out of any proceeding in respect of or commenced under any Insolvency Proceeding including payments in respect of "adequate protection" for the use of Collateral during such proceeding) or under any plan of reorganization or on account of any liquidation of any Loan Party or any Subsidiary thereof, subject to the provisions of this Agreement, (A) first, ratably to pay the Obligations in respect of any fees, expense reimbursements, indemnities and other amounts then due and payable to the Administrative Agent and its agents and attorneys until paid in full; (B) second, ratably to pay the Obligations in respect of any fees, expense reimbursements, indemnities, premiums and other amounts then due and payable to the Lenders until paid in full; (C) third, ratably to pay interest then due and payable in respect of the Loans until paid in full; (D) fourth, ratably to pay principal of the Loans until paid in full; (E) fifth, to the ratable payment of all other Obligations then due and payable until all such Obligations are paid in full; and (F) sixth, to the extent of any remaining amount, to an Account or Accounts as directed by the Borrower.

(c) For purposes of Section 3.10(b), "paid in full" means payment in cash of all amounts owing under the Loan Documents (other than contingent indemnification obligations for which no claim has been asserted) according to the terms thereof, including loan fees, service fees, professional fees, interest (and specifically including interest, fees and expenses accrued after the commencement of any Insolvency Proceeding, whether or not the same would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding), default interest, interest on interest, and expense reimbursements, whether or not same would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(d) In the event of a conflict between the priority provisions of this Section 3.10 and other provisions contained in any other Loan Document, the terms and provisions of this Section 3.10 shall control and govern.

ARTICLE 4
CHANGED CIRCUMSTANCES, TAXES AND CERTAIN OTHER PROVISIONS

Section 4.1 Increased Costs.

(a) If any Change in Law shall:

(A) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender;

(B) impose on any Lender any other condition, cost or expense (other than Taxes) affecting this Agreement or Loan made by such Lender; or

(C) subject any Lender or any Agent, as applicable, to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (d) and (e) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such Agent of making, continuing, converting into or maintaining any Loan or of maintaining its obligation to make any such Loan or to reduce the amount of any sum received or receivable by such Lender or such Agent hereunder, whether of principal, interest or otherwise, then the Loan Parties shall pay to such Lender or such Agent such additional amount or amounts as will compensate such Lender or such Agent for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy and liquidity), then from time to time the Loan Parties shall pay to such

Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of the applicable Lender or Agent setting forth the amount or amounts necessary to compensate such Lender or such Agent or its holding company as specified in paragraph (a) or (b) of this Section 4.1 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Loan Parties shall pay such Agent or such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

Failure or delay on the part of any Agent or any Lender to demand compensation pursuant to this Section 4.1 shall not constitute a waiver of such Agent's or such Lender's right to demand such compensation.

Section 4.2 Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any of the Obligations hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Taxes, provided that if a Loan Party or any Subsidiary thereof shall be required by applicable Law to deduct or withhold, or a Lender or an Agent, as applicable, shall be required to remit, any Taxes from such payments, then (i) such Loan Parties or such Subsidiary shall make any such deductions or withholdings and (ii) such Loan Parties or such Subsidiary shall timely pay the full amount deducted or withheld to the relevant and applicable Governmental Authority in accordance with applicable Law and (iii) if such Taxes are Indemnified Taxes, the sum payable shall be increased as necessary so that after making all required deductions, withholdings or remittances (including deductions, withholdings or remittances applicable to additional sums payable under this Section 4.2), such Lender or such Agent receives an amount equal to the sum it would have received had no such deductions, withholdings or remittances been made.

(b) Payment of Other Taxes. Without limiting or duplicating the provisions of Section 4.2(a), the Loan Parties or any Subsidiary thereof shall timely pay (or, at the option of the Administrative Agent, timely reimburse it for the payment of) any Other Taxes to the relevant and applicable Governmental Authority in accordance with applicable Law.

(c) Indemnification by the Loan Parties. The Loan Parties shall indemnify each Agent and each Lender within five (5) days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 4.2) paid by such Agent or such Lender, as the case may be, and any penalties, interest and expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant and applicable Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or by an Agent on its own behalf, as applicable, shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Taxes (imposed with respect to this Agreement or any other Loan Document) by a Loan Party to an applicable Governmental Authority, the Borrower shall deliver to the applicable Lender or Agent,

as the case may be, the original or a certified copy of a receipt issued by such applicable Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment satisfactory to such Lenders or such Agent, as applicable.

(e) Status of Lenders. (i) Any Lender that is entitled to an exemption from, or reduction in the rate of, withholding tax under the Law of the jurisdiction in which any Loan Party or any Subsidiary thereof is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower, at the time or times prescribed by applicable Law or reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable Law as will permit such payments to be made without withholding or at a reduced rate of withholding. Such delivery shall be required on the Closing Date (or, in the case of an assignee, on the date of assignment) and on or before the date such documentation expires or becomes obsolete or after the occurrence of any event requiring a change in the most recent documentation so delivered or as may reasonably be requested by the Borrower. In addition, any Lender, if requested by the Borrower, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower as will enable the Borrower to determine whether or not such Lender is subject to backup withholding requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (A)-(E) of Section 4.2(e)(ii) and Section 4.2(e)(iii)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Loan Party or any Subsidiary thereof is resident for tax purposes in the United States, any Lender that is entitled to an exemption from, or reduction in the rate of, United States withholding tax shall deliver to the Borrower (in such number of copies as shall be reasonably requested by the Borrower) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower), whichever of the following is applicable:

(A) duly completed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) duly completed copies of IRS Form W-8BEN or W-8BEN-E claiming eligibility for benefits of an income tax treaty to which the United States is a party;

(C) duly completed copies of IRS Form W-8ECI;

(D) duly completed copies of IRS Form W-8IMY;

(E) in the case of a Lender that is entitled to claim the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Lender is not (A) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of section

881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" related to the Borrower, as described in section 881(c)(3)(C) of the Code and (y) duly completed copies of IRS Form W-8BEN or W-8BEN-E (a "U.S. Tax Compliance Certificate"); or

(F) any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in United States federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower to determine the withholding or deduction required to be made.

(iii) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower as may be necessary for the Borrower to comply with its obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph, "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iv) Without limiting the generality of the foregoing, in the event that any Loan Party or any Subsidiary thereof is resident for purposes of the ITA in Canada, any Lender that is entitled to an exemption from, or reduction in the rate of, Canadian withholding tax shall, to the extent it is legally entitled to do so, if reasonably requested by the Borrower, deliver to the Borrower (in such number of copies as shall be reasonably requested by the Borrower) executed copies of Canada Revenue Agency Form NR301, NR302 or NR303, as applicable, together with such supplementary documentation as may be prescribed by applicable Law, certifying such Lender's eligibility to receive a reduced rate of withholding tax or exemption provided by any tax treaty between Canada and another jurisdiction in respect of payments made to it under any Loan Document.

(v) Notwithstanding the foregoing, no Lender shall be required to provide any documentation pursuant to this Section 4.2(e) that it is not legally permitted to provide.

(f) Treatment of Certain Refunds. If any Lender, in its sole discretion, or any Agent, at the direction of the Required Lenders, determines that it has received a refund of any Indemnified Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 4.2, it shall pay to the applicable Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 4.2 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses of such Lender or such Agent, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Parties, upon the request of such Lender or such Agent, as applicable, agree to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant and

applicable Governmental Authority) to such Lender or such Agent, as applicable, in the event such Lender or such Agent is required to repay such refund to such applicable Governmental Authority. This Section 4.2(f) shall not be construed to require any Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Mitigation Obligations; Designation of a Different Lending Office. If the Loan Parties are required to pay any additional amount to any Agent or any Lender that is a bank or any Governmental Authority for the account of any Agent or any Lender that is a bank pursuant to this Section 4.2, then such Agent, acting at the direction of the Required Lenders, or such Lender, as applicable, shall use reasonable efforts to designate a different lending office for funding or booking its Loan hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Agent, acting at the direction of the Required Lenders, or such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to this Section 4.2 in the future, and (ii) would not subject such Agent or such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Agent or such Lender. The Loan Parties hereby agree to pay all costs and expenses incurred by such Agent or such Lender in connection with any such designation or assignment.

ARTICLE 5
CONDITIONS PRECEDENT TO CLOSING AND FUNDING

Section 5.1 Conditions to Closing Date under this Agreement. The occurrence of the Closing Date is subject to the satisfaction or waiver in writing by the Required Lenders of each of the conditions precedent set forth below:

(a) Loan Documents. The Loan Documents shall have been duly authorized, executed and delivered by each of the parties thereto and shall be in full force and effect, and each Agent shall have received copies of the fully executed originals of each Loan Document, including without limitation any amendments thereto.

(b) Certificates. The Administrative Agent shall have received certificate(s), addressed to the Administrative Agent and each Lender, dated as of the Closing Date, from each Loan Party as to the following, and such certificate(s) shall be accurate in all respects:

(A) the certification of the resolutions, in full force and effect, authorizing, to the extent relevant, the execution, delivery and performance of this Agreement and each other Loan Document to be executed by it and the performance of its obligations contemplated hereby and thereby;

(B) the incumbency and signatures of those Responsible Officers who have signed or will sign each Loan Document to which any Loan Party is or will be a party, or who is, until replaced by another such Responsible Officer duly authorized for such purpose, authorized to act with respect to each Loan Document;

(C) the Governing Documents for each Loan Party;

(D) a recent certificate of good standing or equivalent for each Loan Party from the applicable office of such Loan Party's jurisdiction of organization;

(E) certification that (i) each of the conditions precedent to the Closing Date has been satisfied in form and substance acceptable to, or waived by, the Administrative Agent at the direction of the Required Lenders and (ii) the representations and warranties contained in this Agreement and each of the other Loan Documents are true and correct in all material respects (or if made as of a specific date, such representations and warranties were true and correct in all material respects as of such date), except to the extent qualified by materiality, "Material Adverse Effect" or like qualification, in which case such representations and warranties are (or were) true and correct in all respects;

(F) [reserved]

such certificate(s) to be executed by a Responsible Officer and addressed to the Administrative Agent and each Lender and accompanied by copies of all documents referred to in clauses (A) through (F) immediately above, in each case as then in effect, certified to be true, complete and correct and, that each such document has not been amended, supplemented or modified (other than in connection with any amendment, supplement or modification so delivered) and is in full force and effect.

(c) [reserved].

(d) Litigation. On the Closing Date, to the knowledge of the Borrower, no pending or threatened (in writing) litigation or proceeding against the Loan Parties exists that could reasonably be expected to have a Material Adverse Effect on any Loan Party.

(e) Illegality, Etc. There shall be no preliminary or permanent injunction or temporary restraining order or other order issued by a Governmental Authority or other legal restraint or prohibition (other than the Controlled Substances Act) enjoining or preventing, in whole or in part, the making of the Loans or the transactions contemplated by the Loan Documents, or which, in the judgment of the Administrative Agent, at the direction of the Required Lenders, would make it illegal for any Agent or any Lender to perform its obligations under the Loan Documents.

(f) Collateral Searches. The Administrative Agent shall have received the results of searches for any effective UCC financing statements, tax Liens, judgment Liens or Liens against Intellectual Property filed against any Loan Party or its property, which results shall not show any such Liens (other than Permitted Liens acceptable to the Agents and the Lenders).

(g) Collateral Creation and Perfection Matters. The deliveries, filings, recordings and other actions necessary, in the reasonable opinion of the Collateral Agent, acting at the direction of the Required Lenders, in order to establish and to perfect the security interests in the Collateral to be granted to the Collateral Agent for the benefit of the Secured Parties have been made or taken or shall be made concurrently.

(h) [reserved]

(i) Additional Documents. The Administrative Agent shall have received such other documents from the Borrower and each other Loan Party as it may reasonably request, acting at the direction of the Required Lenders, at least one (1) Business Day prior to the Closing Date.

(j) [reserved]

(k) Opinion of Counsel. Each Agent and each Lender shall have received legal opinions from the Borrower's counsel in form and substance reasonably acceptable to the Required Lenders.

(l) Fee Letter. Each Agent shall have received a fully executed fee letter (the "Fee Letter") in form and substance acceptable to each Agent.

(m) [reserved]

(n) Event of Default. There exists no Default or Event of Default that has occurred and is continuing, nor would a Default or Event of Default result from such Advance.

(o) Representations and Warranties. Each of the representations and warranties made by the Loan Parties contained in the Loan Documents is (x) with respect to any representations or warranties that contain a materiality qualifier, true and correct in all respects as of the Closing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all respects on and as of such earlier date and (y) with respect to any representations or warranties that do not contain a materiality qualifier, true and correct in all material respects as of the Closing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

(p) Payment of Fees and Expenses. All charges, fees, expenses, indemnities and other obligations (other than the interest and principal) due to be paid or estimated to be due to be paid under the Loan Documents on the Closing Date and invoiced in writing to the Borrower at least one (1) Business Day prior to the Closing Date have been paid (or will be paid with Loan Proceeds on the Closing Date), including, without limitation, (i) the fees of Paul Hastings LLP, as counsel to certain Lenders and the Agents, (ii) Bridge Facility Commitment Premium, (iii) the Bridge Facility Backstop Premium and (iv) the Bridge Facility Exit Premium.

(q) Insurance. The Administrative Agent shall have received copies of certificates of insurance evidencing the existence of all insurance required to be maintained by each of the Loan Parties under the Loan Documents, including such insurance required under Section 7.7(a).

(r) Initial Approved Budget. The Administrative Agent shall have received the Initial Approved Budget, in form and substance acceptable to the Required Lenders, and the initial borrowing shall be made in accordance with such Initial Approved Budget.

(s) KYC Documents. The Administrative Agent shall have received at least three (3) Business Days prior to the Closing Date, documentation and other information requested

by any Lender that is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations.

(t) Borrowing Request. The Administrative Agent shall have received a duly executed Borrowing Request and funding authorization letter, in each case, in form and substance acceptable to the Required Lenders.

Section 5.2 Conditions to Borrowings After the Closing Date. The occurrence of each Borrowing after the Closing Date is subject to the satisfaction or waiver in writing by the Required Lenders of each of the conditions precedent set forth below:

(a) No Material Adverse Effect. Since July 30, 2025, there shall have been no event, development or circumstance that has had, or would reasonably be expected to have, a Material Adverse Effect.

(b) Representations and Warranties. The representations and warranties of each Loan Party set forth in this Agreement and in each other Loan Document shall be true and correct in all material respects on and as of such date as if made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; provided, that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

(c) Event of Default. There exists no Default or Event of Default that has occurred and is continuing, nor would a Default or Event of Default result from such Advance.

(d) Restructuring Support Agreement. The Restructuring Support Agreement shall have been executed and be in full force and effect and no breach, termination event, default or event of default shall have occurred and be continuing thereunder.

(e) APA Agreement Date. The APA Agreement Date shall have occurred and, solely to the extent the APA Execution Date has occurred, no breach, termination event, default or event of default shall have occurred and be continuing under the APA.

(f) Liquidity. The Borrower shall be in compliance with the (i) Liquidity Covenant on a pro forma basis (after giving effect to the initial borrowing on the Closing Date), (ii) Approved Budget and (iii) the other Budget and Variance Covenants.

(g) Milestones. The Borrower shall be in compliance with the Milestones set forth in Schedule 7.24.

(h) Additional Conditions. With respect to Tranche A Loans, in addition to satisfaction of each of the foregoing conditions precedent, the borrowing shall comply with the Approved Budget.

(i) The Administrative Agent shall have received a duly executed Borrowing Request, in form and substance acceptable to the Required Lenders, no later than 11:00 a.m. (New

York City Time) three (3) Business Days prior to the requested date of borrowing (or such lesser time as the Administrative Agent may agree).

(j) Loans comprising any borrowing will be in aggregate principal amount that is an integral multiple of $500,000 and not less than $1,000,000; provided that there shall not be more than ten (10) borrowings outstanding hereunder at any time.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

In order to induce the Agents and the Lenders to enter into this Agreement, the Borrower, on behalf of each Loan Party, represents and warrants to the Lenders, for itself and each of Loan Parties' Subsidiaries, as of the Closing Date, and each other date on which any of the representations and warranties set forth in this Article 6 are reasserted:

Section 6.1 Existence, Qualification and Power; Compliance with Laws. Each Loan Party (a) is duly organized or formed, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own its assets and carry on its business, and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and in good standing under the Laws of each jurisdiction where its ownership of assets or the conduct of its business requires such qualification or license, unless the failure to be so qualified or licensed in such foreign jurisdiction would not reasonably be expected to result in a Material Adverse Effect; provided that this Section 6.1 shall not be deemed to expand, limit or otherwise modify the representations set forth in Section 6.25 in respect of Cannabis Licenses.

Section 6.2 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Loan Party is a party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Loan Party Governing Documents, (b) conflict with or result in any material breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation of such Loan Party or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or its assets is subject, or (c) violate any applicable Law (excluding the Controlled Substances Act).

Section 6.3 Governmental Authorization; Other Consents. Other than as required in the ordinary course of business and in connection with the filing or recording of the Security Documents, no approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against any Loan Party of any Loan Document to which it is a party.

Section 6.4 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, except as enforcement may be limited by equitable principles or by

bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

Section 6.5 Litigation. There are no actions, inquiries, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary thereof or against any of its properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or, (b) purport to affect or pertain to the Core Business in each case in a manner that could reasonably be expected to have a Material Adverse Effect.

Section 6.6 No Default. No Loan Party or any Subsidiary thereof is in default under or with respect to any Contractual Obligation that could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

Section 6.7 Indebtedness. No Loan Party has any outstanding Indebtedness, other than Permitted Indebtedness.

Section 6.8 Insurance. The Loan Parties and each Subsidiary thereof maintain insurance in compliance with Section 7.7.

Section 6.9 Taxes. Each Loan Party and each Subsidiary thereof has paid prior to Delinquency all Taxes upon it or its properties or assets, unless (i) the same are being contested in good faith and/or the contested issues are treated as Uncertain Tax Positions in accordance with GAAP or (ii) such failure to pay or discharge could not reasonably be expected to result in a Material Adverse Effect. No Loan Party or any Subsidiary thereof is party to any tax sharing agreement.

Section 6.10 ERISA Compliance. No Loan Party or any Subsidiary thereof is obligated to contribute to, and is not itself an "employee benefit plan," as defined in Section 3(3) of ERISA, which "employee benefit plan" is subject to Title I of ERISA or Section 4975 of the Code, and none of the assets of such Loan Party or such Subsidiary constitute or will constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3-101. In addition, (a) no Loan Party or any Subsidiary thereof is a "governmental plan" within the meaning of Section 3(32) of ERISA and (b) transactions by or with a Loan Party or any Subsidiary thereof are not subject to any state or other statute, regulation or other restriction regulating investments of, or fiduciary obligations with respect to, governmental plans within the meaning of Section 3(32) of ERISA which is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code and which prohibit or otherwise restrict the transactions contemplated by this Agreement or any other Loan Document.

Section 6.11 Margin Regulations; Investment Company Act; Public Utility Holding Company Act.

(a) None of the Loan Proceeds will be used in violation of Regulations U or X of the Board of Governors of the Federal Reserve System (12 C.F.R. Part 221 and 207) (the "Margin Regulations"), for the purpose of purchasing or carrying any "margin stock" as defined in the Margin Regulations or reducing or retiring any Indebtedness which was originally incurred to purchase or carry margin stock or for any other purpose which might make this transaction a "purpose credit" within the meaning of the Margin Regulations. Neither any of the Loan Parties,

nor any of their Subsidiaries nor any Person acting on behalf of such Loan Parties or such Subsidiaries has taken or will take any action which might cause any Loan Document to violate the Margin Regulations or any other regulations of the Board of Governors of the Federal Reserve System or to violate Section 7 of the Securities Exchange Act of 1934, or any rule or regulation promulgated thereunder, in each case as now in effect or as the same may hereafter be in effect.

(b) None of the Loan Parties or any Subsidiary thereof is (i) an "investment company" or an "affiliated person" or "promoter" of, or "principal underwriter" of or for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended, or (ii) other than the Controlled Substances Act, subject to regulation under any requirement of Law that limits in any respect its ability to incur Indebtedness or which may otherwise render all or a portion of the Obligations unenforceable.

(c) No Loan Party or any Subsidiary thereof is subject to regulation under the Public Utility Holding Company Act of 2005, the Federal Power Act, the Interstate Commerce Act (as any of the preceding have been amended), or any other Law which regulates the incurring by the Borrower of Indebtedness, including laws relating to common or contract carriers or the sale of electricity, gas, steam, water or other public utility services.

Section 6.12 Disclosure. No financial statement delivered to the Administrative Agent pursuant to Section 7.1(a) or (b) (in each case, as modified or supplemented by other information so furnished, and in the case of financial statements delivered to the Administrative Agent pursuant to Section 7.1(b), subject to the absence of footnote disclosure and normal year-end audit adjustments) contains any material misstatement of fact or, when taken as a whole, omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

Section 6.13 [Reserved].

Section 6.14 Material Agreements; No Defaults; Customers and Suppliers.

(a) As of the Closing Date, no Loan Party or any Subsidiary thereof is party to any contracts, instruments or other agreements under which such Loan Party or such Subsidiary has a potential outstanding liability in excess of $1,000,000 (collectively, together with similar agreements entered into after the Closing Date, the "Material Agreements") other than the Loan Documents or such Material Agreements set forth on Schedule 6.14 (with respect to any Loan Party or any Subsidiary thereof).

(b) No Loan Party or any of its Subsidiaries is a party to any Material Agreement or subject to any restriction or limitation in any Governing Document or any judgment, order, regulation, ruling or other requirement of a court or other Governmental Authority, which (either individually or in the aggregate) has, or in the future could reasonably be expected (either individually or in the aggregate) to have, a Material Adverse Effect.

(c) Each such Material Agreement (i) is in full force and effect and is binding upon and enforceable against each Loan Party or its Subsidiaries that is a party thereto and, to the best knowledge of such Loan Party, all other parties thereto in accordance with its terms, except as such may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors'

rights generally and by general equitable principles and (ii) is not in default due to the action or inaction of any Loan Party or its Subsidiaries or, to the best knowledge of any Loan Party, any other party thereto unless the failure of such Material Agreement to be in full force and effect or being subject to such default, individually or in the aggregate for all Material Agreements not in full force or effect or subject to such default, could not reasonably be expected to have a Material Adverse Effect.

(d) No event has occurred which, immediately or upon the expiration of applicable cure or grace periods, would constitute a default under any Material Agreement unless the failure of such Material Agreement to be in full force and effect or being subject to such default, individually or in the aggregate for all Material Agreements not in full force or effect or subject to such default, could not reasonably be expected to have a Material Adverse Effect.

(e) Except as could not reasonably be expected to have a Material Adverse Effect, there exists no actual or threatened termination, cancellation or limitation of, or modification to or change in, the business relationship between (i) any Loan Party or its Subsidiaries, on the one hand, and any customer or any group thereof, on the other hand, whose agreements with any Loan Party or its Subsidiaries are individually or in the aggregate material to the business or operations of such Loan Party or Subsidiary, or (ii) any Loan Party or its Subsidiaries, on the one hand, and any supplier or any group thereof, on the other hand, whose agreements with any Loan Party or Subsidiaries are individually or in the aggregate material to the business or operations of such Loan Party or Subsidiary.

Section 6.15 Oral Agreements; Matters Not of Record. No Loan Party is a party to any oral agreement or matters that are not of record that are or would otherwise be Liens on any of the Collateral (other than Permitted Liens).

Section 6.16 Creation, Perfection and Priority of Liens. The execution and delivery of the Security Documents by each Loan Party to which it is a party to, together with the filing of any UCC financing statements delivered to the Administrative Agent, are effective to create in favor of the Collateral Agent for the benefit of the Secured Parties, as security for the Obligations, a valid and perfected first priority Lien (subject to Permitted Liens) on all of the Collateral then in existence that may be perfected by filing or recording, and all filings and other actions required pursuant to the Loan Documents to perfect such Lien will have been duly taken on or prior to (or to the extent permitted by the Loan Documents, following) the Closing Date with respect to the Loan Parties as of the Closing Date.

Section 6.17 Subsidiaries; Equity Interests. As of the Closing Date, none of the Loan Parties has any direct or indirect Subsidiaries other than the Subsidiaries listed on Schedule 6.17(A). Schedule 6.17(A) identifies, as of the Closing Date: (a) the direct and indirect ownership interest of each of the Loan Parties in each Subsidiary; (b) [reserved] and (c) each Subsidiaries' exact legal name, jurisdiction of organization. All outstanding Equity Interests of the Loan Parties and each Subsidiary thereof are duly authorized, validly issued, fully paid and (to the extent applicable) non-assessable. Except as set forth on Schedule 6.17(B), on the Closing Date, there are no outstanding subscriptions, options, conversion rights, warrants or other agreements or commitments of any nature whatsoever (firm or conditional) obligating a Loan Party to issue, deliver or sell, or cause to be issued, delivered or sold, any additional Equity Interests of a Loan Party or obligating a Loan Party to grant, extend or enter into any such agreement or commitment. All Equity Interests of the Loan Parties have been offered and sold in material compliance

with all federal and state securities laws and all other applicable Law. None of the Equity Interests of the Loan Parties are subject to any Lien except those in favor of the Collateral Agent for the benefit of the Secured Parties and Permitted Liens.

Section 6.18 No Agreements to Merge. No Loan Party or any Subsidiary thereof has as any legal obligation, absolute or contingent, to any Person to effect any merger, amalgamation, consolidation, division or other reorganization or to enter into any agreement with respect thereto, except to the extent permitted under Section 8.4 or Section 8.5.

Section 6.19 Labor Matters. There are no disputes presently subject to grievance procedure, arbitration or litigation under any of the collective bargaining agreements, employment contracts or employee welfare or incentive plans to which any Loan Party or any Subsidiary thereof is a party, which could reasonably be expected to have a Material Adverse Effect. Except as set forth in Schedule 6.19, as of the Closing Date, no Loan Party or any Subsidiary thereof is a party to or bound by any collective bargaining agreement or other contract with a labor union or labor organization and there are no strikes, lockouts, work stoppages or slowdowns, or jurisdictional disputes or organizing activities occurring or threatened. No Loan Party or any of its Subsidiaries or ERISA Affiliates has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act ("WARN") or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of any Loan Party or its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations could not, individually or in the aggregate, reasonably be expected to be material. All payments due from any Loan Party or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such Loan Party or Subsidiary, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to be material.

Section 6.20 Brokerage Commissions. Except as set forth in Schedule 6.20, no Person is entitled to receive any broker's commissions in connection the transactions contemplated by this Agreement.

Section 6.21 Agreements with Affiliates. No Loan Party is a party to any Contractual Obligations with any of their Affiliates or any of their Related Parties except as permitted under Section 8.6.

Section 6.22 Anti-Money Laundering and Anti-Terrorism Laws.

(a) None of the Loan Parties, any of their respective Subsidiaries or Affiliates, their respective directors, officers or employees nor to the knowledge of the Borrower, their respective agents, has violated or is in violation of any of the Anti-Money Laundering and Anti-Terrorism Laws in any material respect or has engaged in or conspired to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the Anti-Money Laundering and Anti-Terrorism Laws.

(b) None of the Loan Parties, nor any Subsidiary of any of the Loan Parties or their Affiliates, nor any officer, director, employees or principal shareholder or owner of any of the Loan Parties or any of their Subsidiaries, nor any of the Loan Parties' or any of their Subsidiaries' respective agents acting or benefiting in any capacity in connection with the Loan or other transactions hereunder, is a Blocked Person.

(c) None of the Loan Parties, nor any Subsidiary or Affiliate of any of the Loan Parties, nor any of their respective agents acting in any capacity in connection with the Loan or other transactions hereunder, (i) conducts any business with or for the benefit of any Blocked Person or engages in making or receiving any contribution of funds, goods or services to, from or for the benefit of any Blocked Person, or (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to any Sanctions Programs.

(d) The Borrower will not request any Loan hereunder, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Loan hereunder (i) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Blocked Person, or in any Sanctioned Country, or (ii) in any manner that would result in the violation of Anti-Money Laundering and Anti-Terrorism Laws applicable to the Borrower, any of its Subsidiaries, either Agent or any Lender.

(e) The Loan Parties have adopted, implemented and maintain policies and procedures that are reasonably designed to ensure compliance with the Anti-Money Laundering and Anti-Terrorism Laws by the Loan Parties, their respective Subsidiaries and their respective directors, officers, employees and agents.

