
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(D) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 13, 2025

ASCEND WELLNESS HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

| | | |
|--|--------------------------|--------------------------------------|
| Delaware | 333-254800 | 83-0602006 |
| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**44 Whippany Road
Suite 101
Morristown, NJ 07960**

(Address of principal executive offices)

(646) 661-7600

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below).

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

12.75% Senior Secured Notes due 2029

On January 13, 2025, Ascend Wellness Holdings, Inc. (the “Company”) issued \$15,000,000 aggregate principal amount of its 12.75% senior secured notes due 2029 (the “Additional Notes”) in a private placement (the “Offering”). The Additional Notes were issued under an indenture dated as of July 16, 2024 (the “Base Indenture”), as amended by a first supplemental indenture dated as of January 13, 2025 (the “First Supplemental Indenture” and, together with the Base Indenture, the “Indenture”), by and among the Company and Odyssey Trust Company, as trustee (the “Trustee”). The Additional Notes were issued at 97.00% of face value, plus accrued and unpaid interest from and including July 16, 2024 to, but excluding, January 13, 2025. The Company intends to use the net proceeds from the Offering for general corporate purposes, including to fund growth initiatives.

The Additional Notes were issued as additional notes under the Indenture, under which the Company previously issued \$235,000,000 aggregate principal amount of its 12.75% senior secured notes due 2029 (the “Initial Notes”, and together with the Additional Notes, the “Notes”). The Additional Notes are treated as a single series with the Initial Notes for all purposes under the Indenture and are fungible with the Initial Notes, except that the Notes offered hereby will initially be represented by new CUSIPs until four months and one day after issuance, after which they will have the same CUSIP numbers as the Initial Notes and will trade interchangeably with the Initial Notes.

Interest on the Notes will accrue at the rate of 12.75% per annum and will be payable semi-annually in arrears on January 15 and July 15 of each year, commencing on January 15, 2025 (which payment with respect to the Additional Notes will include accrued interest from July 16, 2024). The Notes mature on July 16, 2029.

More information on the terms of the Notes may be found in our Current Report on Form 8-K filed on July 22, 2024.

The offering and sale of the Additional Notes have not been and will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), or the laws of any other jurisdiction, and the Additional Notes were offered only to, or for the account or benefit of (1) persons in the “United States” (as such term is defined in Rule 902(l) of Regulation S (“Regulation S”) under the Securities Act) and “U.S. persons” (as such term is defined in Rule 902(k) of Regulation S under the Securities Act) who are either (A) an “accredited investor,” as such term is defined in Rule 501(a) of Regulation D under the Securities Act (each, an “Accredited Investor”), or (B) a “qualified institutional buyer” as such term is defined in Rule 144A under the Securities Act, who is also an Accredited Investor; or (2) to, or for the account or benefit of, persons not in the United States that are not U.S. persons in accordance with the requirements set forth in Regulation S.

First Supplemental Indenture

In addition to permitting the issuance of the Additional Notes, the First Supplemental Indenture amended the Base Indenture to permit certain “social equity” or female- or minority-owned enterprise focused investments by the Company and to modify the existing minimum liquidity covenant to specify that it is to be tested on a monthly basis.

The foregoing description of the Indenture and the Notes is qualified in its entirety by reference to the complete terms and conditions of the Indenture, the Guaranty and the Pledge and Security Agreement, a copy of each of which was previously filed as Exhibit 4.1, Exhibit 4.2 and Exhibit 4.3, respectively, to our Current Report on Form 8-K filed on July 22, 2024, and the First Supplemental Indenture, a copy of which is filed as Exhibit 4.1 to this Current Report on Form 8-K and incorporated herein by reference into this Item 1.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit No. | Exhibit Description |
|--------------------|---|
| 4.1 | First Supplemental Indenture dated January 13, 2025 by and between Ascend Wellness Holdings, Inc. and Odyssey Trust Company |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

January 14, 2025

Ascend Wellness Holdings, Inc.

/s/ Roman Nemchenko
Roman Nemchenko
Chief Financial Officer
(Principal Financial Officer)

FIRST SUPPLEMENTAL INDENTURE

DATED AS OF THE 13th DAY OF JANUARY, 2025

BETWEEN

ASCEND WELLNESS HOLDINGS, INC., AS ISSUER

AND

ODYSSEY TRUST COMPANY, AS TRUSTEE

THIS FIRST SUPPLEMENTAL INDENTURE made as of the 13th day of January, 2025.

BETWEEN:

ASCEND WELLNESS HOLDINGS, INC., a corporation existing under the laws of Delaware (the “**Issuer**”);

AND

ODYSSEY TRUST COMPANY, a trust company existing under the laws of the Province of Alberta authorized to carry on the business of a trust company in Ontario (the “**Trustee**”).

WITNESSETH THAT:

WHEREAS the Issuer has entered into a trust indenture dated as of July 16, 2024 (the “**Indenture**”).

