

**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

November 15, 2023
Date of Report (date of earliest event reported)

JUSHI HOLDINGS INC.

(Exact name of registrant as specified in its charter)

British Columbia
(State or other jurisdiction of
incorporation or organization)

000-56468
(Commission File Number)

98-1547061
(I.R.S. Employer Identification Number)

301 Yamato Road, Suite 3250
Boca Raton, FL 33431
(Address of principal executive offices and zip code)
(561) 617-9100
(Registrant's telephone number, including area code)

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:

- 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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
None	N/A	N/A

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 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 5.02 of this Current Report on Form 8-K describing the issuance of \$1,150,000 principal amount of additional Notes (as defined below) of Jushi Holdings Inc. (the "Company") is incorporated into this Item 2.03 by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained in Item 5.02 of this Current Report on Form 8-K with respect to the Warrants (as defined below) and CFO Warrants (as defined below) is incorporated into this Item 3.02 by reference.

The Warrants and CFO Warrants have not and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction, and were offered in reliance upon the exemption from registration afforded by Section 4(a)(2) under the Securities Act and/or Regulation D promulgated thereunder and, as applicable, corresponding provisions of state securities laws, which exempt transactions by an issuer not involving any public offering. James Cacioppo, the Company's Chief Executive Officer and Chairman of the Board of Directors (the "Board") and Michelle Mosier, the Company's Chief Financial Officer, are each an "accredited investor" as such term is defined in Regulation D promulgated under the Securities Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers*Amendment No. 2 to CEO Employment Agreement.*

In order to put the Company's cash to better use, assist the Company in managing the share reserve and dilution under the Company's 2019 Equity Incentive Plan (the "Plan"), and provide an additional opportunity for Mr. Cacioppo to further invest into the Company, on November 15, 2023, the Company, JGMT, LLC and Mr. Cacioppo, entered into an amendment to Mr. Cacioppo's existing employment agreement, as amended (the "Second Amendment") pursuant to which Mr. Cacioppo: (i) waived his right to the \$100,000 base salary increase that would otherwise have become effective on January 1, 2024, (ii) waived his right to the \$850,000 annual cash bonus that would otherwise have been paid to him on March 15, 2024, and (iii) agreed to the Company cancelling his 3,000,000-share option grant issued on October 27, 2021. The Second Amendment provides that Mr. Cacioppo will instead receive the following payments and benefits: (1) a lump sum cash payment in the amount of \$212,500, (2) \$1,150,000 aggregate principal amount of 12% second lien notes due December 7, 2026 ("Notes"), and (3) fully-detached warrants to purchase up to approximately \$575,000 worth (the "Warrants") of the Company's subordinate voting shares (the "SVS"), all of which shall be paid or issued on November 17, 2023, or as soon as practicable thereafter, but in no event later than December 31, 2023.

The Company expects the Warrants to be issued to Mr. Cacioppo by the end of the fourth quarter this year; however, in the event the Warrants cannot be priced and issued due to US and Canadian securities law considerations, they will be priced and issued as soon as practicable following the first date on which such issuance can be made in compliance with US and Canadian securities laws and in accordance with the requirements of Section 409A of the Internal Revenue Code.

The Warrants, when issued, will have an exercise price per SVS equal to the greater of: (a) a twenty-five percent (25%) premium to the volume-weighted average price per SVS on the Canadian Securities Exchange (converted into U.S. Dollars at an exchange rate determined by the Company in good faith) over the trailing ten (10) trading day period prior to the date the Warrants are issued, and (b) the Fair Market Value (as defined in the Plan) of the SVS on the Canadian Securities Exchange (converted into U.S. Dollars at an exchange rate determined by the Company in good faith) on the date the Warrants are issued.

Each payment and benefit will be subject to the Company's collection of all applicable withholding taxes, and will be made provided Mr. Cacioppo remains employed by the Company on the applicable payment or grant date.

The Notes and the Warrants will be issued on the same basis as the Company's private placement ("Offering") of 12% second lien notes due December 7, 2026, and fully-detached warrants initially announced by the Company in the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission (the "SEC") on November 15, 2022. Except for the exercise price, the Warrants issued pursuant to the Second Amendment will be in the same form as issued to all investors in the Offering, and the Notes will be issued as part of one of the two series purchased by all investors in the

Offering, as additional notes under the Trust Indenture, dated December 7, 2022, as amended on June 27, 2023, between the Company and Odyssey Trust Company, as trustee.

The foregoing summary is not complete and qualified in its entirety by reference to the Second Amendment, a copy of which is attached hereto as Exhibit 10.1.

Stock Option Cancellation and Regrant Program.

