



CURALEAF HOLDINGS, INC.

Condensed Interim Consolidated Financial Statements (Unaudited)

As of September 30, 2025 and December 31, 2024

and

For the Three and Nine Months Ended September 30, 2025 and 2024

(Expressed in Thousands United States Dollars Unless Otherwise Stated)

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Curaleaf Holdings, Inc.
Condensed Interim Consolidated Balance Sheets (Unaudited)
(in thousands)

Assets	Note	As of	
		September 30, 2025	December 31, 2024
		Unaudited	Audited
Current assets:			
Cash and cash equivalents (including restricted cash and cash equivalents)	3	\$ 107,488	\$ 107,226
Accounts receivable, net of allowance for credit losses of \$2,612 and \$2,722, respectively	7, 26	69,144	66,031
Inventories, net	8	229,123	220,654
Assets held for sale	5, 6	4,284	7,191
Prepaid expenses and other current assets	3	27,231	28,128
Notes receivable - current	9	2,778	451
Total current assets		440,048	429,681
Deferred tax asset		486	401
Income tax receivable		15,738	20,041
Investments and other assets	14, 26	13,119	14,982
Notes receivable - net of current	9	2,908	2,037
Property, plant and equipment, net	10, 12	529,452	546,426
Right-of-use assets, finance lease, net	11	100,291	105,168
Right-of-use assets, operating lease, net	11	112,839	116,519
Intangible assets, net	13	1,033,428	1,085,397
Goodwill	13	634,995	628,884
Total assets		<u>\$ 2,883,304</u>	<u>\$ 2,949,536</u>

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Balance Sheets (Unaudited)
(in thousands)

	<i>Note</i>	As of	
		September 30, 2025	December 31, 2024
Liabilities, Temporary equity and Shareholders' equity		<i>Unaudited</i>	<i>Audited</i>
Current liabilities:			
Accounts payable	26	\$ 54,016	\$ 79,129
Accrued expenses	15	105,780	102,188
Income tax payable		19,908	23,414
Lease liabilities, finance - current	11	11,305	10,995
Lease liabilities, operating - current	11	19,361	17,333
Notes payable - current	16	43,693	101,723
Contingent consideration liability - current	4, 26	—	3,310
Deferred consideration liability - current	4	28,956	33,068
Financial obligations - current	12	6,872	7,208
Liabilities held for sale	5, 6	7,166	8,905
Other current liabilities	26	1,977	652
Total current liabilities		299,034	387,925
Deferred tax liability		229,019	244,601
Notes payable - net of current	16	499,964	466,897
Lease liabilities, finance - net of current	11	146,698	150,683
Lease liabilities, operating - net of current	11	102,353	106,192
Uncertain tax position	26	510,219	392,188
Contingent consideration liability - net of current	4, 26	3,687	2,837
Deferred consideration liability - net of current	4	—	2,000
Financial obligations - net of current	12	204,858	201,687
Other long-term liabilities	26	1,242	1,133
Total liabilities		1,997,074	1,956,143
Commitments and contingencies	25		
Temporary equity:			
Redeemable non-controlling interest contingency	2, 18	71,406	132,179
Shareholders' equity:			
Additional paid-in capital	17	2,344,461	2,237,468
Accumulated other comprehensive loss		(2,210)	(20,080)
Accumulated deficit		(1,527,427)	(1,356,174)
Total shareholders' equity		814,824	861,214
Total liabilities, temporary equity and shareholders' equity		\$ 2,883,304	\$ 2,949,536

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited) (as defined herein).

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Statements of Operations (Unaudited)
(in thousands, except for share and per share amounts)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2025	2024	2025	2024
Revenues, net:					
Retail and wholesale revenues		\$ 315,921	\$ 328,933	\$ 936,710	\$ 1,007,348
Management fee income		4,323	1,597	8,061	4,400
Total revenues, net	24	320,244	330,530	944,771	1,011,748
Cost of goods sold	8, 10, 11	160,503	170,014	477,303	529,863
Gross profit		159,741	160,516	467,468	481,885
Operating expenses:					
Selling, general and administrative	20	110,177	106,297	322,678	320,196
Share-based compensation	19	10,294	6,017	23,395	20,369
Depreciation and amortization	10, 11, 13	35,239	38,973	106,253	111,842
Total operating expenses		155,710	151,287	452,326	452,407
Income from continuing operations		4,031	9,229	15,142	29,478
Other income (expense):					
Interest income		151	274	489	601
Interest expense	16	(14,376)	(15,085)	(43,184)	(45,240)
Interest expense related to lease liabilities and financial obligations	11, 12	(10,989)	(10,286)	(33,147)	(31,030)
Impairment (loss) recovery	10, 11, 12	(848)	(642)	(3,334)	1,543
Other (expense) income, net	22	(2,277)	4,728	2,565	4,250
Total other expense, net		(28,339)	(21,011)	(76,611)	(69,876)
Loss before provision for income taxes		(24,308)	(11,782)	(61,469)	(40,398)
Provision for income taxes		(30,238)	(32,566)	(98,474)	(104,046)
Net loss from continuing operations		(54,546)	(44,348)	(159,943)	(144,444)
Net (loss) income from discontinued operations	6	(2,138)	1,620	(10,593)	910
Net loss		(56,684)	(42,728)	(170,536)	(143,534)
Less: Net income (loss) attributable to non-controlling	2, 18	345	(2,032)	717	(5,674)
Net loss attributable to Curaleaf Holdings, Inc.		<u>\$ (57,029)</u>	<u>\$ (40,696)</u>	<u>\$ (171,253)</u>	<u>\$ (137,860)</u>
Per share – basic and diluted ⁽²⁾ :					
Net loss per share from continuing operations ⁽¹⁾		\$ (0.08)	\$ (0.07)	\$ (0.25)	\$ (0.20)
Net loss per share from discontinued operations		—	—	(0.01)	—
Net loss per share attributable to Curaleaf Holdings, Inc. ⁽¹⁾	23	<u>\$ (0.08)</u>	<u>\$ (0.07)</u>	<u>\$ (0.26)</u>	<u>\$ (0.20)</u>
Weighted average common shares outstanding ⁽²⁾	23	764,825,622	742,535,355	758,809,812	739,833,334

⁽¹⁾ Certain non-controlling interests are redeemable at the option of the holders. When the estimated redemption value exceeds the recorded amount, the excess is charged directly to Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited). This adjustment does not affect the Company's reported net loss; however, under ASC 480-10, *Distinguishing Liabilities from Equity*, the excess redemption value must be included in the calculation of earnings per share - basic and diluted. See Note 2 — *Basis of presentation and consolidation* and Note 23 — *Earnings per share* for further details.

⁽²⁾ As a result of the Company's net losses from its continuing and discontinued operations for the three and nine months ended September 30, 2025 and 2024, the calculation of diluted net loss per share for each period presented gives no consideration to potentially anti-dilutive securities; and as such, is the same as basic net loss per share for each period presented.

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited) (as defined herein).

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Statements of Comprehensive Loss (Unaudited)
(in thousands)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net loss from continuing operations	\$ (54,546)	\$ (44,348)	\$ (159,943)	\$ (144,444)
Foreign currency translation (loss) gain	(1,771)	11,167	26,227	5,211
Net comprehensive loss from continuing operations	(56,317)	(33,181)	(133,716)	(139,233)
Net comprehensive (loss) income from discontinued operations	(2,138)	1,620	(10,593)	910
Net comprehensive loss	(58,455)	(31,561)	(144,309)	(138,323)
Less: Net comprehensive income (loss) attributable to non-controlling interest	365	2,033	9,074	(4,285)
Net comprehensive loss attributable to Curaleaf Holdings, Inc.	<u>\$ (58,820)</u>	<u>\$ (33,594)</u>	<u>\$ (153,383)</u>	<u>\$ (134,038)</u>

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited) (as defined herein).

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Statements of Temporary Equity and Shareholders' Equity (Unaudited)
(in thousands, except for share amounts)

	<i>Note</i>	Redeemable non-controlling interest contingency	Common shares		Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Accumulated deficit	Total shareholders' equity
			SVS*	MVS*					
Balances as of December 31, 2023		\$ 120,650	639,757,098	93,970,705	\$ 2,204,318	\$ (1,050)	\$ (11,875)	\$ (1,140,751)	\$ 1,050,642
Issuance of shares in connection with acquisitions	4	—	7,134,124	—	32,117	—	—	—	32,117
Acquisition escrow shares returned and cancelled		—	(146,369)	—	(467)	—	—	—	(467)
Foreign currency translation gain		1,388	—	—	—	—	3,823	—	3,823
Exercise of stock options	19	—	75,391	—	156	—	—	—	156
Issuance of SVS* for settlement of RSUs**	19	—	2,662,637	—	—	—	—	—	—
Issuance of SVS* for settlement of PSUs**	19	—	325,248	—	—	—	—	—	—
Reclassifications and revisions		—	—	—	(1,536)	1,050	—	—	(486)
Excess redemption value above carrying value	18	9,371	—	—	—	—	—	(9,371)	(9,371)
Share-based compensation: equity-classified awards	19	—	—	—	20,369	—	—	—	20,369
Net loss		(5,673)	—	—	—	—	—	(137,860)	(137,860)
Balances as of September 30, 2024		<u>\$ 125,736</u>	<u>649,808,129</u>	<u>93,970,705</u>	<u>\$ 2,254,957</u>	<u>\$ —</u>	<u>\$ (8,052)</u>	<u>\$ (1,287,982)</u>	<u>\$ 958,923</u>
Balances as of Balances as of December 31, 2024		\$ 132,179	656,088,216	93,970,705	\$ 2,237,468	\$ —	\$ (20,080)	\$ (1,356,174)	\$ 861,214
Extinguishment of convertible notes by issuance of SVS*	16	—	4,282,596	—	16,500	—	—	—	16,500
Issuance of SVS to settle non-controlling interest	18	(102,114)	6,810,853	—	102,114	—	—	—	102,114
Acquisition related contingent equity consideration	4	—	621,166	—	497	—	—	—	497
Acquisition related deferred equity consideration	4	—	96,052	—	77	—	—	—	77
Foreign currency translation gain		8,357	—	—	—	—	17,870	—	17,870
Exercise of stock options	19	—	1,850,000	—	213	—	—	—	213
Issuance of SVS* for settlement of liability ⁽¹⁾		—	96,052	—	77	—	—	—	77
Issuance of SVS* for settlement of RSUs**	19	—	2,251,304	—	—	—	—	—	—
Issuance of SVS* for settlement of PSUs**	19	—	359,948	—	—	—	—	—	—
Excess redemption value above carrying value	18	32,267	—	—	(32,267)	—	—	—	(32,267)
Share-based compensation: equity-classified awards	19	—	—	—	19,782	—	—	—	19,782
Net income (loss)		717	—	—	—	—	—	(171,253)	(171,253)
Balances as of September 30, 2025		<u>\$ 71,406</u>	<u>672,456,187</u>	<u>93,970,705</u>	<u>\$ 2,344,461</u>	<u>\$ —</u>	<u>\$ (2,210)</u>	<u>\$ (1,527,427)</u>	<u>\$ 814,824</u>

*as defined in Note 1 — Operations of the Company

**as defined in Note 3 — Significant accounting policies

⁽¹⁾ As of June 30, 2025, the Company issued shares to settle a liability stemming from then-outstanding supply obligations.

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited) (as defined herein).

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	<i>Note</i>	Nine months ended September 30,	
		2025	2024
Cash flows from operating activities:			
Net loss from continuing operations		\$ (159,943)	\$ (144,444)
Adjustments to reconcile net loss from continuing operations to net cash provided by operating activities from continuing operations:			
Depreciation and amortization	<i>10, 11, 12, 13</i>	148,548	158,343
Share-based compensation	<i>19</i>	23,395	20,369
Non-cash interest expense		7,034	11,312
Amortization of operating lease right-of-use assets	<i>11</i>	14,821	12,862
Loss (recovery) on impairment	<i>10, 11, 12</i>	3,334	(1,543)
Gain on extinguishment of debt	<i>16, 22</i>	(1,685)	(245)
Loss (gain) on disposal of assets	<i>22</i>	2,550	(1,328)
Loss (gain) on investment	<i>14, 22</i>	1,093	(2,827)
Non-cash adjustments to inventory		(1,549)	(2,970)
Allowance for credit losses	<i>7, 26</i>	1,371	(303)
Deferred taxes		(17,087)	(27,109)
Other non-cash expenses (income)		20	(248)
Foreign exchange (gain) loss	<i>22</i>	(3,764)	(2,151)
Changes in assets and liabilities:			
Accounts receivable, net	<i>7, 26</i>	(2,889)	(9,175)
Inventories, net	<i>8</i>	(4,568)	(3,893)
Prepaid expenses and other current assets		1,627	2,845
Income tax receivable		4,305	5,836
Net assets held for sale	<i>5, 6</i>	—	(132)
Investments and other assets	<i>14, 26</i>	1,094	(2,985)
Accounts payable		(25,963)	4,319
Accrued expenses and other liabilities	<i>15</i>	125,456	109,206
Lease liabilities, operating	<i>11</i>	(13,210)	(9,267)
Net cash provided by operating activities from continuing operations		103,990	116,472
Net cash used in operating activities from discontinued operations		(8,607)	(3,068)
Net cash provided by operating activities		95,383	113,404
Cash flows from investing activities:			
Purchases of property, plant and equipment	<i>10, 12</i>	(47,861)	(65,558)
Disposals of property, plant and equipment	<i>10, 12</i>	696	1,777
Proceeds from sale of entities	<i>5, 6</i>	—	3,758
Acquisition-related cash payments, net of cash acquired	<i>4</i>	(542)	(4,699)
Purchases of intangibles	<i>13</i>	(420)	(5,325)
Purchase of investments	<i>14</i>	(287)	(366)
Dividend received on investments		165	—
Issuance of notes receivable	<i>9</i>	(3,371)	(100)
Payments received on notes receivables	<i>9</i>	584	326
Net cash used in investing activities from continuing operations		(51,036)	(70,187)
Net cash provided by investing activities from discontinued operations		—	2,345
Net cash used in investing activities		(51,036)	(67,842)

Curaleaf Holdings, Inc.
Condensed Interim Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	<i>Note</i>	Nine months ended September 30,	
		2025	2024
Cash flows from financing activities:			
Proceeds from notes payable	16	39,529	6,154
Principal payments on notes payable	16	(58,900)	(42,125)
Payments of debt issuance costs	16	(950)	(454)
Principal payments on finance lease liabilities	11	(7,557)	(6,933)
Principal payments on financial obligations	12	(4,252)	(4,210)
Exercise of stock options	19	213	156
Payments of deferred consideration	4	(9,398)	—
Payments of contingent consideration	4	(3,236)	—
Net cash used in financing activities from continuing operations		(44,551)	(47,412)
Net cash used in financing activities from discontinued operations		—	(107)
Net cash used in financing activities		(44,551)	(47,519)
Net decrease in cash and cash equivalents (including restricted cash and cash equivalents)			
		(204)	(1,957)
Cash and cash equivalents (including restricted cash and cash equivalents), beginning of period		107,226	91,818
Effect of exchange rate changes on cash and cash equivalents (including restricted cash and cash equivalents)		466	107
Cash and cash equivalents (including restricted cash and cash equivalents), end of period	3	\$ 107,488	\$ 89,968
Non-cash investing & financing activities:			
Purchases of property, plant and equipment within accounts payable and accrued expenses	10	\$ 1,927	\$ 11,464
Issuance of SVS* in connection with acquisitions	4	574	32,117
Non-cash proceeds from Note Exchange (as defined herein)	16	7,000	—
Extinguishment of convertible notes by issuance of SVS*	16	16,500	—
Non-cash activity related to failed sale leaseback arrangements	12	7,087	—
Non-cash activity related ROU assets	11	14,547	8,564
Issuance of notes in connection with sale of entities	9	—	2,300
Contingent consideration incurred in connection with acquisitions	4	—	6,352
Deferred consideration incurred in connection with acquisitions	4	985	1,218
Forgiveness of promissory note in connection with acquisition	4	—	7,020
Issuance of SVS* for settlement of liability		77	—
Excess redemption value attributable to non-controlling interest	18	32,267	9,371
Issuance of SVS* to purchase non-controlling interest	18	5,418	—
Non-cash reduction to deferred sale proceeds		120	—
Non-cash reduction to acquisition-related deferred consideration	4	—	3,740
Supplemental disclosure of cash flow information:			
Cash paid for taxes		\$ 27,427	\$ 14,824
Cash paid for interest		68,873	53,462
Excess tax benefit from exercise of options		71	23

The accompanying notes are an integral part of the Consolidated Financial Statements (Unaudited) (as defined herein).

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Explanatory Note

Unless otherwise noted or the context otherwise requires, all information provided in the Condensed Interim Consolidated Financial Statements (Unaudited) as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and 2024 and the accompanying notes (together, the “Consolidated Financial Statements (Unaudited)”) is given as of September 30, 2025, and references to the “Company” or “Curaleaf” refer to Curaleaf Holdings, Inc. (the “Company”), its wholly-owned subsidiaries, majority-owned subsidiaries and legal entities in which it holds a controlling financial interest.

Note 1 — Operations of the Company

The Company is a leading global cannabis company with a diversified portfolio of consumer cannabis and hemp-derived THC products, with a mission to improve lives by providing clarity around cannabis and confidence around consumption.

The Company’s global brand portfolio consists of Adven, Anthem, Curaleaf, Find, Four20 Pharma, Grassroots, Huala, JAMS, Reef and Select.

Domestic Operations:

In the United States (“U.S.”), the Company serves the medical and adult-use cannabis and hemp-derived THC markets through retail and wholesale channels. As of September 30, 2025, the Company’s U.S. operations, conducted by the Company and/or its affiliates, spanned 17 states and included 158 dispensaries, 15 cultivation sites and 20 manufacturing facilities.

International Operations:

The Company’s international operations extend to cultivation, processing, manufacturing and distribution in several key markets:

- **Cultivation:** The Company operates licensed cultivation facilities in Portugal and Canada.
- **Processing and Manufacturing:** Pharma-grade cannabis processing and manufacturing facilities are maintained in Germany, Spain, Canada, Portugal and the United Kingdom (“U.K.”).
- **Wholesale Distribution:** The Company distributes cannabis on a wholesale basis to Australia, New Zealand, the U.K. and various European countries, including Germany, Italy, Poland, the Czech Republic, Switzerland, Sweden and Norway.
- **Retail Distribution:** In the U.K., the Company operates a medical cannabis clinic and holds a pharmacy license, which enables the direct retail supply of medical cannabis to patients.

The Company’s subordinate voting shares (“SVS”) are listed on the Toronto Stock Exchange (the “TSX”) under the symbol “CURA” and quoted on the OTCQX® Best Market under the symbol “CURLF”.

The principal business address of the Company is located at 290 Harbor Drive, Stamford, Connecticut 06902. The Company’s registered and records office address is located at Suite 1700-666 Burrard Street, Vancouver, British Columbia, Canada.

Note 2 — Basis of presentation and consolidation

The Consolidated Financial Statements (Unaudited) have been prepared in accordance with accounting principles generally accepted in the U.S. (“U.S. GAAP”) as issued by the Financial Accounting Standards Board (the “FASB”). The significant accounting policies described in *Note 3 — Significant accounting policies* have been applied consistently to all periods presented.