Section 6.23 Anti-Bribery and Anti-Corruption Laws.

(a) The Loan Parties, their respective Subsidiaries and Affiliates, their respective directors, officers and employees and to the knowledge of the Borrower, their respective agents, are in compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended, the Corruption of Foreign Public Officials Act (Canada), the Freezing Assets of Corrupt Foreign Officials Act (Canada) and the anti-bribery and anti-corruption laws, rules and regulations of any jurisdictions applicable to the Loan Parties or their Subsidiaries (collectively, the "Anti-Corruption Laws").

(b) None of the Loan Parties nor any of their Subsidiaries or Affiliates has at any time:

(i) offered, promised, paid, given, or authorized the payment or giving of any money, gift or other thing of value, directly or indirectly, to or for the benefit of any employee, official, or other person acting on behalf of any foreign (i.e., non-U.S.) Governmental Authority, or of any public international organization, or any foreign political party or official thereof, or candidate for foreign political office (collectively, "Foreign Official"), for the purpose of: (A) improperly influencing any act or decision of such Foreign Official in his, her, or its official capacity; or

(ii) inducing such Foreign Official to do, or omit to do, an act in violation of the lawful duty of such Foreign Official, or (C) securing any improper advantage, in order to obtain or retain business for, or with, or to direct business to, any Person; or

acted or attempted to act in any manner which would subject any of the Loan Parties to liability under any Anti-Corruption Law.

(c) The Borrower has not received notice that there are or have been any allegations, investigations or inquiries with regard to a potential violation of any Anti-Corruption Law by any of the Loan Parties or any of their respective current or former directors, officers, employees, stockholders or agents, or other persons acting on their behalf.

(d) The Loan Parties have adopted, implemented and maintain anti-bribery and anti-corruption policies and procedures that are reasonably designed to ensure compliance with the Anti-Corruption Laws by the Loan Parties, their respective Subsidiaries and their respective directors, officers, employees and agents.

(e) The Borrower will not request any Loan hereunder, and the Borrower shall not use, and shall ensure that any Subsidiary of Parent, their Affiliates and their respective directors, officers, employees and agents shall not use, the proceeds of any Loan hereunder in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws.

Section 6.24 Financial Statements, Documents, Projections, Solvency and Other Information.

(a) Each delivery by a Loan Party to any Agent or any Lender of any schedules (including the schedules attached to this Agreement), or financial statements whether before, on or after the Closing Date shall be a representation and warranty that such schedules, financial statements and other reports are true, correct and complete (in accordance with GAAP if applicable) in all material respects, that there are no omissions therefrom that would result in such financial statements and other reports being incomplete, incorrect or misleading in any material respect as of the date thereof, and that such financial statements accurately present in all material respects the financial condition and results of operations of the Loan Parties as at the dates thereof and for the periods covered thereby.

(b) All material indebtedness and other liabilities (including, without limitation, Indebtedness, liabilities for taxes, long-term leases and other unusual forward or long-term commitments), direct or contingent, of the Parent and its Subsidiaries are set forth in the financial statements that have been delivered to the Administrative Agent and the Lenders by the Borrower.

(c) Since December 31, 2024, no event or development has occurred that (either individually or in the aggregate) has had or could reasonably be expected to have a Material Adverse Effect.

(d) The Parent's projected consolidated statements of income and cash flows and balance sheets after giving effect to the making of the Loans and the application of the proceeds thereof and the other transactions contemplated hereby to occur on the Closing Date, for Parent's fiscal year ending December 31, 2025, have been prepared in good faith based upon assumptions believed by the Parent to be reasonable as of the time prepared, it being understood that (i) the projections are only forecasts and no warranty is made as to their accuracy and (ii) actual results of operations may materially differ.

Section 6.25 Cannabis Licenses and Core Business. Each Loan Party and all of their respective Subsidiaries have, where necessary for the operation of the Core Business in compliance with applicable Law (excluding the Controlled Substances Act), obtained all required permits, licenses, registrations,

qualifications or approvals, including the Cannabis Licenses, in all jurisdictions in which it conducts or proposes to conduct its Core Business for such operations unless the failure to obtain such permit, lease, regulation, qualification, approval or Cannabis License could not (a) cause such Loan Party or Subsidiary not to be in compliance with applicable U.S. State Cannabis Law in all material respects or (b) reasonably be expected to have a Material Adverse Effect. Each Cannabis License or other such permit, license, registration, qualification or approval is valid and fully-effective, except as could not (a) cause such Loan Party or Subsidiary not to be in compliance with applicable U.S. State Cannabis Law in all material respects or (b) reasonably be expected to have a Material Adverse Effect. Each Loan Party and each Subsidiary thereof has taken all actions necessary for the validity and effectiveness for each Cannabis License or other such permit, license registration, qualification or approval and does not anticipate any variations or difficulties in renewing such licenses, permits, registrations, or qualifications, or any other required license, permit, registration, or qualification, except in each case as could not (a) cause such Loan Party or Subsidiary not to be in compliance with applicable U.S. State Cannabis Law in all material respects or (b) reasonably be expected to have a Material Adverse Effect. No Loan Party or any of their respective Subsidiaries are engaged in any business other than the Core Business and business activities incidental or related thereto (for greater clarity, including, without limitation, as permitted by Section 8.4(n)(ii)). With respect to the Cannabis Licenses listed on Schedule 1.1, as of the Closing Date the grant of a security interest (i) in each such Cannabis Licenses or (ii) in the Equity Interests of any Person that owns or holds each such Cannabis Licenses, in each case, pursuant to the Security Documents does not violate or require any consent under the terms of each such Cannabis Licenses or applicable state Law under which each such Cannabis License has been issued in any material respect. It is understood that, to the extent this representation is made after the Closing Date, a failure by a Loan Party or Subsidiary to maintain in good standing and keep effective all Cannabis Licenses at the time of such representation shall be deemed not to be a breach of this representation insofar as the Loan Parties and their Subsidiaries are in compliance with Section 7.16.

Section 6.26 Compliance with Laws, Etc. Except with respect to the Controlled Substances Act, but subject to Section 6.25, the Borrower and each Subsidiary of the Parent are: (i) in material compliance with the requirements of all applicable Laws, rules, regulations and orders of any Governmental Authority, and (ii) with regard to the conduct of the Core Business, is in material compliance with all licensing, legislation, regulations, by-laws or other lawful requirements of any Governmental Authority in each jurisdiction where it carries on its business, except in each case, where failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 6.27 Environmental Matters. With respect to each Loan Party and its Subsidiaries, (a) the business, operations, assets and property of such Loan Party and its Subsidiaries are in compliance with all Environmental Laws except as could not reasonably be expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs to a Loan Party or its Subsidiaries; (b) there has been no Release by a Loan Party, its Subsidiaries or their respective Agents or contractors or, to the knowledge of each Loan Party, any other Person at any of the properties owned or operated, or, to the knowledge of each Loan Party, formerly owned and operated, by any Loan Party or its Subsidiaries or a predecessor in interest, or, to the knowledge of each Loan Party, at any disposal or treatment facility which received Hazardous Materials generated by any Loan Party, its Subsidiaries or any predecessor in interest in either case except as would not reasonably be expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs to a Loan Party or its Subsidiaries; (c) no Environmental Action that is pending or unresolved has been asserted against any Loan Party or any of its Subsidiaries or any predecessor in interest nor does any Loan Party have knowledge or notice of any

threatened or pending Environmental Action against any Loan Party or any of its Subsidiaries or any predecessor in interest in either case, that would be reasonably expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs to a Loan Party or its Subsidiaries; (d) to the knowledge of each Loan Party, no Environmental Actions have been asserted against any facilities that may have received Hazardous Materials generated by any Loan Party or its Subsidiaries or any predecessor in interest in either case except as would not reasonably be expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs; (e) no property now owned, or to the knowledge of each Loan Party, now leased or formerly owned or leased by a Loan Party or any of its Subsidiaries has been used for the generation, treatment, storage, transportation, handling or disposal site for any Hazardous Material in a manner which violates the Environmental Laws in any material respect or has resulted in or would reasonably be expected to result in a material Environmental Action, material Environmental Liabilities and Costs, or a material obligation to conduct a Remedial Action, in each case, asserted against a Loan Party or its Subsidiary; (f) no Loan Party or any of its Subsidiaries has failed to report to the proper Governmental Authority any Release which is required to be so reported by any Environmental Laws except as would not reasonably be expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs; (g) each Loan Party and its Subsidiaries holds all Environmental Permits in connection with the operation of the business carried on by it, except for such Environmental Permits as to which a Loan Party's failure to maintain or comply with would not reasonably be expected (either individually or in the aggregate) to result in material Environmental Liabilities and Costs; (h) no Loan Party nor any of its Subsidiaries has received any notification pursuant to any Environmental Laws that (i) any work, repairs, construction or capital expenditures are required to be made in respect as a condition of continued compliance with any Environmental Laws, or any Environmental Permit or (ii) any Environmental Permit referred to above is about to be reviewed, made subject to limitations or conditions, revoked, withdrawn or terminated, in each case, except as would not reasonably (either individually or in the aggregate) be expected to result in material Environmental Liabilities and Costs, and (i) there are no Environmental Liens asserted against any property owned or, to the knowledge of such Loan Party, operated by any Loan Party or any Subsidiaries.

Section 6.28 Title to Properties. As of the Closing Date, all real property interests owned or leased by any Loan Party or any of its Subsidiaries is set forth on Schedule 6.28. Each Loan Party and its Subsidiaries have (i) good, sufficient and legal title to (in the case of fee interests) the real property owned by it, (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property) real property leased by it or (iii) good title to all of their respective material personal property. Except as permitted by Section 8.2, all such properties are free and clear of Liens.

Section 6.29 Intellectual Property. Each Loan Party and its Subsidiaries owns or licenses or otherwise has the right to use all Intellectual Property rights that are material to the operation of its business, except where the failure to own, license or use Intellectual Property could not reasonably be expected to have a Material Adverse Effect. To the knowledge of each Loan Party, the use of such Intellectual Property does not infringe upon, dilute, misappropriate or conflict with the rights of any other Person with respect thereto, except where such infringement, dilution, misappropriation or conflict could not reasonably be expected to have a Material Adverse Effect. Set forth on Schedule V to the Pledge and Security Agreement is a complete and accurate list, as of the Closing Date and as of each date that such schedule is required to be updated pursuant to the Pledge and Security Agreement, of each item of Registered Intellectual Property owned by each Loan Party and its Subsidiaries. No claim or litigation regarding any U.S. federally registered Trademark is pending or threatened in writing, which could

reasonably be expected to have a Material Adverse Effect. To the knowledge of each Loan Party, no Patent, invention, device, application, principle or any statute, law, rule, regulation, standard or code pertaining to Intellectual Property (other than the Controlled Substances Act or the Lanham Act (to the extent that the use of any Trademark of a Loan Party or any of its Subsidiaries is found to not be a "lawful" use of such Trademark in commerce within the meaning of 15 U.S.C. §§ 1051, 1127; 37 C.F.R. § 2.69 (Use of a mark in commerce must be lawful use to be the basis for federal registration of the mark)) is pending or proposed, which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 6.30 No Proposed Legislation. The Loan Party is not aware of any legislation (other than the Controlled Substances Act), or proposed legislation published by a legislative body, which could reasonably be expected to have a Material Adverse Effect.

Section 6.31 Canadian Defined Benefit Plans. No Loan Party nor any of its Subsidiaries maintains or contributes to any Canadian Defined Benefit Plan.

ARTICLE 7
AFFIRMATIVE COVENANTS

Commencing on the Closing Date, and so long thereafter as any Loan or other Obligation (other than contingent indemnification obligations for which no claim has been asserted) hereunder shall remain unpaid or unsatisfied, the Borrower agrees, for itself and on behalf of each Loan Party, that it shall, and shall cause each Subsidiary, as applicable below, to:

Section 7.1 Financial Statements and Other Reports. Provide to the Administrative Agent (for distribution to the Lenders) the following financial information and statements in form reasonably acceptable to the Administrative Agent and the Required Lenders:

(a) Annual Reports. As soon as available, but not later than one hundred and twenty (120) days after the end of each Fiscal Year commencing with the Fiscal Year ending December 31, 2025, provide to the Administrative Agent the audited consolidated balance sheets of the Parent as at the end of, and the related consolidated statements of income, retained earnings and cash flows for, such Fiscal Year, and the corresponding figures as at the end of, and for, the preceding Fiscal Year, accompanied by a report and opinion of an Independent Accountant, which report and opinion shall be prepared in accordance with generally accepted auditing standards relating to reporting and which report shall contain no qualified or adverse opinion or disclaimer of opinion (provided, that a going concern or similar qualification shall not be considered a "qualified or adverse opinion or disclaimer of opinion" if the sole reason for such qualification is that the Loans become classified as a current obligation within one (1) year of the Maturity Date), together with a certificate signed by an Responsible Officer of the Parent, to the effect that such financial statements fairly present in all material respects the consolidated financial position of each Loan Party, as at the dates indicated and the results of its operations for the periods indicated in conformity with GAAP.

(b) Quarterly Reports. As soon as available, and in any event within sixty (60) days after the end of each of the first three Fiscal Quarters of each Fiscal Year commencing with the first such Fiscal Quarter ending immediately after the Closing Date, the consolidated unaudited

balance sheet of the Parent as of the close of such Fiscal Quarter and related consolidated statements of income, retained earnings and cash flow for such Fiscal Quarter and that portion of the Fiscal Year ending as of the close of such Fiscal Quarter, including comparisons of (i) the current period to the corresponding period in the prior year, and (ii) the year-to-date to the corresponding period in the prior year, in each case certified by a Responsible Officer of the Parent as fairly presenting in all material respects the consolidated financial position, results of operations and cash flow of each Loan Party as at the dates indicated and for the periods indicated in accordance with GAAP (subject to the absence of footnote disclosure and normal year-end audit adjustments).

(c) Monthly Reports. Within fifteen (15) days of the end of each calendar month, commencing with the month beginning August 2025, the Borrower shall deliver to the Administrative Agent the consolidated unaudited balance sheet of the Parent as of the close of such month and related consolidated statements of income, retained earnings and cash flow for such month and that portion of the Fiscal Year ending as of the close of such month. For the avoidance of doubt, the monthly reports required to be delivered pursuant to this Section 7.1(c), shall be delivered for all twelve (12) calendar months, including for months in which annual reports and quarterly reports are delivered, and shall include a profit and loss statement, an income statement for such month and certain, key balance sheet line items (accounts payable, accounts receivable, inventory, and other working capital items) as of the end of such month, for each such month, and shall include breakouts by state.

(d) Compliance Certificate. Concurrently with delivery of the financial statements required under clause (c) or above, a Compliance Certificate substantially in the form of attached Exhibit D duly executed by a Responsible Officer of the Borrower that, among other things: (i) certifies that no Default or Event of Default is continuing as of the date of delivery of such Compliance Certificate or, if a Default or Event of Default is continuing, states the nature thereof and the action that the Borrower proposes to take to cure such Default or Event of Default, including a statement as to whether any maintenance financial covenant was breached as of the last day of the applicable Fiscal Quarter; (ii) certifies that all filings required under the Security Documents have been made and listing each such filing that has been made since the date of the last certificate delivered in accordance with this Section 7.1(d); (iii) certifies that the Loan Parties have delivered all documents and information they are required to deliver pursuant to any Loan Document on or prior to the date of delivery of such Compliance Certificate, or have attached such documents and information to such Compliance Certificate; (iv) [reserved]; (v) [reserved]; (vi) [reserved], and (vii) calculations of compliance with the Liquidity covenant set forth in Section 8.18 (the "Liquidity Covenant"), including testing of such financial covenants as of the end of such Fiscal Quarter.

(e) Dispositions. Promptly and in any event within five (5) days after execution, receipt or delivery thereof, copies of any notices that any Loan Party executes or receives in connection with the sale or other Disposition of the Equity Interests of, or all or substantially all of the assets of, any Loan Party or any Subsidiary that holds a Cannabis License.

(f) Public Company Filings and Other Reports. Promptly and in any event within five (5) days after (i) the sending or filing thereof, copies of all statements, reports and other material information any Loan Party sends to any holders of its Indebtedness or to holders of the

Parent's Equity Interests or that it files on SEDAR or EDGAR or any national (domestic or foreign) securities exchange, (ii) the board of directors' approval thereof, minutes of the meetings of the Parent's board of directors, subject to redaction for matters reasonably subject to a claim of attorney-client privilege, and (iii) the receipt thereof, a copy of any material notice received from any holder of its Indebtedness.

(g) Bank Account Information. At the request of the Administrative Agent at the direction of the Required Lenders, the Borrower will provide the Administrative Agent with read only access to each other Loan Party's Accounts.

(h) No Change to Accounting and Reporting Practices. No Loan Party shall make any material change in its accounting policies or financial reporting practices without the prior written consent of the Administrative Agent and the Required Lenders, which consent shall not be unreasonably withheld, conditioned or delayed, except as required by Law or applicable accounting rules; provided that each Loan Party may adopt dual reporting pursuant to generally accepted accounting principles in the United States in addition to GAAP without consent of the Administrative Agent, acting at the direction of the Required Lenders, or the Required Lenders.

(i) Additional Reporting Deliverables. Promptly upon request, such other information concerning the assets, condition or operations, financial or otherwise, of any Loan Party or any of its Subsidiaries as the Administrative Agent, acting at the direction of the Required Lenders, or the Required Lenders may from time to time may reasonably request.

(j) [reserved].

(k) Updated Budgets; Variance Reports.

(A) No later than 5:00 p.m. (New York City time) on every other Thursday following the Closing Date (each such Thursday, the "Updated Budget Deadline"), a supplement to the Initial Approved Budget (each, an "Updated Budget"), covering the then-upcoming 13-week period that commences with Saturday of the calendar week immediately preceding such Updated Budget Deadline, in each case consistent with the form and detail set forth in the Initial Approved Budget and including a forecasted unrestricted cash balance as well as a line-item report setting forth the estimated professionals fees and expenses to be incurred by each professional advisor on a weekly basis. Each Updated Budget shall be deemed the "Approved Budget" only upon receipt by the Loan Parties of affirmative written approval thereof by the Required Lenders (or one of the Lender Advisors on behalf of the Required Lenders) in their sole discretion (which approval may be provided via email from the Lender Advisors to the Loan Parties' advisors); provided, that, in the event such Updated Budget is not so approved by the Required Lenders, the prior Approved Budget shall remain in effect; provided, further, that the Required Lenders shall not have any obligation to approve any Updated Budget, and, no modification to any Updated Budget or any Approved Budget, or any reforecasting of any information relating to any period covered by any other Updated Budget or any Approved Budget, as the case may be, shall in any event be effective without the affirmative written consent of the Required Lenders.

(B) Not later than 5:00 p.m. New York City time each Thursday (commencing with Thursday of the week immediately following the week in which the Closing Date occurs) (each such Thursday, the "Variance Report Deadline"), (A) a variance report, each in the form attached to the Restructuring Support Agreement (each, a "Variance Report"), setting forth the difference between, on a line-by-line and aggregate basis, (i) actual operating receipts and budgeted operating receipts as set forth in the Approved Budget, as the case may be (the "Receipts Variance"), and (ii) actual operating disbursements and budgeted operating disbursements as set forth in the Approved Budget, as the case may be (the "Disbursements Variance"), in each case, for the Applicable Period, in each case, together with a reasonably detailed explanation of such Receipts Variance and Disbursements Variance and (B) a report setting for the Liquidity (and the component parts) of the Borrower and its Subsidiaries as of each day in the prior week.

(C) The materials to be delivered pursuant to the foregoing clauses (A) and (B) shall be delivered to the Lender Advisors in addition to the Administrative Agent.

Section 7.2 [Reserved].

Section 7.3 Furnishing of Information and Inspection.

(a) Inspection. The Borrower will furnish or cause to be furnished to the Administrative Agent from time to time such information with respect to the financial affairs of any Loan Party or any of their Subsidiaries and the Collateral as the Administrative Agent may reasonably request (acting at the direction of the Required Lenders). The Borrower will, during regular business hours and with reasonable prior written notice, permit the Administrative Agent or its respective agents or representatives and/or certified public accountants or other auditors acceptable to the Administrative Agent, to: (i) examine and make copies of and abstracts from all books and records relating to the financial affairs of any Loan Party or any of their Subsidiaries or any Collateral, (ii)(A) visit the offices and properties of the Loan Parties and their Subsidiaries for the purpose of examining such books and records and to verify materials, leases, notes, inventory, accounts receivable, deposit accounts and its other assets, to conduct audits, physical counts, valuations and appraisals and (B) after the occurrence and during the continuance of an Event of Default, assertion of any Environmental Actions, or violation of Environmental Laws, with respect to any Owned Real Property, conduct Phase I ESAs, (iii) up to one (1) time per calendar year (except no such limitation shall apply after the occurrence and during the continuance of an Event of Default) discuss matters relating to the Core Business, compliance with applicable Law, physical security of any leased or owned property, personnel changes or any Collateral or such Loan Party's performance hereunder or under the other Loan Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Borrower, to the extent reasonably available, having knowledge of such matters and (iv) conduct a review of its books and records with respect to the financial affairs of any Loan Party or any of their Subsidiaries or any Collateral (each inspection and audit described in clauses (i) though (iv) above, an "Inspection").

(b) Reimbursement. The Borrower shall reimburse the Administrative Agent for its reasonable and invoiced (and showing in reasonable detail) out-of-pocket costs and expenses incurred in connection with one such Inspection per twelve-month period, and the Administrative

Agent will each bear its own costs and expenses for any additional Inspections during such twelve-month period unless otherwise agreed; provided that the Borrower shall also reimburse the Administrative Agent for their reasonable out-of-pocket costs and expenses incurred in connection with any additional Inspections that the Administrative Agent, acting at the direction of the Required Lenders, deems desirable to conduct while any Event of Default has occurred and is continuing or is reasonably necessary while any other Default has occurred and is continuing.

(c) Confidentiality. In connection with any such Inspection, to the extent no applicable confidentiality agreement is already in place with respect to such Person, each Person conducting such Inspection (including any third party certified public accounting firms or auditing firms) shall have agreed in writing to maintain the confidentiality of the Borrower's and its Affiliates' confidential non-public information on terms reasonably acceptable to the parties thereto.

(d) No Disruption of Business. The Administrative Agent shall, at the direction of the Required Lenders, conduct, and shall cause its respective agents, representatives, accountants and auditors to conduct, such Inspection in a commercially reasonable manner so as to minimize any burden (financial or otherwise) on the Borrower and its Affiliates and any disruption to the business and operations of the Borrower and its Affiliates (it being understood and agreed that an Inspection conducted in a substantially similar manner and scope as that conducted by the Administrative Agent prior to the Closing Date shall be deemed commercially reasonable).

Section 7.4 Notices. Promptly, and otherwise as specified below, notify the Administrative Agent of:

(a) the occurrence of any Default, Event of Default or Mandatory Prepayment Event (other than a Mandatory Prepayment Event not exceeding $5,000,000) consisting of (A) a Mandatory Prepayment Event under clause (g) of the definition of "Mandatory Prepayment Event" the proceeds of which are used in the manners described in clause (i) or (ii) of Section 8.3(b) and (B) a Mandatory Prepayment Event under clause (h) of the definition of "Mandatory Prepayment Event" the proceeds of which are not required to be prepaid pursuant to Section 3.3(b)(iv));

(b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including as a result of (i) breach or non-performance of, or any default under, a Contractual Obligation of any Loan Party (including failure to pay any amount due in respect of any Permitted Indebtedness on the date scheduled for payment therefor, without giving effect to any grace period); (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party;

(c) Reserved;

(d) (i) as soon as possible and in any event within 10 days after any Loan Party or any ERISA Affiliate thereof knows or has reason to know that (1) any Reportable Event with respect to any Employee Benefit Plan has occurred, (2) any other Termination Event with respect to any Employee Benefit Plan subject to Title IV of ERISA has occurred, or (3) an accumulated

funding deficiency has been incurred or an application has been made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including installment payments) or an extension of any amortization period under Section 412 of the Internal Revenue Code with respect to an Employee Benefit Plan, a statement of an Authorized Officer of the Borrower setting forth the details of such occurrence and the action, if any, which such Loan Party or such ERISA Affiliate proposes to take with respect thereto, (ii) promptly and in any event within 3 days after receipt thereof by any Loan Party or any ERISA Affiliate thereof from the PBGC, copies of each notice received by any Loan Party or any ERISA Affiliate thereof of the PBGC's intention to terminate any Employee Benefit Plan or to have a trustee appointed to administer any Employee Benefit Plan, (iii) promptly and in any event within 10 days after the filing thereof with the IRS if requested by the Required Lenders, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Employee Benefit Plan and Multiemployer Plan, (iv) promptly and in any event within 10 days after any Loan Party or any ERISA Affiliate thereof knows or has reason to know that a required installment within the meaning of Section 412 of the Internal Revenue Code has not been made when due with respect to an Employee Benefit Plan, (v) promptly and in any event within 3 days after receipt thereof by any Loan Party or any ERISA Affiliate thereof from a sponsor of a Multiemployer Plan or from the PBGC, a copy of each notice received by any Loan Party or any ERISA Affiliate thereof concerning the imposition or amount of withdrawal liability under Section 4202 of ERISA or indicating that such Multiemployer Plan may enter reorganization status under Section 4241 of ERISA, and (vi) promptly and in any event within 10 days after any Loan Party or any ERISA Affiliate thereof sends notice of a plant closing or mass layoff (as defined in WARN) to employees, copies of each such notice sent by such Loan Party or such ERISA Affiliate thereof;

(e) the occurrence of a default or event of default under any Indebtedness of any Loan Party in a principal amount equal to or greater than $5,000,000;

(f) the declaration or distribution of any Restricted Payment not permitted hereunder;

(g) any casualty or other insured damage to any material portion of any Collateral or the commencement of any action or proceeding for the taking of any material portion of any Collateral or any part thereof or interest therein under power of eminent domain or by condemnation or similar proceeding; and

(h) promptly, any rescission, revocation, termination, suspension or other material adverse development concerning any Cannabis License.

Each notice pursuant to this Section 7.4 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what actions the Borrower has taken and proposes to take, or what actions the Borrower has caused and proposes to cause any Subsidiary to take, with respect thereto. Each notice pursuant to Section 7.4(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

Section 7.5 Payment of Obligations. Each Loan Party and each Subsidiary thereof shall pay and discharge prior to Delinquency all Taxes upon it or its properties or assets, unless (i) the same are being

contested in good faith and/or the contested issues are treated as Uncertain Tax Positions in accordance with GAAP or (ii) such failure to pay or discharge could not reasonably be expected to result in a Material Adverse Effect. "Delinquency" means the date on which such Tax is assessed. The Agent and the Lenders acknowledge that the Borrower files and pays its federal and state taxes and calculates its tax liability based on the position that Borrower's deductions are not limited by Section 280E of the Code and treats the application of Section 280E of the Code as an Uncertain Tax Position.

Section 7.6 Preservation of Existence, Etc.. Except as provided in Section 8.3 or as permitted under the Restructuring Support Agreement, (a) preserve, renew and maintain in full force and effect the legal existence of each Loan Party under the Laws of the jurisdiction of its organization; and (b) take all action reasonably necessary to maintain all assets, rights, privileges, permits, licenses and franchises that are material to and necessary for the operation of the Core Business; provided that this Section 7.6 shall not be deemed to expand, limit or otherwise modify the covenants set forth in Section 7.16 with respect to Cannabis Licenses.

Section 7.7 Maintenance of Insurance.

(a) Liability. Maintain with financially sound and reputable insurers having an A.M. Best rating of A- or better and not Affiliates of any Loan Party protecting the Loan Parties against loss from liability imposed by law or assumed in any agreement, document, or instrument and arising from bodily injury, death or property damage, as shall be in accordance with the general practices of businesses engaged in similar activities in similar geographic areas on the Closing Date, and in amounts, containing such terms, in such forms and for such periods as may be reasonable and prudent in accordance with sound business practices.

(b) Additional Insurance. Such other policies of insurance as the Administrative Agent, at the direction of the Required Lenders, may reasonably request in writing to the extent available on commercially reasonable terms.