AND WHEREAS pursuant to Section 12.1 of the Indenture, Holders of at least a majority in principal amount of the Notes may, by written resolution, approve amendments to the Indenture as set forth below (collectively, the “**Amendments**”);

AND WHEREAS, as of the date hereof, Holders of at least a majority in principal amount of the Notes have provided the Issuer with their written consent to the Amendments (which consents constitute a resolution pursuant to Section 9.12 of the Indenture);

AND WHEREAS this First Supplemental Indenture is entered into for the purposes of giving effect to the Amendments;

NOW THEREFORE THIS FIRST SUPPLEMENTAL INDENTURE WITNESSES that it is hereby agreed and declared as follows:

**ARTICLE 1
INTERPRETATION**

1.1 To Be Read With Indenture

This First Supplemental Indenture is a supplemental indenture to the Indenture. The Indenture and this First Supplemental Indenture will be read together and will have effect as though all the provisions of both indentures were contained in one instrument. If any terms of the Indenture are inconsistent with the express terms or provisions hereof, the terms of this First Supplemental Indenture shall prevail to the extent of the inconsistency. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

**ARTICLE 2
AMENDMENTS**

2.1 Amendments to the Definition of “Permitted Investments”

The definition of “Permitted Investments” in Section 1.1 of the Indenture shall be amended as follows:

- a) the word “and” shall be deleted at the end of clause (bb);
- b) the word “and” shall be added at the end of clause (cc);
- c) the following shall be added as a new clause (dd):

Investments in “social equity” or female- or minority-owned businesses engaged in a Permitted Business and for which the Issuer or its Restricted Subsidiaries provide support services;

- d) the final paragraph shall be deleted and replaced with the following:

provided, however, that with respect to any Investment, the Issuer may, in its sole discretion, allocate all or any portion of any Investment and later re-allocate all or any portion of any Investment, to one or more of the above clauses (a) through (dd) so that the entire Investment would be a Permitted Investment; provided further that, notwithstanding anything to the contrary in this Indenture, in no event shall the Issuer or any Restricted Subsidiary (i) make or own any Investment constituting any material intellectual property in any Person that is not a Guarantor or (ii) enter into any exclusive license with respect to material intellectual property owned by the Issuer or any Restricted Subsidiary whereby it licenses such intellectual property on an exclusive basis to any Subsidiary or Affiliate of the Issuer that is not a Guarantor.

2.2 Amendment to Section 6.10(b)(ii)

Section 6.10(b)(ii) of the Indenture shall be deleted in its entirety and replaced with the following:

*(ii) the Incurrence by the Issuer and any Guarantor of Indebtedness that ranks pari passu with the Notes and the Guarantees secured by Liens on the Collateral, including all Permitted Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (ii), not to exceed in aggregate principal amount the sum of (A) \$15 million plus (B) the greater of (i) \$60 million (consisting as of the Issue Date, of the amount of Existing Term Loan Indebtedness (such amount, the “**Remaining TL Debt**”)) or (ii) an amount such that immediately following the incurrence of such Indebtedness and Liens, the Consolidated Secured Net Leverage Ratio does not exceed 3.0 to 1.0; provided that, (x) such Indebtedness (other than Additional Notes issued hereunder) is subject to an Intercreditor Agreement with Supermajority Consent and (y) any refinancing of the Remaining TL Debt shall only be from the proceeds of Additional Notes issued hereunder;*

2.3 Amendment to Section 6.20

Section 6.20 of the Indenture shall be deleted in its entirety and replaced with the following:

The Issuer and the Guarantors, on a consolidated basis, will be required to maintain as of the last day of each calendar month, (i) unrestricted cash and/or Cash Equivalents, (ii) availability under a revolving Commercial Bank Credit Facility Incurred pursuant to Section 6.10(b)(i), or (iii) any combination of clauses (i) and (ii), in an aggregate amount of at least \$20.0 million.

ARTICLE 3
MISCELLANEOUS PROVISIONS

3.1 Confirmation of Indenture

On the date hereof, the Indenture shall be supplemented in accordance with this First Supplemental Indenture, and this First Supplemental Indenture shall form part of the Indenture for all purposes, and the holder of every Note heretofore or hereafter authenticated and delivered under the Indenture shall be bound thereby. The Indenture, as supplemented by this First Supplemental Indenture, shall remain in full force and effect as supplemented by this First Supplemental Indenture and is in all respects ratified and confirmed.

3.2 Acceptance of Trusts

The Trustee hereby accepts the trusts in the Indenture, as amended and supplemented by this First Supplemental Indenture, and agrees to perform the same upon the terms and conditions and subject to the provisions set forth in the Indenture as supplemented by this First Supplemental Indenture.

3.3 Execution

This First Supplemental Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. Delivery of an executed signature page to this First Supplemental Indenture by any party hereto by facsimile transmission or PDF shall be as effective as delivery of a manually executed copy of this First Supplemental Indenture by such party.

3.4 Execution Date

This First Supplemental Indenture shall take effect upon the date first above written.

3.5 Applicable Law

This First Supplemental Indenture shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as Ontario contracts.

[The remainder of this page is intentionally left blank]

In witness whereof this First Supplemental Indenture has been duly executed by the parties hereto as of the day and year first above written.

ISSUER:

ASCEND WELLNESS HOLDINGS, INC.

By: /s/ Samuel Brill

Name: Samuel Brill

Title: Chief Executive Officer

TRUSTEE:

ODYSSEY TRUST COMPANY

By: /s/ Amy Douglas

Name: Amy Douglas

Title: Senior Director, Corporate Trust

By: /s/ Rachel Wales

Name: Rachel Wales

Title: Director, Corporate Trust