Amounts reported in the Consolidated Financial Statements (Unaudited) include estimates and assumptions of management. Actual results could differ from these estimates. In the opinion of management, the financial data presented

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

includes all adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the periods presented.

The Consolidated Financial Statements (Unaudited) should be read in conjunction with the audited consolidated financial statements for Curaleaf Holdings, Inc. as of and for the years ended December 31, 2024 and 2023 and the accompanying notes thereto (collectively, the "Annual Financial Statements") as well as the Company's annual information form for the year ended December 31, 2024 (the "Annual Information Form"). Copies of the Annual Financial Statements and the Annual Information Form are available under the Company's profiles on SEDAR+ at www.sedarplus.ca and EDGAR at www.sec.gov/edgar.

Functional and presentation currency

The Consolidated Financial Statements (Unaudited) are presented in U.S. dollar ("USD"), which is the reporting currency of the Company, unless otherwise noted. The functional currency of the Company and the domestic entities reflected in the Consolidated Financial Statements (Unaudited) is the USD, and the functional currency of each of the Company's international entities is the currency of the economic environment in which primary operations are conducted. The financial accounts of the Company's international subsidiaries are translated to USD using exchange rates at specific reporting dates or average rates over the reporting period, as applicable. Unrealized gains and losses resulting from foreign currency translation adjustments are recognized within Accumulated other comprehensive loss, which is a component of Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited). Realized transactional exchange gains and losses are included in Other (expense) income, net on the Condensed Interim Consolidated Statements of Operations (Unaudited).

Basis of measurement

The Consolidated Financial Statements (Unaudited) have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value, as described herein.

Basis of consolidation

The Consolidated Financial Statements (Unaudited) include all the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries and legal entities in which it holds a controlling financial interest. Historically, the Company has obtained controlling financial interests in entities through management service agreements ("MSAs") or financing arrangements.

All intercompany balances and transactions have been eliminated in consolidation. See *Note 3 — Significant accounting policies*.

Non-controlling interests ("NCI")

NCI in consolidated subsidiaries represent the component of equity in consolidated subsidiaries held by third parties. Any change in ownership of a subsidiary while the controlling financial interest is retained is accounted for as an equity transaction between the controlling and non-controlling interests. However, when a subsidiary is deconsolidated, any retained non-controlling equity investment in the former subsidiary is initially measured at fair value, and the gain or loss triggered by any difference between the carrying value and fair value of the retained interest would be included in Other (expense) income, net on the Condensed Interim Consolidated Statements of Operations (Unaudited).

NCI with redemption features, such as put and call options, that are not solely within the Company's control are considered redeemable non-controlling interests ("Redeemable NCI"). Redeemable NCI is considered to be temporary equity and is reported in the mezzanine section between Commitments and contingencies and Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited). Redeemable NCI is recorded at the greater of the carrying value, which is adjusted for the NCI's share of net income or loss generated over the reporting period, and the estimated redemption value at the end of the reporting period. In instances where the redemption value of Redeemable NCI is greater than the carrying value ("excess redemption value") and redemption is at least probable, the Company has elected to immediately recognize the entire excess redemption value as an adjustment to Additional paid in capital on the Condensed Interim Consolidated Balance Sheets (Unaudited). This election provides for a more immediate and transparent reflection of the economic impact associated with changes in redemption value, as opposed to accreting the difference over time.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Change in ownership

Changes in the Company's ownership interest of a subsidiary with a Redeemable NCI that do not also result in a change in control are accounted for as equity transactions in accordance with Accounting Standards Codification ("ASC") 810, *Consolidation* ("ASC 810"). No gain or loss is recognized in earnings within the Condensed Interim Consolidated Statements of Operations (Unaudited). The carrying amount of the Redeemable NCI is adjusted to reflect the revised ownership percentage, and any difference between the consideration paid and the adjustment to the Redeemable NCI is recognized within Additional paid in capital in the Condensed Interim Consolidated Balance Sheets (Unaudited). Adjustments to Accumulated other comprehensive loss attributable to the Redeemable NCI are also reclassified to Additional paid in capital to reflect the Company's revised ownership interest.

See *Note 18 — Redeemable non-controlling interest* for further details.

Note 3 — Significant accounting policies

Variable interest entities

The Company consolidates legal entities in which it holds a controlling financial interest. Determining whether it has a controlling financial interest which is defined by ASC 810 as the power to direct the activities of a variable interest entity ("VIE") that most significantly impact the VIE's economic performance and the obligation to absorb losses of and the right to receive benefits from the VIE that could be potentially significant to the VIE. See *Note 2 — Basis of presentation and consolidation* and *Note 27 — Variable interest entities* for further details about the entities consolidated by the Company under the VIE consolidation model.

Cash and cash equivalents (including restricted cash and cash equivalents)

Cash and cash equivalents include cash deposits in financial institutions, other deposits that are readily convertible into cash, with original maturities of three months or less, and cash held at retail locations. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (the "FDIC") up to \$250,000. The Company maintains its cash in bank deposit accounts, the balances of which, at times, may exceed federally insured limits.

As of September 30, 2025 and December 31, 2024, restricted cash and cash equivalents totaled \$14.7 million and \$14.2 million, respectively, and consisted of \$12.0 million in cash collateralizing the Company's ABL Facility (as defined in *Note 16 — Notes payable*), a \$2.0 million certificate of deposit collateralizing the Company's VOWL Note (as defined in *Note 16 — Notes payable*) and a \$0.1 million performance guarantee. The \$0.5 million increase from December 31, 2024 is mainly attributable to currency fluctuations, impacting the reported value of the certificate of deposit and earned interest.

Prepaid expenses and other current assets

Prepaid expenses primarily result from advance cash payments made by the Company to its vendors in exchange for goods and services. Upon recognition, the advance payments, measured at cost, are capitalized on the Company's Condensed Interim Consolidated Statements of Operations (Unaudited) until the related goods are received and/or services performed. As of September 30, 2025 and December 31, 2024, the Company had \$22.5 million and \$25.0 million, respectively, of Prepaid expenses. Amortization of the Company's Prepaid expenses, which is based on the passage of time or as the related assets and/or services are expected to be consumed, is recognized within Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).

As of September 30, 2025 and December 31, 2024, the Company had \$4.8 million and \$3.0 million, respectively, of Other current assets. Other current assets, which are assets expected to be realized within 12 months of the reporting period, consist primarily of non-income tax receivables and prepaid marketing materials.

Notes receivable

Notes receivable are recognized and measured at amortized cost, which is inclusive of the initial carrying amount adjusted for any subsequent amortization of principal, accretion of paid-in-kind interest and any expected credit losses. Interest

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

income on notes receivable is recognized using the effective interest rate method and recognized within Interest income on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See *Note 9 — Notes receivable* for further detail.

Allowance for credit losses on financing receivables

Pursuant to ASC 326, *Financial Instruments - Credit Losses*, the Company recognizes financing receivables, such as accounts receivable and notes receivable, net of an allowance for credit losses, on the Condensed Interim Consolidated Statements of Operations (Unaudited), in order to present the financing receivables at the expected realizable value. The Company's allowances for expected credit losses reflect the potential uncollectability of its financing receivables, based on historical credit loss information as adjusted for current conditions, reasonable and supportable forecasts and the risk characteristics of specific receivables. If current or expected future economic trends, events or changes in circumstances indicate that specific accounts receivable may not be collectible, further consideration is given to the collectability of those balances, and the allowance for expected credit losses is adjusted accordingly. Changes in circumstances that could result in the establishment of an allowance for expected credit losses include, but are not limited to, (i) a borrower experiencing significant financial difficulty; (ii) a significant delinquency in contractual payments; (iii) a determination that foreclosure on the underlying collateral is probable or (iv) an assessment that repayment will be sourced primarily from the sale of the underlying collateral.

Financing receivables are written off after exhaustive collection efforts occur, and the receivables are deemed uncollectible. The credit loss expense associated with the allowance for expected credit losses is recognized within Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).

For further detail on the Company's allowance for credit losses related to its accounts receivable as of September 30, 2025 and December 31, 2024, see *Note 7 — Accounts receivable, net*. The Company did not recognize an allowance for credit losses on its notes receivable as of September 30, 2025 and December 31, 2024.

Inventories, net

Inventories, including packaging and supplies, are stated at the lower of cost or net realizable value ("NRV") within Inventories, net on the Condensed Interim Consolidated Balance Sheets (Unaudited). NRV is the estimated selling price in the ordinary course of business less estimated costs to sell.

The Company utilizes a standard costing methodology to value its inventories. Standard costs, which is inclusive of, but not limited to, materials, labor and depreciation expense, are reviewed periodically and adjusted to approximate weighted average cost. Inventoried costs are recognized within Cost of goods sold on the Condensed Interim Consolidated Statements of Operations (Unaudited) upon sale of the associated product.

The Company reviews and recognizes inventory writedowns for inventories that are aged, obsolete, unsellable, not compliant with the Company's quality standards or that have experienced a decline in carrying value in excess of the respective estimated NRV. Inventory writedowns are presented within Cost of goods sold on the Condensed Interim Consolidated Statements of Operations (Unaudited) and are not reversed in subsequent periods. See *Note 8 — Inventories, net* for further detail.

Property, plant and equipment, net

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses. The Company capitalizes significant expenditures that extend the useful life of its property, plant and equipment and expenses the costs of repairs and maintenance as incurred. Construction in progress is measured at cost and, upon completion and placement in service, is reclassified to the appropriate asset class described in the table below.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)
(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The Company's property, plant and equipment is segregated into the following five asset classes:

Asset class	Estimated useful lives⁽²⁾
Land	Indefinite life
Information technology	3 years
Machinery and equipment	5-7 years
Furniture and fixtures	5 years
Licenses	5-30 years
Building and improvements ⁽¹⁾	15-39 years

⁽¹⁾ Leasehold improvements are depreciated over the shorter of the asset's useful life or the remaining lease term.

⁽²⁾ At each fiscal year-end, the Company reviews the estimated useful lives, residual values and depreciation methods of its Property, plant and equipment and applies any resulting adjustments prospectively.

Depreciation is calculated using the straight-line method to allocate the cost of property, plant and equipment—net of any estimated residual value—over the estimated useful lives. The Company recognizes depreciation expense within Cost of goods sold and Depreciation and amortization on the Condensed Interim Consolidated Statements of Operations (Unaudited).

Property, plant and equipment that is held for sale is recorded at its estimated fair value less costs to sell and depreciation ceases. Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. The resulting gain or loss—calculated as the difference between net disposal proceeds and the carrying value of the property, plant and equipment—is recognized within Other income (expense), net on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See *Note 10 — Property, plant and equipment, net* for further detail.

Intangible assets, net

The Company recognizes intangible assets that arise from contractual or other legal rights or are otherwise separable.

Intangible assets acquired in a business combination are measured at their acquisition-date fair value. For intangible assets acquired in a group constituting an asset acquisition, the total cost is allocated to the individual assets based on their relative fair values. Historically, the Company has not renewed or extended the terms of its intangible assets.

Upon initial recognition, an intangible asset is assigned an estimated useful life, representing the period over which the asset is expected to generate future economic benefits. Subsequently, intangible assets are amortized on a straight-line basis over their estimated useful lives. The resulting amortization expense is recognized within Depreciation and amortization on the Company's Condensed Interim Consolidated Statements of Operations (Unaudited).

The Company's intangible assets are segregated into six asset classes with the following estimated useful lives:

Asset class	Estimated useful lives⁽¹⁾⁽²⁾
Non-compete agreements	1-15 years
Trade names	1-20 years
Intellectual property and know-how	5-15 years
Licenses and service agreements	5-30 years
Customer relationships	3 years
Internal-use software	3 years

⁽¹⁾ At each fiscal year-end, the Company reviews the estimated useful lives and residual values of its intangible assets and applies any resulting adjustments prospectively.

⁽²⁾ The Company holds no intangible assets with indefinite useful lives.

See *Note 13 — Intangible assets, net and Goodwill* for further detail.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Leases

The Company evaluates contracts at inception to determine whether the contract constitutes or contains a lease. A contract is determined to be a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company's determination of the lease term and classification of a lease as a finance lease or an operating lease occurs as of the lease commencement date. The Company's lease agreements typically contain various extension and termination options. In determining the lease term, the Company includes any option periods for which it is reasonably certain that it will exercise an option to extend the lease or not exercise an option to terminate the lease. For leases with an initial term exceeding 12 months, the Company recognizes a lease liability and a corresponding right-of-use ("ROU") asset. The lease liability is measured at the present value of future lease payments over the lease term. The ROU asset is measured as the initial lease liability, adjusted for any lease payments made at or before commencement, initial direct costs incurred and lease incentives received. The Company uses its incremental borrowing rate to determine the present value of future lease payments, unless the rate implicit in the lease is readily determinable.

Lease payments included in the measurement of the lease liability primarily consist of in-substance fixed payments. Certain real estate leases contain provisions for future rent escalations tied to an index or a contractual rate. Variable lease payments not dependent on an index or rate are excluded from the lease liability measurement and are expensed as incurred. In addition, the Company's real estate leases may require additional payments for taxes, insurance and common area maintenance, which are considered non-lease components. Where these non-lease components are fixed, they are included in the measurement of the lease liability and ROU asset. Where these non-lease components are variable, the variable payments are excluded from the Company's measurements of its ROU assets and lease liabilities and are expensed as incurred through Cost of goods sold or Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).

ROU assets are amortized on a straight-line basis over the shorter of the useful life of the asset or the lease term:

- *Operating Leases:* Lease expense, comprised of the amortization of the ROU asset and the reduction of the lease liability, is recognized as a single amount and allocated between Cost of goods sold and Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).
- *Finance Leases:* The amortization of the ROU asset is recognized in and allocated between Cost of goods sold and/or Depreciation and amortization, while the effective interest portion of the lease payment is recognized within Interest expense related to lease liabilities and financial obligations on the Condensed Interim Consolidated Statements of Operations (Unaudited).

The Company has elected the following practical expedients permitted under ASC 842, *Leases* ("ASC 842"):

- For leases with an initial term of 12 months or less, the Company does not recognize an ROU asset or lease liability. Lease expense for these short-term leases is recognized on a straight-line basis over the lease term and recognized within Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).
- For all classes of leased assets, the Company has elected to combine lease and non-lease components into a single lease component.

The Company occasionally subleases an underlying asset to a third party while the original head lease remains in effect. The Company accounts for the head lease and the sublease as separate transactions. If a sublease arrangement relieves the Company of its primary obligation under the head lease, the associated ROU asset and lease liability are derecognized, and any gain or loss is recognized in the period within Other (expense) income, net in the Condensed Interim Consolidated Statements of Operations (Unaudited). If the Company is not relieved of its primary obligation, the original lease accounting remains unchanged, and the Company accounts for the sublease as a lessor. If the Company remains secondarily liable, a guarantee obligation would also be recognized.

See Note 11 — *Leases* for further detail.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Failed sale and leaseback arrangements

The Company periodically enters into arrangements where the Company sells an asset and simultaneously leases back all, or a portion of, the same asset for all, or part of, the asset's remaining useful life. Each such transaction is evaluated under ASC 842 to determine if the transfer of the asset qualifies as a sale. When a sale and leaseback transaction does not qualify for sale accounting, the transaction is accounted for as a financing arrangement, and the Company

- does not derecognize the underlying asset and continues to record depreciation over the asset's remaining useful life;
- recognizes a liability for the sale proceeds, within Financial obligations - current and Financial obligations - net of current on the Condensed Interim Consolidated Balance Sheets (Unaudited); and
- allocates the cash payments made to the buyer-lessor between principal reduction of the financial liability and interest expense, using the effective interest method. The interest expense is recognized within Interest expense related to lease liabilities and financial obligations on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See Note 12 — *Failed sale leaseback arrangements* for further detail.

Impairment of long-lived assets

The Company evaluates its long-lived assets, including property, plant and equipment, ROU assets and definite-lived intangible assets, for impairment whenever events or changes in circumstances suggest the carrying amount of the asset group(s) to which the long-lived asset(s) are classified may not be recoverable. If a triggering event occurs, the Company tests its long-lived asset group(s) for recoverability by comparing the carrying amount to the estimated future undiscounted cash flows expected to result from the Company's use and eventual disposition of the long-lived asset group(s). If the long-lived asset group(s) fail the recoverability test, the Company recognizes an impairment loss for the amount by which the carrying amount exceeds the fair value of the long-lived asset group(s). Impairment losses are recognized as incurred within Impairment (loss) recovery on the Condensed Interim Consolidated Statements of Operations (Unaudited). Typically, impairment losses recognized in prior reporting periods are irreversible.

Goodwill

Goodwill represents the excess of the consideration transferred in a business combination over the fair value of the net tangible and intangible assets acquired. Goodwill is not amortized but is tested for impairment at the reporting unit level. Upon acquisition, goodwill is allocated to the reporting unit or units expected to benefit from the business combination. A reporting unit is an operating segment or one level below an operating segment that represents a component, or group of components, for which discrete financial information is available and reviewed regularly by segment management.

Impairment of goodwill

The Company tests goodwill for impairment annually, as of October 1, and more frequently if events or changes in circumstances indicate that an impairment loss may have been incurred. The Company conducts its impairment testing process as follows:

- **Qualitative Assessment:** The Company may first perform a qualitative assessment to determine if it is more likely than not that the fair value of a reporting unit, inclusive of any allocated goodwill, is less than its carrying value. This assessment considers factors such as significant underperformance relative to historical or projected future operating results, significant negative industry or economic trends and significant changes in the Company's use of the acquired assets or its overall business strategy.
- **Quantitative Test:** If the qualitative assessment indicates that an impairment is more likely than not, the Company proceeds to a quantitative impairment test. The fair value of the reporting unit is compared to its carrying value, including goodwill. The fair value of a reporting unit is determined using a combination of income and market-based valuation approaches.

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If the carrying value of a reporting unit exceeds its fair value, the Company recognizes an impairment loss equal to the excess. The loss recognized is limited to the total amount of goodwill allocated to that reporting unit. Impairment losses are recognized within Impairment (loss) recovery on the Condensed Interim Consolidated Statements of Operations (Unaudited), during the period in which the impairment is identified. Impairment losses recognized in prior reporting periods are irreversible.

See Note 13 — *Intangible assets, net and Goodwill* for further detail.

Investments

The Company's investments in equity securities are accounted for based on the nature of the investment and the level of influence the Company can exercise over the investee.

Equity method investments: Equity investments in entities over which the Company has significant influence but not control is accounted for using the equity method of accounting:

- The investment is initially recorded at cost; and
- The carrying amount is subsequently adjusted on a quarterly basis to recognize the Company's proportionate share of the investee's net income or loss in the current fiscal period.

Equity securities: Investments in equity securities are accounted for as follows:

- *With readily determinable fair value:* measured at fair value, with all unrealized gains and losses recognized within the Condensed Interim Consolidated Statements of Operations (Unaudited) in the period they occur;
- *Without readily determinable fair value:* measured at cost, less any impairment, and adjusted for any observable price changes from identical or similar investments of the same issuer.

The Company evaluates its investment portfolio quarterly for indicators of impairment. An investment's carrying value is written down to its fair value if a decline in value is deemed to be other-than-temporary.