(c) General. All policies for required insurance will be in form and substance satisfactory to the Administrative Agent acting reasonably and the at the direction of the Required Lenders. All liability policies evidencing required insurance will name the Collateral Agent, on behalf of the Secured Parties (as defined under the applicable Security Documents), as additional insured pursuant to endorsements and certificates acceptable to the Agents, acting reasonably and at the direction of the Required Lenders. All property casualty policies evidencing required insurance will name the Collateral Agent, on behalf of the Secured Parties (as defined under the applicable Security Documents), as loss payee pursuant to endorsements and certificates acceptable to the Agents, acting reasonably and at the direction of the Required Lenders. The policies will provide for at least thirty (30) days prior written notice of the cancellation or modification thereof to be given to the Collateral Agent. Certificates of insurance evidencing that such insurance is in full force and effect, will be delivered to the Administrative Agent, together with proof of the payment of the premiums thereof. Prior to the expiration of each such policy, the Borrower shall furnish the Administrative Agent with evidence that such policy has been renewed or replaced in the form of the original or a certified copy of the renewal or replacement policy or, if acceptable to the Administrative Agent (acting reasonably at the direction of Required Lenders), a certificate reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required in this Section 7.7.

(d) Reserved.

Section 7.8 Compliance. Comply in all respects with all Laws applicable to it except for the Controlled Substances Act and any rules or regulations promulgated thereunder and except to the extent non-compliance could not (a) with respect to U.S. State Cannabis Laws, cause such Loan Party or Subsidiary not to be in compliance with applicable U.S. State Cannabis Law in all material respects or (b) reasonably be expected to cause a Material Adverse Effect, provided that, in the event the Controlled Substances Act and any rules or regulations promulgated thereunder are modified such that the Core Business is no longer in violation of the Controlled Substances Act following such modification, the Loan Parties shall comply in all respects with the Controlled Substances Act as so modified except to the extent non-compliance could not reasonably be expected to have a Material Adverse Effect.

Section 7.9 Books and Records. Maintain and implement administrative and operating procedures, and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary for the operation of the Core Business.

Section 7.10 Intangible, Recording and Stamp Tax. Promptly pay all intangible taxes or documentary stamp taxes assessed against any Loan Parties, any Agent or any Lender as a result of this Agreement or any document related hereto, if any.

Section 7.11 Further Assurances. At any time and from time to time, execute, acknowledge and deliver such further documents, agreements and instruments and take such further action as may reasonably be requested by the Administrative Agent (acting at the direction of the Required Lenders), in each case further and more perfectly to effect the purposes of this Agreement and the other Loan Documents, including, from time to time to better assure, preserve, protect and perfect the interest of the Collateral Agent (for the benefit of the Secured Parties) in the Collateral and the rights and remedies of the Secured Parties under the Loan Documents. Without limiting the foregoing, to the extent that the Collateral Agent (acting at the direction of the Required Lenders), determines from time to time that additional pledge agreements, financing statements, recognition agreements and other documents are required in order to perfect all Liens and encumbrances in favor of the Collateral Agent (for the benefit of the Secured Parties), each Loan Party shall execute and deliver such documents, instruments and other agreements as the Collateral Agent (acting at the direction of the Required Lenders) may reasonably request.

Section 7.12 Special Covenants Relating to Collateral.

(a) Defense of Title. Defend the Collateral, the title and interest therein represented and warranted in the Security Documents and the legality, validity, binding nature and enforceability of each Lien and encumbrance contained in the Security Documents and the first priority of the Liens created pursuant to the Security Documents against all matters (other than claims by holders of Permitted Liens), including: (a) any attachment, levy, or other seizure by legal process or otherwise of any or all Collateral; (b) any Lien or encumbrance or claim thereof on any or all Collateral; (c) any attempt to foreclose, conduct a trustee's sale, or otherwise realize upon any or all Collateral; and (d) any claim questioning the legality, validity, binding nature, enforceability or priority of the Security Documents, in each case, at the Loan Parties' sole cost and expense. Each Loan Party shall notify the Administrative Agent and each Lender promptly in

writing of any of the foregoing and will provide such information with respect thereto as the Administrative Agent may from time to time request.

(b) [Reserved].

(c) Owned Real Property.

(A) Within 10 Business Days of the acquisition of any Owned Real Property the Borrower shall notify the Administrative Agent in writing thereof, setting forth with specificity a description of such interest, the location of the real property, any structures or improvements thereon and either an appraisal or such Loan Party's good-faith estimate of the current value of such real property (for purposes of this Section 7.12, the "Current Value").

Section 7.13 Performance under Contractual Obligations. Timely observe and perform all of the covenants and agreements required to be performed and/or observed by the Loan Parties or any Subsidiary thereof under any Contractual Obligations, and shall enforce the performance and observance by any counterparty to any Material Agreement of all of the covenants and agreements required to be performed and/or observed by such counterparty under any Material Agreements except, in each case, to the extent that a failure to so observe, perform and enforce could not reasonably be expected to have a Material Adverse Effect.

Section 7.14 [Reserved].

Section 7.15 [Reserved].

Section 7.16 Cannabis Licenses. At all times:

(a) maintain in good standing and keep effective all Cannabis Licenses necessary for the operation of the Core Business.

(b) notify the Required Lenders in writing of the cancellation, suspension, lapse, termination, postponement, invalidity or replacement of any Cannabis License.

Section 7.17 [Reserved].

Section 7.18 [Reserved].

Section 7.19 Employee Benefit Plans. At all times during the period the Obligations are outstanding cause itself and each ERISA Affiliate to: (a) keep in full force and effect any and all Employee Benefit Plans which are presently in existence or may, from time to time, come into existence under ERISA, unless such Employee Benefit Plans can be terminated without material liability to such Loan Party or any of its Subsidiaries in connection with such termination (as distinguished from any continuing funding obligation), (b) make contributions to all Employee Benefit Plans in a timely manner and in an amount sufficient to comply with the requirements of ERISA, (c) comply in all material respects with the requirements of ERISA which relate to such Employee Benefit Plans, and (d) notify the Lender immediately upon receipt by such Loan Party or any of its Subsidiaries of any written notice of the

institution of any proceeding or other action relating to any Employee Benefit Plans, in the case of each of Section 7.19(a) through 7.19(d) that could reasonably be expected to have a Material Adverse Effect.

Section 7.20 Maintenance of Properties. The Borrower shall, and shall cause each other Loan Party and their respective Subsidiaries to, maintain or cause to be maintained in good repair, working order and condition (other than wear and tear occurring in the ordinary course of business) all properties used in the business of such Loan Party and its Subsidiaries and from time to time will make or cause to be made all appropriate repairs, renewals and replacements thereof which in the exercise of its reasonable business judgment are required for the continuation of its business.

Section 7.21 Environmental Matters. The Borrower shall, and shall cause each other Loan Party and their respective Subsidiaries to, (a) comply, and cause all lessees and other Persons operating or occupying properties owned or leased by it to comply in all material respects, with all Environmental Laws and material Environmental Permits, (b) obtain and renew all Environmental Permits required by Environmental Laws for its operations and properties, (c) conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action required by Environmental Laws or any Governmental Authority to address Hazardous Materials at, on, under or emanating from any properties owned or leased by it in accordance with the requirements of all Environmental Laws, (d) keep any property owned by it or any of its Subsidiaries free of Environmental Liens or leased by it or any of its Subsidiaries free of any Environmental Liens resulting from the activities of any Loan Party, its Subsidiaries or their respective agents or contractors, (e) provide the Administrative Agent written notice within fifteen (15) days of becoming aware of any Release of a Hazardous Material in excess of any reportable quantity pursuant to any Environmental Law from or onto property owned or leased by it or any of its Subsidiaries and take any Remedial Actions required under Environmental Law to abate said Release; and (f) provide the Administrative Agent with written notice within fifteen (15) days of receipt by or knowledge of a Loan Party or any Subsidiary thereof of any of the following: (A) notice that an Environmental Lien has been filed, in each case, against any property of any Loan Party or any of its Subsidiaries; (B) commencement of any Environmental Action or notice that an Environmental Action will be filed against any Loan Party or any of its Subsidiaries; and (C) notice of a violation, citation or other administrative order which, in the case of each of the foregoing (A) through (C), would reasonably be expected to result in material Environmental Liabilities and Costs to a Loan Party or its Subsidiaries.

Section 7.22 Accounts. After the Closing Date, the Loan Parties and their Subsidiaries may from time to time in their reasonable discretion open and maintain Accounts for purposes of operating the Core Business of the Loan Parties or their respective Subsidiaries and holding Cash Equivalents with a Depository Institution as the Loan Parties and their Subsidiaries may from time to time reasonably determine. Each applicable Loan Party shall, within forty-five (45) days of the opening of any such Account (other than any Excluded Account), enter into a Control Agreement with respect to such Account, by and among the applicable Depository Institution, such Loan Party, and the Collateral Agent, (x) if such Account holds funds in excess of $1,000,000 for five (5) consecutive Business Days, or (y) if such Account is required in order for the Loan Parties to maintain Control Agreements over Accounts holding at least ninety-five percent (95.00%) of the aggregate amount of the Loan Parties' unrestricted cash at all times from and after forty-five (45) days after the Closing Date, excluding, for greater certainty, cash held in an Excluded Account.

Section 7.23 Post-Closing Obligations. Notwithstanding the conditions precedent set forth in Article 5 or any other provision of this Agreement, the Borrower has informed the Administrative Agent

and the Lenders that certain of such items required to be delivered to the Administrative Agent or otherwise satisfied as conditions precedent to the effectiveness of this Agreement will not be delivered to Administrative Agent as of the Closing Date. Therefore, as an accommodation to Borrower (but subject to the other conditions set forth herein), the Administrative Agent and the Lenders have agreed to allow the Borrower to complete such conditions on a post-closing basis. In consideration of such accommodation, Borrower hereby agrees to take, and cause each other Loan Party to take, each of the actions described on Schedule 7.23 (collectively, the "Post-Closing Obligations"), the Borrower shall deliver (or otherwise satisfy) each Post-Closing Obligation to the reasonable satisfaction of the Administrative Agent and the Required Lenders in the form, manner and time set forth on Schedule 7.23 for such Post-Closing Obligation or within such longer time or different form or manner as the Administrative Agent, acting at the direction of the Required Lenders, may reasonably agree.

Section 7.24 Milestones. The Borrower shall, and shall cause each other Loan Party and their respective Subsidiaries to, comply with each of the milestones set forth on Schedule 7.24 (collectively, the "Milestones").

Section 7.25 Management Calls. The Borrower shall host bi-weekly conference calls and/or video calls among (i) the Loan Parties' relevant senior management, specifically including at least one of the CRO, CFO, President and Chief Revenue Officer, (ii) the Loan Parties' advisors, and (iii) the Lender Advisors, which update calls may cover the Loan Parties' financial performance, the latest Updated Budget or Approved Budget, the latest Variance Report, the transition of licenses and leases, updates regarding operations and wind-down, and the other information provided pursuant to the reporting covenant described above; *provided* that the Lender Advisors shall deliver an agenda to the Loan Parties prior to any such management calls; and

Section 7.26 Additional Information. The Borrower shall, and shall cause its officers, members of senior management and advisors to furnish such other available information regarding the Collateral and/or the financial affairs, finances, business, assets, operations or condition (financial or otherwise) of the Loan Parties and each of their direct and indirect subsidiaries that is reasonably requested by or on behalf of the Required Lenders or any of the Lender Advisors, and shall accommodate any reasonable request by the Required Lenders or any of the Lender Advisors for physical inspections or site visits of the Loan Parties' physical assets, including pre-closing walkthroughs for retained sites and spot-checks of closed/divested locations, at mutually agreed times, upon reasonable notice and that do not interfere with the ordinary course of business.

ARTICLE 8
NEGATIVE COVENANTS

Commencing on the Closing Date, and so long thereafter as any Loan or other Obligation (other than contingent indemnification obligations for which no claim has been asserted) hereunder shall remain unpaid or unsatisfied, the Borrower agrees that neither it nor any Loan Party shall, nor shall the Borrower permit any Subsidiary (each such Loan Party and Subsidiary, a "Restricted Party") to, directly or indirectly:

Section 8.1 Indebtedness. Incur or permit to exist or remain outstanding any Indebtedness; provided, however, that the Loan Parties and their Subsidiaries may incur or permit to exist or remain outstanding the following Indebtedness ("Permitted Indebtedness"):

(a) Indebtedness in favor of the Lenders or the Administrative Agent under the Loan Documents;

(b) Indebtedness listed on Schedule 8.1;

(c) Indebtedness of the Restricted Parties in respect of guarantees and/or obligations as an account party in respect of the face amount of letters of credit in respect thereof, in each case securing obligations not constituting Indebtedness for borrowed money (including worker's compensation claims and security to a landlord for any lease obligation of a Restricted Party and obligations incurred in connection with insurance or similar requirements) provided in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(d) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business and (to the extent such practice has been established) consistent with past practice; provided that such Indebtedness is extinguished within twenty (20) Business Days after the incurrence of such Indebtedness;

(e) Existing Senior Secured Indebtedness in an aggregate principal amount not to exceed the amount outstanding as of the Closing Date;

(f) Vendor Take Back Notes in the aggregate principal amount not exceeding the amount outstanding as of the Closing Date, which amount shall increase incrementally for all interest payable in kind thereunder as in effect on the Closing Date;

(g) intercompany Indebtedness owing to and held by any Restricted Party, provided that: (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than a Loan Party and (ii) any sale or other transfer of any such Indebtedness to a Person that is not a Loan Party, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Restricted Party, as the case may be, that was not permitted by this clause (g);

(h) [Reserved];

(i) the Guarantee by any Restricted Party of Indebtedness of a Restricted Party that was permitted to be incurred by another provision of this Section 8.1;

(j) [reserved];

(k) Indebtedness in respect of workers' compensation claims, health, disability, or other employee benefits, warehouse receipt or similar facilities, property, casualty or liability insurance, take-or-pay obligations in supply arrangements, self-insurance obligations, bankers' acceptances, performance bonds, completion bonds, bid bonds, appeal bonds and surety bonds or other similar bonds or obligations, and any Guarantees or letters of credit functioning as or supporting any of the foregoing, in each case provided by such Restricted Party in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(l) [reserved];

(m) [reserved];

(n) Indebtedness under cash management agreements or incurred in respect of netting services, overdraft protections and similar protections, in each case, in connection with cash management or deposit accounts in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(o) Indebtedness representing deferred compensation to directors, officers, members of management, consultants, independent contractors or employees (in their capacities as such) of a Restricted Party incurred in the ordinary course of business and (to the extent such practice has been established) consistent with past practice; provided that such Indebtedness shall not exceed $100,000 in the aggregate at any time; such other Indebtedness consented to by the Administrative Agent and the Required Lenders from time to time in writing;

(p) such other Indebtedness consented to by the Administrative Agent and the Required Lenders from time to time in writing;

(q) Indebtedness in an aggregate principal amount not to exceed $100,000 at any time outstanding, which is (i) secured by a Lien permitted under Section 8.2, and (ii) incurred in the ordinary course of business and consistent with past practice (to the extent such practice has been established), including, for the avoidance of doubt, deferred payment obligations in respect of inventory purchases;

(r) [reserved];

(s) [reserved];

(t) [reserved];

(u) Indebtedness consisting of the financing of insurance premiums;

(v) [reserved];

(w) [reserved];

(x) [reserved];

(y) Indebtedness assumed or incurred in connection with an Investment permitted under Section 8.4, so long as such Indebtedness was not incurred in contemplation of such Investment;

(z) [reserved];

(aa) [reserved];

(bb) [reserved]; and

(cc) all commercially reasonable premiums (if any, including tender premiums), expenses, defeasance costs, interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (a) through (bb) above or refinancings thereof.

Notwithstanding any other provision of this Section 8.1 and for the avoidance of doubt, the maximum amount of Indebtedness that may be incurred pursuant to this Section 8.1 will not be deemed to be exceeded with respect to any outstanding Indebtedness due solely to the result of fluctuations in the exchange rates of currencies or increases in the value of property securing Indebtedness which occur subsequent to the date that such Indebtedness was incurred as permitted by this Section 8.1.

Section 8.2 Liens. Create or permit to exist any Lien on any of its assets (including Collateral), except for the following (the "Permitted Liens"):

(a) Liens in favor of the Agents or the Lenders under the Loan Documents;

(b) Liens securing Vendor Take Back Notes; provided, that such Lien do not extend to assets which are not pledged to secure the Vendor Take Back Notes as of the Closing Date;

(c) [reserved];

(d) Liens listed on Schedule 8.2;

(e) Liens for taxes, assessments or governmental charges or claims that are not delinquent by more than thirty (30) days or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(f) Liens incurred or deposits made in the ordinary course of business and (to the extent such practice has been established) consistent with past practice in connection with workers' compensation, health, disability, and other employee benefits, unemployment insurance and other social security legislation;

(g) Liens created by or resulting from any legal proceeding with respect to which a Restricted Party is diligently prosecuting an appeal or other proceeding for review and such Restricted Party is maintaining adequate reserves in accordance with GAAP;

(h) (A) Liens in favor of a Loan Party given by another Restricted Party and (B) Liens in favor of a Restricted Party that is not a Loan Party given by another Restricted Party that is not a Loan Party;

(i) [reserved];

(j) [reserved];

(k) Liens incurred or deposits made in the ordinary course of business and (to the extent such practice has been established) consistent with past practice in connection with worker's compensation, unemployment insurance or other social security or similar obligations;

(l) Liens, deposits or pledges to secure public or statutory obligations, or the performance of bids, tenders, contracts (other than contracts for the payment of Indebtedness), stay and customs bonds, leases, statutory obligations, statutory bonds, return of money bonds or other similar obligations arising in the ordinary course of business and (to the extent such practice has been established) consistent with past practice, provided that the Indebtedness arising under performance bonds for bids, tenders and contracts secured by such Liens shall not secure Indebtedness exceeding $10,000,000 in the aggregate at any time;

(m) Liens given to a public utility of any municipality or governmental or other public authority when required by such utility or authority in connection with the ownership of assets, provided that such Liens do not materially interfere with the use of such assets in the operation of the business;

(n) reservations, limitations, provisos and conditions, if any, expressed in any original grant from the government of Canada of any real property or any interest therein or in any comparable grant in jurisdictions other than Canada, provided they do not materially interfere with the use of such assets;

(o) survey exceptions, encumbrances, easements or reservations of, or rights of others for, rights of way, zoning or other restrictions as to the use of properties, and defects in title which, in the case of any of the foregoing, were not incurred or created to secure the payment of Indebtedness, and which in the aggregate do not materially adversely affect the value of such properties or materially impair the use for the purposes of which such properties are held by the Restricted Parties;

(p) servicing agreements, development agreements, site plan agreements, and other agreements with Governmental Authorities pertaining to the use or development of assets, provided each is complied with in all material respects and does not materially interfere with the use of such assets in the operation of the business;

(q) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other assets relating to such letters of credit and products and proceeds thereof to the extent the obligations so secured are permitted by Section 8.1;

(r) (A) bankers' Liens and Liens in favor of collecting or payor banks or financial institutions having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Parent or any Subsidiary on deposit with or in possession of such bank, (B) Liens that are contractual rights of set-off (and related pledges) relating to pooled deposits, sweep accounts, reserve accounts or similar accounts of the Parent or any Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business and (to the extent such practice has been established) consistent with past practice of the Parent or any Subsidiary, including with respect to credit card charge-backs and similar obligations, or (C) Liens that are contractual rights of set-off (and related pledges) relating to purchase orders and

other agreements entered into with customers, suppliers or service providers of the Parent or any Subsidiary in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(s) Liens arising by reason of a judgment, decree or court order, to the extent not otherwise resulting in an Event of Default;

(t) [reserved];

(u) Liens securing insurance premiums financing arrangements; provided that such Liens are limited to the applicable unearned insurance premiums;

(v) Liens securing the Existing Senior Secured Indebtedness; provided, that such Lien shall be subject to the Equal Priority Intercreditor Agreement;

(w) Liens imposed by law, such as landlord's, carriers', warehousemen's, mechanics', materialmen's, repairmen's, supplier's, construction or other like Liens, in each case securing obligations incurred in the ordinary course of business and (to the extent such practice has been established) consistent with past practice that are not overdue by more than 30 days or that are being contested in good faith by appropriate proceedings and in respect of which, if applicable, the Parent or any Subsidiary shall have set aside on its books reserves in accordance with GAAP;

(x) Liens disclosed by the title insurance policies delivered on or subsequent to the Closing Date and any replacement, extension or renewal of any such Lien; provided that such replacement, extension or renewal Lien shall not cover any property other than the property that was subject to such Lien prior to such replacement, extension or renewal; provided, further, that the Indebtedness and other obligations secured by such replacement, extension or renewal Lien are permitted by this Agreement;

(y) any interest or title of a lessor or sublessor under any leases or subleases entered into by the Parent or any Subsidiary in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(z) Liens (A) in respect of Third Party Funds in favor of such Third Party or (B) in favor of credit card companies pursuant to agreements therewith incurred in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(aa) leases, subleases, or licenses or sublicenses (including with respect to Intellectual Property) granted to others in the ordinary course of business and (to the extent such practice has been established) consistent with past practice not interfering in any material respect with the business of the Parent and its Subsidiaries, taken as a whole;

(bb) [reserved];

(cc) Liens solely on any cash earnest money deposits made by the Parent or any Subsidiary in connection with any letter of intent or purchase agreement in respect of any

Investment permitted hereunder; provided that no such Liens shall be outstanding for a period in excess of 180 days after the date such deposit, Investment or acquisition was made;

(dd) [reserved];

(ee) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(ff) agreements to subordinate any interest of the Parent or any Subsidiary in any accounts receivable or other proceeds arising from inventory or equipment consigned by the Parent or any Subsidiary pursuant to a consignment agreement entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(gg) Liens arising from precautionary Uniform Commercial Code financing statements (or the equivalent in any applicable jurisdiction) regarding Operating Leases or other obligations not constituting Indebtedness;

(hh) to the extent permitted under Section 8.4(n), restrictions on transfers of Equity Interests of joint ventures pursuant to the relevant joint venture agreement or arrangement;

(ii) [reserved];

(jj) [reserved];

(kk) In the case of real property that constitutes a leasehold interest of the Parent or any Subsidiary, any Liens to which the fee simple interest (or any superior leasehold interest) is subject that, individually or in the aggregate, do not interfere in any material respect with the ordinary conduct of the business of the Parent or any Subsidiary or create any lien on any assets of the Parent or such Subsidiary other than with respect to such leasehold interest;

(ll) [reserved];

(mm) Liens arising out of conditional sale, title retention or similar arrangements for the sale or purchase of goods by the Parent or any Subsidiary in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(nn) Liens to secure any Indebtedness issued or incurred to Refinance (or successive Indebtedness issued or incurred for subsequent Refinancings) as a whole, or in part, any Indebtedness secured by any Lien permitted by this Section 8.2; provided that (v) with respect to any Liens on the Collateral being incurred under this clause (nn), if Liens on the Collateral securing the Indebtedness being Refinanced (if any) were junior to the Liens permitted under Section 8.2(a), then such Liens on such Collateral being incurred under this clause (nn) shall also be junior to the Liens permitted under Section 8.2(a), (w) with respect to any Liens on the Collateral being incurred under this clause (nn), if Liens on the Collateral securing the Indebtedness being Refinanced (if any) were pari passu with the Liens permitted under Section 8.2(a), then such Liens on such Collateral being incurred under this clause (nn) may also be pari passu with or junior to the Liens permitted under Section 8.2(a), (x) (other than Liens

contemplated by the foregoing clauses (v) and (w)) such new Lien shall be limited to all or part of the same type of property that secured the original Lien (plus improvements on and accessions to such property, proceeds and products thereof, customary security deposits and any other assets pursuant to after-acquired property clauses to the extent such assets secured (or would have secured) the Indebtedness being Refinanced), (y) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount (or accreted value, if applicable), (B) unpaid accrued interest and premium (including tender premiums) and (C) an amount necessary to pay any associated underwriting discounts, defeasance costs, fees, commissions and expenses, and (z) on the date of the incurrence of the Indebtedness secured by such Liens, the grantors of any such Liens shall be no different from the grantors of the Liens securing the Indebtedness being Refinanced;

(oo) restrictions by Governmental Authorities on the operations, business or assets of the Parent or any Subsidiary that are customary in the Parent's or such Subsidiary's business;

(pp) (i) mortgages, liens, security interests, restrictions, encumbrances and any other matters that have been placed by a Governmental Authority, developer, landlord or other third party over which the Parent or any Subsidiary has easement rights or on any leased property and subordination or similar arrangements relating thereto and (ii) any condemnation or eminent domain or expropriation proceedings affecting any real property;

(qq) Liens securing Indebtedness permitted under Section 8.1(p);

(a) Liens securing Indebtedness permitted under Section 8.1(y), as applicable; provided that such Liens do not attach to any assets other than those assets that were acquired through the applicable Investment;

(b) [reserved]; and

(c) extensions or renewals of any Liens referred to in clauses (a) through (ss) of this Section 8.2, provided that the renewal or extension is limited to all or part of the assets or property securing the original Lien.

In addition, with respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the incurrence of such Indebtedness, such Lien shall also be permitted to secure any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms or in the form of common equity of a Loan Party, the payment of dividends on preferred stock in the form of additional shares of preferred stock of the same class, accretion of original issue discount or liquidation preference, and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness described in the definition of "Indebtedness".

Section 8.3 Dispositions. Make any Disposition, except for the following:

(a) Dispositions having a fair market value of less than $500,000 in an aggregate amount from and after the Closing Date;

(b) Dispositions listed on Schedule 8.3;

(c) [Reserved].

(d) sales of inventory, products or services in the ordinary course of business and (to the extent such practice has been established) consistent with past practice and in compliance with all applicable Laws (including with reference to the enforcement policies of the applicable Governmental Authority);

(e) any Disposition of cash or Cash Equivalents in a manner not otherwise prohibited by this Agreement;

(f) Dispositions (including without limitation surrenders and waivers) of accounts or notes receivable or other contract rights in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings;

(g) [reserved];

(h) any (i) sale, lease, conveyance or other disposition of (A) inventory, products, or services, in the ordinary course of business and (to the extent such practice has been established) consistent with past practice and (B) any tangible personal property or equipment that has become damaged, worn out, surplus, no longer used in or useful to the Core Business, or obsolete or pursuant to a program for the maintenance or upgrading of such property or equipment and (ii) lease or sublease of any asset in the ordinary course of business and (to the extent such practice has been established) consistent with past practice for fair market value (as determined in good faith by the Borrower);

(i) a Restricted Payment, Permitted Lien or Permitted Investment that is otherwise permitted by this Agreement;

(j) a surrender or waiver of contract rights or a settlement, release or surrender of contract, tort or other claims in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(k) [reserved];

(l) [reserved];

(m) [reserved];

(n) [reserved];

(o) the issuance of directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(p) [reserved];

(q) any Disposition by any Loan Party to any other Loan Party;

(r) any Disposition by any Restricted Party that is not a Loan Party to any other Restricted Party to the extent any resulting Investment constitutes a Permitted Investment;

(s) any Disposition of assets or property subject to a Permitted Lien resulting from foreclosure on such assets or property; and

(t) leases, licenses or subleases or sublicenses of any real or personal property (including any technology or other Intellectual Property) in the ordinary course of business and (to the extent such practice has been established) consistent with past practice, for fair market value and not interfering, individually or in the aggregate, in any material respect with the business of the Parent and Subsidiaries, taken as a whole.

(u) Dispositions explicitly contemplated under the Restructuring Support Agreement or the Master Purchase Agreement.

Section 8.4 Investments. Make any Investments except the following ("Permitted Investments"):

(a) Investments listed on Schedule 8.4 and any extensions, renewals, or replacements thereof or reinvestments therein, provided that any such extension, renewal, or replacement thereof or reinvestment therein does not increase the amount of such Investment; provided further, that any individual Investment existing on the Closing Date in an amount of less than $3,000,000 shall be permitted if it is not listed on Schedule 8.4 to the extent that the aggregate amount of Investments existing on the Closing Date and not so listed on Schedule 8.4 does not exceed $5,000,000; provided further that any Investment required to be listed on Schedule 8.4 pursuant to clause (q) shall be so listed, regardless of the amount of such Investment; provided further that, for the avoidance of doubt, in the event any part of any Investment listed on Schedule 8.4 requires a Person to be a Subsidiary, Borrower shall comply with Section 7.15 with respect to such Subsidiary;

(b) [reserved];

(c) [reserved];

(d) Investments in the real estate, construction and buildout costs, property, plant and equipment including land, buildings, machinery, production equipment, computers, furniture, fixtures and vehicles belonging to any Restricted Party and in which such Restricted Party, if it is a Loan Party, will provide a security interest, mortgage or fixture filing, as applicable, to the Collateral Agent for the benefit of the Lenders;

(e) any Investment in cash or Cash Equivalents;

(f) any Investment made as a result of the receipt of non-cash consideration from a Disposition that was made pursuant to and in compliance with Section 8.3;

(g) [reserved];

(h) Investments received as a result of the bankruptcy or reorganization of a Person or taken in settlement or other resolutions of claims or disputes or in satisfaction of judgments, and extensions, modifications and renewals thereof in the ordinary course of business and (to the extent such practice has been established) consistent with past practice or Investments acquired by the Parent or any Subsidiary as a result of a foreclosure by the Parent or any Subsidiary with respect to any secured Investments or other transfer of title with respect to any secured Investment in default;

(i) advances to customers or suppliers in the ordinary course of business and (to the extent such practice has been established) consistent with past practice that are, in conformity with GAAP, recorded as accounts receivable, prepaid expenses or deposits on the statement of financial position of the Restricted Parties and endorsements for collection or deposit arising in the ordinary course of business and (to the extent such practice has been established) consistent with past practice, in an amount not to exceed $2,000,000 at any time during which the Obligations are outstanding;

(j) loans or advances to officers, directors, members of management, consultants, independent contractors and employees of a Restricted Party or any of its Subsidiaries (i) in respect of business-related travel and entertainment expenses, relocation costs and similar purposes in the ordinary course of business and (to the extent such practice has been established) consistent with past practice or (ii) for any other purpose, which, in the aggregate outstanding amount, do not at any time exceed $1,000,000;

(k) Guarantees permitted under Section 8.1;

(l) guarantees supporting the performance of bids, tenders, contracts (other than contracts for the payment of Indebtedness), stay and customs bonds, leases, statutory obligations, statutory bonds, return of money bonds or other similar obligations or guarantees of other obligations that do not constitute Indebtedness arising in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(m) any Investment by a Loan Party in another Loan Party (including any Investment by a Loan Party in a Restricted Party that is not a Loan Party for the ultimate purpose of making such Investment in a Loan Party, so long as such Investments are part of one substantially contemporaneous transaction) or by a Restricted Party that is not a Loan Party in another Restricted Party; provided that, if the recipient of such Investment is not a Loan Party, the Percentage Ownership of the Restricted Party making such Investment is not greater than the Percentage Ownership of the Restricted Party receiving such Restricted Payment;

(n) [reserved];

(o) any Investments received in compromise or resolution of obligations of trade creditors or customers, including accounts receivable, that were incurred in the ordinary course of business of a Restricted Party, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer;

(p) [reserved];

(q) [reserved];

(r) any Investment solely in exchange for the issuance of Equity Interests of the Parent, including the portion of any Investment for which the consideration is solely Equity Interests of the Parent;

(s) [reserved];

(t) [reserved];

(u) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clauses (a), (b), (c) or (f) (solely as such clause (f) refers to instruments equivalent to those referred to in clauses (a) through (c) of the definition of "Cash Equivalents") of the definition of "Cash Equivalents" entered into with a commercial bank meeting the qualifications described in the definition of "Cash Equivalents";

(v) Investments resulting from pledges and deposits permitted under Section 8.2;

(w) [reserved];

(x) [reserved]; and

(y) to the extent constituting Investments, purchases and acquisitions of inventory, supplies, materials and equipment or purchases of contract rights or licenses or leases of Intellectual Property or the contribution of Intellectual Property pursuant to joint marketing arrangements, in each case in the ordinary course of business and (to the extent such practice has been established) consistent with past practice.

Section 8.5 Fundamental Changes. Without the written consent of the Required Lenders, wind-up, liquidate or dissolve, or enter into any consolidation, merger or amalgamation.

Section 8.6 Transactions with Affiliates. Enter into any material transaction of any kind with any Affiliate of a Loan Party or a Subsidiary, whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favorable to the Loan Party or such Subsidiary as would be obtainable by the Loan Party or such Subsidiary at the time in a comparable arm's length transaction with a Person other than an Affiliate, provided that the foregoing restriction shall not apply to:

(a) transactions scheduled and identified on Schedule 8.6;

(b) transactions between or among Loan Parties or between and among Restricted Parties that are not Loan Parties;

(c) any transaction with an Affiliate or Subsidiary that is not prohibited by Section 8.3, Section 8.4 or Section 8.7;

(d) employment, indemnification, and compensation arrangements (including arrangements made with respect to benefits, bonuses and equity-based awards) entered into in the

ordinary course of business and (to the extent such practice has been established) consistent with past practice with members of the board of directors, officers, members of management, employees, independent contractors or consultants of a Loan Party or a Subsidiary of a Loan Party;

(e) payments by a Loan Party and its Subsidiaries pursuant to tax sharing agreements among such Loan Party and its Subsidiaries on customary terms that require each party to make payments when such taxes are due or refunds received of amounts equal to the income tax liabilities and refunds generated by each such party calculated on a separate return basis and payments to the party generating tax benefits and credits of amounts equal to the value of such tax benefits and credits made available to the group by such party;

(f) [reserved];

(g) any issuance of Equity Interests other than Disqualified Stock, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, equity purchase agreements, stock options and stock ownership plans in connection with employee benefit and compensation programs approved by the Board of Directors of the Parent;

(h) [reserved];

(i) (i) any employment agreements entered into by the Parent or any of its Subsidiaries in the ordinary course of business and (to the extent such practice has been established) consistent with past practice, (and (ii) any employee compensation, benefit plan or arrangement, any health, disability or similar insurance plan which covers employees, and any reasonable employment contract and transactions pursuant thereto;

(j) transactions for the purchase or sale of goods, equipment, products, parts and services entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(k) transactions with joint ventures permitted under Section 8.4(n) (i) for the purchase or sale of goods, equipment, products, parts and services entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice or (ii) to the extent the joint venture partner is not otherwise an Affiliate of the Parent or its Subsidiaries;

(l) [reserved]; and

(m) intercompany transactions undertaken in good faith (as certified by a Responsible Officer of the Borrower) for the purpose of improving the consolidated tax efficiency of the Parent and its Subsidiaries and not for the purpose of circumventing any covenant set forth herein; provided that any such transaction is not reasonably expected to materially diminish any Lender's interest in the Guarantees or Collateral.

Section 8.7 Restricted Payments. Make any Restricted Payment except the following:

(a) [reserved];

(b) [reserved];

(c) [reserved];

(d) any Restricted Payment consented to in writing by the Administrative Agent with the consent of the Required Lenders;

(e) Restricted Payments made to any Loan Party (including Restricted Payments paid by a Loan Party to a Restricted Party that is not a Loan Party for the ultimate purpose of distributing such Restricted Payment to a Loan Party, so long as such Restricted Payments are part of one substantially contemporaneous transaction) or by Restricted Parties that are not Loan Parties to any other Restricted Party; provided that, if the recipient of such Restricted Payment is not a Loan Party, the Percentage Ownership of the Restricted Party making such Restricted Payment is not greater than the Percentage Ownership of the Restricted Party receiving such Restricted Payment;

(f) [reserved];

(g) [reserved];

(h) [reserved];

(i) [reserved];

(j) [reserved];

(k) [reserved];

(l) [reserved];

(m) [reserved].

Section 8.8 Margin Regulations. Use the proceeds of the Loans in violation of the Margin Regulations, or for the purpose of purchasing or carrying any "margin stock" as defined in the Margin Regulations or reducing or retiring any Indebtedness which was originally incurred to purchase or carry "margin stock" or for any other purpose which might make this transaction a "purpose credit" within the meaning of the Margin Regulations.

Section 8.9 No Other Negative Pledge and Agreements to Restrict Dividends. (i) Enter into, incur or permit to exist, directly or indirectly, any agreement, instrument, deed, lease or other arrangement that prohibits, restricts or imposes any condition upon the ability of any Loan Party to create, incur or permit to exist any Lien (other than Permitted Liens) upon any of its property or revenues in favor of the Secured Parties to secure the Obligations under the Loan Documents, whether now owned or hereafter acquired, or (ii) enter into any arrangement or agreement the operative effect of which is to restrict the payment of dividends or distributions by any Subsidiary of a Loan Party, except, in each case:

(a) the Loan Documents;

(b) applicable Laws;

(c) any agreement or instrument permitted under this Agreement and creating or relating directly to a Permitted Lien; provided that with respect to clause (ii) above, such restrictions are not materially more restrictive, taken as a whole, than the restrictions contained in this Agreement (in each case as determined in good faith by the Borrower);

(d) with respect to clause (i) above, customary provisions in leases, licenses, subleases, sublicenses or assignments of real or personal property entered into by any Loan Party or any Subsidiary as lessee, licensee, sublessee, sublicensee or assignee in the ordinary course of business, restricting the granting of Liens therein or in property that is the subject thereof;

(e) customary restrictions and conditions contained in any agreement relating to the sale of assets pending such sale; provided that with respect to clause (ii) above, such restrictions shall be permitted only to the extent relating to such sale of a Subsidiary;

(f) agreements, instruments, deeds, leases or other arrangements listed on Schedule 8.9;

(g) which are binding on a Subsidiary at the time such Subsidiary first becomes a Subsidiary pursuant to an acquisition, so long as such agreement or arrangement was not entered into solely in contemplation of such Person becoming a Subsidiary pursuant to such acquisition;

(h) which are customary provisions in joint venture agreements permitted under Section 8.4(n) and entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(i) reserved;

(j) with respect to clause (i) above, which are on cash, other deposits or net worth or similar restrictions imposed by Persons under contracts permitted under this Agreement and entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(k) reserved;

(l) reserved;

(m) any restrictions imposed by any agreement relating to Indebtedness permitted under Section 8.1;

(n) reserved;

(o) with respect to clause (i) above, customary provisions restricting assignment of any agreement entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice, provided that the applicable provisions of the UCC rendering such provisions unenforceable will apply, as applicable;

(p) with respect to clause (ii) above, customary net worth provisions contained in real property leases entered into by Subsidiaries, so long as the Borrower has determined in good faith that such net worth provisions would not reasonably be expected to impair the ability of the Parent and its Subsidiaries to meet their ongoing obligations (including the Obligations);

(q) reserved;

(r) with respect to clause (i) above, customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Parent or any Subsidiary entered into in the ordinary course of business and (to the extent such practice has been established) consistent with past practice;

(s) with respect to clause (i) above, restrictions on the transfer of property or assets required by any Governmental Authority having jurisdiction over the Parent or any Subsidiary or any of their businesses; and

(t) any agreement, instrument, deed, lease or other arrangement of the type referred to in Section 8.9(i) or (ii) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of or similar arrangements to the extent permitted under this Agreement to the contracts, instruments or obligations referred to in clauses (a) through (s) of this Section 8.9; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, refinancings or similar arrangements are, in the good faith judgment of the Borrower, not materially more restrictive with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions as contemplated by such provisions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement, refinancing or similar arrangement.

Section 8.10 No Change in Fiscal Year. Change the Fiscal Year or Fiscal Quarter of any Loan Party without the prior written consent of the Administrative Agent, acting at the direction of the Required Lenders, except, in each case, as required by GAAP.

Section 8.11 Stay, Extension and Usury Laws. At any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of its obligations under this Agreement or the other Loan Documents and the Borrower (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Lenders, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 8.12 Subsidiaries. Form or acquire any new Subsidiaries, without the prior written consent of Required Lenders (which may be provided via email).

Section 8.13 Permitted Variance. Permit the Receipts Variance or the Disbursements Variance with respect to any Applicable Period to exceed the Permitted Variance.

Section 8.14 Use of Proceeds. Use any Loan Proceeds for any purpose other than as set forth in Section 2.4.

Section 8.15 Governing Documents. Amend or modify any of its Governing Documents without the Required Lenders' written consent in a manner that adds a requirement for additional Restricted Payments, or that could reasonably be expected to be materially adverse to the Lenders. For the avoidance of doubt, the amendments and modifications to the Loan Parties' Governing Documents contemplated by the Parent's management information circular, dated June 2, 2021, shall be permitted hereunder and shall not be deemed to violate this Section 8.15.

Section 8.16 Principal Place of Business. Change a Loan Party's principal place of business or chief executive office or reorganize a Loan Party in a different jurisdiction without providing ten (10) days' prior written notice to the Administrative Agent.

Section 8.17 Sale and Leaseback Transactions. Enter into any sale and leaseback transaction.

Section 8.18 Liquidity Covenant. Permit Liquidity, as of the last Business Day of any calendar week, to be less than $17,500,000.

Section 8.19 Conduct of Business. (a) Engage in any business substantially different than the Core Business, any other business reasonably related, complementary or ancillary to the Core Business or (b) sell any inventory outside of the ordinary course of business except as otherwise permitted under Section 8.3.

Section 8.20 [Reserved].

Section 8.21 Anti-Money Laundering and Anti-Terrorism Laws. (a)(i) conduct any business or engage in any transaction or dealing with or for the benefit of any Blocked Person, including the making or receiving of any contribution of funds, goods or services to, from or for the benefit of any Blocked Person; (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to the Sanctions Programs; (iii) use any of the proceeds of the Advances or the transactions contemplated by this Agreement to finance, promote or otherwise support in any manner any illegal activity, including, without limitation, any violation of the Anti-Money Laundering and Anti-Terrorism Laws or any specified unlawful activity as that term is defined in the Money Laundering Control Act of 1986, 18 U.S.C. §§ 1956 and 1957; or (iv) violate, attempt to violate, or engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, any of the Anti-Money Laundering and Anti-Terrorism Laws in any material respects; or (b) with respect to any Loan Party, any Subsidiary or Affiliate of any Loan Party, any officer, director or principal shareholder (or, with respect to a Loan Party other than the Parent, a shareholder) or principal owner of any Loan Party, any of the Loan Parties' respective agents acting or benefiting in any capacity in connection with the Loans or other transactions hereunder, shall be or shall become a Blocked Person.

Section 8.22 Anti-Bribery and Anti-Corruption Laws. (a) in violation of any Anti-Corruption Law, offer, promise, pay, give, or authorize the payment or giving of any money, gift or other thing of value, directly or indirectly, to or for the benefit of any Foreign Official for the purpose of: (i) influencing any act or decision of such Foreign Official in his, her, or its official capacity; or (ii) inducing such Foreign Official to do, or omit to do, an act in violation of the lawful duty of such Foreign Official, or (iii) securing any improper advantage, in order to obtain or retain business for, or with, or to direct business to, any

Person; or (b) act or attempt to act in any manner which would subject any of the Loan Parties or their Subsidiaries to liability under any Anti-Corruption Law.

Section 8.23 Investment Company Act of 1940. Engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to be required to register under the registration requirements of the Investment Company Act of 1940, as amended, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of such Act.

Section 8.24 [Reserved].Canadian Defined Benefit Plans. Create, establish, assume, become liable for or permit to exist any obligation in respect of any Canadian Defined Benefit Plan.

Section 8.26 Permitted Variance. The Loan Parties shall not permit the Receipts Variance or the Disbursements Variance with respect to any Applicable Period to exceed the Permitted Variance.

ARTICLE 9
RESERVED

ARTICLE 10
EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Event of Default. An Event of Default shall exist upon the occurrence of any of the following specified events (each, an "Event of Default"):

(a) Non-Payment. (i) The Borrower shall fail to pay (A) any Principal Amount of any Loan when the same becomes due or, (B) (x) any interest, fees or other amounts payable under the terms of this Agreement or any of the other Loan Documents (other than professional fees) within three (3) days of the date when the same becomes due or (y) any amounts payable under the terms of this Agreement or any of the other Loan Documents in respect of professional fees within five (5) days of the date when the same becomes due, or (ii) any Loan Party fails to pay when due any amount payable under the Guarantee Agreement.

(b) Specific Covenants. The Borrower fails to perform or observe, or fails to cause any Subsidiary to perform or observe, any covenant or agreement contained in any of Section 7.1(k), Section 7.4, (b), (f), or (h), Section 7.6(a) (solely with respect to the Parent, the Borrower or any other Loan Party), Section 7.16, Section 7.24 and Article 8.

(c) Other Defaults. Any Loan Party or any Subsidiary thereof fails to perform or observe (i) any other covenant or agreement contained in Section 7.6(b) and Section 7.7(a) and such failure continues for ten (10) days after the earlier of the date a Responsible Officer of the Borrower has actual knowledge of such failure or written notice thereof to the Borrower from the Administrative Agent or any Lender, or (ii) any other covenants or agreement (not specified in Section 10.1(a)-(b) or the preceding clause (i) of this Section 10.1(c)) contained in any Loan Document on its part to be performed or observed and such failure continues for three (3) Business Days after the earlier of the date a Responsible Officer of the Borrower has actual knowledge of such failure or written notice thereof to the Borrower from the Administrative Agent, acting at the direction of the Required Lenders, or any Lender.

(d) Representations and Warranties. Any representation, warranty, certification or written statement of fact made or deemed made by or on behalf of any Loan Party in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect in any material respect when made or deemed made.

(e) Insolvency Proceedings, Etc. (i) The Parent, the Borrower or any other Loan Party, institutes or consents to the institution of any proceeding, or makes any filing, under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, interim receiver, trustee, monitor, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or (ii) a proceeding shall be commenced or a petition filed, without the application or consent of the Parent, the Borrower or any other Loan Party, as applicable, seeking or requesting the appointment of any receiver, interim receiver, trustee, monitor, custodian, conservator, liquidator, rehabilitator or similar officer is appointed and the appointment continues undischarged, undismissed or unstayed for sixty (60) calendar days or an order or decree approving or ordering any of the foregoing shall be entered; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding.

(f) Inability to Pay Debts; Attachment. (i) The Parent, the Borrower or any other Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due in the ordinary course of business, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within sixty (60) days after its issuance or levy.

(g) Cross Default. Failure by a Loan Party to pay any Indebtedness (other than Indebtedness owing to another Loan Party) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by holders thereof because of a default, in each case if the total amount of such Indebtedness unpaid or accelerated exceeds ($1,000,000).

(h) Judgments. There is entered against the Parent, the Borrower or any other Loan Party (i) one or more final judgments for the payment of money in the aggregate amount exceeding $5,000,000 (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), or (ii) any one or more non-monetary judgments the financial impact of which exceeds the aggregate amount of $1,000,000 and, in either case under clauses (i) or (ii) of this provision, such judgment is not, within sixty (60) days after the entry thereof, satisfied, vacated, discharged or execution thereof stayed or bonded pending appeal, or such final judgment is not satisfied, vacated, discharged prior to the expiration of any such stay.

(i) Invalidity of Loan Documents. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or any Governmental Authority with jurisdiction commences a proceeding seeking to invalidate the Loan Documents; or any Loan Party denies that it has any or

further liability or obligation under any Loan Document or purports to revoke, terminate or rescind any provision of any Loan Document (other than in accordance with the Loan Documents).

(j) Security Documents. Except as resulting from the actions or omissions of the Administrative Agent or the Lenders, and except as permitted by this Agreement, any Lien intended to be created by any Security Document shall at any time be invalidated, subordinated or otherwise ceases to be in full force and effect, or any security interest purported to be created by any Security Document shall cease to be, or shall be asserted by any Loan Party in writing not to be, a valid, first priority (except as expressly otherwise provided in this Agreement or such Security Document) perfected Lien in the Collateral covered thereby (except for immaterial items of Collateral).

(k) Criminal Act. Any Loan Party or any officer of any Loan Party or Subsidiary thereof authorized to act on behalf of it and in such capacity is criminally indicted or convicted under any Law constituting embezzlement, theft, fraud or intentional misconduct, the adverse effect to any Loan Party or Loan Parties in the aggregate is in excess of $1,000,000.

(l) Guaranty. Any Loan Party shall repudiate or purport to revoke the Guarantee Agreement, provided that no Event of Default under this clause (l) shall occur with respect to any Loan Party that has been released from the Guarantee Agreement in accordance with this Agreement.

(m) Blocked Person. Any Loan Party or Subsidiary thereof shall become a Blocked Person.

(n) Change of Control. There occurs any Change of Control.

(o) Fraud. The commission of a Fraudulent Act by any Loan Party or any Subsidiary thereof in connection with the Loan.

(p) Tax Disallowance. Any Loan Party receives a final written determination from a Governmental Authority of a material adjustment or disallowance of tax deductions taken by such Loan Party, which adjustment or disallowance could reasonably be expected to result in a Material Adverse Effect, and such matter is not cured, settled or contested in good faith within sixty (60) days after such notice.

(q) Restructuring Support Agreement Default. There occurs a termination event, default or event of default under the Restructuring Support Agreement.

(r) CCAA Court Event. The CCAA Court grants any order or relief that restricts, prevents, interferes with, modifies, delays or otherwise affects the Sale Transaction.

(s) Milestones. Any Loan Party fails to satisfy any of the Milestones.

Section 10.2 Remedies Upon Event of Default. In the case of an Event of Default, at any time thereafter during the continuance of such Event of Default, the Administrative Agent, acting at the direction of the Required Lenders, may, and at the request of the Required Lenders, shall, by written notice to the Borrower, take any one or more of the following actions, at the same or different times: (i) terminate

this Agreement and any Commitments made hereunder, (ii) exercise any all remedies available to the Administrative Agent and the Lenders under the Security Documents or otherwise available at law or in equity, including the Uniform Commercial Code, by suit in equity by action at law, judicial or no judicial foreclosure, or otherwise, (iii) set off any amounts held in any Account under any Agent's control, (iv) instruct any Loan Party to carry on and conduct such Loan Party's business in substantially the same manner in the Core Business and to do all things necessary to maintain any Cannabis Licenses in continued effect and (v) declare any Note and any Loan then outstanding to be due and payable in whole (or in part, in which case any portion of the Principal Amount not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the Principal Amount so declared to be due and payable, together with accrued interest thereon and all charges, fees, expenses, indemnities and other Obligations owing or payable hereunder or under any other Loan Document, shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower. The Loan Parties must cooperate with the Administrative Agent and continue to operate the business as required by the Administrative Agent, acting at the direction of the Required Lenders.

Section 10.3 Application of Funds. After the occurrence and during the continuance of an Event of Default, any amounts received on account of the Obligations shall be applied by the Administrative Agent in accordance with Section 3.10(b)-(c).

Section 10.4 Protective Advances. If the Borrower fails to do so, and if a Default or an Event of Default shall have occurred and be continuing, at any time prior to payment in full of the Obligations under the Loan, the Administrative Agent, acting at the direction of the Lenders, without waiving or releasing any of the Obligations, upon prior written notice to the Borrower, may (but shall not be required to) make any payments as the Administrative Agent, acting at the direction of the Lenders, acting reasonably, may deem necessary to protect and/or maintain the Collateral. In addition, if the Borrower fails to do so, if at any time a breach, Default or Event of Default, occurs or any Loan Party otherwise fails to perform or comply with any of the terms, covenants, and conditions to be performed and/or complied with, any other Indebtedness, then the Administrative Agent, acting at the direction of the Lenders, acting reasonably, without waiving or releasing any of the Obligations, may (but shall not be required to):

(a) make advances to the Loan Parties and/or directly make any payments as the Administrative Agent, acting at the direction of the Lenders, may deem necessary to cure or remedy such event or failure, including, without limitation, to cure or prevent a Default or Event of Default or an exercise of any rights or remedies or options against the Loan Parties or Lenders; and/or

(b) perform any other acts on their part to be performed for such purposes.

The making by the Administrative Agent, at the direction of Lenders, of any such advances, payments or performances will not, however, be deemed to cure any Default or Event of Default under the Loan Documents arising from the predicated Events of Default. All sums so advanced or paid and all costs and expenses incurred by the Administrative Agent in connection with the performance of any such act shall be subject to the same terms and shall be deemed to be part of the Loans (including that such advances shall bear interest at the Applicable Rate or, if an Event of Default shall have occurred and be continuing and the Administrative Agent has so elected, the

Default Rate, and be due on the Maturity Date, will be added to the Principal Amounts of the Loan and the Note and if repaid prior to the Maturity Date will be secured by the Security Documents). All such payments and advances so actually made shall conclusively be deemed to be protective advances which are required and mandatory to preserve and protect the Collateral Agent's security for the performance of the Obligations under the Loan Documents, and shall be secured by the Security Documents to the same extent and with the same priority as the other principal, interest and other amounts payable under the Loan Documents.

ARTICLE 11
ADMINISTRATIVE AGENT AND COLLATERAL AGENT

Section 11.1 Appointment and Authority.

(a) Each of the Lenders hereby irrevocably appoints Acquiom to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorize the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Each of the Lenders hereby irrevocably appoints Acquiom to act on its behalf as the Collateral Agent hereunder and under the other Loan Documents and authorize the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(c) The provisions of this Article 11 (except Section 11.9) are solely for the benefit of the Agents and the Lenders, and no Loan Party nor any of their Related Parties shall have rights as a third party beneficiary of any of such provisions.

Section 11.2 Rights as a Lender. The Person serving as an Agent hereunder, to the extent a Lender, shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as an Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not an Agent hereunder and without any duty to account therefor to the Lenders.

Section 11.3 Exculpatory Provisions. No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and each of its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, each Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such Agent is required to exercise as directed in writing by the

Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided (i) that such Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Law and (ii) such Agent shall be entitled to request written instructions, or clarification of any instruction, from the Lenders (or, if the relevant Loan Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) (or such other number or percentage of the Lenders as shall be necessary, or such Agent shall believe in good faith to be necessary, under the circumstances as provided in Section 12.1 and Section 10.2);

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as such Agent or any of its Affiliates in any capacity. Such Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Lenders (or such other number or percentage of the Lenders as shall be necessary, or such Agent shall believe in good faith to be necessary, under the circumstances as provided in Section 12.1 and Section 10.2) or (ii) in the absence, as determined by a court of competent jurisdiction by final and non-appealable judgment, of its own gross negligence or willful misconduct. Such Agent shall not be deemed to have knowledge of any Default unless and until written notice describing such Default is given to any Agent by the Borrower or any Lender. Such Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 5 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agent;

(d) shall not be liable for any failure or delay in the performance of its obligations under this Agreement or any related documents because of circumstances beyond the Agent's control, including, but not limited to, a failure, termination, or suspension of a clearing house, securities depositary, settlement system or central payment system in any applicable part of the world or acts of God, flood, war (whether declared or undeclared), civil or military disturbances or hostilities, nuclear or natural catastrophes, political unrest, explosion, severe weather or accident, earthquake, terrorism, fire, riot, labor disturbances, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like (whether domestic, federal, state, county or municipal or foreign) which delay, restrict or prohibit the providing of the services contemplated by this Agreement or any related documents, or the unavailability of communications or computer facilities, the failure of equipment or interruption of communications or computer facilities, or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, or any other causes beyond the Agent's control whether or not of the same class or kind as specified above; and

(e) shall not have any liability arising from confirmations of the amount of outstanding Loans or the component amounts thereof.

The rights, privileges, protections, immunities and benefits provided to the Agents hereunder, including rights to indemnification, are extended to, and shall be enforceable by, each Agent in each of its capacities hereunder and under each Loan Document.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 10.2 and Section 12.1) or (ii) in the absence of its own gross negligence or willful misconduct as determined by the final, non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice describing such Default is given to the Administrative Agent by the Borrower or a Lender.

Section 11.4 Reliance by Agent. Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any writing sent through electronic mail) sent by a Loan Party believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, each Agent may presume that such condition is satisfactory to such Lender unless such Agent shall have received written notice to the contrary from such Lender prior to the making of such Loan. Each Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 11.5 Delegation of Duties. Each Agent may perform any and all of their duties and exercise their rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by such Agent. Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article 11 shall apply to any such sub-agent and to the Related Parties of any Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as such an Agent.

Section 11.6 Resignation or Removal of the Administrative Agent or Collateral Agent.

(a) The Administrative Agent may at any time give written notice of its resignation to the Lenders and the Borrower to be effective not earlier than thirty (30) days from the date of such notice.

(b) The Collateral Agent may at any time give written notice of its resignation to the Lenders and the Borrower to be effective not earlier than thirty (30) days from the date of such notice.

(c) The Required Lenders may remove either Agent from their capacity as such Agent under this Article 11, upon 10 Business Days' written notice to such Agent. Upon receipt

of such notice, such Agent shall cease all further activities and duties in the capacity in for which it was removed and provide such assistance as the Required Lenders may reasonably request to effect an orderly transition to a new Agent.