On the Condensed Interim Consolidated Statements of Operations (Unaudited), recognized gains and losses are reflected within Other (expense) income, net and impairment losses are recognized within Impairment (loss) recovery, during the period in which they occur.

Deferred charges: debt financing

Costs incurred to obtain new debt financing or modify existing debt are deferred. The accounting treatment for these costs depends on the nature of the financing arrangement.

Debt discounts, premiums and direct issuance costs related to term loans are presented on the Condensed Interim Consolidated Balance Sheets (Unaudited) as a direct deduction from or addition to the carrying amount of the related debt and are amortized to Interest expense over the term of the debt using the effective interest method.

Debt issuance costs related to revolving lines of credit are capitalized as an asset on the Condensed Interim Consolidated Balance Sheets (Unaudited) and are amortized to Interest expense on a straight-line basis over the term of the credit facility on Condensed Interim Consolidated Statements of Operations (Unaudited).

Commitments and contingencies

The Company recognizes contingent liabilities within Accrued expenses on the Condensed Interim Consolidated Balance Sheets (Unaudited). Losses on contingent liabilities are recognized when both of the following conditions are met: (i) it is probable that a loss has been incurred and (ii) the amount of the loss can be reasonably estimated. Gains from contingent liabilities are recognized only when realized or realizable. Losses (gains) related to contingent liabilities are recognized within Other (expense) income, net, on the Condensed Interim Consolidated Statements of Operations (Unaudited).

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The Company recognizes legal costs, as incurred, within Selling, general and administrative on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See Note 25 — *Commitments and contingencies* for further detail.

Income taxes

The Company's Provision for income taxes on the Condensed Interim Consolidated Statements of Operations (Unaudited) is comprised of current and deferred income taxes, except to the extent that the income tax expense is related to a business combination or items that are recognized directly within Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited).

Current income taxes are recognized for the estimated taxes payable or refundable for the current fiscal period and are based on the taxable income (loss) for the current fiscal period (as adjusted for unrealized tax benefits, changes in tax receivables (payables) that arose in a prior period and recovery of taxes paid in a prior period). Current taxes are measured using tax rates and laws enacted during the period within which the taxable income (loss) arose. Current tax assets and liabilities are offset only if the right of offset exists.

Deferred income taxes are recognized for the future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax basis. Deferred taxes are measured using enacted tax rates expected to apply in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in Provision for income taxes on the Condensed Interim Consolidated Statements of Operations (Unaudited) in the period that includes the enactment date.

Valuation allowances

The Company assesses the realizability of its deferred income tax assets quarterly. A valuation allowance is recorded to reduce a deferred tax asset to the amount that is more likely than not to be realized. This assessment requires significant judgment and considers all available evidence, both positive and negative, including the nature, frequency and severity of cumulative losses, forecasts of future profitability and the duration of statutory carryforward periods.

Uncertain tax positions

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates and, in the normal course of business, is subject to examination and audit by federal, state and foreign jurisdictions. The Company recognizes a liability for tax positions that are more likely than not to be disallowed upon examination by a tax authority.

The Company's cannabis operations are subject to Section 280E of the U.S. Internal Revenue Code ("Section 280E"), which disallows deductions for ordinary and necessary business expenses. The Company has adopted a tax position, supported by legal interpretations, asserting that the restrictions of Section 280E do not apply to its cannabis operations (the "Section 280E Position").

While the Company believes its Section 280E Position is supported by sound legal reasoning, the cannabis industry operates in a complex and evolving regulatory environment. If the Company's position is not upheld, the Company has established reserves for this contingency, which are recognized within Uncertain tax position on the Condensed Interim Consolidated Balance Sheets (Unaudited).

The Company's Uncertain tax position liability increased by \$118.0 million during the nine months ended September 30, 2025, of which \$112.9 million reflects the portion of income tax payable associated with the Section 280E position. The remaining \$5.1 million relates to other immaterial uncertain tax positions.

The Company believes it is reasonably possible that its liability for uncertain tax positions will continue to increase over the next 12 months, while its Section 280E position is reviewed by the Internal Revenue Service ("IRS") and certain state tax authorities.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

During the third quarter of 2025, the U.S. enacted H.R.1 – One Big Beautiful Bill Act (the “Act”). The Act contains corporate income tax provisions effective in 2025 and other provisions becoming effective in 2026 and beyond. The Company is currently assessing the impact of these recently enacted provisions on its consolidated financial statements.

For further details, refer to *Risk Factors - Tax Risks* within the Annual Information Form.

Revenues

The Company recognizes revenue when the control of a promised good or service is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the transferred good or service.

Retail and wholesale revenues

The Company derives revenue from the sale of cannabis and hemp-derived products. Domestically, revenue is generated from direct-to-consumer retail sales at Company-operated dispensaries and from wholesale sales to third-party dispensaries, distributors and processors. The Company derives retail revenues from hemp-derived THC products through its online storefront, TheHempCompany.com, and via partnerships with select third-party distributors. Internationally, revenue is generated from direct-to-patient retail sales through the Company’s online cannabis pharmacy in the U.K. and from wholesale sales to distributors in Australia, Canada, Europe and New Zealand. In addition, the Company generates non-cannabis revenues from wholesale operations in Germany and Spain.

Revenues from the sale of retail and wholesale cannabis products are recognized at the point of time when control is transferred to the customers. Typically, for retail customers, control is transferred at point of sale and for wholesale customers, control is transferred upon delivery and acceptance. Retail and wholesale revenues are recorded net of any sales discounts.

Management fee income

Management fee income is derived from various arrangements with cannabis licensees and other third parties. These arrangements include Management Service Agreements (“MSA”s) through which the Company provides professional services, such as cultivation, processing and retail know-how; back-office administration; brand licensing and real estate leasing/lending services. In addition, domestically, management fee income is inclusive of royalty fees earned on the use of the Company’s licenses by third parties; while, internationally, the Company earns fees for providing manufacturing, logistics and consultation services. Management fee income is recognized on a straight-line basis over the term of the associated arrangements as services are provided.

Customer loyalty program and Promotional discounts

For most of its locations, the Company offers a loyalty reward program where retail customers can earn points on purchases for redemption on future purchases. Loyalty reward points are considered a material right and a separate performance obligation, and a portion of the initial transaction price is allocated to the loyalty points earned on the transaction and deferred. The deferred revenue is recognized within Accrued expenses on the Condensed Interim Consolidated Balance Sheets (Unaudited), until the earned loyalty reward points are redeemed, expired or forfeited. As of September 30, 2025 and December 31, 2024, the Company’s Accrued loyalty payable totaled \$5.0 million and \$5.8 million, respectively.

Promotional discounts and loyalty rewards that are not tied to a customer purchase are expensed as incurred and recognized within Sales and marketing, which is a component of Selling, general and administrative expense on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See *Note 24 — Segment reporting* for further details.

Share-based compensation

The Company accounts for all share-based payments to employees, directors and consultants, including stock options, performance stock units (“PSUs”), restricted stock units (“RSUs”) and virtual share options (“VSOs”), by measuring the

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

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awards at their grant-date fair value and recognizing the corresponding compensation expense over the requisite service period, which typically equates to the vesting period. The Company recognizes share-based compensation expense within Share-based compensation on the Condensed Interim Consolidated Statements of Operations (Unaudited), with a corresponding increase to Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited).

Valuation

The fair value of share-based awards is determined using appropriate valuation models depending on the nature of the award:

- RSUs and PSUs: The fair value of RSUs and PSUs subject to service or non-market performance conditions is determined based on the closing market price of the Company's SVS on the date of grant.
- Stock options: The Company uses the Black-Scholes option-pricing model to determine the grant-date fair value of stock options.
- Awards with market conditions: For awards that contain market conditions (e.g., achieving a specific stock price), the Company utilizes a Monte Carlo simulation model to determine the grant-date fair value.
- Virtual share options: VSOs are awards that do not convey actual equity interests and are settled solely in cash. Such awards are classified as liability awards, and the grant-date fair value is determined in accordance with the underlying plan agreement. VSOs are remeasured to fair value at the end of each reporting period.

The key assumptions used in the Black-Scholes model include the award's expected term, expected volatility, risk-free interest rate and expected dividend yield. Expected volatility is estimated based on the historical stock price volatility of the Company's SVS over a period commensurate with the award's expected term. The risk-free interest rate is based on the U.S. Treasury yield curve for a term consistent with the expected life of the award (i.e. the period of time that granted stock options are expected to be outstanding). The Company uses an expected dividend yield of zero as it does not currently anticipate paying dividends.

Forfeitures

The Company has elected to recognize forfeitures of unvested awards as they occur. Accordingly, previously recognized compensation expense is reversed in the period in which the forfeiture occurs.

See Note 19 — *Share-based compensation* for further detail.

Advertising costs

Advertising costs are expensed as incurred and recorded as a component of Sales and marketing on the Condensed Interim Consolidated Statements of Operations (Unaudited).

See Note 20 — *Selling, general and administrative expense* for further detail.

Earnings per share, basic and diluted

The Company presents basic and diluted earnings per share ("EPS") on its Condensed Interim Consolidated Statements of Operations (Unaudited). Basic EPS is calculated by dividing the net income (loss) attributable to the Company's shareholders by the weighted average number of shares outstanding during the reporting period. Diluted EPS is determined by adjusting the net income (loss) attributable to the Company's shareholders and the weighted average number of shares outstanding during the period, for the effects of all potentially dilutive instruments, which, for the Company, has been comprised of share-based awards, contingent equity consideration obligations and convertible debt instruments. Instruments with an anti-dilutive impact are excluded from the calculation of diluted EPS. The Company applies the treasury stock method to calculate the number of potentially dilutive securities with respect to its share-based awards and applies the if-converted method with respect to any outstanding contingent equity consideration obligations and convertible debt instruments.

Curaleaf Holdings, Inc.

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See Note 23 — *Earnings per share* for further detail.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company did not engage in any material related party transactions, outside the normal course of business, during the three and nine months ended September 30, 2025 and 2024, nor did the Company have any material related party balances as of September 30, 2025 and December 31, 2024.

Business combinations and asset acquisitions

The Company accounts for business combinations using the acquisition method in accordance with ASC 805, *Business Combinations* (“ASC 805”), which requires recognition of assets acquired and liabilities assumed, including contingent assets and liabilities, at their respective fair values on the date of acquisition or assumption of control.

Business combinations

Under the acquisition method, the assets acquired and liabilities assumed in a business combination are recognized at their respective fair values on the date of acquisition, and the operating results of the acquired business are included in the Company’s Consolidated Financial Statements (Unaudited) from the date of acquisition. The excess of consideration transferred over the net assets acquired and liabilities assumed is recognized as goodwill as of the acquisition date.

Non-controlling interests in the acquiree are measured at fair value on acquisition date, and acquisition-related transaction costs are recognized as expenses in the period in which the costs are incurred.

Contingent consideration arising from a business combination is included in the purchase consideration at its fair value on the acquisition date:

- **Liability-classified**: Contingent consideration classified as a liability is remeasured to fair value at each reporting period, with changes in fair value recognized within Other (expense) income, net on the Condensed Interim Consolidated Statements of Operations (Unaudited); and
- **Equity-classified**: Contingent consideration classified as equity is not remeasured. Contingent consideration classified as equity is assessed quarterly to determine whether equity classification remains appropriate.

Purchase price allocations may be preliminary and, during the measurement period (not to exceed one year from the date of acquisition), changes in assumptions and estimates that result in adjustments to the fair value of assets acquired and liabilities assumed are recorded in the period the adjustments are determined.

Asset acquisitions

The Company applies a screen test to determine if an acquisition should be accounted for as a business combination or an asset acquisition. When substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar assets (generally 90% or more), the transaction is accounted for as an asset acquisition. In addition, assets acquired that do not constitute a business are accounted for as asset acquisitions. The Company allocates the cost of an asset acquisition, including acquisition-related transaction costs, to the individual assets acquired and liabilities assumed based on their relative fair values.

See Note 4 — *Acquisitions* for further detail.

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(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Fair value of financial instruments

ASC 820, *Fair Value Measurement* (“ASC 820”) defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy to prioritize the inputs used to measure fair value into three categories based upon the lowest level of input that is available and significant to the fair value measurement.

The three levels of the fair value hierarchy, wherein Level 1 is the highest and Level 3 is the lowest, are as follows:

Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 — Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 — Inputs for the asset or liability that are not based on observable market data.

The Company evaluates the classification of its financial instruments within the fair value hierarchy at the end of each reporting period. Transfers between levels are recognized based on changes in the observability of the inputs used to measure fair value. The Company’s policy is to recognize transfers between levels of the fair value hierarchy as of the beginning of the reporting period in which the event or change in circumstances that caused the transfer occurs.

The Company’s financial instruments consist of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, notes receivable, equity investments, accounts payable, accrued expenses, long-term notes payable, contingent and deferred consideration liabilities and redeemable NCI.

The carrying values of cash, restricted cash, cash equivalents, accounts receivable, notes receivable, accounts payable and accrued expenses approximate their fair values due to the relatively short-term to maturity. The Company’s notes payable and deferred consideration liabilities are carried at amortized cost, and redeemable NCI is recognized at the greater of carrying value or estimated redemption value at the end of each reporting period.

The Company's equity investments and contingent consideration liabilities are measured at fair value on a recurring basis.

See *Note 26 — Fair value measurements and financial risk management* for further detail.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as the disclosure of contingent liabilities. These estimates are developed based on historical experience, observable trends and other information available, and they are reviewed and updated regularly. Although actual results could differ from these estimates, management believes them to be reasonable. Changes in estimates are accounted for prospectively.

The most significant assumptions and estimates underlying the Consolidated Financial Statements (Unaudited) are described below:

Consolidation and variable interest entities

Significant judgment is applied to determine whether the Company holds a controlling financial interest in an entity, particularly when the Company does not hold a majority voting interest. This evaluation considers voting rights, management and service agreements, the entity’s design and the existence of financial guarantees. Entities in which the Company holds a controlling financial interest are consolidated. See *Note 2 — Basis of presentation and consolidation* and *Note 27 — Variable interest entities* for further detail.

Business combinations and asset acquisitions

Significant judgment is applied in determining whether an acquisition is treated as a business combination or an asset acquisition. The Company uses an optional screen test under which a transaction is accounted for as an asset acquisition if substantially all of the fair value of the gross assets acquired (generally 90% or more) is concentrated in a single identifiable asset or group of similar assets.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

In a business combination, significant estimates are used to determine the fair value of assets acquired and liabilities assumed. Depending on the complexity of the transaction, an independent valuation expert may be engaged.

- Intangible Assets: The valuation of acquired intangible assets, such as cannabis licenses, requires the development of forward-looking cash flow projections and the selection of appropriate discount and terminal growth rates.
- Contingent Consideration: The fair value of contingent consideration liabilities, such as earn-outs, is estimated based on the probability and timing of achieving specific future outcomes, such as revenue targets.

These valuations are closely linked to the assumptions made by management regarding future performance of the assets acquired and any changes in the discount rate applied. See *Note 4 — Acquisitions* for further detail.

Goodwill impairment

Goodwill is tested for impairment annually or more frequently if impairment indicators exist. This test requires the estimation of the fair value of its reporting units using income and market-based approaches. This process involves significant judgment in developing business plans and forecasts as well as in selecting appropriate market data. See *Note 13 — Intangible assets, net and Goodwill* for further detail.

Share-based compensation - Stock options

Estimating the fair value of share-based awards requires significant assumptions for the inputs used in the Black-Scholes or Monte Carlo valuation models, including expected volatility of the Company's SVS, the expected life of an award and the risk-free interest rate. The Company uses an expected dividend yield of zero as it does not currently anticipate paying dividends. See *Note 19 — Share-based compensation* for further detail.

Impairment of long-lived assets

The Company evaluates the recoverability of long-lived assets when events indicate their carrying value may not be recoverable. This requires judgment in interpreting key factors (e.g., adverse changes in market conditions, regulatory environment or business climate and adverse changes in the extent or manner in which the long-lived assets will be used) and in estimating the undiscounted future cash flows of such assets. See *Note 10 — Property, plant and equipment, net* for further detail.

Inventories, net

Inventories are measured at the lower of cost or NRV. Determining NRV requires significant judgment regarding future demand, selling prices, shrinkage and inventory aging. See *Note 8 — Inventories, net* for further detail.

Leases

Management applies significant judgment in deriving the lease term and discount rate applicable in a leasing arrangement.

- Lease Term: Determining whether options to extend or terminate a lease are reasonably certain to be exercised involves considering strategic, operational and economic factors, including the size of the Company's investment in the property and the strategic importance of the property location.
- Discount Rate: Determining the incremental borrowing rate for leases where the implicit rate is not readily determinable. See *Note 11 — Leases* for further detail.

Income taxes

There is inherent uncertainty in quantifying income tax positions. Management must exercise significant judgment in evaluating whether its tax positions are more likely than not to be sustained upon examination or audit by tax authorities in the complex federal, state and foreign jurisdictions in which the Company operates.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)
(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Held for sale and discontinued operations

Significant judgment is required to determine if a disposal group meets the specific criteria to be classified as “held for sale.” An asset or disposal group must meet all of the following conditions:

- Management is committed to a plan to sell;
- The asset or disposal group is available for immediate sale in its present condition;
- An active program to locate a buyer has been initiated;
- The sale is highly probable within one year;
- The asset or disposal group is being actively marketed for sale at a reasonable price; and
- It is unlikely that the plan will be significantly changed or withdrawn.

A disposal group classified as held for sale is reported as a “discontinued operation” if it represents a strategic shift that has a major effect on the Company’s operations and financial results. Assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell. See *Note 5 — Assets and liabilities held for sale* and *Note 6 — Discontinued operations* for further detail.

Redeemable non-controlling interests

The valuation and classification of redeemable non-controlling interests involve significant judgment, including developing discounted cash flow models with assumptions about future revenue, margins and economic conditions. The Company also has to assess whether the underlying equity instruments are currently redeemable or likely to become redeemable in the future, adding complexity to their classification on the Condensed Interim Consolidated Balance Sheets (Unaudited). See *Note 18 — Redeemable non-controlling interest* for further detail.

Revenue recognized from contracts with customers

Significant judgment is applied in evaluating the nature of the Company’s wholesale and MSA revenue contracts. This includes assessing whether the Company acts as a principal or agent in transactions, particularly where third-party involvement or shared responsibilities exist. The Company also evaluates whether certain transactions are non-reciprocal in nature, requiring consideration of whether the transfer of assets occurred without commensurate value received. In arrangements involving transfers of inventory between the same counter-parties, the Company applies judgment to determine whether such transfers represent distinct revenue-generating events. Additionally, the allocation of transaction price across multiple performance obligations necessitates the estimation of standalone selling prices and the timing of satisfaction of each obligation.

New, amended and future accounting pronouncements

The Company has implemented all applicable accounting standards recently issued by the FASB, as well as applicable pronouncements from certain other standard-setting bodies, within the prescribed effective dates. Pronouncements that are not applicable or where it has been determined do not have a significant impact to the Company have been excluded herein.

Recently adopted accounting standards

Effective January 1, 2025, the Company adopted ASU 2023-05, *Business Combinations— Joint Venture Formations* (“ASU 2023-05”). ASU 2023-05, amongst other things, (1) defines a joint venture as the formation of a new entity without an accounting acquirer and (2) requires that a joint venture measure its identifiable net assets and goodwill, if any, at the formation date, such that the initial measurement of a joint venture’s total net assets is equal to the fair value of 100% of the joint venture’s equity, including any noncontrolling interest in the net assets of the joint venture. Upon adoption, ASU 2023-05 did not impact the Company’s consolidated financial position, results of operations or cash flows, as the Company did not form any joint ventures on or after January 1, 2025.

Recently issued accounting standards

In September 2025, the FASB issued ASU 2025-07, *Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Scope Refinements* (“ASU 2025-07”). ASU 2025-07 was issued to clarify the application of

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

derivative accounting to certain contracts and refine the guidance for share-based noncash consideration received from customers. The amendments introduce a scope exception for contracts that are not exchange-traded and whose underlying is tied to operations or activities specific to one party. Additionally, ASU 2025-07 clarifies that share-based noncash consideration from a customer should initially be accounted for under Topic 606 until the right to receive or retain such consideration becomes unconditional, at which point financial instruments guidance may apply. ASU 2025-07 is effective for fiscal years beginning after December 15, 2026, including interim reporting periods within those fiscal years, and can be applied on either a prospective or modified retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2025-07 to the Company and its consolidated financial statements upon adoption.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software* (“ASU 2025-06”). ASU 2025-06 was issued to modernize and clarify the accounting for internal-use software, addressing stakeholder concerns that the existing guidance was outdated and based on traditional waterfall development methods that no longer reflect current software development practices, including agile methodologies. The amendments in ASU 2025-06 eliminate references to prescriptive “project stages” and introduce a clearer capitalization threshold, requiring capitalization of software costs once (i) management has authorized and committed funding to the project and (ii) it is probable the software will be completed and used as intended. Entities must also assess whether significant uncertainty exists in the development process when applying this threshold. ASU 2025-06 is effective for all entities for annual reporting periods beginning after December 15, 2027, and can be applied on a prospective, modified retrospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2025-06 to the Company and its consolidated financial statements upon adoption.

In August 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses: Measurement of Credit Losses for Accounts Receivable and Contract Assets* (“ASU 2025-05”). ASU 2025-05 was issued to simplify and improve the measurement of credit losses for accounts receivable and contract assets. The amendments in ASU 2025-05 respond to stakeholder concerns regarding the cost and complexity of applying the current expected credit loss model, particularly for assets collected shortly after the balance sheet date. ASU 2025-05 introduces an optional practical expedient allowing all entities to assume that current conditions as of the balance sheet date remain unchanged for the remaining life of the asset. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, including interim reporting periods within those annual reporting period, and must be applied prospectively. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2025-05 to the Company and its consolidated financial statements upon adoption.

In May 2025, the FASB issued ASU 2025-04, *Compensation—Stock Compensation and Revenue from Contracts with Customers* (“ASU 2025-04”). ASU 2025-04 revises FASB’s Master Glossary definition of the term performance condition for share-based consideration payable to a customer. The revised definition incorporates

- conditions (such as vesting conditions) that are based on the volume or monetary amount of a customer’s purchases (or potential purchases) of goods or services from the grantor and
- performance targets based on purchases made by other parties that purchase the grantor’s goods or services from the grantor’s customers.

In addition, the amendments in ASU 2025-04,

- eliminate the policy election permitting a grantor to account for forfeitures as they occur;
- clarify that share-based consideration encompasses the same instruments as share-based payment arrangements, but the grantee does not need to be a supplier of goods or services to the grantor and
- clarify that a grantor is required to assess the probability that an award will vest using only the guidance in ASC 718, *Compensation—Stock Compensation*. Revenue recognition will no longer be delayed when an entity grants awards that are not expected to vest.

ASU 2025-04 is effective for all entities for annual reporting periods, including interim reporting periods within those annual reporting periods, beginning after December 15, 2026 and can be applied on a modified retrospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2025-04 to the Company and its consolidated financial statements upon adoption. As of September 30, 2025, the Company has no customer contracts or transactions within the scope of this amendment.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

In May 2025, the FASB issued ASU 2025-03, *Business Combinations and Consolidation: Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity* (“ASU 2025-03”). ASU 2025-03 replaces the requirement that the primary beneficiary always is the acquirer with an assessment that requires an entity to consider the factors to determine which entity is the accounting acquirer. Upon adoption, in an acquisition transaction effected primarily by exchanging of equity interests when the legal acquiree is a VIE that meets the definition of a business, the Company will be required to consider the factors in paragraphs ASC 805-10-55-12 through 55-15 to determine if it is the accounting acquirer. Specifically, under ASU 2025-03, acquisition transactions in which the legal acquiree is a VIE will, in more instances, result in the same accounting outcomes as economically similar transactions in which the legal acquiree is a VIE. ASU 2025-03 is effective for all entities for annual reporting periods, including interim reporting periods within those annual reporting periods, beginning after December 15, 2026 and must be applied on a prospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2025-03 to the Company and its consolidated financial statements upon adoption.

In January 2025, the FASB issued ASU 2025-01, *Reporting Comprehensive Income - Expense Disaggregation Disclosures*, which clarifies the effective dates of ASU 2024-03. The provisions of ASU 2024-03 are discussed in further detail herein.

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversion and Other Options* (“ASU 2024-04”). ASU 2024-04 clarifies the requirements for accounting for a settlement of a convertible debt instrument as an induced conversion and applies to convertible debt instruments with cash conversion features as well as debt instruments that are not currently convertible. ASU 2024-04 is effective for all entities for annual periods beginning after December 15, 2025, and interim periods within those annual periods, and can be applied either on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2024-04 to the Company and its consolidated financial statements upon adoption.

In November 2024, the FASB issued ASU 2024-03, *Reporting Comprehensive Income—Expense Disaggregation Disclosures*. ASU 2024-03 requires public business entities to provide disaggregated disclosures of specific income statement expense categories, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, depletion and selling expenses. The amendments introduced by ASU 2024-03 aim to enhance transparency by offering investors more detailed insights into an entity’s expense structure. This additional information is intended to improve investors' ability to understand an entity’s cost structure and to forecast future cash flows. ASU 2024-03 is effective for all entities for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted, and ASU 2024-03 can be applied on either a prospective or retrospective basis. The Company is currently evaluating the potential impact of ASU 2024-03 to the Company and its consolidated financial statements upon adoption.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures* (“ASU 2023-09”). ASU 2023-09, among other things, requires that public business entities on an annual basis (1) disclose specific categories in the effective tax rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income [or loss] by the applicable statutory income tax rate). ASU 2023-09 is effective for public business entities for annual periods beginning after December 15, 2024 and for all other entities is effective for annual periods beginning after December 15, 2025. Early adoption is permitted. The Company is currently evaluating the potential impact of ASU 2023-09 to the Company and its consolidated financial statements upon adoption.

In October 2023, the FASB issued ASU 2023-06, *Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative* (“ASU 2023-06”). ASU 2023-06 incorporates certain SEC disclosure requirements into the FASB Codification. The amendments introduced by ASU 2023-06 are expected to clarify or improve disclosure and presentation requirements of a variety of Codification Topics, allow users to more easily compare entities subject to the SEC’s existing disclosures with those entities that were not previously subject to the requirements and align the requirements in FASB’s Codification with the SEC’s regulations. ASU 2023-06 is effective on the date on which the SEC removes the related disclosure from Regulation S-X or Regulation S- K. Any amendments the SEC does not remove by June 30, 2027 will not be effective. Early adoption is prohibited. The Company does not anticipate ASU 2023-06 will impact its consolidated financial statements upon adoption.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 4 — Acquisitions

Goodwill arising from acquisitions consists largely of the synergies and economies of scale expected from integrating the operations of the acquired businesses, opportunities to enter into new markets and/or expand the Company's footprint in existing markets as well as the acquisition of other intangibles that do not qualify for separate recognition. Synergies include (i) the elimination of redundant facilities and functions and (ii) the use of the Company's existing commercial infrastructure to expand sales. None of the resultant goodwill from the following acquisitions are expected to be deductible for income tax purposes.

2025 Acquisition

The Company did not consummate any individually material acquisitions during the nine months ended September 30, 2025.

2024 Acquisitions

Northern Green Canada Inc.

On April 19, 2024, the Company completed the acquisition of all issued and outstanding shares of Northern Green Canada, Inc. ("NGC"), for total consideration of approximately \$23.8 million, paid in cash and equity consideration. NGC is a Canadian licensed cannabis producer and distributor focused primarily on expanding in the international market through its European Union Good Manufacturing Practice ("EU-GMP") certified product offering. The acquisition of NGC equipped the Company with a secure and consistent supply of high quality, non-irradiated indoor EU-GMP flower in order to maintain a leading position in Germany, Poland and the U.K. and support the Company's expansion into new international markets.

The Company accounted for its acquisition of NGC as a business combination.

During the nine months ended September 30, 2025, the Company recorded a measurement period adjustment of \$4.0 million to Deferred tax liability, to reflect acquired net operating losses that were not determinable at the acquisition date.

See *Note 13 — Intangible assets, net and Goodwill* for further detail on the impact of this measurement period adjustment to Goodwill.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The following table presents the fair value of the assets acquired and liabilities assumed in the acquisition of NGC as of the acquisition date and an allocation of the consideration to net assets acquired:

Cash	\$	146
Accounts receivable, net		2,487
Prepaid expenses and other current assets		398
Inventories, net		3,400
Property, plant and equipment, net		10,858
Right-of-use assets		2,842
Licenses		15,387
Trade name		201
Goodwill		1,285
Deferred tax liabilities		(265)
Liabilities assumed		(12,966)
Net assets acquired	\$	<u>23,773</u>
Consideration paid in cash, net of working capital adjustments	\$	2,368
Equity consideration ⁽¹⁾		15,053
Contingent consideration classified as a liability ⁽²⁾		6,352
Total consideration	\$	<u>23,773</u>
Cash outflow, net of cash acquired	\$	<u>2,222</u>

⁽¹⁾ The fair value of the consideration, paid through the issuance of SVS, was based on a third-party valuation that took into account transfer restrictions and the time value of money.

⁽²⁾ On April 11, 2025, the Company issued 621,166 SVS and paid \$3.2 million in cash to settle this contingent consideration obligation.

Curaleaf Poland S.A.

On February 2, 2024, the Company completed the acquisition of all issued and outstanding shares of Can4Med S.A., now known as Curaleaf Poland S.A. (“Curaleaf Poland”) for total consideration of €1.5 million, consisting of cash and equity consideration. Additionally, the Company incurred a deferred consideration obligation tied to the future performance of Curaleaf Poland. Curaleaf Poland is the first medical cannabis-specialized wholesaler in Poland, specializing in the acquisition, registration and distribution of medical cannabis and products containing THC and other cannabinoids in Poland. The acquisition of Curaleaf Poland increased the Company’s international footprint.

The Company accounted for its acquisition of Curaleaf Poland as a business combination.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The following table presents the fair value of the assets acquired and liabilities assumed in the acquisition of Curaleaf Poland as of the acquisition date and an allocation of the consideration to net assets acquired:

Cash	\$	48
Accounts receivable, net		414
Prepaid expenses and other current assets		2
Inventories, net		661
Property, plant and equipment, net		14
Licenses		2,063
Trade name		97
Non-compete agreements		32
Goodwill		931
Deferred tax liabilities		(548)
Liabilities assumed		(891)
Net assets acquired	\$	<u>2,823</u>
Consideration paid in cash, net of working capital adjustments	\$	832
Equity consideration ⁽¹⁾		773
Deferred consideration classified as a liability ⁽²⁾		1,218
Total consideration	\$	<u>2,823</u>
Cash outflow, net of cash acquired	\$	<u>784</u>

⁽¹⁾ The fair value of the consideration paid through the issuance of SVS was based on a third-party valuation that took into account the time value of money.

⁽²⁾ On April 14, 2025, the Company issued 96,052 SVS and paid \$0.4 million in cash to settle this deferred consideration obligation.

Dark Heart

On January 17, 2024, the Company acquired Half Moon Nursery, Inc. and all assets of Dark Heart Nursery from Grace & Co. for cash consideration of \$1.7 million and the forgiveness of a \$7.0 million promissory note receivable (plus interest) from Grace & Co. that was received by the Company on October 27, 2023. The acquired assets, consisting of proprietary cannabis genetics and know-how, are intended to support the continued expansion of its domestic and international footprint.

The Company accounted for its acquisition of Dark Heart as an asset acquisition.

The following table presents the fair value of the assets acquired in the acquisition of Dark Heart as of the acquisition date and an allocation of the consideration to net assets acquired:

Intellectual Property	\$	9,365
Net assets acquired	\$	<u>9,365</u>
Consideration paid in cash, net of working capital adjustments	\$	1,693
Cancelled loan (including accrued interest)		7,672
Total consideration	\$	<u>9,365</u>

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Contingent consideration

Contingent consideration recorded relates to the Company's business combinations and asset acquisitions. As discussed in *Note 3 — Significant accounting policies*, contingent consideration payable is subject to significant judgment and estimates, such as projected future revenue. Refer to *Note 26 — Fair value measurements and financial risk management* for further discussion surrounding the inputs utilized in the fair value of contingent consideration.

The changes in the Company's contingent consideration liability as of September 30, 2025 and December 31, 2024 were as follows:

	<u>EMMAC⁽¹⁾</u>	<u>NGC⁽²⁾</u>	<u>Total</u>
Total contingent consideration liability, December 31, 2023	\$ 4,724	\$ —	\$ 4,724
Contingent consideration recognized on acquisition	—	6,352	6,352
Revaluation of contingent consideration	(1,820)	(3,042)	(4,862)
Effect of exchange rate differences	(67)	—	(67)
Total contingent consideration liability, December 31, 2024	2,837	3,310	6,147
Cash payments of contingent consideration	—	(3,236)	(3,236)
Issuance of SVS as settlement of contingent consideration	—	(497)	(497)
Revaluation of contingent consideration	659	335	994
Effect of exchange rate differences	191	—	191
Gain on contingent consideration not paid	—	88	88
Total contingent consideration liability, September 30, 2025	3,687	—	3,687
Less: Contingent consideration liability - current	—	—	—
Contingent consideration liability - net of current	<u>\$ 3,687</u>	<u>\$ —</u>	<u>\$ 3,687</u>

⁽¹⁾ Contingent on the ability of Curaleaf International Holdings Limited ("Curaleaf International") to obtain a recreational cannabis license in Europe and is payable in both cash and SVS upon achievement. Payouts, if any, are expected in 2027.

⁽²⁾ Contingent obligation was tied to NGC achieving certain margin targets during the fiscal year ending December 31, 2024.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Deferred consideration

The changes in the Company's deferred consideration liability as of September 30, 2025 and December 31, 2024 were as follows:

	Tryke ⁽¹⁾	NRPC ⁽³⁾	Curaleaf Poland ⁽⁴⁾	Other ⁽⁵⁾	Total
Total deferred consideration liability, December 31, 2023	\$ 41,652	\$ 2,000	\$ —	\$ —	\$ 43,652
Deferred consideration recognized on acquisition	—	—	1,218	—	1,218
Interest expense on deferred consideration	5,913	—	—	—	5,913
Effect of exchange rate differences	—	—	82	—	82
Reversal of interest expense on deferred consideration	(11)	—	—	—	(11)
Change in fair value on deferred consideration paid	—	—	(796)	—	(796)
Post-closing purchase price adjustment ⁽²⁾	(3,740)	—	—	—	(3,740)
Cash payments of deferred consideration	(11,250)	—	—	—	(11,250)
Total deferred consideration liability, December 31, 2024	32,564	2,000	504	—	35,068
Deferred consideration recognized on acquisition	—	—	—	920	920
Interest expense on deferred consideration	2,427	—	—	—	2,427
Effect of exchange rate differences	—	—	17	45	62
Change in fair value on deferred consideration paid	—	—	(46)	—	(46)
Issuance of SVS as settlements of deferred	—	—	(77)	—	(77)
Cash payments of deferred consideration	(9,000)	—	(398)	—	(9,398)
Total deferred consideration liability, September 30, 2025	25,991	2,000	—	965	28,956
Less: Deferred consideration liability - current	(25,991)	(2,000)	—	(965)	(28,956)
Deferred consideration liability - net of current	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

⁽¹⁾ Related to the second and third anniversary payment due from the Company to the sellers of Tryke of \$21.2 million and \$25.0 million, respectively, due in October 2025. For further details, see Note 28 — Subsequent events.

⁽²⁾ On October 4, 2024, the Company entered into a settlement agreement with the sellers of Tryke Companies, pursuant to which the Company received a \$3.7 million post-closing purchase price adjustment that reduced the Company's second anniversary payment.

⁽³⁾ Incurred in connection with the acquisition of Natural Remedy Patient Center LLC ("NRPC") and represents amounts withheld as security for the seller's indemnification obligations associated with pending litigation.

⁽⁴⁾ Related to Curaleaf Poland's achievement of certain earnings metrics during the fiscal year ending December 31, 2024. On April 14, 2025, the Company settled this obligation through a cash payment of \$0.4 million and the issuance of 96,052 SVS.

⁽⁵⁾ Incurred in connection with an individually immaterial acquisition consummated during the second quarter of 2025 within the Company's international operations.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 5 — Assets and liabilities held for sale

Total gains (losses) recognized by the Company upon consummation of the disposition of its held-for-sale asset groups were as follows:

Asset group	Recognized gains (losses)
Phytoscience Management Group, Inc.	\$ (1,096)
North Shore Assets ⁽¹⁾	\$ (841)
Acres Assets ⁽²⁾	\$ 17,539
Illinois Assets	\$ (508)
Rokshaw Limited ("Rokshaw")'s noncannabis operation	£ 2,558

⁽¹⁾ On April 10, 2025, the Company completed the sale of its North Shore Assets, having received all required regulatory approvals.

⁽²⁾ Refer to *Note 9 — Notes receivable* for further discussion.

The changes in assets and liabilities held for sale as of September 30, 2025 and December 31, 2024 were as follows:

Assets held for sale	Discontinued Operations	Held for Sale Entities	Total
Balance at December 31, 2023	\$ 13,216	\$ 4,579	\$ 17,795
Transferred out, net	(6,025)	(4,579)	(10,604)
Balance at December 31, 2024	7,191	—	7,191
Transferred (out) in, net	(3,290)	383	(2,907)
Balance at September 30, 2025	<u>\$ 3,901</u>	<u>\$ 383</u>	<u>\$ 4,284</u>

Liabilities associated with assets held for sale	Discontinued Operations	Held for Sale Entities	Total
Balance at December 31, 2023	\$ 8,287	\$ 886	\$ 9,173
Transferred in (out), net	184	(452)	(268)
Balance at December 31, 2024	8,471	434	8,905
Transferred in (out), net	(1,305)	(434)	(1,739)
Balance at September 30, 2025	<u>\$ 7,166</u>	<u>\$ —</u>	<u>\$ 7,166</u>

As of September 30, 2025, Assets held for sale consisted of one real estate property. As of December 31, 2024, Liabilities associated with assets held for sale consisted of an operating lease, the transfer of which was subject to regulatory approval.

Rokshaw Amendment

On April 30, 2025, the Company signed an amendment to the asset purchase agreement governing the sale of Rokshaw's noncannabis operation to Thistle Pharma Limited, which was consummated on April 29, 2024. The amendment modifies the original terms for the outstanding cash consideration. Previously, £0.5 million was payable on each of the first and second anniversaries of the closing date (April 30, 2025 and April 30, 2026, respectively). As a result of the amendment, total cash consideration was reduced to £0.8 million and paid in full on April 30, 2025.