(d) Upon receipt of any written notice of resignation by either Agent, or upon the removal of such Agent by the Required Lenders, or if there exists a vacancy in any such capacity for whatever reason, the Required Lenders shall have the right to appoint with the consent of the Borrower which shall not be unreasonably withheld, delayed or conditioned (except that such consent shall not be required at any time that an Event of Default is continuing), an Eligible Assignee as a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring or removed Agent gives written notice of its resignation, then such retiring or removed Agent may, on behalf of the Secured Parties, appoint a successor Agent meeting the qualifications set forth above; provided that if the retiring or removed Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation or removal shall nonetheless become effective in accordance with such written notice, and (1) the retiring or removed Agent, as applicable, shall be discharged from its duties and obligations hereunder and under the other Loan Documents, and (2) all payments, communications and determinations provided to be made by, to or through such retiring or removed Agent shall instead be made by or to each Lender, until such time as the Required Lenders appoint a successor Agent as provided for above in this Section 11.6. Upon the acceptance of a successor's appointment as an Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 11.6). After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article 11 and Section 12.4 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Administrative Agent or the Collateral Agent, as applicable.

Section 11.7 Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 11.8 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Subsidiary, Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loan, and all other obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 3.6 and Section 12.4) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders to pay to the Administrative Agent any amount due for the compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 3.6 and Section 12.4. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 11.9 Collateral and Guarantor Releases, Intercreditor Agreements.

(a) The Lenders hereby empower and authorize the Administrative Agent to execute and deliver to the Borrower on the Lenders' behalf any agreements, documents or instruments as shall be necessary or appropriate to effect any releases of Collateral which shall be permitted by the terms hereof or of any other Loan Document (including, without limitation, in connection with any asset sale permitted hereunder or in connection with any release of any Guarantor made in accordance with the Loan Documents) or which shall otherwise have been approved by the Required Lenders (or, if required by the terms of Section 12.1, all of the Lenders) in writing. In addition, the Lenders authorize the Administrative Agent to release any Guarantor from its obligations under the Loan Documents if such Person is no longer required to be a Guarantor hereunder or if such Person is sold, transferred or assigned in accordance with and to the extent permitted by the terms of this Agreement. Upon the request of the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Collateral, or to release any Guarantor from its obligations under the Loan Documents pursuant to the foregoing. In each case as specified hereto, the Administrative Agent shall (and each Lender hereby authorizes the Administrative Agent to), at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the security interest granted under the Loan Documents or to subordinate its interest therein, or to release any Guarantor from its obligations under the Guarantee Agreement, in each case in accordance with the terms of the Loan Documents.

(b) The Lenders hereby irrevocably authorize and instruct the Administrative Agent and the Collateral Agent to, without any further consent of any Lender, enter into (or acknowledge and consent to) any intercreditor agreement (including, without limitation, the Equal

Priority Intercreditor Agreement) with the collateral agent or other representatives of the holders of Indebtedness that is to be secured by a Lien on the Collateral that is not prohibited (including with respect to priority) under this Agreement and to subject the Liens on the Collateral securing the Obligations to the provisions thereof (any of the foregoing, an "Intercreditor Agreement"). The Lenders irrevocably agree that (x) the Collateral Agent may rely exclusively on a certificate of a Responsible Officer of the Borrower as to whether any such other Liens are not prohibited and (y) any Intercreditor Agreement entered into by the Collateral Agent shall be binding on the Secured Parties, and each Secured Party hereby agrees that it will take no actions contrary to the provisions of, if entered into and if applicable, any Intercreditor Agreement.

In connection with any request to the Administrative Agent by the Borrower to take any of the foregoing actions, the Borrower shall deliver a certificate signed by a Responsible Officer that certifies that the proposed transaction complies with the terms of this Agreement.

Upon request by the Administrative Agent at any time, the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents) will confirm in writing the Administrative Agent's or Collateral Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 11.09.

Section 11.10 Erroneous Payments.

(a) Each Lender hereby severally agrees that if (i) any Agent notifies (which such notice shall be conclusive absent manifest error) such Lender that any Agent has determined in its sole discretion that any funds received by such Lender from such Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Lender (whether or not known to such Lender) or (ii) it receives any payment from any Agent (or any of its Affiliates) (A) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by any Agent (or any of its Affiliates) with respect to such payment, (B) that was not preceded or accompanied by a notice of payment sent by such Agent (or any of its Affiliates) with respect to such payment or (C) that such Lender otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) then, in each case an error in payment has been made (any such amounts specified in clauses (i) or (ii) of this Section 11.10(a), whether received as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, an "Erroneous Payment") and the Lender is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment and to the extent permitted by applicable law, such Lender shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by any Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(b) Without limiting the immediately preceding clause (a) of this Section 11.10, each Lender agrees that, in the case of clause (a)(ii) of this Section 11.10, it shall promptly (and, in all events, within one (1) Business Day of its knowledge (or deemed knowledge) of such error) notify the Administrative Agent in writing of such occurrence and, in the case of either clause (a)(i) or (a)(ii) of this Section 11.10 upon demand from the Administrative Agent, it shall promptly, but in all events no later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Borrower and each other Loan Party hereby agrees that (i) in the event an Erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount, (ii) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party and (iii) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the applicable Lender or Agent, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received, except, in the case of each of clauses (i) through (iii) of this Section 11.10(c), to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by any Agent from the Borrower or any other Loan Party for the purpose of making a payment on the Obligations.

(d) Each party's obligations under this Section 11.10 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

Section 11.11 Indemnification of Agents.

Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand each Agent and each Related Party of such Agent (to the extent not reimbursed by or on behalf of any Loan Party and without limiting the obligation of any Loan Party to do so), pro rata, and hold harmless each Agent and each Related Party of such Agent from and against any and all Indemnified Liabilities (as defined below) to the extent incurred by it; provided that no Lender shall be liable for the payment to any Agent and any Related Party of such Agent of any portion of such Indemnified Liabilities to the extent resulting from such Agent's and each Related Party of such Agent's own gross negligence or willful misconduct, as determined by the final non-appealable judgment of a court of competent jurisdiction; provided that no action taken in accordance with the directions of the Lenders (or, if the relevant Loan Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) (or such other number or percentage of the Lenders as shall be necessary, or such Agent shall believe in good faith to be necessary, under the circumstances as provided in Section 12.1

and Section 10.2) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 11.11. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Liabilities, this Section 11.11 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse each Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorney costs) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of the Borrower; provided that such reimbursement by the Lenders shall not affect the Borrower's continuing reimbursement obligations with respect thereto, if any. No party hereto shall assert, and hereby waives, any claim against any Agent (and any sub-agent thereof), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document or any agreement, instrument or the transactions contemplated thereby, any Loan or the use of the proceeds thereof. No Agent shall be required to expend or risk any of its own funds or otherwise incur any liability, financial or otherwise, in the performance of any of its duties or exercise of any of its rights or powers under any Loan Document if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it. The undertakings in this Section 11.11 shall survive the termination of the Loans and the repayment, satisfaction or discharge of all the other obligations.

ARTICLE 12
MISCELLANEOUS

Section 12.1 Amendments, Actions Under this Agreement, Etc.

(a) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and either Agent with the consent of the Required Lenders; provided that, subject to Sections 1.7 and 1.8, no such agreement shall (i) increase the Maximum Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby (except the waiver of the obligation to pay Default Rate of interest (both prior to its accrual and retroactively) shall not constitute a reduction in the rate of interest or fees for purposes of this clause (ii)), (iii) postpone the scheduled date of payment of the principal amount of any Loan (other than any reduction of the amount of, or any extension of the payment date for, the mandatory prepayments required under Section 3.3 in each case which shall only require the approval of the Required Lenders), or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Maximum Commitment, without the written consent of each Lender directly affected thereby, (iv) change any of the provisions of Section 3.5, Section 3.9, Section 3.10 and this Section 12.1, the definition of "Required Lenders," or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any

consent hereunder, without the written consent of each Lender, (v) except as permitted by the terms of a Loan Document, release any Loan Party from its obligations under the Loan Documents without the written consent of each Lender, (vi) [intentionally deleted] or (vii) except as provided in clause (b) of this Section 12.1 or in any Security Document, release all or substantially all of the Collateral, without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the either Agent without the prior written consent of such Agent. Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

(b) Subject to the requirements of Section 11.9, the Lenders hereby irrevocably authorize the Collateral Agent, to release any Liens granted to the Collateral Agent by the Loan Parties on any Collateral (i) upon the occurrence of the payment in full of all Obligations, (ii) constituting property being sold or disposed of if the Borrower certifies to the Administrative Agent that the sale or disposition is made in compliance with the terms of this Agreement (and the Administrative Agent may rely conclusively on any such certificate, without further inquiry) or (iii) at the direction of the Required Lenders, as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article 10. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral;

(c) If, in connection with any proposed amendment, waiver or consent requiring the consent of "each Lender" or "each Lender directly affected thereby," the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a "Non-Consenting Lender"), then the Borrower or the Administrative Agent, at the direction of the Required Lenders, may elect to pay off or replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such payoff or replacement, (i) if determined to be necessary by the Administrative Agent (acting at the direction of the Required Lenders) and Borrower, another bank or other Person which is reasonably satisfactory to the Borrower, the Administrative Agent and the Required Lenders shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date, and (ii) the Borrower shall pay to such Non-Consenting Lender in same day funds on the day of such payoff or replacement all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by the Borrower hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Section 4.1 and Section 4.2;

(d) If, the making of any Loan by one or more Lenders is made illegal by any applicable Governmental Authority (any such affected Lender being referred to herein as an "Affected Lender"), then the Borrower or the Administrative Agent, at the direction of the Required Lenders, may elect to replace an Affected Lender as a Lender party to this Agreement,

provided that, concurrently with such replacement, (i) if determined to be necessary by the Administrative Agent (acting at the direction of the Required Lenders) and Borrower, another bank or other Person which is reasonably satisfactory to the Borrower, the Administrative Agent and the Required Lenders shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Affected Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Affected Lender to be terminated as of such date, and (ii) the Borrower shall pay to such Affected Lender in same day funds on the day of such replacement all interest, fees and other amounts then accrued but unpaid to such Affected Lender by the Borrower hereunder to and including the date of replacement, including without limitation payments due to such Affected Lender under Section 4.1 and Section 4.2;

(e) [reserved]; or

(f) Notwithstanding anything to the contrary herein, the Administrative Agent may, with the consent of the Borrower only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency.

Section 12.2 Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be either (i) in writing and delivered by nationally recognized courier service or mailed by certified or registered mail or (ii) by electronic mail, (A) as to the Borrower, each Lender, each Agent, at its address specified on its signature page hereto (or, in the case of a Lender that becomes party to this Agreement by assignment, at its address specified in the Assignment and Assumption pursuant to which it became a Lender hereunder) and (B) any other Person, at such other Person's address as shall be designated by such Person in a written notice to the Administrative Agent. All notices, elections, requests and demands under this Agreement shall be effective and deemed received upon the earliest of (i) the actual receipt of the same by personal delivery, (ii) one (1) Business Day after being deposited with a nationally recognized overnight courier service, or (iii) three (3) Business Days after being deposited in the United States mail. Any notice so given by electronic mail shall be deemed to have been given as of the date on which the sender of such communication shall confirm receipt thereof by the appropriate parties. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given as herein required shall be deemed to be receipt of the notice, election, request, or demand sent.

(b) Change of Address, Etc. The Borrower or any Agent may change its address, electronic mail address or telephone number for notices and other communications hereunder by written notice to the other parties hereto. Each other Lender may change its address, electronic mail address or telephone number for notices and other communications hereunder by written notice to the Borrower and each Agent.

(c) Reliance by Agents and Lenders. The Agents and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrower even if such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein. The Borrower shall indemnify each Agent

and each Lender, and the Related Parties of each of them, from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower.

Section 12.3 No Waiver; Cumulative Remedies. No failure by any Lender or any Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of the Lenders and the Agents herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Section 12.4 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses.

(A) The Borrower shall pay on the Closing Date all reasonable and invoiced (and showing in reasonable detail) (i) fees, costs and expenses of the Lender Advisors, and (ii) out-of-pocket expenses incurred by the Agents (including the reasonable and invoiced (and showing in reasonable detail) fees, charges and disbursements of counsel for the Agents), that have been invoiced to the Borrower at least one (1) Business Day prior to the Closing Date, in connection with the preparation, negotiation, due diligence, execution, and delivery of this Agreement and the other Loan Documents.

(B) The Borrower shall pay (X) all reasonable and invoiced (and showing in reasonable detail) out-of-pocket expenses incurred by either Agent (including the reasonable and invoiced (and showing in reasonable detail) fees, charges and disbursements of counsel for such Agent), in connection with the administration of this Agreement and the other Loan Documents (including, without limitation, any such fees, charges and disbursements of counsel arising from either Agent's actions under Section 7.12), (Y) all reasonable and invoiced (and showing in reasonable detail) out-of-pocket expenses incurred by either Agent (including the reasonable and invoiced (and showing in reasonable detail) fees, charges and disbursements of counsel for such Agent), in connection with any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (Z) all documented out-of-pocket expenses incurred by any Agent or any Lender (limited, in the case of counsel and other advisor fees, to fees and costs of the Lender Advisors), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 12.4, and (B) in connection with the Loans hereunder, including all such reasonable and invoiced (and showing in reasonable detail) out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Loan.

(b) Indemnification by Borrower. The Borrower shall indemnify and defend each Agent (and any sub-agent thereof), each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses

(including the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party (collectively, "Claims") arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties to the Loan Documents of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative or contributory negligence of any Indemnitee or its agents (all the foregoing, collectively, the "Indemnified Liabilities"); provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of any Indemnitee or its agents. This Section 12.4 shall not apply with respect to Taxes other than any Taxes that represent losses, claims and damages arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under Section 12.4(a)-(b) to be paid by it to any Agent (or any sub-agent thereof), or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against such Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for such Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders hereunder to make payments pursuant to this Section 12.4(c) are several and not joint. The failure of any Lender to make any payment under this Section 12.4(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to make its payment under this Section 12.4(c).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, the Borrower, on behalf of itself and each other Loan Party and its Related Parties, shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in Section 12.4(b) shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, unless such distribution is determined by a court of competent jurisdiction to be gross negligence or willful misconduct.

(e) Payments. All amounts due under this Section 12.4 shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section 12.4 shall survive the resignation or replacement of any Agent, the replacement of any Lender, the termination of the Loans and the repayment, satisfaction or discharge of all the other obligations.

Section 12.5 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent (acting at the direction of the Required Lenders) upon demand its applicable share (without duplication) of any amount so recovered from or repaid by either Agent. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the obligations and the termination of this Agreement.

Section 12.6 Successors And Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, unless otherwise permitted under this Agreement, including without limitation, as contemplated by Section 8.5, and any purported assignment or transfer by the Borrower in violation of the foregoing shall be null and void. Any Lender may at any time assign or otherwise transfer any of its rights or obligations hereunder without the consent of Borrower (i) to an Eligible Assignee in accordance with the provisions of Section 12.6(b), (ii) by way of participation to an Eligible Assignee in accordance with the provisions of Section 12.6(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 12.6(f) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided for in Section 12.6(d) and, to the extent expressly contemplated hereby, the Related Parties of the Administrative Agent and each Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it); provided that:

(A) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans and commitments assigned;

(B) no Lender may make an assignment to any Competitor;

(C) any assignment to an Eligible Assignee which is not, before such assignment, an existing Lender, shall be in a principal amount not less than $2,000,000;

(D) any Eligible Assignee that is not an existing Lender shall complete an Administrative Questionnaire in form and substance satisfactory to the Administrative Agent and the Required Lenders;

(E) the parties to each assignment shall execute and deliver to the Administrative Agent, for the benefit of the Secured Parties, an Assignment and Assumption, together with a processing and recordation fee of $3,500 (which fee may be waived or reduced in the sole discretion of the Administrative Agent), and the Administrative Agent shall promptly provide a copy of the same to the Borrower;

(F) the Administrative Agent or one or more of its Affiliates shall serve as administrative agent hereunder; and

(G) each Eligible Assignee must be a party to the Restructuring Support Agreement or must contemporaneously enter into a joinder thereto (for the avoidance of doubt, the Administrative Agent shall have no duty to monitor or confirm whether an Assignee has become a party to, or entered into a joinder to, the Restructuring Support Agreement);

provided that clauses (B) and (C) of this Section 12.6(b) shall not apply at any time an Event of Default under Section 10.1(e) has occurred and is continuing.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 12.6(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Section 4.1 and Section 12.4 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.6(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.6(d).

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders and Principal Amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the

Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by Borrower at any reasonable time and from time to time upon reasonable prior written notice. In addition, at any time that a request for consent for a material or substantive change to the Loan Documents is pending, any Lender wishing to consult with other Lenders in connection therewith may request and receive from the Administrative Agent a copy of the Register.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Eligible Participant (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in Section 12.1(a)(i)-(iv) that affects such Participant. Subject to Section 12.6(e), the Borrower agrees that each Participant shall be entitled to the benefits of Section 4.1 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.6(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.7 as though it were a Lender. The Borrower and the Lenders expressly acknowledge that the Administrative Agent (in its capacity as such or as an arranger, bookrunner or other agent hereunder) shall not have any obligation to monitor Participations, including whether participations are made to Competitors or natural persons and none of the Borrower or the Lenders will bring any claim to such effect.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 4.1 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with Borrower's prior written consent.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to an Eligible Assignee to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledge or assignee for such Lender as a party hereto.

(g) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any

applicable Law, including Part 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Commerce Act, 2000 (Ontario), the Federal Electronic Signatures in Global and National Commerce Act or any other similar state, federal or provincial laws based on the Uniform Electronic Transactions Act.

Section 12.7 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent (but without the prior notice to or consent of the Borrower, any such notice and consent being expressly waived by the Borrower to the extent permitted by applicable Law), to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of Borrower or such Loan Party may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender under this Section 12.7 are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

Section 12.8 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the Principal Amounts of the Loans or, if it exceeds such unpaid Principal Amounts, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder. For the avoidance of doubt, the Administrative Agent shall not be responsible for monitoring the Maximum Rate.

Section 12.9 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement shall become effective when it shall have been executed by the Administrative Agent at the direction of the Required Lenders and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement. Delivery of any executed counterpart of this Agreement by facsimile or transmitted

electronically in either a Tagged Image Format File ("TIFF") or Portable Document Format ("PDF") shall be equally effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart by facsimile TIFF, or PDF shall also deliver a manually executed counterpart of this Agreement, but failure to do so shall not affect the validity, enforceability or binding effect of this Agreement.

Section 12.10 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by each Agent and each Lender, regardless of any investigation made by such Agent or such Lender or on their behalf and notwithstanding that any Agent or any Lender may have had notice or knowledge of any Default at the time of any Advance, and shall continue in full force and effect as long as any Loan or any other Obligations (other than contingent indemnification obligations for which no claim has been asserted) remain unpaid or unsatisfied.

Section 12.11 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 12.12 Governing Law; Jurisdiction; Etc.

(a) THIS AGREEMENT WAS NEGOTIATED IN THE STATE OF NEW YORK, AND THE LOANS MADE BY LENDERS AND ACCEPTED BY BORROWER IN THE STATE OF NEW YORK, AND THE PROCEEDS OF THE LOANS DELIVERED PURSUANT HERETO WERE DISBURSED FROM THE STATE OF NEW YORK, WHICH STATE THE PARTIES IRREVOCABLY AND UNCONDITIONALLY AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, EACH AND ALL OF THIS AGREEMENT, THE NOTE, THE OTHER LOAN DOCUMENTS, AND THE OBLIGATIONS ARISING HEREUNDER AND THEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANOTHER STATE) AND ANY APPLICABLE LAW OF THE UNITED STATES. TO THE FULLEST EXTENT PERMITTED BY LAW, THE BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS AGREEMENT, THE NOTE, AND/OR THE LOAN.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST ANY AGENT, ANY LENDER OR ANY LOAN PARTY ARISING OUT OF OR RELATING TO

THIS AGREEMENT MAY AT SUCH AGENT'S OR SUCH LENDER'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN NEW YORK, NEW YORK, AND BORROWER WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING. NOTHING HEREIN SHALL LIMIT THE RIGHT OF EITHER AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS IN THE MANNER PROVIDED FOR NOTICES (OTHER THAN FACSIMILE) IN SECTION 12.2. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(c) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY LENDER WITH RESPECT TO THIS AGREEMENT, ANY NOTE OR ANY OF THE OTHER LOAN DOCUMENTS, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, SHALL BE BROUGHT EXCLUSIVELY IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH LENDER ACCEPTS, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, ANY NOTE OR ANY OTHER LOAN DOCUMENT FROM WHICH NO APPEAL HAS BEEN TAKEN OR IS AVAILABLE. EACH LENDER IRREVOCABLY AGREES THAT ALL SERVICE OF PROCESS IN ANY SUCH PROCEEDINGS IN ANY SUCH COURT MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO IT AT ITS ADDRESS SET FORTH ON ITS SIGNATURE PAGE HERETO OR AT SUCH OTHER ADDRESS OF WHICH THE BORROWER SHALL HAVE BEEN NOTIFIED PURSUANT THERETO, SUCH SERVICE BEING HEREBY ACKNOWLEDGED BY EACH LENDER TO BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

Section 12.13 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY VOLUNTARILY, KNOWINGLY, UNCONDITIONALLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS

AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 12.13.

Section 12.14 Relationship of Parties. The relationship between the Borrower, on the one hand, and the Lenders and Agents, on the other, is, and at all times shall remain, solely that of borrower and lenders. Neither the Lenders nor the Agents shall under any circumstances be construed to be partners or joint venturers of any Loan Party or any of their Affiliates or direct or indirect owners; nor shall the Lenders or Agents under any circumstances be deemed to be in a relationship of confidence or trust or a fiduciary relationship with any Loan Party or any of their Affiliates or direct or indirect owners, or to owe any fiduciary duty to any Loan Party or any of their Affiliates or direct or indirect owners. The Lenders and the Agents do not undertake or assume any responsibility or duty to any Loan Party or any of their Affiliates or direct or indirect owners to select, review, inspect, supervise, pass judgment upon or otherwise inform any Loan Party or any of their Affiliates or direct or indirect owners of any matter in connection with its or its property, any security held by the Collateral Agent or the operations of any Loan Party or any of their Affiliates or direct or indirect owners. Each Loan Party and each of their Affiliates or direct or indirect owners shall rely entirely on their own judgment with respect to such matters, and any review, inspection, supervision, exercise of judgment or supply of information undertaken or assumed by any Lender or any Agent in connection with such matters is solely for the protection of the Lenders and the Agents and neither any Loan Party or any of their Affiliates or direct or indirect owners is entitled to rely thereon.

Section 12.15 USA Patriot Act Notice. Each Lender that is subject to the Patriot Act and each Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record, and the Borrower hereby agrees to provide, information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or such Agent, as applicable, to identify the Borrower, and otherwise enable compliance, in accordance with the Patriot Act.

Section 12.16 Time of the Essence. Time is of the essence with respect to the Loan Documents.

Section 12.17 Telephone and Electronic Authorization.

(a) Each Agent and the Lenders may honor telephone or email instructions for repayments, by any one of the individuals authorized to sign Loan agreements on behalf of the Borrower, or any other individual designated by any one of such authorized signers. A list of authorized signers shall be named in Schedule 12.17. Schedule 12.17 may be modified from time-to-time by the Borrower; provided that at all times the individuals named as Chairperson, President, Chief Executive Officer, Secretary and Treasurer of the Borrower shall be deemed to be authorized signers.

(b) The Borrower shall indemnify and hold each Agent and each Lender harmless from all liability, loss, and costs in connection with any act resulting from telephone or email instructions such party believes are made by any individual authorized by the Borrower in Section 12.17(a) (or deemed authorized in accordance with Schedule 12.17) to give such instructions other than losses caused by such Agent's or such Lender's gross negligence or willful

misconduct. This paragraph will survive this Agreement's termination, and will benefit each Agent, each Lender and their respective officers, employees, and agents.

Section 12.18 Confidentiality as to Loan Documents, Etc. This Agreement, the other Loan Documents and any written communications provided to the Loan Parties and their Subsidiaries by the Administrative Agent and the Lenders prior to or after the date hereof in connection with this Agreement and the other Loan Documents are exclusively for the information of the Loan Parties and their Subsidiaries and, along with the identity of Lenders or prospective Lenders may not be disclosed by the Loan Parties or their Subsidiaries to any third party or circulated or referred to publicly without the Administrative Agent's prior written consent, given at the direction of the Required Lenders, except that such information, including the existence and a copy of this Agreement (with the names of the Lenders redacted), may be disclosed, after providing written notice to the Administrative Agent (to the extent legally permissible), pursuant to a subpoena or order issued by a court of competent jurisdiction or by a judicial, administrative or legislative body or committee, or as required by applicable Law (including, for greater certainty, any applicable Canadian federal or provincial law, regulation, rule or policy, including securities laws and regulations, and any order or request of any securities regulatory authority or stock exchange having jurisdiction); *provided* that the applicable Loan Party shall have, to the extent legally permissible (i) promptly notified the Administrative Agent of the receipt of any such subpoena or order, (ii) consulted with the Administrative Agent and the Required Lenders as to the advisability of taking steps to resist or narrow the scope of the disclosure contemplated thereby and (iii) cooperated with the Administrative Agent and the Required Lenders in any reasonable efforts it may make to obtain an order or other reliable assurance that confidential treatment will be accorded to such information. Notwithstanding the foregoing or anything else contained in this Agreement, each of the Agents and each Lender agrees that AYR Wellness Inc. shall, (A) file a copy of this Agreement (redacted to the extent permitted by applicable Law (including, for greater certainty, applicable securities Laws and regulations)) with appropriate securities regulatory authorities, and (B) disseminate a news release announcing the entering into of this Agreement, including a summary of the material terms hereof, in each case in order to comply with applicable Laws (including securities Laws and regulations) and in form and substance satisfactory to Required Lenders. The Loan Parties' disclosure of the identity of Lenders or prospective Lenders (x) to its officers, directors, agents and advisors (including legal counsel, accountants, and other professional advisors) and employees (to the extent such information is reasonably necessary or beneficial for the performance of their duties) who have been instructed by one or more of the Loan Parties to keep such information confidential, in accordance with this Section 12.18, and (y) in connection with any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of the Loan Parties' rights hereunder or thereunder, in each case, shall not be subject to the limitations set forth in this Section 12.18. Each of the Agents and each Lender agrees that the terms of this Section 12.18shall set forth the entire agreement between the Borrower, the Loan Parties and the Agents and each Lender with respect to any confidential information previously received by the Loan Parties and their Subsidiaries in connection with this Agreement, and this Section 12.18 shall supersede any and all prior confidentiality agreements entered into by the Borrower, a Loan Party or any Subsidiary thereof with respect to such confidential information.

Section 12.19 Confidentiality. Each of the Agents and each Lender agrees to hold any information relating to the Borrower, the Loan Parties and any of their Subsidiaries furnished to it by or on behalf of the Borrower, the Loan Parties or any of their Subsidiaries in confidence and shall not reveal the same, except for disclosure (i) to its Affiliates and to the Agents and any other Lender and their respective Affiliates, and, in each case, their respective employees, directors, and officers provided such parties have

been instructed to keep such information confidential in accordance with this Section 12.19, (ii) to legal counsel, accountants, and other professional advisors to the Agents or such Lender provided such parties have been instructed to keep such information confidential in accordance with this Section 12.19, (iii) to the extent necessary to comply with law or any legal, judicial or administrative process or as otherwise required by law or the requests of any Governmental Authority (in which case such Person, (x) shall limit such disclosure only to the extent necessary to comply with such law, process or request and (y) to the extent permitted by law, agrees to inform the Borrower promptly thereof), (iv) to its direct or indirect contractual counterparties in swap agreements or to legal counsel, accountants and other professional advisors to such counterparties provided such parties have agreed to keep such information confidential in accordance with this Section 12.19, (v) to rating agencies if requested or required by such agencies in connection with a rating relating to the Loans hereunder, (vi) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, and (x) to the extent such information (1) becomes publicly available other than as a result of a breach of this Section 12.19 or (2) becomes available to the Agents or any Lender on a non-confidential basis from a source other than a Loan Party or any Subsidiary thereof. The Borrower agrees that the terms of this Section 12.19 shall set forth the entire agreement between the Borrower, the Loan Parties and the Agents and each Lender with respect to any confidential information previously or hereafter received by the Agents or such Lender in connection with this Agreement, and this Section 12.19 shall supersede any and all prior confidentiality agreements entered into by an Agent or any Lender with respect to such confidential information.