For further details, see *Note 5 — Assets and liabilities held for sale* in the Company's Annual Financial Statements.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 6 — Discontinued operations

On January 26, 2023, the Company announced a plan to discontinue operations in unprofitable segments that were burdened by unfavorable regulatory environments. As this plan represented a strategic shift with a major effect on the Company’s operations and financial results, the Company reclassified the financial results of its operations in California, Oregon, Colorado and Michigan as well as its cannabidiol (“CBD”) operations in Kentucky and its adult use operations in Maine (“Adult-Use Maine”) as discontinued operations. As of September 30, 2025, the Company has no significant continuing involvement with these discontinued operations.

Pursuant to ASC 205, *Presentation of Financial Statements*, the financial results of the Company’s discontinued operations are presented separately on the Condensed Interim Consolidated Statements of Operations (Unaudited) as Net loss from discontinued operations.

Total gains (losses) recognized by the Company upon consummation of the disposition of its discontinued operations were as follows:

Business component	Recognized gains (losses)
California	\$ (2,214)
Colorado	(2,000)
Oregon	(2,283)
Michigan	1,260
Kentucky - CBD	(7,176)
Adult-Use Maine	(288)

For further details, see *Note 6 — Discontinued operations* in the Company’s Annual Financial Statements.

The following table summarizes the major classes of assets and liabilities of the Company’s discontinued operations as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Assets		
Deferred tax asset	\$ 3,901	\$ 7,191
Total non-current assets	3,901	7,191
Total assets	\$ 3,901	\$ 7,191
Liabilities		
Accrued expenses ⁽¹⁾	\$ 7,116	\$ 8,318
Lease liabilities, operating - current	50	140
Total current liabilities	7,166	8,458
Lease liabilities, operating - net of current	—	13
Total non-current liabilities	—	13
Total liabilities	\$ 7,166	\$ 8,471

⁽¹⁾ Consists primarily of accrued loss contingencies. See *Note 25 — Commitments and contingencies* for further details.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The following table presents the Company's condensed consolidated statements of operations for its discontinued operations:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Total revenues, net	\$ —	\$ —	\$ —	\$ 775
Cost of goods sold	—	(64)	—	413
Gross profit	—	64	—	362
Other operating income	133	350	1,023	1,869
Loss from operations	(133)	(286)	(1,023)	(1,507)
Total other income, net	5	1,494	1,028	2,479
(Income) Loss before (provision for) benefit from income taxes ⁽¹⁾	(128)	1,208	5	972
(Provision for) benefit from income taxes ⁽¹⁾	(2,010)	412	(10,598)	(62)
Net (loss) income from discontinued operations	<u>\$ (2,138)</u>	<u>\$ 1,620</u>	<u>\$ (10,593)</u>	<u>\$ 910</u>

⁽¹⁾ The (provision) benefit from income taxes for the three and nine months ended September 30, 2025 is primarily a result of the formal dissolution of certain legal entities that were associated with the Company's discontinued operations.

Note 7 — Accounts receivable, net

Accounts receivable, net consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Trade accounts receivable	\$ 67,375	\$ 63,990
Other receivables	4,381	4,763
Accounts receivable, gross	71,756	68,753
Less: Allowance for credit losses	(2,612)	(2,722)
Accounts receivable, net	<u>\$ 69,144</u>	<u>\$ 66,031</u>

The changes in the Company's allowance for credit losses as of September 30, 2025 and December 31, 2024 were as follows:

Allowance for credit losses as of January 1, 2025	\$ (2,722)
Provision	(394)
Charge-offs and recoveries	554
Effect of exchange rate difference	(50)
Allowance for credit losses as of September 30, 2025	<u>\$ (2,612)</u>
Allowance for credit losses as of January 1, 2024	\$ (6,717)
Provision	(414)
Charge-offs and recoveries	4,392
Effect of exchange rate differences	17
Allowance for credit losses as of December 31, 2024	<u>\$ (2,722)</u>

Additional information about the Company's exposure to credit and market risks and impairment losses for its accounts receivable is included in *Note 26 — Fair value measurements and financial risk management*.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)
(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 8 — Inventories, net

Inventories, net consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Raw materials:		
Cannabis	\$ 42,738	\$ 43,803
Non-Cannabis	19,084	16,248
Total raw materials	61,822	60,051
Work-in-process	61,960	60,863
Finished goods	105,341	99,740
Inventories, net	\$ 229,123	\$ 220,654

As of September 30, 2025 and December 31, 2024, the Company's inventory reserve, which is recognized within Inventories, net on the Condensed Interim Consolidated Balance Sheets (Unaudited), was as follows:

	As of	
	September 30, 2025	December 31, 2024
Inventory reserve	\$ (11,399)	\$ (11,775)

For the three and nine months ended September 30, 2025 and September 30, 2024, inventory write-downs, which is recognized within Cost of goods sold on the Condensed Interim Consolidated Statements of Operations (Unaudited), totaled:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Inventory write-downs	\$ 873	\$ 591	\$ 1,549	\$ 2,970

Note 9 — Notes receivable

Notes receivable consists of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Current portion of notes receivable	\$ 2,778	\$ 451
Notes receivable – net of current	2,908	2,037
Total notes receivable	\$ 5,686	\$ 2,488

Riviera Creek

In 2025, the Company initiated a plan to enter into Option and Purchase Agreements with Riviera Creek Holdings, LLC (“Riviera Creek”) for the start-up, licensing, build-out, and working capital needs of certain dispensaries in Ohio, including RC Retail 1, RC Retail 2, and RC Retail 3 (together, the “RC Retail Stores”). The Company entered into Option and Purchase Agreements with RC Retail 2 and RC Retail 3 on January 2, 2025 and September 4, 2025, respectively. As of September 30, 2025, the Company has advanced \$2.0 million under a term loan receivable (the “Term Loan”). Advances under the Term Loan accrue non-compounded interest at the applicable federal mid-term rate (“AFR”), calculated on the basis of the actual number of days elapsed over a 365-day year or 366-day year.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The maturity date of the Term Loan is contingent upon the execution, or termination, of the Option and Purchase Agreement. The Term Loan is secured by the assets of the Borrower, subject to certain exclusions.

The RC Retail Stores are consolidated by the Company as VIEs. See *Note 27 — Variable interest entities* for further details.

Acres Note

On February 23, 2024, the Company signed a real estate purchase agreement to sell the property and equipment of Acres Cultivation LLC and Acres Dispensary LLC for total consideration of \$3.3 million, consisting of cash consideration of \$1.1 million and the receipt of a note receivable of \$2.2 million (the “Acres Note”) that is secured by the property and equipment acquired by the borrower. The Acres Note earns interest at 8% per annum and matures in February 2027. See *Note 5 — Assets and liabilities held for sale* in the Company’s Annual Financial Statements for further details.

2025 Four20 Notes

On January 1, 2024, Four20 Pharma GmbH (“Four20”) converted €0.8 million of overdue accounts receivable of its customer, Canymed GmbH, into a secured note receivable (the “Four20 Note”). The note bore interest of 8% and was settled in full on January 30, 2025.

On September 1, 2025, Four20 converted €0.9 million of overdue accounts receivable of its customer, Canymed GmbH, into a secured note receivable (the “2025 Four20 Note”). The note bears interest of 8% and is scheduled to mature on December 31, 2025.

Sapphire Note

On November 1, 2024, the Company and Sapphire Nordics AB, entered into a financing arrangement whereby the Company extended a line of credit up to £0.6 million (the “Sapphire Note”). The Sapphire Note bears interest at a rate equal to the European Central Bank base rate plus 3% per annum, with interest accruing from the date of each drawdown. Each drawdown is repayable in full, including accrued interest, no later than the fifth anniversary of its respective disbursement date. The facility is available for drawdown through November 1, 2030.

Note 10 — Property, plant and equipment, net

Property, plant and equipment, net consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Land	\$ 9,368	\$ 7,616
Building and improvements	551,599	503,394
Furniture and fixtures	107,035	86,687
Machinery and equipment	133,177	116,616
Information technology	28,104	27,445
Construction in progress	18,117	67,772
Property, plant and equipment, gross	847,400	809,530
Less: Accumulated depreciation	(317,948)	(263,104)
Property, plant and equipment, net	\$ 529,452	\$ 546,426

Assets included in construction in progress represent projects related to both cultivation and dispensary facilities not yet completed or otherwise not ready for use.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Depreciation expense ⁽¹⁾ :				
Cost of goods sold	\$ 12,595	\$ 13,147	\$ 37,301	\$ 38,707
Operating expenses	8,750	9,557	27,364	24,527
Total depreciation expense	\$ 21,345	\$ 22,704	\$ 64,665	\$ 63,234

⁽¹⁾ Includes depreciation expense associated with assets under failed sale-leaseback arrangements.

Asset specific impairment

2025

As a result of ongoing efforts to optimize its cultivation operations, during the three and nine months ended September 30, 2025, the Company recognized an impairment loss of \$0.8 million and \$3.3 million, respectively, within Impairment (loss) recovery on the Condensed Interim Consolidated Statements of Operations (Unaudited).

2024

The Company did not recognize an impairment loss on its Property, plant and equipment, net during the three months ended September 30, 2024.

The Company made the strategic decision to introduce a new line of hemp-derived THC products via an online direct-to-consumer marketplace and to repurpose its Kentucky Facility for the production of said THC products. Accordingly, the Company ceased marketing the Kentucky Facility and recognized an impairment gain of \$2.9 million, within Impairment (loss) recovery on the Condensed Interim Consolidated Statements of Operations (Unaudited), during the nine months ended September 30, 2024.

Note 11 — Leases

The Company leases real estate used for dispensaries, cultivation facilities, production plants and corporate offices.

The Company's lease agreements contain various extension and termination options. Extension options range from one to 20 years, with a typical extension period of five years, while certain termination options are contingent upon the Company securing regulatory permits.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The components of the Company's lease expenses for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Finance lease expense:				
Amortization of ROU assets				
Cost of goods sold	\$ 1,632	\$ 3,015	\$ 4,994	\$ 8,316
Operating expenses	1,408	882	4,115	3,329
Total amortization of ROU assets	3,040	3,897	9,109	11,645
Interest on finance lease liabilities	4,382	4,372	13,269	13,180
Total finance lease expense	7,422	8,269	22,378	24,825
Operating lease expense	8,521	7,803	24,840	23,034
Short-term lease expense	110	78	330	196
Total lease expense	\$ 16,053	\$ 16,150	\$ 47,548	\$ 48,055

ROU assets and lease liabilities as of September 30, 2025 and December 31, 2024 consisted of the following:

	As of			
	September 30, 2025		December 31, 2024	
	Operating leases	Finance leases	Operating leases	Finance leases
Lease assets:				
ROU assets	\$ 176,304	\$ 187,378	\$ 167,209	\$ 183,968
Accumulated amortization	(63,465)	(87,087)	(50,690)	(78,800)
ROU assets, net	\$ 112,839	\$ 100,291	\$ 116,519	\$ 105,168
Lease liabilities:				
Lease liabilities - current	\$ 19,361	\$ 11,305	\$ 17,333	\$ 10,995
Lease liabilities - net of current	102,353	146,698	106,192	150,683
Total lease liabilities	\$ 121,714	\$ 158,003	\$ 123,525	\$ 161,678

Cash flows associated with the Company's leasing arrangements for the nine months ended September 30, 2025 and 2024 were as follows:

	Nine months ended September 30,	
	2025	2024
Cash flows from operating activities:		
Operating cash flows from operating leases	\$ (23,155)	(22,350)
Operating cash flows from finance leases	(13,269)	(13,180)
Cash flows from financing activities:		
Financing cash flows from finance leases	(7,557)	(6,933)
Net cash flows from failed sale and leaseback arrangements	\$ (43,981)	\$ (42,463)

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

As of September 30, 2025 and December 31, 2024, the weighted average remaining lease terms and weighted average discount rates of the Company's leasing arrangements were as follows:

	As of	
	September 30, 2025	December 31, 2024
Weighted average remaining lease term (in years) - finance leases	10.2	9.2
Weighted average remaining lease term (in years) - operating leases	6.0	6.3
Weighted average discount rate - finance leases	11.9%	11.2%
Weighted average discount rate - operating leases	11.1%	11.0%

As of September 30, 2025, maturities of the Company's lease liabilities, under its non-cancelable leases were as follows:

Fiscal Year	Operating Leases	Finance Leases
2025 (three months remaining)	\$ 7,894	\$ 7,041
2026	31,221	28,334
2027	29,699	28,850
2028	26,633	28,190
2029	22,299	28,060
2030 and thereafter	51,542	171,313
Total undiscounted remaining minimum lease payments	169,288	291,788
Less: imputed interest	(47,574)	(133,785)
Total discounted remaining minimum lease payments	<u>\$ 121,714</u>	<u>\$ 158,003</u>

Asset specific impairment

2025

The Company did not recognize an impairment loss on its ROU assets during the three and nine months ended September 30, 2025.

2024

The Company did not recognize an impairment loss on its ROU assets during the three months ended September 30, 2024.

In 2023, the Company classified its CBD operations in Kentucky to discontinued operations. Subsequently, in 2024, the Company abandoned its plan of sale and repurposed the leased facility in Lexington, Kentucky (the "Kentucky Facility") for its hemp-derived operations. Upon reclassification of the Kentucky Facility to held-and-used, during the nine months ended September 30, 2024, the Company recognized an impairment recovery of \$1.0 million. For further details, see *Note 6 — Discontinued operations* in the Company's Annual Financial Statements.

Note 12 — Failed sale leaseback arrangements

The Company has entered into several sale and leaseback arrangements in connection with building improvements and equipment at various of its cultivation and processing sites. Several of these transactions were accounted for as failed sale and leaseback arrangements, as the Company retained control of the assets for the majority of their remaining useful lives.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

As of September 30, 2025 and December 31, 2024, the Company's failed sale and leaseback arrangements were recognized in the Condensed Interim Consolidated Balance Sheets (Unaudited) as follows:

	As of	
	September 30, 2025	December 31, 2024
Property, plant and equipment, net:		
Financed property and equipment, net of accumulated depreciation of \$73.0 million and \$59.1 million, respectively	\$ 127,882	\$ 143,923
Financial obligations:		
Financial obligation - current	6,872	7,208
Financial obligation - net of current	204,858	201,687
Total financial obligations	\$ 211,730	\$ 208,895

For the three and nine months ended September 30, 2025 and 2024, the expenses incurred by the Company related to its failed sale and leaseback arrangements were recognized on the Condensed Interim Consolidated Statements of Operations (Unaudited) as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Other income (expense):				
Interest on financial obligations	\$ 6,607	\$ 5,914	\$ 19,878	\$ 17,850
Operating expenses:				
Depreciation on financed property, plant and equipment	3,144	\$ 4,286	9,841	\$ 13,043
Total expense associated with failed sale leaseback arrangements	<u>\$ 9,751</u>	<u>\$ 10,200</u>	<u>\$ 29,719</u>	<u>\$ 30,893</u>

For the nine months ended September 30, 2025 and 2024, cash flows associated with the Company's failed sale and leaseback arrangements were recognized in the Condensed Interim Consolidated Statements of Cash Flows (Unaudited) as follows:

	Nine months ended September 30,	
	2025	2024
Cash flows from operating activities:		
Operating cash flows from failed sale and leaseback arrangements	\$ (19,878)	\$ (17,850)
Cash flows from financing activities:		
Financing cash flows from failed sale leaseback financial obligations	(4,252)	\$ (4,210)
Net cash flows from failed sale and leaseback arrangements	<u>\$ (24,130)</u>	<u>\$ (22,060)</u>

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

As of September 30, 2025, maturities of the Company's financial obligations associated with its failed sale and leaseback arrangements were as follows:

Fiscal Year	Financial Obligations
2025 (three months remaining)	\$ 8,164
2026	33,139
2027	31,006
2028	31,841
2029	31,692
2030 and thereafter	356,642
Total undiscounted remaining minimum lease payments	492,484
Less: imputed interest	(280,754)
Total discounted remaining minimum lease payments	<u>\$ 211,730</u>

Asset specific impairment

2025

During the three and nine months ended September 30, 2025, the Company recognized an impairment loss of \$0.8 million and \$1.7 million, respectively, to reduce the carrying value of certain cultivation assets assigned to failed sale and leaseback arrangements. See *Note 10 — Property, plant and equipment, net* for further details.

2024

The Company did not recognize an impairment loss on the assets underlying its failed sale and leaseback arrangements during the three and nine months ended September 30, 2024.

Note 13 — Intangible assets, net and Goodwill

Intangible assets, net

Identifiable intangible assets consisted of the following as of September 30, 2025 and December 31, 2024:

As of September 30, 2025	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Licenses and service agreements	\$ 1,316,401	\$ (400,667)	\$ 915,734
Trade names	163,083	(63,558)	99,525
Non-compete agreements	25,238	(14,053)	11,185
Intellectual property and know-how	9,508	(3,311)	6,197
Internal-use software	761	(32)	729
Customer relationships	70	(12)	58
Intangible assets, net ⁽¹⁾	<u>\$ 1,515,061</u>	<u>\$ (481,633)</u>	<u>\$ 1,033,428</u>

⁽¹⁾ Intangible assets held by the Company's international subsidiaries are subject to foreign currency translation adjustments.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

As of December 31, 2024	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Licenses and service agreements	\$ 1,289,829	\$ (331,589)	\$ 958,240
Trade names	166,843	(60,375)	106,468
Non-compete agreements	32,337	(19,490)	12,847
Intellectual property and know-how	9,365	(1,889)	7,476
Internal-use software	370	(4)	366
Intangible assets, net ⁽¹⁾	<u>\$ 1,498,744</u>	<u>\$ (413,347)</u>	<u>\$ 1,085,397</u>

⁽¹⁾ Intangible assets held by the Company's international subsidiaries are subject to foreign currency translation adjustments.

During the nine months ended September 30, 2025, the gross carrying amount of intangible assets increased by \$16.3 million, primarily due to foreign currency translation adjustments.

Amortization expense for the Company's intangible assets was \$25.1 million and \$74.8 million for the three and nine months ended September 30, 2025, respectively, compared to \$28.0 million and \$83.5 million for the three and nine months ended September 30, 2024, respectively.

As of September 30, 2025, the Company's estimated intangible amortization expense over the next five years was as follows:

Fiscal Year	Estimated Amortization
2025	\$ 100,588
2026	99,760
2027	99,125
2028	95,571
2029	89,440

The Company's remaining weighted average amortization period for its outstanding intangibles as of September 30, 2025 was 12.04 years. The following table outlines the remaining weighted average amortization period for each major class of intangible assets as of September 30, 2025:

Asset class:	Weighted Average Amortization (in years)
Licenses and service agreements	12.22
Trade names	11.73
Non-compete agreements	5.68
Internal-use software	4.90
Intellectual property and know-how	3.27
Customer relationships	2.50

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)
(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Goodwill

The changes in the Company's Goodwill as of September 30, 2025 and December 31, 2024 were as follows:

	Domestic	International	Total
Balance at December 31, 2023	\$ 551,181	\$ 75,447	\$ 626,628
Acquisitions (Note 4)	—	6,137	6,137
Measurement period adjustment (Note 4)	—	63	63
Effect of exchange rate differences	—	(3,944)	(3,944)
Balance at December 31, 2024	551,181	77,703	628,884
Acquisitions (Note 4) ⁽¹⁾	—	1,328	1,328
Measurement period adjustment (Note 4)	—	(3,984)	(3,984)
Effect of exchange rate differences	—	8,767	8,767
Balance at September 30, 2025	<u>\$ 551,181</u>	<u>\$ 83,814</u>	<u>\$ 634,995</u>

⁽¹⁾ Incurred in connection with an individually immaterial acquisition consummated during the second quarter of 2025 within the Company's international operations.

Note 14 — Investments and other assets

Investments and other assets consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Security deposits ⁽¹⁾	\$ 10,456	\$ 10,322
Investments ⁽²⁾⁽³⁾	1,373	1,713
Other assets ⁽⁴⁾	1,290	2,947
Total other assets	<u>\$ 13,119</u>	<u>\$ 14,982</u>

⁽¹⁾ Represents security deposits for certain lease arrangements. See *Note 11 — Leases* for further details.

⁽²⁾ Represents an investment in a real estate investment trust arising from certain failed sale and leaseback arrangements, as further discussed in *Note 12 — Failed sale leaseback arrangements*.

⁽³⁾ Represents investments intended to support the ongoing growth of the Company's international operations.

⁽⁴⁾ Represents marketing and promotional materials.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 15 — Accrued Expenses

Accrued Expenses consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Accrued payroll expenses	\$ 29,076	\$ 30,161
Accrued inventory expenses	16,244	10,830
Accounting, legal and professional fees	11,085	8,655
Interest payable	11,085	10,791
Other accrued expenses	6,996	11,358
Sales taxes payable	6,699	7,170
Excise taxes payable	5,959	4,719
Accrued occupancy and technology expenses	5,139	4,940
Accrued loyalty payable	4,978	5,821
Property & other taxes payable	4,569	2,816
Accrued marketing expenses	3,094	2,560
Deferred revenue	856	2,367
Total accrued expenses	<u>\$ 105,780</u>	<u>\$ 102,188</u>

Note 16 — Notes payable

Notes payable consist of the following as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Senior Secured Notes – 2026	\$ 456,815	\$ 460,000
Senior Secured Notes – 2027	62,906	—
Bloom Notes – 2025	—	60,000
Bloom Notes – 2024	—	16,500
Needham LOC	3,045	11,100
ABL Facility – EWB	12,000	12,000
Seller note payable	4,162	4,364
Other notes payable	12,217	15,439
Less: Unamortized debt discount/premium and deferred financing fees	(7,488)	(10,783)
Notes payable, net of unamortized debt discount/premium and deferred financing fees	543,657	568,620
Less: Notes payable - current	(43,693)	(101,723)
Notes payable - net of current	<u>\$ 499,964</u>	<u>\$ 466,897</u>

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Below is a summary of the Company's credit facilities outstanding as of September 30, 2025:

Credit facility	Original facility size	Outstanding balance	Stated interest rate	Maturity date
Senior Secured Notes – 2026	\$ 475,000	\$ 456,815	8.00 % ⁽³⁾	December 15, 2026
Senior Secured Notes – 2027 ⁽¹³⁾	67,000	62,906	10.00 % ⁽⁴⁾	December 17, 2027
Bloom Notes – 2025 ⁽¹³⁾	60,000	—	4.00 % ⁽⁵⁾	January 17, 2025
Bloom Notes – 2024	50,000	—	10.00 % ⁽⁶⁾	January 18, 2025/ ⁽⁶⁾ October 18, 2024
Needham LOC	40,000	3,045	7.99 % ⁽⁷⁾	December 15, 2026 ⁽¹⁴⁾
ABL Facility - EWB Note	12,000	12,000	6.00 % ⁽⁸⁾	August 25, 2026
Other notes payable - BHH Note ⁽¹⁾	7,500	6,351	15.00 % ⁽⁹⁾	September 30, 2025 ⁽¹⁵⁾
Other notes payable - miscellaneous ⁽¹⁾	4,011	3,636	Various	Various
Other notes payable - VOWL Note ⁽¹⁾	2,226	2,230	4.25 % ⁽¹⁰⁾	December 30, 2025 ⁽¹⁶⁾
Other notes payable - NGC Note ⁽¹⁾	1,600	—	12.00 % ⁽¹¹⁾	July 1, 2025 ⁽¹⁷⁾
Seller note payable - Scottsdale Note ⁽²⁾	5,100	4,162	5.00 % ⁽¹²⁾	December 1, 2036
	<u>\$ 724,437</u>	<u>\$ 551,145</u>		

⁽¹⁾ The Company has a note payable (the "BHH Note") with Tangela Holdings, Ltd ("Tangela") and Portiagate Investment LTD, which was executed in the last quarter of 2020 and amended in the third quarter of 2022, in connection with the Company gaining a controlling interest in Broad Horizons Holdings, LLC ("BHH"). In addition, the Company has a separate note payable with Tangela, which was executed to fund bulk purchases of cannabis for resale by NGC (the "NGC Note"). Lastly, Four20 Pharma GmbH ("Four20"), a subsidiary of the Company, has a note payable with Verbundvolksbank OWL (the "VOWL Note"). Other notes payable - miscellaneous is comprised of various immaterial loans held by Curaleaf International.

⁽²⁾ The Company has a seller note payable incurred in connection with the Company's purchase of a building in Scottsdale, Arizona (the "Scottsdale Note").

⁽³⁾ Compounded semi-annually and payable in arrears on June 15th and December 15th of each year.

⁽⁴⁾ Compounded monthly and computed daily on the basis of a 360-day year for the actual number of days elapsed for a period of time. Interest is payable monthly in arrears, beginning February 17th, with principal repayments beginning August 17, 2025.

⁽⁵⁾ Computed daily on the basis of a 360-day year and payable at maturity.

⁽⁶⁾ The Installment Amount (as defined herein) matured on October 18, 2024, and the Conversion Amount matured on January 18, 2025. The Conversion Amount was settled in its entirety through the issuance of SVS, as discussed further herein in the section titled "Bloom Notes".

⁽⁷⁾ Calculated on the basis of a 360-day year. Interest is due on the 6th of each month.

⁽⁸⁾ Calculated on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is due on the 25th of each month.

⁽⁹⁾ Computed daily on the basis of a 365-day year (or 366 days in the case of a leap year) and payable quarterly in arrears on each January 1, April 1, and October 1 following the closing date, with the final interest payment due and payable on the maturity date.

⁽¹⁰⁾ Calculated on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is due on the 30th of each month.

⁽¹¹⁾ Calculated on the basis of a 365-day year. Interest is payable in one or several installments no later than 30 days from the maturity date.

⁽¹²⁾ Computed on the basis of a 365-day year. Interest is due at maturity. As a payment-in-kind loan, interest accrued increases the outstanding balance of the loan each reporting period.

⁽¹³⁾ In January 2025, the Bloom Note - 2025 was exchanged for Senior Secured Notes – 2027; see section herein titled "Bloom Notes" for further details.

⁽¹⁴⁾ The Company has the option to extend the Needham LOC to December 15, 2028, subject to certain conditions specified in the agreement.

⁽¹⁵⁾ The BHH Note matured as scheduled. The Company made a partial payment of \$1.4 million (inclusive of accrued interest) on September 30, 2025, with the remaining principal balance settled on October 1, 2025.

⁽¹⁶⁾ The maturity date for the VOWL Note was extended from May 31, 2025 to December 30, 2025, subject to certain conditions.

⁽¹⁷⁾ The NGC Note matured as scheduled and was settled in full on the maturity date.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The Company's interest expense by credit facility for the three and nine months ended September 30, 2025 is as follows:

	Effective interest rate	Three months ended September 30, 2025			Nine months ended September 30, 2025		
		Stated interest expense	Amortization of debt discount/ premium and deferred financing fees	Total interest expense ⁽¹⁾	Stated interest expense	Amortization of debt discount/ premium and deferred financing fees	Total interest expense ⁽¹⁾
Senior Secured Notes – 2026	9.30%	\$ 9,151	\$ 1,487	\$ 10,638	\$ 27,450	\$ 4,461	\$ 31,911
Senior Secured Notes – 2027	10.69%	1,675	82	1,757	4,709	189	4,898
Bloom Notes – 2025	10.36%	—	—	—	29	142	171
Bloom Notes – 2024	10.00%	—	—	—	267	—	267
Needham LOC	7.99%	213	390	603	739	862	1,601
ABL Facility - EWB Note	6.00%	180	9	189	538	39	577
Other notes payable - BHH Note	15.00%	281	—	281	841	—	841
Seller notes payable - Scottsdale Note	5.00%	53	—	53	163	—	163
Other notes payable - miscellaneous	various	30	—	30	145	—	145
Other notes payable - VOWL Note	4.25%	24	—	24	63	—	63
Other notes payable - NGC Note	12.00%	—	—	—	102	—	102
		<u>\$ 11,607</u>	<u>\$ 1,968</u>	<u>\$ 13,575</u>	<u>\$ 35,046</u>	<u>\$ 5,693</u>	<u>\$ 40,739</u>

⁽¹⁾ Total interest expense herein does not encompass interest expense recognized on the Company's deferred consideration obligations. For the three and nine months ended September 30, 2025, the Company recognized interest expense of \$1.0 million and \$2.9 million on its deferred consideration obligations. Refer to Note 4 — Acquisitions — Deferred consideration for further details.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The Company's interest expense by credit facility for the three and nine months ended September 30, 2024 is as follows:

	Effective interest rate	Three months ended September 30, 2024			Nine months ended September 30, 2024		
		Stated interest expense	Amortization of debt discount/ premium and deferred financing fees	Total interest expense ⁽²⁾	Stated interest expense	Amortization of debt discount/ premium and deferred financing fees	Total interest expense ⁽²⁾
Senior Secured Notes – 2026	8.00%	\$ 9,200	\$ 1,285	\$ 10,485	\$ 28,000	\$ 3,946	\$ 31,946
Bloom Notes – 2025	10.35%	613	927	1,540	1,827	2,692	4,519
Bloom Notes – 2024	10.00%	665	—	665	2,578	—	2,578
ABL Facility - EWB Note	6.00%	117	—	117	363	—	363
Other notes payable - BHH Note	14.79%	284	—	284	845	—	845
Seller notes payable - Scottsdale Note	5.00%	60	—	60	183	—	183
Other notes payable - miscellaneous	various	1	—	1	2	—	2
Other notes payable - VOWL Note	5.90%	53	—	53	206	—	206
Other notes payable - NGC Note	12.00%	41	—	41	41	—	41
Seller notes payable - Phyto Note ⁽¹⁾	7.50%	—	—	—	189	—	189
		<u>\$ 11,034</u>	<u>\$ 2,212</u>	<u>\$ 13,246</u>	<u>\$ 34,234</u>	<u>\$ 6,638</u>	<u>\$ 40,872</u>

⁽¹⁾ The Phyto Note was paid in full on July 1, 2024.

⁽²⁾ Total interest expense herein does not encompass interest expense recognized on the Company's deferred consideration obligations. For the three and nine months ended September 30, 2024, the Company recognized interest expense of \$1.7 million and \$3.4 million on its deferred consideration obligations. Refer to Note 4 — Acquisitions — Deferred consideration for further details.

As of September 30, 2025, future principal payment obligations related to the Company's Notes payable were as follows:

Fiscal year:	Amount
2025 (remaining three months)	\$ 17,385
2026	499,259
2027	30,264
2028	829
2029 and thereafter	3,408
Total future principal payments	<u>\$ 551,145</u>

As of September 30, 2025 and December 31, 2024, the carrying values and fair values of the Company's Notes payable were as follows:

	As of	
	September 30, 2025	December 31, 2024
Carrying Value	\$ 551,145	\$ 579,403
Fair Value	531,579	560,171

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Information about the Company's exposure to interest rate risks and liquidity risks is included in *Note 26 — Fair value measurements and financial risk management*.

Senior Secured Notes – 2026

In December 2021, the Company closed on a private placement of senior secured notes due 2026, for aggregate gross proceeds of \$475.0 million (“Senior Secured Notes – 2026”). The note indenture, dated December 15, 2021 and as amended on December 12, 2023, governing the Senior Secured Notes – 2026 (the “Note Indenture”) enables the Company to issue additional senior secured notes on an ongoing basis as needed, subject to maintaining leverage ratios and complying with other terms and conditions of the Note Indenture. The principal restrictions on incurring additional indebtedness include the requirement that post-incurrence of the additional debt, a fixed charge coverage ratio of 2.5:1 and consolidated debt to consolidated EBITDA ratio of 4:1 be maintained. The issuance of additional senior secured notes or other debt pari passu to the existing notes is permitted, provided that post-incurrence of the additional debt, the consolidated secured debt to consolidated EBITDA ratio of 3:1 is maintained and provided certain other conditions are met. Under the Note Indenture, the Company and certain of its guarantor entities are required to grant a first lien security interest in their respective assets to the appointed trustee, including assets acquired after the issue of the Senior Secured Notes – 2026, subject to limited exceptions. Despite the first lien granted to the holders of the Senior Secured Notes – 2026, the Note Indenture permits the Company to grant a more senior lien to secure up to \$200 million of additional financing from commercial banks for revolving credit loans, such as the Needham LOC (as defined herein), provided that the interest rate applicable to such revolving credit loans is lower than the interest rate applicable to the Senior Secured Notes – 2026.

Subject to the consent of Needham Bank, the Senior Secured Notes – 2026, inclusive of accrued and unpaid interest, may be redeemed early without incurring a prepayment premium.

Purchase of Senior Secured Notes - 2026 for Cancellation

On April 30, 2024, in an arms-length transaction, the Company paid \$14.3 million to purchase, for cancellation, Senior Secured Notes – 2026 that had a face value of \$15 million. The Company also reduced accrued interest by \$3.2 million that had been accruing from December 15, 2023 through April 30, 2024 specific to the notes purchased for cancellation.

On July 22, 2025, in an arms-length transaction, the Company paid \$2.9 million to purchase, for cancellation, Senior Secured Notes – 2026, that had a face value of \$3.2 million. The Company also reduced accrued interest by \$0.4 million that had been accruing from June 15, 2025 through July 22, 2025 specific to the notes purchased for cancellation.

Senior Secured Notes – 2027

On January 17, 2025, the Company entered into an agreement (the “Note Exchange Agreement”) with the former owners of Bloom (the “Bloom Lenders”), pursuant to which the Company agreed to accept from the Bloom Lenders, and the Bloom Lenders agreed to transfer to the Company, the Bloom Notes – 2025 in exchange for senior secured notes of the Company with an aggregate principal balance of \$67 million (the “Senior Secured Notes — 2027”), consisting of the \$60 million then-outstanding principal of the Bloom Notes – 2025 plus \$7 million of accrued interest on such notes (the “Note Exchange”). In connection with the Note Exchange, the Company paid in cash (i) \$0.6 million, representing the remaining balance of interest accrued on the Bloom Notes – 2025 as of the date of the Note Exchange and (ii) \$1.0 million of debt origination fees. The Senior Secured Notes – 2027 mature on January 17, 2027 and bear interest at 10.0% per annum, compounded monthly and computed daily on the basis of a 360-day year for the actual number of days elapsed for any period of time. Interest is payable monthly in arrears, beginning February 17, 2025, with principal repayments beginning August 17, 2025. There are no prepayment penalties on the Senior Secured Notes – 2027.

The Company accounted for the Note Exchange as a debt extinguishment and recognized a loss on extinguishment of debt of \$0.3 million, which is recognized within Other (expense) income, net on the Condensed Interim Consolidated Statements of Operations (Unaudited).

Bloom Notes

In connection with the Bloom acquisition, the Company issued three sets of secured promissory notes (collectively, the “Bloom Notes”) to the former Bloom owners (the “Bloom Lenders”).

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

On December 29, 2023, the Company entered into an agreement with the Bloom Lenders, pursuant to which the Bloom Note – 2024 was restructured into a partially convertible secured promissory note (the “Restructured Bloom Note”) payable in cash and SVS, subject to the approval of the TSX. The Restructured Bloom Note had a principal amount of \$47.5 million comprised of an installment amount of \$31.0 million (the “Installment Amount”), which matured on October 18, 2024, and a conversion amount of \$16.5 million (the “Conversion Amount”) that matured on January 18, 2025. The Conversion Amount was settled, in its entirety, through the issuance of 4,282,596 SVS to the Bloom Lenders, with each of the Bloom Lenders receiving a proportionate share of SVS. Fractional shares were settled in cash.

The Company recognized a gain on extinguishment of debt of \$1.8 million, which is recognized within Other (expense) income, net on the Condensed Interim Consolidated Statements of Operations (Unaudited). As of September 30, 2025, the Company has no outstanding obligation under the Bloom Notes. For further discussion on the Bloom Notes, see *Note 16 — Notes payable* of the Annual Financial Statements.

Needham Bank

On November 6, 2024, the Company entered into a loan agreement (the “Needham Loan Agreement”) with Needham Bank (“Needham”), establishing a revolving line of credit for up to \$40 million (the “Needham LOC”), with an option to request up to an additional \$20 million, beginning May 6, 2026, subject to Needham’s discretion and credit approval process. The Needham Loan Agreement grants Needham a first-priority lien on the pledged collateral, which is inclusive of the mortgages, business assets and equity of all underlying borrowers and guarantors, and includes a limited guaranty equal to the value of the Company’s equity interest in Curaleaf, Inc. The Needham Loan Agreement contains financial covenants, including the requirement to maintain a total loan-to-value ratio of no more than 80.0%, based on the “as-is” fair market value of the pledged real estate. Proceeds may be utilized for general corporate purposes, including working capital and operational expenses.

Tangela Holdings, LTD

On June 11, 2024, the Company entered into a loan agreement (the “NGC Note”) with Tangela for \$1.6 million to fund bulk purchases of cannabis for resale by NGC. The NGC Note, as most recently amended on March 11, 2025, matured as scheduled, and on July 1, 2025, the Company settled the loan in full for \$1.6 million.

Asset-based revolving credit facility

On August 25, 2023, the Company entered into an asset-based revolving credit facility (the “ABL Facility”) with EWB that provided for borrowings up to \$6.5 million and immediately drew down \$6.5 million (the “EWB Note”). The EWB Note had a maturity date of August 25, 2024. On March 26, 2024, the Company signed an agreement (the “1st Change in Terms Agreement”), increasing the ABL Facility to \$10 million and extending the maturity date of the EWB Note to August 25, 2025. On June 14, 2024, the Company executed an amendment to the 1st Change in Terms Agreement, increasing the ABL Facility by an additional \$2 million to \$12 million. On September 2, 2025, the Company executed Amendment No. 3 to its Loan Agreement with East West Bank, extending the maturity date to August 25, 2026. No other changes were made to the ABL Facility.

The ABL Facility is secured by the Company’s deposit accounts at EWB, and as such, the Company’s balance in the EWB deposit accounts have been classified as restricted cash within Cash and cash equivalents on the Company’s Condensed Interim Consolidated Balance Sheets (Unaudited) as of September 30, 2025 and December 31, 2024.