EACH LENDER ACKNOWLEDGES THAT ANY CONFIDENTIAL INFORMATION (AS ENCOMPASSED UNDER THIS SECTION 12.19) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING PARENT AND ITS AFFILIATES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING WAIVERS AND AMENDMENTS, FURNISHED BY THE LOAN PARTIES OR ANY AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE LOAN PARTIES AND THEIR AFFILIATES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE LOAN PARTIES AND THE AGENTS THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

Section 12.20 Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from any Loan Party hereunder in the currency expressed to be payable herein (the "Specified Currency") into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with such other currency at the Administrative Agent's main New York City office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of each Loan Party in respect of any sum

due hereunder shall, notwithstanding any judgment in a currency other than the Specified Currency, be discharged only to the extent that on the Business Day following receipt by any Lender (including the Administrative Agent), as the case may be, of any sum adjudged to be so due in such other currency such Lender (including the Administrative Agent), as the case may be, may in accordance with normal, reasonable banking procedures purchase the Specified Currency with such other currency. If the amount of the Specified Currency so purchased is less than the sum originally due to such Lender (including the Administrative Agent), as the case may be, in the Specified Currency, each Guarantor agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender (including the Administrative Agent), as the case may be, against such loss.

Section 12.21 Electronic Documentation. Delivery of an executed counterpart of a signature page of any Loan Document by electronic format (e.g., "pdf") is effective as delivery of a manually executed counterpart. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including Part 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Federal Electronic Signatures in Global and National Commerce Act, or any applicable state, federal or provincial laws based on the Uniform Electronic Transactions Act ("UETA"). The Administrative Agent may, on behalf of the Borrower, create a microfilm or optical disk or other electronic image of this Agreement and any or all of the Loan Documents. The Administrative Agent may store each such electronic image in its electronic form and then destroy any paper original as part of the Administrative Agent's normal business practices, with the electronic image deemed to be an original and of the same legal effect, validity, and enforceability as such paper original. The Administrative Agent is authorized, when appropriate, to convert any instrument into a "transferable record" under UETA, with the image of such instrument in the Administrative Agent's possession constituting an "authoritative copy" under UETA.

[*Signature pages follow.*]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and delivered as of the date first set forth above.

BORROWER:

CSAC HOLDINGS INC.,
a Nevada corporation

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Title: Authorized Signatory

Address for Notices:

25 SE 2nd Ave Ste 550 #784
Miami, FL 33131
Attention: Authorized Signatory

PARENT:

AYR WELLNESS HOLDINGS LLC,
a Nevada limited liability company

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Title: Authorized Signatory

Address for Notices:

25 SE 2nd Ave Ste 550 #784
Miami, FL 33131
Attention: Chief Financial Officer

[*Signatures continue on following page(s).*]

ADMINISTRATIVE AGENT:

ACQUIOM AGENCY SERVICES LLC

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Title: **[REDACTED – personal information]**

Address for Notices:

Acquiom Agency Services LLC
950 17th Street, Suite 1400
Denver, CO 80202
Attention: **[REDACTED – personal information]**
Email: **[REDACTED – personal information]**
[REDACTED – personal information]

With a copy to:

Paul Hastings LLP
200 Park Avenue
New York, NY 10166
Attention: **[REDACTED – personal information]**
Email: **[REDACTED – personal information]**
[REDACTED – personal information]

[*Signatures continue on following page(s).*]

COLLATERAL AGENT:

ACQUIOM AGENCY SERVICES LLC

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Title: **[REDACTED – personal information]**

Address for Notices:

Acquiom Agency Services LLC
950 17th Street, Suite 1400
Denver, CO 80202
Attention: **[REDACTED – personal information]**
Email: **[REDACTED – personal information]**
[REDACTED – personal information]

With a copy to:

Paul Hastings LLP
200 Park Avenue
New York, NY 10166
Attention: **[REDACTED – personal information]**
Email: **[REDACTED – personal information]**;
[REDACTED – personal information]

[*Signatures continue on following pages.*]

LENDERS:

[REDACTED – personal information]

By: **[REDACTED – signature]**
Name: **[REDACTED – personal information]**
Title: **[REDACTED – personal information]**

[Annexes, Schedules, and Exhibits on file with the Administrative Agent]

This is **Exhibit " H "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

AYR Wellness Inc.

Appendix "B-1"

Projected Statement of Cash Flows

For the Period Ending February 21, 2026

(Unaudited; C$000s)

	Note	Week-Ended>> 22-Nov-25	29-Nov-25	06-Dec-25	13-Dec-25	20-Dec-25	27-Dec-25	03-Jan-26	10-Jan-26	17-Jan-26	24-Jan-26	31-Jan-26	07-Feb-26	14-Feb-26	21-Feb-26	Total
	1															
Receipts																
Tranche A Fund Transfer		98	-	-	-	211	-	-	-	211	-	-	168	-	211	899
Tranche B Fund Transfer		192	175	63	347	-	222	63	-	215	-	-	198	-	-	1,476
Total Receipts	2	291	175	63	347	211	222	63	-	426	-	-	366	-	211	2,375
Disbursements																
Management Fees	3	(211)	-	-	-	(211)	-	-	-	(211)	-	-	-	-	(211)	(842)
Special Committee Fees	4	-	-	(63)	-	-	-	(63)	-	-	-	-	(63)	-	-	(190)
Audit & Tax Fees	5	-	-	-	-	-	-	-	-	-	-	-	(168)	-	-	(168)
Total Operating disbursements		(211)	-	(63)	-	(211)	-	(63)	-	(211)	-	-	(232)	-	(211)	(1,200)
Net Cash Flow before the Undernoted		80	175	-	347	-	222	-	-	215	-	-	134	-	-	1,175
Non-Operating Professional Fees	6	(192)	(175)	-	(347)	-	(222)	-	-	(215)	-	-	(134)	-	-	(1,287)
Net Cash Flow		(112)	-	-	-	-	-	-	-	-	-	-	-	-	-	(112)
Opening Cash balance	7	112	-	-	-	-	-	-	-	-	-	-	-	-	-	112
Net Cash Flow		(112)	-	-	-	-	-	-	-	-	-	-	-	-	-	(112)
Closing cash balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The above financial projections are based on management's assumptions detailed in Appendix "B-2".

The note references correspond to the assumption numbers shown in Appendix "B-2".

Notes to Projected Statement of Cash Flows

For the Period Ending February 21, 2026

(Unaudited; C$000s)

Purpose and General Assumptions

1. The purpose of the projection is to present a forecast of the cash flow of AYR Wellness Inc. ("AYR" or the "Company") for the period November 15, 2025 to February 21, 2026 (the "Period") in respect of their contemplated proceedings under the Companies' Creditors Arrangement Act ("CCAA").

2. Reflects funding available pursuant to the bridge credit agreement executed on August 29, 2025 as part of the terms of the restructuring support agreement (the "Bridge Credit Agreement"). AYR is not a party to the Bridge Credit Agreement, but nonetheless the funds provided for under the Bridge Credit Agreement will be used to ensure the costs incurred during these CCAA proceedings are funded. The Bridge Credit Agreement provides: US$46,445,000 of Tranche A term loans ("Tranche A Loans"); and (ii) US$3,550,000 of Tranche B term loans (the "Tranche B Loans"). The professional fees incurred as part of these CCAA proceedings are to be paid by the funds available from the Tranche B Loans in accordance with a wind down budget to a maximum of US$1,175,000 (the "Wind Down Budget").

3. Represents the estimated monthly cost of Ankura Consulting Group LLC acting as the Company's Chief Restructuring Officer, to be paid from funding available under the Tranche A Loans.

4. Represents the monthly cost of the Company's Special Committee which was appointed in January 2025 for the purposes of overseeing the reorganization and restructuring. The costs of the Company's Special Committee are to be paid in accordance with the Wind Down Budget.

5. Represents the estimated monthly costs for the Company's audit and tax advisors, incurred in the normal course. The cost for the Company's audit and tax advisors is to be paid from the funding available under the Tranche A Loans.

6. Includes the estimated payments to the Monitor, its counsel, and the Petitioner's counsel in line with the Wind-Down Budget.

7. Cash balance available as of November 14, 2025.

This is **Exhibit "I "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND

IN THE MATTER OF AYR WELLNESS INC.

PETITIONERS

CONSENT OF THE PROPOSED MONITOR

KSV Restructuring Inc. hereby consents to act as the Court-appointed monitor in respect of AYR Wellness Inc. (the "**Petitioner**"), pursuant to the terms of the initial order contained in the Petitioners' Application Record and the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, in respect of these proceedings.

Dated: November 11, 2025

KSV RESTRUCTURING INC.

Per: _____
Name: Noah Goldstein
Title: Managing Director

This is **Exhibit " J "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.



A Commissioner for taking Affidavits for British Columbia

Moelis

March 13, 2025

PRIVILEGED AND CONFIDENTIAL

Ayr Wellness Inc.
2601 South Bayshore Drive, Suite 900
Miami, FL 33133
Attention: Steve Cohen, CEO

Dear Mr. Cohen:

This agreement (the "Agreement") confirms that as of March 10, 2025, Ayr Wellness Inc. (the "Company") has engaged Moelis & Company LLC ("Moelis") to act as the Company's (i) exclusive financial advisor and investment banker in connection with any Recapitalization, Sale Transaction and/or Asset Sale Transaction (each as defined below) and/or (ii) exclusive placement agent in connection with any Capital Transaction (as defined below).

For purposes of this Agreement:

"Recapitalization" means any restructuring, reorganization, repayment, repurchase, refinancing, rescheduling or recapitalization of all or any material portion of the liabilities of the Company (or its direct or indirect subsidiaries) (the "Liabilities"), however such result is achieved, including, without limitation, through a plan of reorganization or liquidation (a "Plan") confirmed in connection with a case (a "Bankruptcy Case") commenced by or against the Company or any of its subsidiaries or affiliates under any Restructuring Law (as defined below), an exchange offer or consent solicitation, covenant relief, a rescheduling of debt maturities, a change in interest rates, a settlement or forgiveness of debt, a conversion of debt into equity, or other amendments to the Company's debt instruments, each of which may be effectuated pursuant to any Restructuring Law. Any Liabilities that are the subject of a Recapitalization shall be "Recapitalized". "Recapitalization" will not include the Company's activities with respect to any recapitalization of any debt which is neither Senior Notes nor Seller Notes; provided, however, that if the Company requests Moelis to provide advice with respect to any such debt (which, upon request of Moelis, such request shall be confirmed in writing), then such debt shall be included in the definition of "Recapitalization".

"Restructuring Law" means the Companies' Creditors Arrangement Act of Canada ("CCAA"), the Canada Business Corporation Act ("CBCA"), the Canadian Bankruptcy & Insolvency Act (the "BIA"), Title 11 of the United States Code (the "Bankruptcy Code") or any similar applicable law and "Court" means the U.S., Canadian or other court administering any case under any Restructuring Law.

"Sale Transaction" means (a) the sale of all or a majority of the issued and outstanding equity securities of the Company to one or more third parties (including creditors) (a "Counterparty") or (b) the merger or combination of the Company with a Counterparty, other than an Asset Sale Transaction (as defined below). If a Transaction is both a Sale Transaction and a Capital Transaction, it shall be treated as a Capital Transaction.

"Asset Sale Transaction" means a Counterparty's acquisition of any business unit, division or specified discrete assets of the Company or its subsidiaries that Moelis may be asked to sell. If a Transaction is both an Asset Sale Transaction and a Capital Transaction, it shall be treated as a Capital Transaction.

"Capital Transaction" means a transaction in which the Company (or any of its subsidiaries or any entity formed to acquire the business or assets of the Company) raises or issues any (a) secured or unsecured debt (including, without limitation, any asset-backed debt, or debtor-in-possession financing in connection with a Bankruptcy Case); (b) equity interests (including, without limitation, preferred stock or common stock)

or equity-linked interests (including convertible debt); or (c) options, warrants or other rights to acquire equity interests.

A Capital Transaction may be undertaken by the Company or any such entity to be formed or designated to carry out a Capital Transaction on behalf of the Company (including, without any limitation, any existing or newly formed general partner, manager, joint venture, partnership, subsidiary or affiliate). The Company shall cause any entity used to effectuate a Capital Transaction (a "Transaction Co") to execute a joinder to this Agreement in a form reasonably acceptable to Moelis within 5 business days of identifying such entity as a Transaction Co. All references in this Agreement to the "Company" shall include each Transaction Co who executes such a joinder. The obligations under this Agreement of the entities comprising the Company shall be several and joint.

A "Transaction" means either a Restructuring, a Sale Transaction, an Asset Sale Transaction, and/or a Capital Transaction, as the context requires.

For avoidance of doubt, Moelis does not place Canadian securities. The Company acknowledges and agrees that, to the extent the Company is offering any securities to any Canadian investors, an additional Canadian advisor will need to be engaged by the Company in connection with such efforts.

1. As part of our engagement, Moelis will if appropriate and requested by the Company:

(a) assist the Company in reviewing and analyzing the Company's results of operations, financial condition and business plan;

(b) assist the Company in reviewing and analyzing any potential Recapitalization;

(c) assist the Company in negotiating any Recapitalization;

(d) advise the Company in evaluating the Company's potential debt capacity in light of its projected cash flows;

(e) assist the Company in formulating a marketing strategy for any potential Capital Transaction;

(f) assist the Company in identifying and contacting prospective purchasers of the Capital Transaction (the "Purchasers");

(g) assist the Company in identifying and evaluating potential Counterparties for a Sale Transaction or Asset Sale Transaction;

(h) assist the Company in preparing information materials (the "Information Presentation") describing the Company which Moelis may distribute to potential Purchasers and Counterparties on a confidential basis;

(i) assist the Company in contacting potential Counterparties, arranging meetings with such Counterparties and coordinating the due diligence investigation of the Company by such Counterparties, in each case as appropriate and acceptable to the Company;

(j) assist the Company in developing a strategy to effectuate the Sale Transaction or Asset Sale Transaction;

(k) assist the Company in structuring, evaluating the Counterparty's financing for and negotiating the Sale Transaction or Asset Sale Transaction and participate in such negotiations as requested;

(l) assist the Company with respect to strategy and tactics of negotiations with such prospective Purchasers and participate in such negotiations;

(m) provide guidance to the Company around timing, structure and pricing of any potential Capital Transaction;

(n) upon the Company's request, attend meetings of the Board of Directors of the Company (or any committee thereof) with respect to matters on which we have been engaged to advise hereunder; and

(o) provide such other financial advisory, investment banking and/or placement agent services, as applicable in connection with any Transaction(s) as Moelis and the Company may mutually agree upon in writing.

Please note that Moelis does not provide legal, tax, accounting or actuarial advice. This Agreement is not a commitment, express or implied, on the part of Moelis to deliver a Transaction and it is acknowledged that Moelis' services with respect to a Recapitalization or Capital Transaction will be made on a reasonable best efforts basis. Moelis' obligations under this Agreement with respect to a Recapitalization or Capital Transaction are subject to, among other things: (i) satisfactory completion of its due diligence review and (ii) satisfactory market conditions.

The Company agrees that Moelis shall not engage or participate in any communication or other activities, nor act as placement agent or provide placement related services with respect to any potential purchaser in any Capital Transaction that is not a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act.

2. (a) As compensation for our services hereunder, the Company agrees to pay Moelis the following nonrefundable cash fees:

Monthly Fee

(i) During the term of this Agreement, a fee of $125,000 per month (the "Monthly Fee"), payable in advance of each month. The Company will pay the first Monthly Fee immediately upon the execution of this Agreement, and all subsequent Monthly Fees prior to each monthly anniversary of the date of this Agreement. Whether or not a Recapitalization occurs, Moelis shall earn and be paid the Monthly Fee every month during the term of this Agreement. After the third Monthly Fee has been paid, 50% of the Monthly Fee shall be offset, to the extent previously paid, against the first Recapitalization Fee (as defined below) payable hereunder, subject to a credit cap of $500,000.

Recapitalization Fee

(ii) At the closing of a Recapitalization, a non-refundable cash fee (the "Recapitalization Fee") of 0.90% of the gross amount of Liabilities Recapitalized. The Company will pay a separate Recapitalization Fee in respect of each Recapitalization in the event that more than one Recapitalization occurs.

Sale Transaction Fee

(iii) At the closing of a Sale Transaction, a non-refundable cash fee (the "Sale Transaction Fee") of 2.00% of Transaction Value (as defined below).

"Transaction Value" means the fully diluted enterprise value of the Company implied by the Sale Transaction and includes sum of: (A) the gross consideration paid or received or to be paid or received with respect to each share of common stock of the Company (or the exchange ratio with respect to each share of common stock of the Company) in connection with the Sale Transaction multiplied by the Shares Outstanding (as defined below); plus, (B) the amount of all net indebtedness for borrowed money, capital leases and other long-term liabilities, in each case that remain on the balance sheet of the Company at the closing, or that are assumed, acquired, retired or transferred in connection with the Sale Transaction. "Shares Outstanding" means the aggregate number of shares of common stock of the Company that are outstanding at the closing, plus the aggregate number of shares of common stock of the Company issuable upon exercise, conversion or exchange of any outstanding securities exercisable, convertible or exchangeable into or for shares of common stock of the Company including, without limitation, all outstanding stock options of the Company (in each case, calculated net of exercise, conversion and exchange prices). "Transaction Value" will also include any dividends or distribution payable to stockholders of the Company after the date of this Agreement (other than normal, ordinary course, recurring dividends) and any amounts the Company pays to repurchase any of its securities (excluding repurchases pursuant to and consistent with any current stock repurchase program of the Company) after the date of this Agreement. Consideration consisting of securities that are publicly traded (or any securities convertible or exchangeable into such securities or any securities of the same class as such securities) will be valued at the trading price thereof (or the trading price of any such securities of a predecessor entity) on the day immediately prior to the closing of the Sale Transaction. If the Company or its stockholders receive newly-issued publicly traded securities in the Sale Transaction (or any securities convertible or exchangeable into such securities or any securities of the same class as such securities), such securities will be valued at the trading price of the Company or the Counterparty, as applicable, on the day immediately prior to the closing of the Sale Transaction. Any non-marketable securities or other non-cash consideration will be valued as the Company and Moelis may mutually agree in good faith. For purposes of this paragraph, consideration includes cash, securities, property or rights, or any other consideration.

Asset Sale Transaction Fee

(iv) At the initial closing of an Asset Sale Transaction, a non-refundable cash fee (the "Asset Sale Transaction Fee"), equal to 3.25% of total gross consideration paid or received, or to be paid or received, directly or indirectly, by the Company or its stockholders in connection with the Asset Sale Transaction ("Aggregate Consideration").

Future or contingent amounts to be received in the Asset Sale Transaction, including earnouts or similar contingent payments, shall be included in Aggregate Consideration at the closing, utilizing a discount rate and probability of payment as mutually agreed by the parties hereto. Any installment payments or amounts held in escrow will be included in Aggregate Consideration at closing. Consideration consisting of securities that are publicly traded (or any securities convertible or exchangeable into such securities or any securities of the same class as such securities) will be valued at the trading price thereof (or the trading price of any such securities of a predecessor entity) on the day immediately prior to the closing of the Asset Sale Transaction. Any non-marketable securities or other non-cash consideration will be valued as the Company and Moelis may mutually agree in good faith. For purposes of this paragraph, consideration includes cash, securities, property, rights or any other form of consideration.

Capital Transaction Fee

(v) At the closing of a Capital Transaction, a non-refundable cash fee (the "Capital Transaction Fee") of:

(a) 1.25% of the aggregate gross amount of the Capital Transaction in the form of secured debt (including unfunded amounts), plus

(b) 2.00% of the aggregate gross amount of the Capital Transaction in the form of unsecured debt obligations (including unfunded amounts), plus

(c) 4.00% of the aggregate gross amount or face value of the Capital Transaction in the form of equity, equity-linked interests, options, warrants or other rights to acquire equity interests (including unfunded amounts);

provided, however, the applicable Capital Transaction Fee for any amounts provided by any party listed on ***Schedule 1*** (or an affiliate thereof) shall be reduced by sixty-seven percent.

The Company will pay a separate Capital Transaction Fee in respect of each Capital Transaction in the event that more than one Capital Transaction occurs.

The fees set forth in Section 2(a)(ii), (iii), (iv) and (v) shall be referred to herein as the "Transaction Fees". The Company agrees that it will pay the applicable Transaction Fee(s) for each Transaction in accordance with the terms hereof.

In connection with a Transaction intended to be consummated in connection with a pre-packaged or pre-arranged Plan, the Transaction Fee(s) shall be earned upon the execution of a definitive agreement with respect to such Plan; provided that if the Plan contemplating such Transaction(s) does not become effective, then Moelis shall credit the Transaction Fee(s) against any future Transaction Fee that becomes due and payable upon the closing of another Transaction.

Any Recapitalization and/or a Capital Transaction may be effectuated through a tender offer, privately negotiated repurchase transactions, new issuances of debt securities through a private placement or exchange offer pursuant to applicable securities laws, or a registered offering under applicable securities laws or any other structure designed to achieve a Recapitalization and/or a Capital Transaction. At Moelis' request, in connection with a Recapitalization, the Company agrees that it will enter into a dealer manager agreement, solicitation agreement, underwriting agreement, purchase agreement, placement agreement or other similar agreement with Moelis that are customary for the structure of the proposed Recapitalization and/or Capital Transaction. Any dealer manager agreement, solicitation agreement, underwriting agreement, purchase agreement, placement agreement or other similar agreement entered into by the Company and Moelis in connection therewith will contain the fees, expense reimbursement provisions and Tail Period set forth herein and additional terms that are customary for such transactions and are negotiated in good faith.

If, at any time prior to the end of the Tail Period (as defined below), the Company consummates any Transaction or enters into an agreement or a Plan is filed regarding any Transaction and a Transaction is subsequently consummated, then the Company (or its bankruptcy estates) shall pay Moelis the applicable fee(s) specified in Section 2(a) above immediately upon the closing of any such Recapitalization(s). The "Tail Period" shall end (i) in the case of any Transaction consummated out-of-court, 18 months following the expiration or termination of this Agreement or (ii) otherwise 24 months following the expiration or termination of this Agreement.

(b) Whether or not the Company consummates a Transaction, within 30 days following receipt of an invoice, the Company will reimburse Moelis for all of its reasonable, documented, out-of-pocket expenses incurred, including related expenses incurred prior to the date of this Agreement, in entering into and performing services pursuant to this Agreement, including the reasonable costs of Moelis' legal counsel; *provided, however,* that such reimbursement (other than the costs and expenses of Moelis' legal counsel) shall not exceed $50,000 in the aggregate without the Company's prior written approval, such consent not to be unreasonably withheld. The foregoing cap will not apply to ***Annex A***.

(c) The Company's obligation to pay any fees or expenses set forth herein or to pay any amounts under ***Annex A*** hereto are not subject to any reduction by way of setoff, recoupment or counterclaim. All fees, expenses and any other amounts payable hereunder are payable in U.S. dollars, free and clear of any withholding taxes or deductions, to the bank account set forth on ***Schedule 2***. If the Company is required by law to deduct or withhold any amounts with respect to any Canadian tax or assessment, or if any Canadian tax or assessment is required to be paid by Moelis as a result or arising out of this Agreement, the Company shall pay Moelis such additional amounts so that the net amount received by Moelis from the Company after such deduction, withholding or payment shall equal the amounts Moelis would receive under this Agreement had no such deduction, withholding or payment been made. If any Canadian goods and services tax or other similar Canadian tax is payable with respect to the fees paid or payable to Moelis under this Agreement, Moelis will add the amount of such tax to its invoice. Moelis represents that it has no permanent office in Canada and covenants that it will not provide services in Canada under this Agreement.

(d) If Moelis is required to render services not set forth in this Agreement, including, without limitation, producing documents, being deposed, providing testimony, relating to this Agreement or the transactions contemplated by this Agreement, the Company will pay Moelis additional fees to be mutually agreed for such services, plus reasonable costs and expenses related thereto.

(e) Moelis will make a substantial commitment of professional time and effort hereunder, which may foreclose other opportunities for it. Moreover, the actual time and effort required for the engagement may vary substantially from time to time. In light of the numerous issues that may arise in engagements such as this, Moelis' commitment of the time and effort necessary to address the issues that may arise in this engagement, Moelis' expertise and capabilities that the Company will require in this engagement, and the market rate for professionals of Moelis' stature and reputation, the parties agree that the fee arrangement provided herein is just and reasonable, fairly compensates Moelis, and provides the requisite certainty to the Company.

3. If a Bankruptcy Case is commenced:

(a) The Company will use its reasonable best efforts to seek a final order of the Bankruptcy Court authorizing our employment as the Company's exclusive financial adviser, investment banker and/or placement agent, as applicable, under this Agreement pursuant to, and subject to the standards of review set forth in, section 328(a) of the Bankruptcy Code (and not subject to the standards of review set forth in section 330 of the Bankruptcy Code), nunc pro tunc to the date of the filing of the Bankruptcy Case. The retention application and any order authorizing Moelis' retention must be acceptable to Moelis. Prior to commencing a Bankruptcy Case, the Company will pay all fees then earned and payable and will reimburse Moelis for all expenses that Moelis incurred prior to commencement in accordance with this Agreement.

(b) Moelis will have no obligation to provide services unless the Bankruptcy Court approves Moelis' retention in a final non-appealable order acceptable to Moelis under section 328(a) of the Bankruptcy Code within 60 days following the filing of a voluntary chapter 11 case or the entry of an order for relief in any involuntary chapter 11 case. If neither the Company nor Moelis obtain such an order within such 60-day period, or such order is later reversed, vacated, stayed or set aside for any reason, Moelis may terminate this Agreement, and the Company shall reimburse Moelis for all fees owing and expenses incurred prior to the date of termination, subject to the requirements of the Bankruptcy Rules, and Moelis shall be entitled to a contingent claim with respect to any fees that become payable under the last paragraph of Section 2(a).

(c) Moelis' post-petition compensation, expense reimbursements and payment received pursuant to the provisions of ***Annex A*** shall be entitled to priority as expenses of administration under sections 503(b)(1)(A) and 507(a)(2) of the Bankruptcy Code, and shall be entitled to the benefits of any "carve-outs" for professional fees and expenses in effect pursuant to one or more financing orders entered by the Bankruptcy Court. Following entry of an order authorizing our retention, the Company will assist Moelis in

preparing, filing and serving fee statements, interim fee applications, and a final fee application. The Company will support Moelis' fee applications that are consistent with this Agreement in papers filed with the Bankruptcy Court and during any Bankruptcy Court hearing. The Company will pay promptly our fees and expenses approved by the Bankruptcy Court and in accordance with the Bankruptcy Rules.

(d) The Company will use its reasonable best efforts to ensure that, to the fullest extent permitted by law, any confirmed plan of reorganization or liquidation in the Bankruptcy Case contains typical and customary releases (both from the Company and from third parties) and exculpation provisions releasing, waiving, and forever discharging Moelis, its divisions, affiliates, any person controlling Moelis or its affiliates, and their respective current and former directors, officers, partners, managers, members, agents, representatives and employees from any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities related to the Company or the engagement described in this Agreement.

The terms of this Section 3 are solely for the benefit of Moelis, and may be waived, in whole or in part, only by Moelis.

4. The Company will furnish Moelis with such information concerning the Company and, to the extent available to the Company, the Counterparty, as Moelis reasonably requests (collectively, the "Information") to execute this engagement and upon reasonable request, will provide Moelis with access to the Company's officers, directors, employees, accountants, counsel and other representatives and, as practicable, those of the Counterparty. To the best of the Company's knowledge, the Information concerning the Company will be true and correct in all material respects and will not contain any material misstatement of fact or omit to state any material fact necessary to make the statements contained therein not misleading. The Company will advise Moelis promptly of any material event or change in the business, affairs, condition (financial or otherwise) or prospects of the Company or, to the Company's knowledge, the Counterparty, that occurs during the term of this Agreement. In performing our services hereunder, Moelis will be entitled to use and rely upon the Information as well as publicly available information without independent verification. Moelis is not required to conduct a physical inspection of any of the properties or assets, or to prepare or obtain any independent evaluation or appraisal of any of the assets or liabilities of the Company. Moelis will be entitled to assume that financial forecasts and projections the Company or any Counterparty makes available to Moelis have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of the Company or such Counterparty, as the case may be, as to the matters covered thereby. The Company acknowledges that Moelis' ability to render the services hereunder will depend on the extent of the cooperation Moelis receives from the Company. Moelis' role in reviewing any Information is limited to performing a review as Moelis deems necessary to support its own advice and analysis and shall not be performed on behalf on any other party. The Company authorizes Moelis to transmit any information furnished by the Company to potential parties to a Transaction. The Company will be solely responsible for the contents of any information and all other information provided to prospective parties to a Transaction.