Covenant compliance

As of September 30, 2025, the Company was in compliance with all financial covenants within each credit facility, and the Company did not observe evidence of any cross-defaults.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 17 — Shareholders' equity

Authorized

As of September 30, 2025, the Company's authorized share capital consists of (i) an unlimited number of multiple voting shares ("MVS"), (ii) an unlimited number of SVS and (iii) an unlimited number of non-voting and non-participating shares that are exchangeable at the shareholder's option into SVS (the "Exchangeable Shares"). All three classes of authorized share capital are without par value. The MVS are held directly or indirectly by Boris Jordan, the Company's Chief Executive Officer and Chairman ("CEO and Chairman").

Issued

Holders of the SVS are entitled to one vote per share. MVS Holders are entitled to 15 votes per share and are entitled to notice of and to attend any meeting of the Company's shareholders, except for shareholder meetings in which only holders of a particular class or series of shares will have the right to vote.

The MVS are convertible into SVS on a one-for-one basis at any time at the option of the holder or upon termination of the MVS structure. The MVS shall automatically convert into SVS upon the earlier to occur of: (i) the transfer or disposition of the MVS by the CEO and Chairman to one or more third parties who are not permitted holders; (ii) the CEO and Chairman or his permitted holders no longer beneficially owning, directly or indirectly and in the aggregate, at least 5% of the issued and outstanding SVS and MVS on a non-diluted basis; and (iii) the first business day following the first annual meeting of shareholders of the Company following the SVS being listed and posted for trading on a U.S. national securities exchange, such as Nasdaq or the New York Stock Exchange.

As of September 30, 2025, the Company's MVS represented approximately 12.3% of the total issued and outstanding shares and controlled approximately 67.7% of the total voting power. As of December 31, 2024, the Company's MVS represented approximately 12.5% of the total issued and outstanding shares and controlled approximately 68.2% of the total voting power.

As of September 30, 2025, no Exchangeable Shares have been issued.

As of September 30, 2025 and December 31, 2024, the number of SVS available for issuance under the Company's 2018 Long Term Incentive Plan ("LTIP") was 76,642,689 and 75,005,892, respectively. See *Note 19 — Share-based compensation* for further detail.

Treasury shares

There were no SVS repurchased into treasury during the three and nine months ended September 30, 2025 and 2024.

Note 18 — Redeemable non-controlling interest

On April 7, 2021, the Company established Curaleaf International together with a strategic investor (the "Strategic Investor") who provided initial capital of \$130.8 million for 31.5% equity interest in Curaleaf International (the "Curaleaf International Transaction"). Curaleaf and the Strategic Investor entered into a shareholders' agreement (the "International Shareholders Agreement") regarding the governance of Curaleaf International, pursuant to which Curaleaf International had control over operational issues and the raising of capital as well as the ability to exit the business. In addition, the strategic investor's stake was subject to put/call rights, which permitted either party to cause the Strategic Investor's stake to be purchased by the Company, starting the earlier of change of control or in 2025.

In January 2025, the Strategic Investor exercised its put option by submitting an irrevocable notice to the Company. On July 2, 2025, the Company settled the put option and acquired the minority stake in Curaleaf International, resulting in the Company obtaining 100% ownership of Curaleaf International. The transaction was executed pursuant to the International Shareholders Agreement and was settled entirely through the issuance of SVS. The transaction resulted in a change in ownership interest without a loss of control and was accounted for as an equity transaction in accordance with ASC 810. See *Note 2 — Basis of presentation and consolidation* for further details. As a result, the Company derecognized the Redeemable NCI, which had a carrying value of \$102.1 million, and issued 6,810,853 SVS valued at \$5.4 million. The net impact of this exchange was recorded in Additional paid-in capital.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

In connection with the acquisition of Four20 Pharma GmbH (“Four20”), in September 2022, the selling shareholders and Curaleaf International entered into separate put/call options, which permit either party to trigger the roll-up of the remaining equity of Four20 two years after the launch of adult use cannabis sales in Germany, but no later than the end of 2025, if adult use launch has not occurred by such date. Management considers the redemption of the put/call options to be probable.

As of September 30, 2025 and December 31, 2024, the Company’s Redeemable NCI was allocated as follows:

As of	Curaleaf International	Four20 ⁽¹⁾⁽²⁾	Total
December 31, 2024	\$ 94,561	\$ 37,618	\$ 132,179
September 30, 2025 ⁽¹⁾	—	71,406	71,406

⁽¹⁾ The Company recorded \$32.3 million and \$22.7 million in order to reflect the put/call options obligation at their redemption value as of September 30, 2025 and December 31, 2024. See *Note 2 — Basis of presentation and consolidation* for further details.

⁽²⁾ The Company anticipates the value of the put/call options related to Four20 to be between \$80 million to \$100 million upon redemption, payable in cash and stock.

Note 19 — Share-based compensation

Equity Incentive Plans

The Company maintains a 2018 Stock and Incentive Plan (as amended from time to time, the “LTIP”), which provides for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock and stock units, performance stock and stock units awards, dividend equivalents and other share-based awards to eligible participants. The number of SVS reserved for issuance from time to time under the LTIP is calculated as 10% of the aggregate number of SVS and MVS outstanding on an “as-converted” basis.

Virtual Employee Share Options

In the second quarter of 2025, the Company granted VSOs in connection with the Company’s prior acquisition of Four20 in September 2022. The VSOs were granted to certain employees of Four20 and vest over a 36-month requisite service period, ending December 31, 2025, with payment contingent on a qualifying “Exit Event”, as defined in the underlying plan agreement.

Share-based compensation consisted of the following for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Equity-classified awards:				
Stock options	\$ 2,180	\$ 2,088	\$ 6,185	\$ 6,973
Performance stock units	4,004	440	4,986	1,793
Restricted stock units	3,041	3,489	8,611	11,603
Share-based compensation expense: equity-classified awards	9,225	6,017	19,782	20,369
Liability-classified awards:				
Virtual share option awards ⁽¹⁾	1,069	—	3,613	—
Share-based compensation expense: liability-settled awards	1,069	—	3,613	—
Total share-based compensation expense	\$ 10,294	\$ 6,017	\$ 23,395	\$ 20,369

⁽¹⁾ Includes the cumulative share-based compensation expense recognized for VSOs granted during the second quarter of 2025, for which the requisite service periods retroactively commenced in January 2023.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Stock options

As of September 30, 2025 and 2024, total unamortized compensation cost related to unvested stock options was \$13.8 million and \$15.7 million, respectively, which the Company expects to recognize over a weighted-average period of 2.04 and 2.12 years, respectively.

The total intrinsic value of stock options exercised and the total fair value of stock options vested during the nine months ended September 30, 2025 and 2024 were as follows:

	Nine months ended September 30,	
	2025	2024
Total intrinsic value of options exercised	\$ 4,767	\$ 208
Total fair value of shares vested	4,816	7,175

Significant assumptions used to estimate the fair value of the Company's stock options granted during the nine months ended September 30, 2025 and 2024 were as follows:

	Nine months ended September 30,	
	2025	2024
Expected volatility	72% — 78%	71% — 72%
Expected life in years	6.16 — 6.24	6.01 — 6.02
Expected dividends ⁽¹⁾	— %	— %
Risk-free interest rate (based on government bonds)	3.81% — 4.21%	3.63% — 4.52%

⁽¹⁾ The Company has never paid cash dividends nor expects to pay cash dividends in the foreseeable future.

The Company's stock options activity and related information during the nine months ended September 30, 2025 and 2024 were as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Outstanding at January 1, 2025	29,661,070	\$ 4.98		
Forfeited ⁽¹⁾	(6,359,122)	7.75		
Expired ⁽¹⁾	(2,045,380)	8.99		
Exercised	(1,850,000)	0.11		
Granted	12,629,583	1.03		
Outstanding at September 30, 2025	32,036,151	\$ 2.90	6.91	\$ 33,421
Options exercisable at September 30, 2025	9,992,776	\$ 3.66	3.25	\$ 12,002

⁽¹⁾ Includes adjustments for changes in estimates.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Outstanding at January 1, 2024	27,932,603	\$ 5.29		
Forfeited ⁽¹⁾	(1,192,141)	4.50		
Expired ⁽¹⁾	(307,682)	11.25		
Exercised	(75,391)	2.06		
Granted	2,900,281	3.90		
Outstanding at September 30, 2024	29,257,670	\$ 5.13	5.78	\$ 19,088
Options exercisable at September 30, 2024	16,594,878	\$ 5.54	3.73	\$ 18,793

⁽¹⁾ Includes adjustments for changes in estimates.

Performance stock units

As of September 30, 2025 and 2024, total unamortized compensation cost related to unvested performance stock units was \$9.3 million and \$5.1 million, respectively, which the Company expects to recognize over a weighted-average period of 1.59 and 1.54 years, respectively.

The Company's PSU activity and related information for the nine months ended September 30, 2025 and 2024 were as follows:

	Number of PSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2025	1,889,582	\$ 3.81
Forfeited ⁽¹⁾	(1,417,885)	3.16
Vested	(359,948)	3.45
Granted	10,011,139	0.94
Unvested at September 30, 2025	10,122,888	\$ 1.07
Inception-to-date PSUs vested at September 30, 2025	756,485	\$ 3.16

⁽¹⁾ Includes adjustments for changes in estimates.

	Number of PSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	2,024,121	\$ 2.89
Forfeited ⁽¹⁾	(1,422,045)	3.51
Vested	(325,248)	2.89
Granted	2,403,824	4.04
Unvested at September 30, 2024	2,680,652	\$ 3.59
Inception-to-date PSUs vested at September 30, 2024	325,248	\$ 2.89

⁽¹⁾ Includes adjustments for changes in estimates.

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Restricted stock units

As of September 30, 2025 and 2024, total unamortized compensation cost related to unvested restricted stock units was \$21.6 million, which the Company expected to recognize over a weighted-average period of 2.11 years and 2.01 years, respectively.

The Company's RSU activity and related information for the nine months ended September 30, 2025 and 2024 were as follows:

	Number of RSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2025	6,333,784	\$ 3.63
Forfeited ⁽¹⁾	(1,873,820)	2.15
Vested	(2,251,304)	4.18
Granted	19,148,071	0.97
Unvested at September 30, 2025	<u>21,356,731</u>	<u>\$ 1.31</u>
Inception-to-date RSUs vested at September 30, 2025	11,312,699	\$ 6.05

⁽¹⁾ Includes adjustments for changes in estimates.

	Number of RSUs	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2024	6,145,959	\$ 4.12
Forfeited ⁽¹⁾	(1,350,620)	4.19
Vested	(2,662,637)	4.33
Granted	4,947,025	4.06
Unvested at September 30, 2024	<u>7,079,727</u>	<u>\$ 3.99</u>
Inception-to-date RSUs vested at September 30, 2024	8,495,475	\$ 6.65

⁽¹⁾ Includes adjustments for changes in estimates.

Note 20 — Selling, general and administrative expense

Selling, general and administrative expenses consisted of the following for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Salaries and benefits	\$ 57,504	\$ 56,810	\$ 172,447	\$ 173,362
Rent and occupancy	15,596	14,171	45,576	40,894
Sales and marketing ⁽¹⁾	12,346	12,900	35,480	37,529
Office supplies and services	11,703	11,596	34,113	33,802
Professional fees	4,987	6,082	16,597	18,221
Insurance and compliance	2,317	2,300	6,997	6,534
Travel	1,773	1,654	5,427	4,966
Research and development	261	152	853	1,111
Other operating expense	3,690	632	5,188	3,777
Total selling, general and administrative expense	<u>\$ 110,177</u>	<u>\$ 106,297</u>	<u>\$ 322,678</u>	<u>\$ 320,196</u>

⁽¹⁾ Includes advertising costs of \$5.4 million and \$15.1 million for the three and nine months ended September 30, 2025, respectively and \$5.0 million and \$14.3 million for the three and nine months ended September 30, 2024, respectively.

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Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

Note 21 — Defined contribution plans

The Company established the Curaleaf, Inc. 401(k) Plan (the “Plan”) effective January 1, 2022. The Company’s U.S. employees are generally eligible to participate in the Plan. The Plan allows eligible employees to make contributions, up to limits set by the IRS, through payroll deductions and invest their contributions in one or more of the investment funds offered by the Plan. For employees who have completed one or more years of eligible service, the Company matches 25% of the first 4% of eligible contribution on a pretax and/or Roth 401(k) basis for each annual period. Under the Plan, employees become eligible for contributions on the first day of the calendar month, coincident with or next, following the date the employee performs an hour of service as an eligible employee. Matched contributions are always fully vested.

Employees outside the U.S. who are not covered by the Plan may be covered by defined contribution plans that are subject to applicable laws and rules of the country in which they are administered.

Employer contributions, which are expensed as incurred, totaled \$0.6 million and \$1.5 million for the three and nine months ended September 30, 2025, respectively and \$0.3 million and \$0.8 million for the three and nine months ended September 30, 2024, respectively.

Note 22 — Other (expense) income, net

Other income (expense), net consists of the following for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
(Loss) gain on disposal of assets	\$ (1,221)	\$ (34)	\$ (2,550)	\$ 1,328
(Loss) gain on investment	(1,424)	4,003	(1,093)	2,827
Gain on extinguishment of debt	199	—	1,685	245
Foreign exchange (loss) gain	(1,160)	2,158	3,764	2,151
Other income (expense), net	1,329	(1,399)	759	(2,301)
Total other (expense) income, net	\$ (2,277)	\$ 4,728	\$ 2,565	\$ 4,250

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

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Note 23 — Earnings per share

Basic and diluted loss per share attributable to Curaleaf Holdings, Inc. for the three and nine months ended September 30, 2025 and 2024 were calculated as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Numerator:				
Net loss from continuing operations	\$ (54,546)	\$ (44,348)	\$ (159,943)	\$ (144,444)
Less: excess redemption value above carrying value ⁽³⁾	(7,079)	(9,371)	(32,267)	(9,371)
Net loss from continuing operations, net of excess redemption value	(61,625)	(53,719)	(192,210)	(153,815)
Net (loss) income from discontinued operations	(2,138)	1,620	(10,593)	910
Net loss, net of excess redemption value	(63,763)	(52,099)	(202,803)	(152,905)
Less: Net income (loss) attributable to non-controlling interest	345	(2,032)	717	(5,674)
Net loss attributable to Curaleaf Holdings, Inc., net of excess redemption value	<u>\$ (64,108)</u>	<u>\$ (50,067)</u>	<u>\$ (203,520)</u>	<u>\$ (147,231)</u>
Per share – basic and diluted⁽¹⁾:				
Net loss per share from continuing operations ⁽³⁾	\$ (0.08)	\$ (0.07)	\$ (0.25)	\$ (0.20)
Net loss per share from discontinued operations	—	—	(0.01)	—
Net loss per share attributable to Curaleaf Holdings, Inc. ⁽¹⁾	<u>\$ (0.08)</u>	<u>\$ (0.07)</u>	<u>\$ (0.26)</u>	<u>\$ (0.20)</u>
Denominator:				
Basic weighted-average common shares outstanding	764,825,622	742,535,355	758,809,812	739,833,334
Dilutive effect of stock options to purchase common stock	7,258,225	—	4,636,093	963
Dilutive effect of restricted and performance-based stock awards ⁽²⁾	11,570,049	707,630	8,853,426	2,527,125
Dilutive effect of convertible debt	—	4,282,600	—	4,282,600
Dilutive effect of contingent shares	778,000	1,509,000	778,000	1,509,000
Dilutive weighted-average common shares outstanding	<u>784,431,896</u>	<u>749,034,585</u>	<u>773,077,331</u>	<u>748,153,022</u>

⁽¹⁾ As a result of the Company's net losses from its continuing and discontinued operations for the three and nine months ended September 30, 2025 and 2024, the calculation of diluted net loss per share for each period presented gives no consideration to potentially anti-dilutive securities; and as such, is the same as basic net loss per share for each period presented.

⁽²⁾ Excludes PSU awards that did not meet performance criteria as of September 30, 2025 and 2024. Diluted EPS for the three and nine months ended September 30, 2024 has been revised to reflect this exclusion.

⁽³⁾ Certain non-controlling interests are redeemable at the option of the holders. When the estimated redemption value exceeds the recorded amount, the excess is charged directly to Shareholders' equity on the Condensed Interim Consolidated Balance Sheets (Unaudited). Pursuant to ASC 480-10, *Distinguishing Liabilities from Equity*, the excess redemption value must be included in the calculation of earnings per share - basic and diluted. See Note 2 — *Basis of presentation and consolidation* for further details.

Note 24 — Segment reporting

The Company operates through two distinct reportable segments: (i) Domestic Operations and (ii) International Operations. This segmentation reflects the point at which the Company's business units no longer share similar economic characteristics and differ significantly in key areas, including:

- (a) the nature of cultivation and manufacturing processes;
- (b) the class of customer for products and services;

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- (c) distribution methods and
- (d) the regulatory environments in which they operate.

In addition, this segmentation reflects the manner in which the Company’s chief operating decision maker (the “CODM”), its CEO, allocates resources and evaluates performance as well as the manner in which the Company’s internal financial reporting is structured.

The Company’s reportable segments generate revenues from the cultivation, production and distribution of cannabis and hemp-derived THC products. The Company’s Domestic Operations are organized on a region-level basis, vertically integrated in the majority of the states in which the Company operates and derives the majority of its revenues from retail sales. In contrast, the Company’s International Operations are organized on a country-level basis, has centralized cultivation facilities in Portugal and Canada and derives the majority of its revenue from wholesale sales.

The Company’s CODM assesses the performance of each reportable segment and allocates resources based on Adjusted EBITDA¹ and Adjusted EBITDA Margin². These non-GAAP financial measures and ratios are considered key financial and operational indicators. The CODM also reviews significant segment expenses within these measures, which consist primarily of Cost of goods sold and Total operating expenses.

Not only do these measures provide meaningful insights into the financial strength and performance of each reportable segment, they also serve to (i) clarify the Company’s operating performance for investors; (ii) enhance comparability across industry peers and (iii) offer investors a view of the Company’s operations as analyzed internally by the CODM and the Company’s executive leadership team. While these measures are useful supplemental indicators, they are non-GAAP financial measures and should not be considered in isolation or as alternatives to measures determined in accordance with GAAP.

The accounting policies for each reportable segment are consistent with those described in *Note 3 — Significant accounting policies*. The Company records no intersegment sales or transfers and does not allocate corporate overhead costs to its reportable segments, due to the illegality of cannabis activities under U.S. Federal law.

The following table presents Adjusted EBITDA by reportable segment for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,					
	Domestic		International ⁽¹⁾		Total	
	2025	2024	2025	2024	2025	2024
Income (loss) from continuing operations	\$ 5,086	\$ 14,606	\$ (1,055)	\$ (5,377)	\$ 4,031	\$ 9,229
Depreciation and amortization	43,177	46,752	6,289	7,860	49,466	54,612
Other add-backs, net ⁽²⁾	14,294	10,707	1,500	745	15,794	11,452
Adjusted EBITDA	<u>\$ 62,557</u>	<u>\$ 72,065</u>	<u>\$ 6,734</u>	<u>\$ 3,228</u>	<u>\$ 69,291</u>	<u>\$ 75,293</u>
Adjusted EBITDA Margin	23%	24%	15%	11%	22%	23%
Total Revenues	\$ 274,252	\$ 300,956	\$ 45,992	\$ 29,574	\$ 320,244	\$ 330,530

⁽¹⁾ The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries’ operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company’s consolidated operating results, they may impact the comparability of the Company’s segmented results across quarters and year-over-year.