The parties understand that all work, reports, conclusions and communications of Moelis with respect to this engagement are being done at the Company's request, are to be considered attorney work product and, as such, shall be regarded as protected from disclosure. Moelis makes no representation or warranty regarding the foregoing.

Moelis will not disclose to any third party nonpublic Information concerning the Company or the Transaction parties provided to Moelis in connection with this Agreement as long as such Information remains nonpublic, except (i) as otherwise required by subpoena or court order and for private disclosure to Moelis' financial regulatory authorities and (ii) Moelis may provide nonpublic Information to prospective Transaction parties as contemplated by this Agreement. This paragraph shall terminate one year following the date of this Agreement.

The Company represents and warrants to Moelis that the information provided to any prospective purchaser or seller of a security by or on behalf of the Company in any Recapitalization and/or Capital Transaction, at the closing thereof, taken as a whole, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

At the closing of a Recapitalization and/or Capital Transaction pursuant to an exemption from registration, (i) the Company shall be deemed to make all the representations and warranties to Moelis that the Company has made to purchasers of any security, (ii) the Company shall deliver to Moelis an opinion of Company counsel to the effect that the Recapitalization and/or Capital Transaction was exempt from registration under applicable securities laws and which shall also include all opinions delivered to the purchasers of any security, (iii) the Company shall use its commercially reasonable efforts to include in any definitive agreement for a Recapitalization and/or Capital Transaction non-reliance/release representations for the benefit of Moelis ("nonreliance reps") from purchasers of securities in a Recapitalization and/or Capital Transaction and (iv) the Company will also deliver to Moelis copies of such agreements, opinions, certificates and other documents delivered at the closing as Moelis may reasonably request.

5. The Company will not disclose, summarize or refer to any of Moelis' advice or the terms of this Agreement publicly or to any third party without the prior written consent of Moelis; provided, however, that (a) the Company may disclose any of the foregoing on a confidential and non-reliance basis to the Company's tax, legal, accounting and other managerial advisors who need to know such information for purposes of assisting the Company with a Transaction (provided that (i) the Company will instruct any such persons to keep such information confidential, and (ii) the Company will be responsible for any breach of non-reliance or confidentiality by any such person), and (b) in the event disclosure is required by subpoena or court order, the Company will provide Moelis with reasonable advance notice and permit Moelis to comment on the form and content of the disclosure. Moelis may, at our option and expense after the Company's public announcement of any Transaction, announce or disclose publicly such transaction and Moelis' role in it for marketing purposes, including, without limitation, on Moelis' website, stating that Moelis has acted as exclusive financial advisor, investment banker and/or placement agent, as applicable, to the Company in connection with any Transaction. If requested by Moelis, the Company shall include a mutually acceptable reference to Moelis in any public announcement of a Transaction. Following a public announcement or public confirmation or Company public filing relating to a potential Transaction, Moelis may also announce or disclose publicly its role in the potential Transaction.

6. Moelis is an independent contractor with the contractual obligations described herein owing solely to the Company. The parties agree that Moelis is not acting as an agent or fiduciary of the Company or any other party, and the Company agrees to not make any claims against Moelis based on an agency or fiduciary relationship. The Company and Moelis agree to the indemnity and other provisions set forth in ***Annex A***. Other than the Indemnified Persons, there are no third party beneficiaries of this Agreement. The obligations hereunder of the entities comprising the Company shall be joint and several.

7. Either the Company or Moelis may terminate this Agreement upon written notice thereof to the other parties. In the event of any termination, (i) Moelis will continue to be entitled to the fees and expenses that became payable hereunder prior to termination or expiration and (ii) ***Annex A***, the last paragraph of Section 2(a) and Sections 3 through 9 shall remain in full force and effect after the completion, termination or expiration of this Agreement.

Notwithstanding anything to the contrary contained herein, if, prior to the signing of a definitive agreement for a Transaction, (a) the Company provides written notice to Moelis that the Company intends to terminate Moelis' engagement due to the bad faith, willful misconduct or gross negligence of Moelis in the performance of its services hereunder, (b) such bad faith, willful misconduct or gross negligence is not promptly cured (if such cure is possible) by Moelis in a manner reasonably acceptable to the Company, and (c) the Company thereafter terminates this Agreement, then no Transaction Fee(s) shall be paid or payable hereunder; provided, however, that if Moelis obtains a judicial determination that it did not act with

bad faith, willful misconduct or gross negligence in the performance of its services hereunder, Moelis will remain entitled to its Transaction Fee(s) hereunder, subject to the other conditions set forth in this Section 7. For the avoidance of doubt, in no event will Moelis be entitled to its Transaction Fee(s) if Moelis terminates this Agreement unless such fee became payable prior to such termination.

8. Moelis is an independent investment bank which is engaged in a range of investment banking activities. Certain affiliates of Moelis are engaged in asset management and other activities for their own account and otherwise. Moelis and its affiliates may have interests that differ from the interests of the Company. Moelis and its affiliates have no duty to disclose to any party, or use for the benefit of any party, any information acquired in the course of providing services to any other party, engaging in any transaction or carrying on any other businesses. Moelis' employees, officers, partners and affiliates may at any time own the Company's securities or those of any other entity involved in any transaction contemplated by this Agreement. Moelis recognizes its obligations under applicable securities laws in connection with the purchase and sale of such securities.

Moelis is required to obtain, verify, and record information that identifies each party with whom it does business in a manner that satisfies the requirements of and in accordance with the USA Patriot Act. Upon request, each of the parties hereto will provide Moelis with information necessary to verify its identity for purposes of the USA Patriot Act.

9. This Agreement and any disputes or claims that may arise out of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, and this Agreement embodies the entire agreement and supersedes any prior written or oral agreement relating to the subject matter hereof, and may only be amended or waived in writing signed by both the Company and Moelis. If any part of this Agreement is judicially determined to be unenforceable, it shall be interpreted to the fullest extent enforceable so as to give the closest meaning to its intent, and the remainder of this Agreement shall remain in full force and effect. Any proceeding arising out of this Agreement shall be heard exclusively in a New York state or federal court sitting in the city and county of New York, to whose jurisdiction and forum Moelis and the Company irrevocably submit. The Company also irrevocably consents to the service of process in any such proceeding by mail to the Company's agent of service in the United States, CT Corporation System, located at 1015 15th Street N.W., Suite 1000, Washington, DC 20005. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement. This Agreement shall be binding upon the Company and Moelis and its and our respective successors and permitted assigns. MOELIS AND THE COMPANY (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS CREDITORS AND SECURITY HOLDERS) WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY PROCEEDING ARISING OUT OF THIS AGREEMENT.

(Signature page follows)

Moelis

Moelis is delighted to accept this engagement and looks forward to working with the Company. Please sign and return the enclosed duplicate of this Agreement. The individuals signing this Agreement each represent that he or she is authorized to execute and deliver it on behalf of the entity whose name appears above his or her signature.

Very truly yours,

MOELIS & COMPANY LLC

By: _____
Name: Grant Kassel
Title: Managing Director

Agreed to as of the date first written above:

AYR WELLNESS INC.

By: _____
Name: Steve Cohen
Title: CEO

ANNEX A

The Company will indemnify and hold harmless Moelis, its affiliates and any of Moelis' or Moelis' affiliates' respective current or former directors, officers, partners, managers, agents, representatives or employees (including any person controlling Moelis or any of its affiliates) (collectively, the "Moelis Persons") from and against any losses, claims, damages, expenses or liabilities (collectively, "Losses") (A)(i) related to or arising out of the Company's actions or omissions (or the actions or omissions of the Company's officers, directors, employees and agents other than Moelis) in connection with the matters contemplated in the Agreement, (ii) related to or arising out of oral or written statements or omissions made or information provided by the Company or its agents in connection with the matters contemplated in the Agreement, or including, without limitation, all information in the Information Presentation or otherwise provided to Purchasers by or on behalf of the Company (which shall be deemed to include the Company's public filings) (B) otherwise arising out of, related to or in connection with the Agreement, the matters contemplated in the Agreement, or Moelis' performance of the Agreement (or any other services or advice the Company requests Moelis to provide) in each case, including prior to the date of the Agreement, except that clause (B) shall not apply to Losses to the extent such Losses are finally judicially determined to have resulted primarily from the bad faith or gross negligence of such Moelis Person.

The Company agrees that no Moelis Person shall have any liability to the Company or its affiliates, or their respective owners, directors, officers, employees, security holders or creditors for any Losses (A)(i) related to or arising out of the Company's actions or omissions (or the actions or omissions of the Company's officers, directors, employees and agents other than Moelis) in connection with the matters contemplated in the Agreement, (ii) related to or arising out of oral or written statements or omissions made or information provided by the Company or its agents in connection with the matters contemplated in the Agreement, including, without limitation, all information in the Information Presentation or otherwise provided to Purchasers by or on behalf of the Company (which shall be deemed to include the Company's public filings) or (B) otherwise arising out of, related to or in connection with the Agreement, the matters contemplated in the Agreement or Moelis' performance of the Agreement (or any other services or advice the Company requests Moelis to provide) in each case, including prior to the date of the Agreement, except that clause (B) shall not apply to Losses to the extent such Losses are finally judicially determined to have resulted primarily from the bad faith or gross negligence of such Moelis Person.

If such indemnification or limitation on liability is for any reason not available or is insufficient to hold a Moelis Person harmless, the Company agrees to contribute to the Losses in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by the Company, on the one hand, and by Moelis, on the other hand, with respect to the Agreement or, if such allocation is judicially determined to be unavailable, in such proportion as is appropriate to reflect the relative benefits and relative fault of the Company, on the one hand, and of Moelis, on the other hand, and any other equitable considerations; provided, however, that, to the extent permitted by applicable law, in no event shall the Moelis Persons be responsible for amounts that exceed the fees actually received by Moelis from the Company in connection with the Agreement. Relative benefits to the Company, on the one hand, and Moelis, on the other hand, with respect to the Agreement shall be deemed to be in the same proportion as (i) the total value paid or proposed to be paid or received or proposed to be received by the Company or its security holders, as the case may be, pursuant to the transaction(s) contemplated by the Agreement, whether or not consummated, bears to (ii) the fees actually received by Moelis in connection with the Agreement.

The Company will not, without Moelis' prior written consent (not to be unreasonably withheld), settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate (a "Settlement") any actual or threatened action, claim, suit, investigation or proceeding (an "Action") (or participate in or facilitate a Settlement of any Action) in respect of which indemnification or contribution is or may be sought hereunder (whether or not a Moelis Person is a party thereto) unless such Settlement includes a release of each Moelis Person from any Losses arising out of such Action. The Company will not permit any such Settlement to include a statement as to, or an admission of, fault or culpability by or on behalf of a Moelis Person

without such Moelis Person's prior written consent. No Moelis Person seeking indemnification or contribution under the Agreement will, without the Company's prior written consent (not to be unreasonably withheld), agree to the Settlement of any Action. The Company's obligations set forth in this *Annex A* shall be in addition to any rights that any Moelis Person may have at common law or otherwise.

In the event that any Moelis Person becomes involved in any capacity in any Action arising out of, related to or in connection with the Agreement or any matter referred to in the Agreement (including, without limitation, related matters prior to the date of the Agreement), the Company will reimburse such Moelis Person for the reasonable out-of-pocket costs and expenses (including counsel fees) of investigating, preparing for and responding to such Action or enforcing the Agreement (including, without limitation, each of the provisions of this *Annex A*), as they are incurred.

Prior to effecting any proposed sale, exchange, dividend or other distribution or liquidation of all or substantially all of its assets or any significant recapitalization or reclassification of its outstanding securities that does not explicitly or by operation of law provide for the assumption of the obligations of the Company set forth herein, the Company will notify Moelis in writing of its arrangements for the Company's obligations set forth herein to be assumed by another creditworthy party (for example through insurance, surety bonds or the creation of an escrow) upon terms and conditions reasonably satisfactory to the Company and Moelis.

Moelis

SCHEDULE 1

Millstreet
FiSai

Moelis

SCHEDULE 2

Wire Instructions:
Beneficiary Account: Moelis & Company LLC
Routing Number: 122016066
Account Number: 412956230
International SWIFT Code: CINAUS6L

City National Bank
525 S. Flower Street
24th Floor
Los Angeles, CA 90071

This is **Exhibit " K "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

Docusign Envelope ID: B9E950F8-5108-4EB6-A735-DF5677A80C71

ankura

Confidential

APRIL 3, 2025

Special Committee of the Board of Directors
AYR Wellness Inc.
2601 South Bayshore Drive, Suite 900
Miami, FL 33133

Re: Interim Chief Executive Officer & Chief Restructuring Officer and Financial Advisor Engagement

Dear Special Committee of the Board of Directors:

This letter agreement (this "Agreement"), entered into as of April 3, 2025 (the "Effective Date"), confirms the terms of the agreement among Ankura Consulting Group, LLC ("Ankura") and AYR Wellness Inc. (the "Company", the "Client" or "you") pursuant to which Ankura has been engaged to act as the advisor to Company to provide interim management and restructuring advisory services as set forth below.

We have been retained by the Board of Directors (the "Board") and will report to The Special Committee of the Board of Directors (the "Board Committee").

1. Scope of Engagement: On the terms and subject to the conditions of this Agreement, Ankura will provide to the Company the following interim management and restructuring advisory services (the "Services"), as requested by the Board Committee and agreed to by Ankura:

A. Provide Scott Davido to serve as Interim Chief Executive Officer ("Interim CEO"), reporting to the Board;
B. Provide additional resources as required and approved by the Company (the "Engagement Personnel");

Phase I: working alongside AYR management, over an initial period of approximately six weeks, Ankura will provide the following:

C. Develop a rolling 13-week cash flow forecast;
D. Develop a three statement model that aligns with 13-week cash flow forecast;
E. Identify and begin review of potential opportunities to preserve cash and enhance liquidity;
F. Identify key operational and financial restructuring initiatives to evaluate during Phase II; and
G. Provide an initial assessment of key leadership positions and overall organizational alignment

Phase II: working alongside AYR management and the Company's other professional advisors:

H. Assist in evaluating and executing operational improvement initiatives;
I. Review Company's business plan under various scenarios;
J. Assist in communication and negotiations with key stakeholders;
K. Assist in identification and implementation of various strategic alternatives, including asset sales, cost reduction initiatives, assessment of underperforming locations; and
L. Perform such other professional services as may be requested by the Company and agreed to by Ankura in writing.

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In the event there is a disagreement as to any direction, guidance or instruction to be given to Ankura in connection with the foregoing Services, Ankura shall take such direction, guidance or instruction from The Board Committee.

It is our intention to work closely with you and management throughout the course of our engagement. Regular discussions with you regarding our progress should provide you with an opportunity to confirm or request that we modify the scope of our engagement to best serve your needs. The Services and compensation arrangements set forth herein do not encompass other advisory services not set forth in this Section 1. If the Company and Ankura later determine to expand the scope of Services to include other services not otherwise set forth herein, such future agreement will be the subject of a further and separate written agreement of the parties.

Notwithstanding anything to the contrary in this Agreement, the Company and the Board of Directors of the Company (the "Board") agree that the Interim CEO shall be authorized, in such capacity, to make decisions with respect to the management and operations of the Company's business, including, without limitation, marketing, sales, operations, supply chain, finance, administration and other such areas as the Interim CEO may identify, in such manner, as the Interim CEO deems appropriate, subject only to approval and appropriate governance by the Board in accordance with the Company's articles, by-laws and applicable laws.

2. Fees and Expenses: For Ankura's Services hereunder, the Company agrees to pay to Ankura the following non-refundable fees (the Interim CEO Fee and the Advisory Fee, collectively the "Fee"):

A. Interim CEO Fee: a monthly fee for the Interim CEO in the amount of $150,000 (the "Interim CEO Fee").

B. Advisory Fees: our fees for the Services set forth above for the Engagement Personnel (the "Advisory Fees") will be based on the actual hours expended at our standard hourly rates that are in effect when the Services are rendered. Our rates are typically revised annually. Our current hourly rates are as follows:

T&R CORE AMERICAS 2025 | RATE RANGES

US RATES		
Title	2025 RATE RANGE	
Senior Managing Director	$ 1,300	$ 1,455
Managing Director	$ 1,075	$ 1,205
Senior Director	$ 885	$ 1,020
Director	$ 740	$ 850
Senior Associate	$ 605	$ 680
Associate	$ 495	$ 560
Paraprofessional	$ 380	$ 440

C. Expense Reimbursement: Ankura shall be entitled to reimbursement of actual, necessary and reasonable out-of-pocket and direct expenses incurred in connection with the Services to be



provided under this Agreement (including for Ankura's reasonable out-of-pocket fees, expenses for outside legal counsel and other third-party advisors and for e-billing expenses, if Client requires the use of a specific e-billing provider) incurred in connection with this Agreement, including the negotiation and performance of this Agreement and the matters contemplated hereby) (collectively, "Expenses") not to exceed a maximum of $100,000 during the term of the Services (the "Expense Cap"); provided, however, that (i) Ankura shall seek prior approval by the Board for any single expense in excess of $5,000, (ii) expenses for any legal fees incurred in connection with Section F of this Agreement shall not be included in the cap set forth in this section, and (iii) Ankura and the Board can agree to increase the Expense Cap in advance of incurring any expenses in excess of $100,000.00. In addition, each monthly invoice will include a charge equal to five percent (5%) of Fees (the "Administrative and Technology Fee") for Ankura costs related to administrative support, information and data security, data management and storage, certain software licenses, and technology/connectivity costs not specifically included in our hourly rates or direct expenses.

D. Phase I Fee Cap: the Company and Ankura agree that the Interim CEO Fee and the Advisory Fee during Phase I shall be subject to a cap of $450,000 (the "Phase I Cap").

E. Reasonableness of Fees: The Company acknowledges that it believes that Ankura's general restructuring experience and expertise will inure to the benefit of the parties hereto, that the value to the parties hereto of Ankura's Services derives in substantial part from that experience and expertise and that, accordingly, the structure and amount of the Fees to be paid to Ankura hereunder are reasonable. The Company acknowledges that a substantial professional commitment of time and effort will be required of Ankura and its professionals hereunder, and that such commitment may foreclose other opportunities for Ankura. Given the numerous issues that may arise in engagements such as this, Ankura's commitment to the variable level of time and effort necessary to address such issues, the expertise and capabilities of Ankura that will be required in this engagement, and the market rate for Ankura's services of this nature, whether in-court or out-of-court, the parties agree that the fee arrangement provided for herein is reasonable, fairly compensates Ankura, and provides the requisite certainty to the parties hereto.

F. Testimony; Subpoena Requests. If Ankura is requested or required to appear as a witness in any action that is brought by, on behalf of, or against you or that otherwise relates to this Agreement or the Services rendered by Ankura hereunder, you agree to (i) compensate Ankura for its associated time charges at our regular rates in effect at the time and (ii) reimburse Ankura for all documented, actual out-of-pocket expenses incurred by Ankura in connection with such appearance or preparing to appear as a witness, including without limitation, the fees and disbursements of legal counsel of Ankura's choosing. In addition, Ankura will be compensated and reimbursed for any time and expense (including without limitation, fees and expenses of legal counsel of Ankura's choosing) that Ankura may incur in considering or responding to discovery requests or other formal information requests for documents or information made in connection with any action or in connection with the Services.

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3. Retainer

A. In connection with the foregoing, it is Ankura's policy to receive an advance retainer for the Fees and Expenses. Upon execution of this Agreement, the Company shall provide Ankura with such retainer in the amount of $150,000 (the "Retainer") and the Company agrees to replenish the Retainer upon the request of Ankura. The Company understands and acknowledges that any Retainer becomes the property of Ankura when it is earned and the Company no longer has a property interest in any Retainer upon Ankura's earning of the Retainer, any Retainer will be placed in Ankura's general account and will not be held in a client trust account, and the Company will not earn any interest on any Retainer; *provided, however*, that at the conclusion of the Services, if the amount of any Retainer held by Ankura is in excess of the amount of Ankura's outstanding and estimated Fees and Expenses, any such excess Retainer amount will be returned to the Company.

B. . The unused portion, if any, of the Retainer will be applied to any unpaid pre-petition Fees and Expenses if the Company's entities commence proceedings under the Companies' Creditors Arrangement Act. Ankura will hold any portion of the Retainer not otherwise properly applied for payment of any such unpaid pre-filing Fees and Expenses (whether or not billed) to be applied to Ankura's final invoice.

4. Invoices and Payment: The obligations of the Company under this Agreement shall be joint and several obligations. The payment of the Fees and Expenses hereunder are the exclusive obligations of the Company. Prior to commencing any proceedings under any insolvency regime, the Company shall pay all invoiced amounts, whether for Fees or Expenses or otherwise, to Ankura by wire transfer of immediately available funds. In the event that the Company does not pay Ankura's invoices in accordance with their terms, Ankura has the discretion to (i) terminate or suspend the engagement and the performance of Services, and (ii) deduct any outstanding amounts owed from monies held on the Company's behalf. Under these circumstances, the Company will also be responsible for any costs, including legal fees, associated with the collection of outstanding and overdue fees and expenses. Company agrees that it will pay the full amount of any invoices regardless of any deduction that it is required by law to make, and it will be responsible for any taxes, if required, that are due in relation to Ankura's goods and Services. Company is responsible for paying any local, state or federal sales, use or ad valorem tax that might be assessed on the Services. Ankura will pay any local, state or federal income taxes due and payable by Ankura relating to the Services.

5. Term of Agreement: If either party hereto desires to terminate its relationship with the other or the engagement, it may do so at any time for any reason by giving written notice to the other party. In such event, Ankura will be paid for fees and expenses incurred through the termination date, as well as for reasonable engagement closing costs.

6. Nature of Services; Use of Advice:

A. The Services, including the deliverables and reports, are provided solely for your use for the purposes set forth herein. You may not disclose or discuss the Services or any deliverable or report or make the benefit of the Services available to anyone else or refer to the contents of a deliverable or report or the findings of our work except (i) as specifically stated herein, (ii) with our prior

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written consent on terms to be agreed in writing, or (iii) where required by law or regulation. The Services and all deliverables are not for a third party's use, benefit or reliance and Ankura disclaims any contractual or other responsibility or duty of care to any third party based upon the Services or deliverables. Client will indemnify and hold Ankura harmless from any and all claims asserted by a third party as a result of such unauthorized release of any deliverables or reliance on the Services. Nothing in this Agreement, express or implied, is intended to confer or does confer on any person or entity, other than the parties hereto, the Indemnified Persons (as such term is defined in Schedule I) and each of their respective successors, heirs and assigns, any rights or remedies under or by reason of this Agreement or as a result of the services to be rendered by Ankura hereunder.

B. At the direction of legal counsel, certain communications and correspondence between Ankura and reports and analyses prepared by Ankura, in connection with this Agreement and the matters contemplated hereby, will be considered in preparation for litigation, and accordingly, will be subject to the attorney-client privilege and work-product privilege between Ankura and the Company.

C. The Services and any deliverables, including any oral advice or comments, should not be associated with, referred to or quoted in any manner in any financial statements or any offering memorandum, prospectus, registration statement, public filing, loan or other agreements.

7. Intellectual Property:

Ankura owns the intellectual property rights in the deliverables and reports and any materials created under this Agreement. Ankura agrees that upon payment in full for the Services, you will have a non-exclusive, non-transferable license to use the deliverables for your own internal use in accordance with the terms of this Agreement. Notwithstanding the foregoing, (i) any patent, copyright, trademark and other intellectual property rights of Ankura contained in any deliverable or report shall remain the sole and exclusive property of Ankura, and (ii) all methodologies, processes, techniques, ideas, concepts, trade secrets and know-how and other intellectual property embedded in the deliverable or reports that we may develop or supply in connection with our Services shall remain the sole and exclusive property of Ankura.

8. Court Approval:

In the event that a proceeding under the Companies' Creditors Arrangement Act is necessary or required, the Company will use its best efforts to ensure that the court authorizes the Company to continue to honor its obligations under this Agreement, including all indemnification obligations hereunder and payment by the Company of all Fees and Expenses in accordance with the terms hereunder (including Ankura's counsel's fees and expenses, if any) and, if necessary, approves this Agreement, *nunc pro tunc* to the date the insolvency proceeding was commenced.

9. Confidentiality:

A. Generally. In connection with this engagement, either party (the "Receiving Party") may come into the possession, whether orally or in writing, of Confidential Information (as defined below) of the other party (the "Disclosing Party"). The Receiving Party hereby agrees that it will not disclose, publish or distribute such Confidential Information to any third party without the Disclosing Party's



consent, which consent shall not be unreasonably withheld, other than (i) to the Receiving Party's affiliates and its and their employees, officers, directors, auditors, and advisors; (ii) if such disclosure is requested or required by a governmental agency having regulatory authority or other authority over the Receiving Party; (iii) pursuant to court order, subpoena or legal process requiring disclosure, provided that Receiving Party shall use its best efforts to promptly give Disclosing Party written prior notice (if legally permissible) of any disclosure under this clause (iii) so that Disclosing Party can seek a protective order; or (iv) to tax advisors regarding the tax treatment or tax structure of any transaction; provided that such advisors are informed of the confidential obligations hereunder.

B. Definition of Confidential Information. "Confidential Information" means any and all non-public, confidential or proprietary knowledge, data, or information of or concerning the Disclosing Party. For the avoidance of doubt, Confidential Information includes without limitation, research, analyses, names, business plans, valuations, databases and management systems. Confidential Information shall not include information that: (i) was publicly known and made generally available in the public domain prior to the time of disclosure; (ii) is already in the lawful possession of the Receiving Party at the time of disclosure; (iii) is lawfully obtained from a third party lawfully in possession of such information and without a breach of such third party's obligations of confidentiality; or (iv) is independently developed without use of or reference to any Confidential Information.

10. Company Access and Information:

In order to fulfill the Services under this Agreement, it will be necessary for Ankura personnel to have access to the Company's facilities and certain books, records and reports of the Company. In addition, Ankura will need to have discussions with the Company's management and certain other personnel. Ankura will perform the Services in a manner that will permit the business operations of the Company to proceed in an orderly fashion, subject to the requirements of this engagement. We understand that the Company has agreed it will furnish Ankura with such information as Ankura believes appropriate to its assignment (all such information so furnished being the "Information"). The Company recognizes and confirms that Ankura (i) will use and rely on the accuracy and completeness of the Information and on Information available from generally recognized public sources without independently verifying the same, (ii) does not assume responsibility for the accuracy, completeness or reasonableness of the Information and such other Information, and (iii) will not make an appraisal of any assets or liabilities (contingent or otherwise) of the Company. The Company shall advise Ankura promptly upon obtaining any actual knowledge of the occurrence of any event or any other change in fact or circumstance upon which Ankura formed part or all of its opinions, advice, or conclusions, or which could reasonably be expected to result in some or all of the Information being incorrect, inaccurate, or misleading. To the best of the Company's knowledge, the Information to be furnished by or on behalf of the Company, when delivered, will be true and correct in all material respects and will not contain any material misstatement of fact or omit to state any material fact necessary to make the statements contained therein not misleading.

Ankura will submit oral reports highlighting our findings and observations based upon the Services we perform pursuant to this Agreement. Our reports will encompass only matters that come to our attention in

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the course of our work that we perceive to be significant in relation to the objectives of our engagement. The depth of our analyses and extent of our authentication of the information on which our advice to you will be based may be limited in some respects due to the extent and sufficiency of available Information, time constraints dictated by the circumstances of our engagement, and other factors. We do not contemplate examining any such Information in accordance with generally accepted auditing or attestation standards. It is understood that, in general, we are to rely on Information disclosed or supplied to us by employees and representatives of the Company without audit or other detailed verification of their accuracy and validity. Accordingly, we will be unable to and will not provide assurances in our reports concerning the integrity of the Information used in our analyses and on which our findings and advice to you may be based. In addition, we will state that we have no obligation to, and will not update our reports or extend our activities beyond the scope set forth herein unless you request, and we agree to do so.