⁽²⁾ Other add-backs for the three months ended September 30, 2025 primarily include costs related to salaries and benefits; accounting, legal and professional fees and rent and other facility costs. Other add-backs for the three months ended September 30, 2024 primarily include costs related to salaries and benefits, legal and professional fees and lobbyist/PR spend.

¹ Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, less share-based compensation expense and other adjustments related to business development, acquisitions, financing and reorganization costs

² Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Total revenues, net.

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(Amounts in thousands, except share and per share amounts or where otherwise indicated)

	Nine months ended September 30,					
	Domestic		International ⁽¹⁾		Total	
	2025	2024	2025	2024	2025	2024
Income from continuing operations	\$ 22,194	\$ 50,904	\$ (7,052)	\$ (21,426)	\$ 15,142	\$ 29,478
Depreciation and amortization	130,340	135,651	18,208	22,692	148,548	158,343
Other add-backs, net ⁽²⁾	31,328	35,642	4,944	1,536	36,272	37,178
Adjusted EBITDA	<u>\$ 183,862</u>	<u>\$ 222,197</u>	<u>\$ 16,100</u>	<u>\$ 2,802</u>	<u>\$ 199,962</u>	<u>\$ 224,999</u>
Adjusted EBITDA Margin	22%	24%	13%	4%	21%	22%
Total Revenues	\$ 822,950	\$ 936,872	\$ 121,821	\$ 74,876	\$ 944,771	\$ 1,011,748

⁽¹⁾ The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segmented results across quarters and year-over-year.

⁽²⁾ Other add-backs for the nine months ended September 30, 2025 primarily include costs related to salaries and benefits, accounting, legal and professional fees as well as rent and other facility costs. Other add-backs for the nine months ended September 30, 2024 primarily include costs related to salaries and benefits, inventory, legal and professional fees and lobbyist/PR spend.

The following table presents selected financial information by reportable segment for the three months ended September 30, 2025 and 2024:

	Three months ended September 30,					
	Domestic		International ⁽¹⁾		Total	
	2025	2024	2025	2024	2025	2024
Retail revenues	\$ 211,626	\$ 243,253	\$ 14,152	\$ 9,997	\$ 225,778	\$ 253,250
Wholesale revenues	62,381	57,199	27,762	18,484	90,143	75,683
Management fee income	245	504	4,078	1,093	4,323	1,597
Total revenues, net	274,252	300,956	45,992	29,574	320,244	330,530
Cost of goods sold	134,626	153,495	25,877	16,519	160,503	170,014
Gross Profit	139,626	147,461	20,115	13,055	159,741	160,516
Total operating expenses	134,540	132,855	21,170	18,432	155,710	151,287
Income from continuing operations	<u>\$ 5,086</u>	<u>\$ 14,606</u>	<u>\$ (1,055)</u>	<u>\$ (5,377)</u>	<u>\$ 4,031</u>	<u>\$ 9,229</u>
Capital expenditures	\$ 12,103	\$ 25,658	\$ 4,454	\$ 2,135	\$ 16,557	\$ 27,793

⁽¹⁾ The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segmented results across quarters and year-over-year.

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(Amounts in thousands, except share and per share amounts or where otherwise indicated)

The following table presents selected financial information by reportable segment for the nine months ended September 30, 2025 and 2024:

	Nine months ended September 30,					
	Domestic		International ⁽¹⁾		Total	
	2025	2024	2025	2024	2025	2024
Retail revenues	\$ 647,808	\$ 759,021	\$ 38,139	\$ 26,343	\$ 685,947	\$ 785,364
Wholesale revenues	174,574	176,541	76,189	45,443	250,763	221,984
Management fee income	568	1,310	7,493	3,090	8,061	4,400
Total revenues, net	822,950	936,872	121,821	74,876	944,771	1,011,748
Cost of goods sold	409,872	485,360	67,431	44,503	477,303	529,863
Gross Profit	413,078	451,512	54,390	30,373	467,468	481,885
Total operating expenses	390,884	400,608	61,442	51,799	452,326	452,407
Income from continuing operations	\$ 22,194	\$ 50,904	\$ (7,052)	\$ (21,426)	\$ 15,142	\$ 29,478
Capital expenditures	\$ 39,035	\$ 57,338	\$ 8,826	\$ 8,220	\$ 47,861	\$ 65,558

⁽¹⁾ The Company is exposed to foreign currency exchange risk due to fluctuations between the functional currencies of its international subsidiaries and the USD. Additionally, the translation of these subsidiaries' operating results into USD for reporting purposes introduces further exposure. While these fluctuations are not material to the Company's consolidated operating results, they may impact the comparability of the Company's segmented results across quarters and year-over-year.

The Company's CODM reviews long-lived assets, and not total assets, by reportable segment. The following table presents long-lived assets by reportable segment as of September 30, 2025 and December 31, 2024:

Long-lived assets:	Domestic	International	Total
September 30, 2025	\$ 2,084,946	\$ 358,310	\$ 2,443,256
December 31, 2024	2,186,287	333,568	2,519,855

Note 25 — Commitments and contingencies

Indemnification agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties.

In addition, the Company has entered into indemnification agreements with certain members of its board of directors and senior executive team that may require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or senior officers of the Company. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnification agreements. The Company does not believe that the outcome of any claims under indemnification arrangements will have a material effect on its financial position, results of operations or cash flows, and it has not accrued any liabilities related to such obligations in its Consolidated Financial Statements (Unaudited).

Dividend Restriction

The Company has not historically paid dividends on its outstanding SVS. Any future determination to pay dividends will depend upon the Company's financial condition and results of operations. Furthermore, the Company's ability to pay dividends is subject to applicable laws, regulatory capital requirements and compliance with covenants contained in the Company's outstanding debt arrangements.

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The Company has no record of paying dividends. Its ability to pay dividends would be dependent on the Company's results of operation, subject to applicable laws and regulations, and would require maintenance of certain solvency and capital standards as well as applicable covenants within the Company's outstanding debt arrangements.

Income tax returns

The Company files its income tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state and foreign taxing authorities, where applicable. The Company records tax benefits for all years subject to examination, based upon management's evaluation of the facts, circumstances and information available at the end of the reporting period. The Company has not recognized any tax benefits associated with those income tax positions where it is not more-likely-than-not that a tax benefit will result.

Litigation

The Company is involved in claims or lawsuits that arise in the ordinary course of business. Although the ultimate outcome of these claims or lawsuits cannot be ascertained by the Company, on the basis of present information and advice received from the Company's legal counsel, it is management's opinion that the disposition or ultimate determination of such claims or lawsuits, except as noted below, will not have a material effect on the Company's operations and financial results.

Hello Farms

In 2020, GR Vending MI, LLC ("GR Vending MI"), prior to its acquisition by the Company, entered into a supply contract with Hello Farms Licensing MI, LLC ("Hello Farms") (the "Hello Farms Supply Contract") to acquire the expected output of Hello Farms' Michigan cultivation facility from the 2020 and 2021 harvests, subject to certain conditions. Additionally, Cura MI, LLC ("Cura MI" and together with GR Vending MI, the "Michigan Entities") entered into a guaranty agreement (the "Cura MI Guaranty") with Hello Farms, under which Cura MI guaranteed the performance of GR Vending MI's payment obligations under the Hello Farms Supply Contract. The Hello Farms Supply Contract was amended and restated in November 2020. Subsequently, GR Vending MI indicated that Hello Farms had failed to perform its obligations under the Hello Farms Supply Contract; and therefore, deemed the contract breached and therefore terminated. In February 2021, Hello Farms sued the Michigan Entities in a state court in Michigan. In March 2021, the case was moved to the U.S. District Court for the Eastern District of Michigan (the "Michigan Eastern District Court"). A trial was held in January 2025, after which a jury awarded Hello Farms approximately \$31.8 million in damages against the Michigan Entities for breach of contract. Subsequently, in February 2025, Hello Farms filed a motion for award of prejudgment interest of \$5.0 million. In May 2025, a judgment was issued awarding a post-filing prejudgment interest of \$5.4 million, which increased the Company's maximum loss on this litigation to \$37.2 million. The Michigan Entities have appealed the ruling to the Sixth Circuit Court of Appeals. Based on the Company's assessment of the likelihood of success on appeal, the estimated accrual as of September 30, 2025 is substantially less than the total potential loss associated with the judgment. If the Company's challenge is unsuccessful, it is reasonably possible the resulting loss could materially exceed the Company's current estimate.

The Michigan Entities, which are consolidated by the Company as VIEs, ceased operations in 2023, do not have any substantial assets and are classified by the Company as discontinued operations. See *Note 6 — Discontinued operations* for further details.

Note 26 — Fair value measurements and financial risk management

Non-recurring fair value measurements

The Company's assets measured at fair value on a nonrecurring basis include its long-lived assets and goodwill. The Company reviews the carrying amounts of such assets whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable or, at minimum, annually for goodwill. Any resulting asset impairment would require that the asset be written down to fair value. Fair value measurements of these assets are derived using inputs classified within Level 3 of the fair value hierarchy. See *Note 10 — Property, plant and equipment, net*, *Note 11 — Leases* and *Note 13 — Intangible assets, net and Goodwill* for further details.

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Recurring fair value measurements

The Company's financial instruments measured at fair value on a recurring basis include certain equity investments and contingent consideration liabilities. The lowest level of inputs that are significant to the fair value measurements of these financial instruments are not based on observable market data; and therefore, these financial instruments are classified within Level 3 of the fair value hierarchy.

As of September 30, 2025 and December 31, 2024, the Company's financial instruments measured at fair value on a recurring basis were classified in the fair value hierarchy as follows:

	As of September 30, 2025			
	Level 1	Level 2	Level 3	Total
Investments	\$ —	\$ —	\$ 1,373	\$ 1,373
Contingent consideration liabilities	—	—	3,687	3,687
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,060</u>	<u>\$ 5,060</u>

	As of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Investments	\$ —	\$ —	\$ 1,713	\$ 1,713
Contingent consideration liabilities	—	3,310	2,837	6,147
	<u>\$ —</u>	<u>\$ 3,310</u>	<u>\$ 4,550</u>	<u>\$ 7,860</u>

Level 3

As of September 30, 2025 and December 31, 2024, the following valuation methodologies and significant unobservable inputs were used to derive the fair value measurements of the Company's financial instruments measured at fair value on a recurring basis:

Financial instrument	Valuation methodology	Level 3 input	As of	
			September 30, 2025	December 31, 2024
Contingent consideration - EMMAC	Monte Carlo simulation	Timing of achievement	2 years	2 years
		Probability of achievement	99.0 %	99.0 %
Investments	Adjusted estimated net asset fair value	Capitalization rate	10.0 %	8.9 %

There were no transfers between fair value levels during the three and nine months ended September 30, 2025 and 2024.

Financial Risk Management

The Company is exposed to financial risks, including credit risk, liquidity risk and market risk. The following discussion summarizes the Company's approach to managing these risks:

Credit risk

Credit risk is the risk the Company incurs a loss on a financial instrument as a result of a customer or third party failing to meet contractual obligations. Credit risk arises principally from the Company's financing receivables, including its accounts receivable and notes receivable. The Company's maximum credit exposure as of September 30, 2025 and December 31, 2024 equates to the aggregate carrying amount of its cash and cash equivalents, restricted cash and cash equivalents, accounts receivable and notes receivable.

The majority of the Company's revenues are derived from its retail dispensaries, where customers are required to transfer payment immediately upon purchase. For the three months ended September 30, 2025 and 2024, the Company's Retail revenues represented 71% and 77%, respectively, of the Company's Total revenues, net. For the nine months ended

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September 30, 2025 and 2024, the Company's Retail revenues represented 73% and 78%, respectively, of the Company's Total revenues, net.

In the normal course of business, the Company provides financing to its non-retail customers as trade accounts receivables. The Company may also extend financing, as notes receivable, in connection with an acquisition or divestiture. While the Company has not adopted standardized credit policies, the Company has established processes to mitigate credit risk on such financing receivables, which include assessing creditworthiness on an individual basis.

Pursuant to ASC 310, *Receivables*, the Company recognizes its financing receivables, net of an allowance for credit losses, on the Condensed Interim Consolidated Balance Sheets (Unaudited), in order to present the financing receivables at the expected realizable value. The Company's allowance for credit losses is reviewed by management each reporting period and adjustments are made, if necessary, based on the Company's historical experience and management's assessment of the current economic environment.

Given the increasing financial pressure across the cannabis industry, the Company has heightened its monitoring of credit exposure to other cannabis operators and continues to prioritize timely collections of outstanding trade accounts receivables.

The following table presents the aging of the Company's trade accounts receivables as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
0 to 90 days	\$ 60,190	\$ 56,042
91 to 180 days	2,235	4,437
181 days +	4,950	3,511
Trade accounts receivable	\$ 67,375	\$ 63,990

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to settle its financial obligations and liabilities when due. The Company mitigates its liquidity risk through management of its capital structure.

The Company has material debt obligations requiring scheduled principal and interest payments, which are subject to various financial covenants. Non-compliance with these financial covenants or failure to make timely debt service payments could result in the outstanding principal and accrued interest on the Company's debt obligations becoming due immediately or on demand, which would have a material adverse impact on the Company's financial position and cash flows. See *Note 16 — Notes payable* for further details.

Future payment obligations associated with the Company's long-term acquisition-related financial instruments and lease obligations are further discussed in *Note 4 — Acquisitions*, *Note 11 — Leases* and *Note 12 — Failed sale leaseback arrangements*, respectively.

Currency risk

The financial position, results of operations and cash flows of the Company are presented in USD, which requires the Company to translate the financial accounts for its international subsidiaries into USD, using exchange rates at specific reporting dates or average rates over the reporting period, as applicable. Transactions which are denominated in currencies other than the USD are subject to both transaction risk and translation risk.

As of September 30, 2025 and 2024, the Company had no hedging agreements in place with respect to foreign exchange rates.

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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. Cash and cash equivalents (including those that are restricted) bear interest at market rates. The Company's notes receivable and notes payable have fixed rates of interest and are carried at amortized cost. The Company does not account for any fixed-rate financial assets or fixed-rate financial liabilities at fair value. Accordingly, the Company has limited exposure to interest rate sensitivity risk with respect to these financial instruments.

Geography risk

The geographic concentration of the Company's domestic and international operations poses potential risks if the domestic and/or international cannabis industry experience significant adverse events and/or if macroeconomic conditions deteriorate significantly.

Factors that may adversely affect domestic and international cannabis markets and macroeconomic environments include, among others, the following:

- weakened consumer demand as a result of economic headwinds, such as industry slowdowns and changing demographics;
- inability or unwillingness of customers to pay current and/or increased prices;
- rising operating expenses, such as taxes, utilities and routine maintenance;
- local conditions, such as oversupply of or reduced demand for cannabis products;
- regulatory restrictions or local laws, which could result in market saturation, price compression and/or increased operating costs;
- concentration of and competition from other cannabis cultivators, manufacturers and distributors; and
- specific regional acts of nature, such as earthquakes, fires and floods.

Disaggregated financial information for the Company's two reportable segments, Domestic and International is presented in *Note 24 — Segment reporting*.

Industry risk

Cannabis-related activities are illegal under U.S. Federal law, and enforcement of such federal laws could have significant adverse risks to the Company. The Company's shareholders should carefully evaluate the risk factors discussed herein and in the Annual Information Form within the section entitled "*Risk Factors*".

Capital management

The Company's primary objective when managing capital is to continually provide returns to its shareholders and benefits to its other stakeholders. The capital structure of the Company consists of shareholders' equity and notes payable, net of cash, cash equivalents and restricted cash and cash equivalents. In order to safeguard the Company's ability to continue as a going concern, management manages and adjusts the Company's capital structure, in response to changes in the economic conditions of the jurisdictions in which the Company operates and on the risk characteristics of the Company's underlying assets. The Company expects its cash on hand together with anticipated cash flows from its operating and financing activities will be sufficient to meet its capital requirements and operational needs over the next 12 months.

Note 27 — Variable interest entities

For further details on the variable interest entities consolidated within the Consolidated Financial Statements (Unaudited), see *Note 1 — Operations of the Company*, *Note 2 — Basis of presentation and consolidation* and *Note 3 — Significant accounting policies*. Because cannabis remains a Schedule I controlled substance for U.S. Federal purposes, the assets of

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Amounts in thousands, except share and per share amounts or where otherwise indicated)

the Company’s variable interest entities can typically be used only to settle obligations of the variable interest entities, except for certain grandfathered obligations, such as the Company’s Senior Secured Notes – 2026. In addition, the creditors of Curaleaf, Inc. do not have recourse to the general credit of the Company.

Financial Information

The following table presents summarized financial information about the Company’s variable interest entities as of September 30, 2025 and December 31, 2024:

	As of	
	September 30, 2025	December 31, 2024
Included in Condensed Interim Consolidated Balance Sheets (Unaudited):		
Current assets	\$ 359,728	\$ 363,895
Non-current assets	1,618,218	1,783,878
Current liabilities ⁽¹⁾	431,341	508,122
Non-current liabilities ⁽¹⁾	916,986	885,838
Equity attributable to Curaleaf Holdings, Inc.	629,619	753,813

⁽¹⁾ In connection with the issuance of the Senior Secured Notes – 2026, the Company entered into an intercompany loan agreement with Curaleaf, Inc. The intercompany loan is reflected herein and eliminated upon consolidation.

The following table presents summarized financial information about the Company’s variable interest entities for the three and nine months ended September 30, 2025 and 2024:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Included in Condensed Interim Consolidated Statements of Operations (Unaudited):				
Revenues, net	\$ 274,006	\$ 300,452	\$ 822,382	\$ 935,562
Net loss attributable to Curaleaf Holdings, Inc.	(49,568)	(72,757)	(158,475)	(126,556)

Note 28 — Subsequent events

Acquisitions: Deferred consideration payments

On October 8, 2025, the Company paid \$25.0 million in cash and issued 5,666,667 SVS to the sellers of Tryke in connection with the third anniversary payment related to the acquisition. In addition, the Company also settled its second anniversary payment obligation by making the final \$1.0 million monthly installment.

For further details, refer to *Note 4 — Acquisitions*.

Regional Commercial Bank Loan Amendment

On October 10, 2025, the Company refinanced its existing Needham LOC and entered into an amended and restated loan agreement with Needham (the “Amended and Restated Needham Loan Agreement”). As part of the refinancing, the total borrowing capacity under the Needham LOC was increased from \$40 million to \$100 million (the “Amended Needham LOC”), and the maturity date was extended to October 10, 2026. The Amended Needham LOC remains secured by a first-priority lien on senior mortgages, guarantees of the Company’s U.S. subsidiaries and a parent guaranty limited to the Company’s U.S. assets. The Amended Needham LOC bears interest at a rate of 7.99% per annum with an initial term of one year and is subject to extension for up to five years. Proceeds may be utilized for general corporate purposes, including working capital and operational expenses, as well as to reduce the outstanding principal balance of its Senior Secured Notes – 2026. In the event the Company refinances the Senior Secured Notes – 2026, the interest rate will increase to

Curaleaf Holdings, Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

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8.99% and the maturity date will be extended to align with the maturity date of the refinanced Senior Secured Notes – 2026.