11. Indemnification; Limitation of Liability: The Company shall provide indemnification, contribution and reimbursement as set forth in Schedule I hereto. The terms and provisions of Schedule I are an integral part hereof, are hereby incorporated by reference, are subject in all respects to the provisions hereof and shall survive any termination or expiration of this Agreement. Further, if an Indemnified Person (as defined in Schedule I) is requested or required to appear as a witness in any Action (as defined in Schedule I) that is brought by or on behalf of or against the Company or that otherwise relates to this Agreement or the Services rendered by Ankura hereunder, the Company shall, jointly and severally, reimburse Ankura and the Indemnified Person for all documented, actual out-of-pocket expenses incurred by them in connection with such Indemnified Person appearing or preparing to appear as such a witness, including without limitation, the fees and disbursements of legal counsel. Neither the Client nor any other party acting on their behalf shall hold Ankura liable for any matter in connection with the engagement or the Agreement, absent gross negligence, willful misconduct or bad faith, in each case as finally determined by a judgment of a court of competent jurisdiction. In no event shall Ankura be liable (i) under this Agreement or in connection with the Services or this engagement for damages in excess of the total amount of Fees collected; (ii) for loss or corruption of data from the Client's systems; or (iii) for any claim whatsoever for any loss of profit, goodwill, business opportunity, anticipated savings or benefits, special, consequential, exemplary, incidental, punitive or indirect damages of any kind.

12. Entire Agreement; Amendments: This Agreement represents the entire agreement between the parties in relation to the Services, supersedes all previous agreements relating to the subject matter hereof (should they exist) and may not be modified or amended except in writing signed by all of the parties hereto.

13. Counterparts: This Agreement may be executed in counterparts (and by facsimile or other electronic means), each of which shall constitute an original and all of which together will be deemed to be one and the same document.

14. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

15. Announcements: Ankura shall be entitled to identify the Company and use the Company's name and logo in connection with marketing and pitch materials upon conclusion of the Services. In addition, if

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requested by Ankura, the Company agrees that in any press release related to the Services or outcome of the Services provided hereunder, the Company will include in such press release a mutually acceptable reference to Ankura's role as Interim CEO and restructuring advisor to the Company.

16. Governing Law; Jury Trial Waiver; Jurisdiction: THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE. ANKURA AND THE COMPANY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF OR IN CONNECTION WITH THE ENGAGEMENT OF ANKURA PURSUANT TO, OR THE PERFORMANCE BY ANKURA OF THE SERVICES CONTEMPLATED BY, THIS AGREEMENT. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY IN ANY FEDERAL COURT OF COMPETENT JURISDICTION SITTING IN THE SOUTHERN DISTRICT OF NEW YORK, NEW YORK OR, IF SUCH COURTS DO NOT HAVE JURISDICTION, THEN THE COMMERCIAL DIVISION OF THE STATE COURTS SITTING IN THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK, WHICH COURTS SHALL HAVE EXCLUSIVE JURISDICTION OVER THE ADJUDICATION OF SUCH MATTERS; PROVIDED HOWEVER, THAT IF ANY ENTITY COMPRISING THE COMPANY COMMENCES A PROCEEDING UNDER THE COMPANIES' CREDITORS ARRANGEMENT ACT, AND IF A COMPANY ENTITY IS A PARTY TO SUCH DISPUTE WITH RESPECT TO THIS AGREEMENT, ANKURA AND THE COMPANY IRREVOCABLY AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION AND FORUM OF THE COURT IN WHICH SUCH PROCEEDING IS PENDING. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO FURTHER IRREVOCABLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND HEREBY WAIVES IN ALL RESPECTS ANY CLAIM OR OBJECTION THAT IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON-CONVENIENS. EACH PARTY HERETO AGREES THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH ACTION BROUGHT IN ANY SUCH COURT SHALL BE CONCLUSIVE AND BINDING UPON IT AND MAY BE ENFORCED IN ANY OTHER COURT(S) HAVING JURISDICTION OVER IT BY SUIT UPON SUCH JUDGMENT. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ALL SUCH DISPUTES BY THE MAILING OF COPIES OF SUCH PROCESS TO THE NOTICE ADDRESS FOR EACH SUCH PERSON AS SET FORTH IN THIS AGREEMENT. EACH OF THE PARTIES HERETO HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF ANY OTHER PARTY HERETO HAS REPRESENTED EXPRESSLY OR OTHERWISE THAT SUCH PARTY WOULD NOT SEEK TO ENFORCE THE PROVISIONS OF THIS WAIVER. EACH OF THE PARTIES HERETO HEREBY ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY AND IN RELIANCE UPON, AMONG OTHER THINGS, THE PROVISIONS OF THIS SECTION.



17. Notices: Notice given pursuant to any of the provisions of this Agreement shall be in writing and shall be mailed or delivered (including via email so long as the recipient acknowledges receipt) at the address set forth in the signature blocks of each such person below. Notices shall be deemed provided on the date sent.

18. Miscellaneous:

(a) Conflicts:

i. Ankura is involved in a wide range of other activities from which conflicting interests, or duties, may arise. We have undertaken an inquiry of our records in accordance with our standard business practices based on the parties identified to us and have determined that we may proceed. Due to the diversity of Ankura's experts and advisory services, Ankura cannot be certain all relationships have or will come to light. Should an actual conflict come to the attention of Ankura during the course of this engagement, we will notify you and take appropriate actions, as necessary. The Company represents and warrants that it has informed Ankura of the parties-in-interest to this matter and agrees that it will inform Ankura of additions to, or name changes for, those parties-in-interest. Ankura is not restricted from working on other engagements involving the parties in this matter; however, during the course of this engagement, services of the nature described in this Agreement that are directly adverse to the Company shall not be provided by personnel working on this engagement without prior written consent of the Company.

ii. The Company acknowledges that Ankura and its affiliates may have provided professional services to, may currently provide professional services to, or may in the future provide such services to other parties-in-interest. The Company agrees that Ankura, its affiliates, subsidiaries, subcontractors and their respective personnel will have no responsibility to the Company in relation to such professional services, nor any responsibility to use or disclose information Ankura possesses by reason of such services, whether or not such information might be considered material to the Company. Information which is held elsewhere within Ankura but is not publicly available will not for any purpose be taken into account in determining Ankura's responsibilities to the Company under this engagement. Ankura will not have any duty to disclose to the Company or any other party or utilize for the benefit of any such party's or any other party any non-public information, or the fact that Ankura is in possession of such information, acquired in the course of providing services to any other person, engaging in any transaction (on its own account or otherwise) or otherwise carrying on its business.

(b) Exculpation: You agree not to bring any claim in connection with this Agreement or the Services against (i) a direct or indirect holder of any equity interests or securities of Ankura, whether such holder is a limited or general partner, member, stockholder or otherwise; (ii) an affiliate of Ankura not providing Services under this Agreement; or (iii) a director, officer, employee, representative or agent of Ankura or its affiliates ((i), (ii) and (iii) collectively, the "Party Affiliates"). You further

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agree that no Party Affiliate shall have any liability or obligation of any nature whatsoever in connection with or under this Agreement or the Services contemplated thereby, and you waive and release all claims against such Party Affiliates related to any such liability or obligation.

(c) Authority; Due Authorization; Enforceability: The Company represents and warrants that the Board has duly approved the retention of Ankura and approved the terms of this Agreement, including the appointment and authorization of the Interim CEO. Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. Each party hereto further represents and warrants that this Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each such party and constitutes the legal, valid and binding agreement of each such party, enforceable in accordance with its terms.

(d) Independent Contractors: In connection with the Services, Ankura may utilize employees, agents or independent contractors or its own affiliates (each of which is a separate and independent legal entity) or its own agents or independent contractors. References in this Agreement to Ankura personnel shall apply equally to employees, agents or independent contractors of Ankura and its affiliates. Ankura shall act as an independent contractor under this Agreement, and not in any other capacity including as a fiduciary, and any obligations arising out of its engagement shall be owed solely to you. As an independent contractor, Ankura will have complete and exclusive charge of the management and operations of its business, including hiring and paying the wages and other compensation of all its employees and agents, and paying all bills, expenses and other charges incurred or payable with respect to the operations of its business. Ankura will remain solely responsible for the Services.

(e) Limitations of Engagement: The Company acknowledges that Ankura is being retained solely to assist the Company as described in this Agreement. The Company agrees that it will be solely responsible implementing any advice or recommendations and for ensuring that any such implementation complies with applicable law. The Company understands that Ankura is not undertaking to provide any legal, regulatory, accounting, insurance, tax or other similar professional advice and the Company confirms that it is relying on its own counsel, accountants and similar advisors for such advice. This engagement shall not constitute an audit or review, or any other type of financial statement reporting engagement. It is expressly agreed that, other than as set forth in this Agreement, Ankura will not evaluate or attest to the Company's internal controls, financial reporting, illegal acts or disclosure deficiencies and Ankura shall be under no obligation to provide formal fairness or solvency opinions with respect to any insolvency proceeding or otherwise, or any transaction contemplated thereby or incidental thereto. In rendering its Services pursuant to this Agreement, and notwithstanding anything to the contrary herein, Ankura is not assuming any responsibility for any decision to pursue (or not to pursue) any business strategy or to effect (or not to effect) any transaction. Ankura shall not have any obligation or responsibility to provide legal, regulatory, accounting, tax, audit, "crisis management" or business consultant advice or services hereunder and shall have no responsibility for designing or implementing operating, organizational, administrative, cash management or liquidity improvements.

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(f) Limitations on Actions. Except for an action for nonpayment of Fees and Expenses, no action, regardless of form, relating to the Agreement or the Services provided thereunder, may be brought by either party more than one (1) year after the cause of action has accrued.

(g) Counsel Representation: The terms of this Agreement have been negotiated by the parties hereto, who have each been represented by counsel. There shall be no presumption that any of the provisions of this Agreement shall be construed adverse to any party as "drafter" in the event of a contention of ambiguity in this Agreement, and the parties waive any statute or rule of law to such effect.

(h) Assignment: This Agreement may not be assigned by any party hereto without the prior written consent of the other parties. Any attempted assignment of this Agreement made without such consent shall be void and of no effect, at the option of the non-assigning parties. Notwithstanding the foregoing, Ankura may assign or novate this Agreement to a transferee of all or part of its business upon written notice. Ankura may also transfer or deal with our rights in any unpaid invoice without notice.

(i) Headings: Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

(j) Survival: Those provisions that by their nature are intended to survive termination or expiration of this Agreement and any right or obligation of the parties in this Agreement which, by its express terms of nature and context is intended to survive termination or expiration of this Agreement, shall so survive any such termination or expiration. For the avoidance of doubt, upon any termination of this Agreement, Sections 2-12 and 14-18 shall survive such termination and shall remain in effect. Notwithstanding the foregoing, the obligations under Section 9 shall survive for two (2) years after termination of this Agreement.

(k) Force Majeure: Ankura shall not be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including but not limited to, fire, epidemic or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

(l) Non-Solicitation: The Client will not, during the term of the engagement or for twelve (12) months thereafter, solicit (directly or indirectly) any employee of Ankura or attempt to induce or cooperate with any other firm in an attempt to induce any employee to leave the employ of Ankura. In the event that an employee of Ankura is hired by the Client during the above-mentioned period, the Client agrees to pay to Ankura, no later than ten (10) days after the employees accepts a position with the Client, an amount equal to one hundred percent (100%) of the employee's annualized compensation; provided that the foregoing shall not be violated by general advertising not targeted at Ankura employees.

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(m) Insurance: The Company shall maintain directors, officers and corporate liability insurance policy (the "Policy"), with at least $10 million in coverage, with at least $5 million dedicated solely to executives, to cover the Interim CEO in addition to the existing officers and directors serving in such positions. The Company shall cause its insurance broker to send copies of all documentation and other communications regarding the Policy, including without limitation any renewal or cancellation thereof to the attention of the Interim CEO. Upon any cancellation or nonrenewal of the Policy, the Company shall exercise its rights to extend the claim period to a six-year "discovery period" and shall pay the premium required thereunder.

(n) Money Laundering. Ankura may, in addition to making searches of appropriate databases, request from you, your affiliates or your advisors, certain information and documentation for the purposes of verifying your identity in order to comply with our obligations under applicable money-laundering regulation, legislation and our internal policies. When you are acting on behalf of a third-party client, we may request from you, copies of any documentation you have obtained in relation to your client. If satisfactory evidence of identity is not provided within a reasonable time, it may be necessary for us to cease work. Where we believe that there are circumstances which may give rise to a money laundering offence under applicable legislation, we may consider it necessary to make a report to the appropriate authorities. We may not be able to discuss such reports with you and we will not be liable to you for any loss or damage which you may suffer or incur as a result of our making such a report, including, without limitation, as a result of any delay to any stage of a matter or as a result of completion being prohibited by such authorities.

[Signature pages follow.]

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below, whereupon this Agreement and your acceptance shall constitute a binding agreement between us.

If you have any questions, please call me at 816-853-0821. We look forward to working with you on this matter.

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Ankura Consulting Group, LLC

By: _____

Name: Andrew Scriven
Title: Senior Managing Director
Email: Andrew.Scriven@Ankura.com
Address: 150 N. Riverside Plaza, Suite 2400
Chicago, IL 60606
With a copy to
485 Lexington Avenue, 10th Floor
New York, NY 10017
Attn.: General Counsel

Accepted and agreed:

COMPANY:
AYR WELLNESS INC.
By: Signed by: _____
B925A2FA0E8F4ED...
Name: Steven M. Cohen
Title: Interim Chief Executive Officer
Address: 2601 South Bayshore Drive, Suite 900, Miami, FL 33133
E-mail: steve.cohen@ayrwellness.com
Date: April 3, 2025

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Schedule I

This Schedule I is a part of and incorporated into the Agreement, dated as of April 3, 2025 between Ankura and the Company pursuant to which Ankura has been engaged to Services as set forth in the Agreement. Capitalized terms not defined herein shall have the same meaning assigned in the Agreement.

As a material part of the consideration for the agreement of Ankura to furnish its Services under the Agreement, the Company, jointly and severally, agrees that it shall indemnify and hold harmless Ankura and its affiliates and their respective directors, officers, employees, attorneys and other agents appointed by any of the foregoing and each other person, if any, controlling Ankura or any of its affiliates (Ankura and each such person and entity being referred to as an "Indemnified Person"), from and against any losses, claims, damages, judgments, assessments, costs and other liabilities (collectively, "Liabilities"), and will reimburse each Indemnified Person for all reasonable fees and expenses (including the reasonable fees and expenses of counsel) (collectively, "Indemnified Expenses") as they are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation, whether or not in connection with pending or threatened litigation and whether or not any Indemnified Person is a party (collectively, "Actions"), in each case, related to or arising out of or in connection with the Services rendered or to be rendered by an Indemnified Person pursuant to the Agreement or any Indemnified Persons' actions or inactions in connection with any such Services; provided that the Company will not be responsible for any Liabilities or Indemnified Expenses of any Indemnified Person that are determined by a judgment of a court of competent jurisdiction, which judgment is no longer subject to appeal or further review, to have resulted primarily from such Indemnified Person's gross negligence or willful misconduct in connection with any of the Services. The Company shall also reimburse such Indemnified Person for all Indemnified Expenses as they are incurred in connection with enforcing such Indemnified Persons' rights under the Agreement (including without limitation its rights under this Schedule I). Such Indemnified Person shall reasonably cooperate with the defense of any Actions.

The Company shall, if requested by Ankura, assume the defense of any such Action including the employment of counsel reasonably satisfactory to Ankura. The Company will not, without prior written consent of Ankura (which shall not be unreasonably withheld), settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any pending or threatened Action in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Person is a party thereto) unless such settlement, compromise, consent or termination (i) includes an unconditional release of such Indemnified Person from all Liabilities arising out of such Action and (ii) does not include any admission or assumption of fault or culpability on the part of any Indemnified Person.

In the event that the foregoing indemnity is not available, for any reason, to an Indemnified Person in accordance with the Agreement, the Company shall contribute to the Liabilities and Indemnified Expenses paid or payable by such Indemnified Person in such proportion as is appropriate to reflect (i) the relative benefits to the Company, on the one hand, and to Ankura, on the other hand, of the matters contemplated by the Agreement, or (ii) if the allocation provided by the immediately preceding clause (i) is not permitted by applicable law, not only such relative benefits but also the relative fault of the Company, on the one hand, and Ankura, on the other hand, in connection with the matters as to which such Liabilities

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or Indemnified Expenses relate, as well as any other relevant equitable considerations. Notwithstanding the foregoing, in no event shall any Indemnified Persons be required to contribute an aggregate amount in excess of the amount of fees actually received by Ankura from the Company pursuant to the Agreement.

Prior to entering into any agreement or arrangement with respect to, or effecting, any (i) merger, statutory exchange or other business combination or proposed sale, exchange, dividend or other distribution or liquidation of all or a significant portion of its assets, or (ii) significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth in this Agreement, the Company will notify Ankura in writing thereof, if not previously so notified, and shall arrange in connection therewith alternative means of providing for the obligations of the Company set forth in this Agreement, including the assumption of such obligations by another party, insurance, surety bonds, the creation of an escrow, or other credit support arrangements, in each case in an amount and upon terms and conditions reasonably satisfactory to Ankura.

These indemnification, contribution and other provisions of this Schedule I shall (i) remain operative and in full force and effect regardless of any termination of the Agreement or completion of the engagement by Ankura; (ii) inure to the benefit of any successors, assigns, heirs or personal representative of any Indemnified Person; and (iii) be in addition to any other rights that any Indemnified Person may have.

This is **Exhibit " L "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

Scott J. Davido

612.839.7013 • scottdavido@gmail.com

CEO/COO/CRO

- "C"-level executive, independent director and advisor with extensive experience leading operations, finance/accounting, sales, marketing, and other functions for public and private companies undergoing strategic, financial or operational transition or seeking to grow
- Successful track record creating processes and implementing solutions to address transitional/growth needs

CORE COMPETENCIES

Financial Restructurings	Cash Flow Management/Improvement
Operational Improvements	Sales/Marketing Initiatives
Cost Control	Corporate Governance & Board Relationships
Building Management Teams/Infrastructure	Complex Commercial Transactions

PROFESSIONAL EXPERIENCE

Ankura Consulting, New York, NY **April 2020 – Present**

Leading Business Consulting Firm

Senior Managing Director
Scope: Interim executive and senior advisor to corporations facing financial transition or underperformance issues.

- **Select Engagements Include: CRO and Interim Chief Executive Officer** of **DCL Corporation** and its subsidiaries, a worldwide manufacturer and distributor of color pigments and dyes. As CRO and Interim CEO, Scott oversaw DCL's operations and finances and revitalized its finance and accounting functions, leading to a successful sale of DCL. **CRO** for **MDC Texas Energy**, an independent oil and gas exploration and production company (MDC). As CRO, Scott was effectively the leading executive for MDC, presiding over a restructuring process that concluded with a successful sale of the business. **Interim CFO** for **Sirva Worldwide**, leading a financial restructuring for one of the largest corporate relocation and moving (Allied Van Lines, North American Van Lines) businesses in the world. **Interim CFO** for **Fastwyre, Inc.,** a leading broadband high-speed Internet services provider in the U.S.

Advantage Rent A Car, Orlando, FL **May 2016 – April 2020, added CEO Aug. 2017**

Top five auto rental business in the U.S.

CEO & President
Scope: Leading a $300+ million, 1,100-employee auto rental business with 33 locations nationwide.

- **Created culture focused on customer experience.** Improved Net Promoter Score by thirty percentage points since 2016. Improved Google Star Ratings to 3.6 from 1.4 Stars. Obtained "A+" BBB rating in 2018. Ranked second in the 2018 Temkin Loyalty Index (an independent survey) among auto rental companies and auto manufacturers. Ranked first in 2017 among auto rental

companies for customer experience in the independent Temkin Group survey of 10,000 consumers.

- **Developed and implemented plan to grow sales by $18 million and improve EBITDA by $30 million.** Growth and performance improvement plan with eight sales and operational initiatives increased sales by more than six percent and EBITDA by $30 million in 2018 vs. 2017.
- **Reestablished Sales and Business Development Team from Scratch.** Rebuilt the Sales and Business Development function dismantled by prior management. In first partial year (2017), the team accounted for $1.3 million of revenue, and quadrupled that amount in 2018.

FTI Consulting, Inc., Houston, TX **2009 – January 2016**

Global business advisory firm helping organizations protect and enhance enterprise value

Senior Managing Director
Scope: Interim executive and senior advisor to corporations facing growth, transition, or underperformance issues.

- Served as **Chief Implementation Officer of BioScrip, Inc. (NASDAQ),** a $1+ billion provider of home infusion and other home health care services, overseeing more than $25 million in annual financial improvements through ten financial and operational initiatives. Also served for 18 months as **Chief Implementation Officer** at **Baylor College of Medicine** in Houston, Texas, overseeing more than $40 million in annual financial improvements through a dozen financial and operational initiatives. **Interim CFO of Western Dental Services, Inc.,** a $500+ million revenue owner of 200+ dental clinics; and **Interim CFO The Brock Group, Inc.,** a $1+billion industrial soft crafts/services company.

BuyersRoad, Inc., dba experience.com, Alamo, CA **2007 – 2009**

Provider of enterprise-level software solutions that improve customer and employee experiences

CEO & Co-Founder (currently a Non-Executive Director)
Scope: Founded, staffed, and managed startup operations with accountability for the P&L, sales/marketing, and human resource functions. Lead business development efforts with large enterprise customers. Social Survey is now the number one provider of reputation management solutions in the mortgage industry, and is expanding to other industries, including insurance and mobility. Company currently employs 55, with 120 enterprise customers.

Calpine Corporation, San Jose, CA **2006 – 2007**

Publicly-held wholesale electricity provider with more than $7 billion in annual revenue

Chief Restructuring Officer
Scope: Hired to orchestrate financial turnaround and strategic repositioning. Completed $2+ Billion refinancing. Lead 250+ employees.

NRG Energy, Inc., Princeton, NJ **2002 – 2006**

Global publicly-held wholesale electricity provider with $2 billion in revenue

2004 – 2006 EVP, President – Northeast Division
Scope: Lead operations for Northeast region, constituting $1 billion in sales. Managed 200 plant and corporate employees. Held full P&L accountability, including all functions in business development and sales/marketing. Primary driver of development and growth effort in the region.

- **Strategic Plan and Business Development/Sales.** Developed a comprehensive regional strategic plan with key initiatives that tied to overall corporate goals. Plan was approved and promoted by CEO as model for all other regional plans. Reestablished a business development and sales team, and in first year of implementation, launched over $1B in redevelopment projects (focused primarily on clean energy), and increased company's regulatory payment schedule by millions of dollars.

2002 – 2003 General Counsel / Corporate Secretary / Chairman of the Board
Scope: Led turnaround and repositioning of firm for its reorganization and NYSE public offering.

The Elder-Beerman Stores Corp., Dayton, OH **1998 – 2002**
Publicly-held (NASDAQ) department store retailer with $700 million in revenue

1999 – 2002 EVP, Chief Financial Officer & Treasurer
Scope: Oversaw all finance and accounting operations, treasury, tax, consumer credit, IT, and logistics functions. Also played central role in strategic repositioning of firm with the customer.

- **Revitalized the Understanding of the Core Customer.** Lead a program to completely rethink how to identify the core customer for E-B. Using proprietary "smart" point of sale system, designed and conducted statistically significant, segmented research to: (i) identify the core customer at E-B; (ii) understand key customer attitudes and lifestyle values; and (iii) then shape the stores and merchandise to match the findings.

1998 – 1999 Senior VP, General Counsel, Corporate Secretary
Scope: Directed all legal functions, with oversight for corporate governance issues and investor relations. Served as liaison between CEO and Board of Directors and Management.

Jones Day, Cleveland, OH **1987 – 1997**
One of the world's largest law firms with more than 1,000 professionals in 20+ offices worldwide

Partner – Corporate Group
Scope: Specialized in complex corporate transactions. Clients included R.H. Macy& Co., Inc. and Trans World Airlines, Inc.

EDUCATION & CERTIFICATIONS

J.D., Case Western Reserve University, Cleveland, Ohio
B.S. in Accounting, Case Western Reserve University, Cleveland, Ohio
Attorney at Law – Ohio (inactive)
Certified Public Accountant – Ohio (inactive)

BOARD MEMBERSHIPS

LENSAR, INC. (June 2015-May 2017)– Orlando, FL – Co-Chairman and member of Independent Committee of Board of Directors for medical device company with unique laser treatment for cataracts and developing treatment for presbyopia.

STAGE STORES, INC. (2001-2007) – Houston, TX (NYSE) - Member of Board of Directors for $1.3 billion specialty retailer with 500 stores located primarily in the South, Southwest and Mid-Atlantic; Member of Nominating and Corporate Governance Committee; Chairman of Audit and Finance Committee.

SPECIAL METALS CORPORATION (2002-2005) - Huntington, WV - Member of Board of Directors of a $700 million high performance metal alloy producer; member of Compensation Committee and Audit Committee.

This is **Exhibit " M "** referred to in the 1st Affidavit of Blake Holzgrafe, sworn before me at Vancouver, British Columbia, on this 14th day of November, 2025.

A Commissioner for taking Affidavits for British Columbia

Blake Holzgrafe

w.blake.holzgrafe@gmail.com | 2362 Mohawk Ln. Glenview, IL 60026 | 309.678.3138

Relevant Experience

Ankura — Chicago, IL

Managing Director — March 2025 – Present
Senior Director — March 2022 – March 2025
Director — March 2020 – March 2022
Senior Associate — March 2018 – March 2020
Associate — August 2017 – March 2018

National Meat Distributor– Liquidation & Winddown
- Managed capital constrained national meat distributor facing declining profitability due to sectoral headwinds
- Wound down operations at the conclusion of the holiday season cycle to maximize return to revolving lenders
- Oversaw liquidation alongside liquidators to ensure compliance to budget and maximize asset recovery

Global Employee Mobility & Moving Services Provider – Out-of-Court Restructuring
- Oversaw the consensual, comprehensive out-of-court restructuring of nearly $1B of aggregate indebtedness
- Achieved material balance sheet deleveraging and improved global working capital usage
- Managed liquidity to strict covenant thresholds during process ensuring organizational transparency and accountability

Nautical Solutions LLC: Debtor Advisory – Ch. 11 Restructuring
- Oversaw the successful in-court recapitalization of nearly $750M of Term Loan Indebtedness at below-market rates
- Led company and advisor teams developing near-term liquidity and long-term integrated financial statement forecasts
- Coordinated documentation of note exchange and supporting agreements as well as restructuring support agreements

$1 Billion Specialty Insurer Carve-Out: Interim Management
- Integrated multiple ERPs across the existing operating units into Workday, including historical and budget financials
- Supported and liaised between the equity sponsor and lenders for $275M of add-on debt raises for future acquisitions
- Oversaw the annual operating budget development by operating unit leaders across the Company's 14 operating units

Emerge Energy Services: Debtor Advisory and Operational Turnaround – Ch. 11 Restructuring
- Developed and delivered strategic recommendations regarding plan operations to the Board and primary lender
- Created a dynamic, fully integrated sales, operating, and financial forecast (S&OP) model for the primary plant
- Assisted with executive decision making by providing real-time financial and operating results and forecast impacts
- Drafted Board materials, laying out turnaround strategy and initiative targets, alongside the CFO

Specialty Healthcare Service Provider: Debtor Advisory – Out-of-Court Restructuring
- Developed and maintained 13-week cash flow forecast to manage liquidity, delivered weekly to financial stakeholders
- Managed potential sale process, managing data flow and communicating with the client, bankers, attorneys, and buyers
- Built a fully integrated, scenario-driven three-statement business plan for valuation, funding, and strategic planning

North American Recycled Plastic Manufacturer: Lender Advisory – Ch. 11 363 Sale
- Guided noteholder committee on the Company's near-term liquidity profile and estimated near-term capital needs
- Assessed noteholder collateral (primary plastic recycling plant) and evaluated potential plant design capacity restraints
- Delivered full recovery through an in-court 363 sale process by identifying upstream partners as potential buyers

North American Building Materials Manufacturer: Lender Advisory – Out-of-Court Restructuring
- Advised noteholder committee on the Company's near-term liquidity profile and estimated capital infusion need
- Built a dynamic, integrated three-statement model to forecast long-term company cash generation performance
- Conducted due diligence and sensitivity analysis on the company's Thirteen-week cash and borrowing base forecasts

National Specialty Foods Distributor: Lender Advisory
- Advised the mezzanine debt lender regarding the company's liquidity squeeze and restructuring alternatives
- Evaluated inventory for slow-moving / obsolete inventory to potentially generate liquidity & streamline operations
- Prepared and presented a Plan Review to the mezzanine lender with strategic recommendations and potential outcomes

Education

University of Notre Dame — Notre Dame, Indiana
Bachelor of Business Administration, Finance — May 2015
Cumulative GPA: 3.8/4.0
Honors: Sorin Scholar, Notre Dame Writing Center Tutor, IT Management Teaching Assistant