In accordance with the terms of the Plan, and in order to retain talent and assist the Company in managing the share reserve and dilution under the Plan, on November 15, 2023, an independent committee of the Company's Board approved a limited stock option cancellation and regrant program, pursuant to which a limited number of the Company's senior management team, including the Company's President Jon Barack and the Company's Chief Legal Officer Tobi Lebowitz, and the Company's non-employee directors (the "Eligible Participants") may elect to cancel each option held by the Eligible Participant with an exercise price per SVS greater than or equal to \$3.91, and to be granted a replacement option to purchase an identical number of subordinate voting shares on the first date such grant may be made in compliance with US and Canadian law and applicable stock exchange rules, with the grant date to be after the expiration of a 30-day period measured from the cancellation date. Each replacement option will have an exercise price per SVS equal to the fair market value of a subordinate voting share on the grant date subject to certain limitations set forth in the Plan. The expiry date for the replacement options will be ten years from the grant date. Mr. Barack's option to purchase 1,000,000 SVS and Ms. Lebowitz's option to purchase 465,000 SVS and options to purchase up to an aggregate of 140,000 SVS held by the Company's non-employee directors are eligible for the program, in addition to options to purchase up to an aggregate of 1,619,000 SVS held by other members of senior management. The vesting schedule for the officer and director replacement options, other than 300,000 of Ms. Lebowitz's option, shall be reset to the replacement grant date. Mr. Cacioppo is not eligible for the limited stock option cancellation and regrant program.

Cancellation and Reissuance of CFO's Warrants.

On November 15, 2023, the Company's Board also approved an offer to cancel warrants to purchase 200,000 SVS at an exercise price of \$1.75 held by Michelle Mosier, the Company's Chief Financial Officer, that were originally issued on December 9, 2022 (the "CFO Warrants"). If the offer to cancel the CFO Warrants is accepted by Ms. Mosier, the reissued CFO Warrants will have a different exercise price and a shorter expiration period than the outstanding CFO Warrants but will otherwise retain the same terms.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Amendment No. 2 to CEO Employment Agreement, dated as of November 15, 2023, by and between the Company and Jim Cacioppo
99.1	Press Release dated November 16, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Date: November 16, 2023

JUSHI HOLDINGS INC.

By: /s/ Jon Barack

Jon Barack

President

Amendment No. 2 to Employment Agreement
between JGMT, LLC, Jushi Holdings, Inc. and James Cacioppo

This Amendment No. 2 (“Agreement”) is entered into by and between JGMT, LLC (“Company”), Jushi Holdings, Inc. (“Parent”) and James Cacioppo (“Executive”) (collectively the “Parties”).

WHEREAS, effective January 1, 2022, the Parties entered into an Employment Agreement and as amended on March 14, 2023 (the “Employment Agreement”). Capitalized terms, to the extent not defined herein, shall be as defined in the Employment Agreement;

WHEREAS, the Employment Agreement provides for an annual base salary payable in regular installments and in accordance with the Company’s payroll practices and procedures, which was initially set at the rate of \$750,000 and also provides for an annual increase to such base salary in the amount of \$100,000 (such base salary, as adjusted, the “Base Salary”), effective on January 1 of each year of Executive’s employment (the “Annual Increase”);

WHEREAS, the Employment Agreement provides that on or before March 15, 2024 Executive is entitled to receive a cash bonus in respect of the 2023 year in an amount not less than \$850,000, less applicable withholdings (the “2023 Annual Bonus”);

WHEREAS, on October 27, 2021, as part of a long-term incentive, the Parent issued the Executive an option to purchase three million (3,000,000) subordinate voting shares of Parent (the “Shares”), with an exercise price of \$3.91 per Share with a three year vesting period (1/3 vested on May 1, 2022, 1/3 vested on May 1, 2023 and 1/3 vests on May 1, 2024) subject to Executive’s continued service with the Company through each applicable vesting date (the “2021 LTI Award”);

WHEREAS, on December 8, 2022, the Company closed a tranche of a private placement (“Offering”) and issued approximately \$69 million aggregate principal amount of 12% second lien notes (“Notes”) and detached four-year warrants to purchase up to approximately 16 million of the Company’s subordinate voting shares at an exercise price per share of \$2.086 (the “Warrants”), and on December 9, 2022, the Company closed on a second tranche of the Offering for an additional aggregate principal amount of \$3 million of Notes and 719,080 Warrants purchased by the Executive.

WHEREAS, in order to assist the Company in managing cash and near-term working capital requirements and the share reserve under Company’s 2019 Equity Incentive Plan (“Plan”), Executive, after consultation with the Company’s Board of Directors (“Board”), has consented to waive his Annual Increase for 2024 and his 2023 Annual Bonus, and cancel his 2021 LTI Award as of the effective date of this Amendment No. 2. Instead, Executive will receive the following: (i) a lump sum cash payment in the amount of \$212,500 and (ii) \$1,150,000 aggregate principal amount of Notes, and (iii) Warrants to purchase up to approximately \$575,000 worth of the Company’s Shares at an exercise price per Share equal to the greater of (a) a twenty-five percent (25%) premium to the volume-weighted average price per share of the Company’s subordinate voting shares on the Canadian Securities Exchange

(converted into U.S. Dollars at an exchange rate determined by the Company in good faith) over the trailing ten (10) trading day period prior to the date the Warrants are granted, and (b) the Fair Market Value (as defined in the Plan) of the Company's Shares on the Canadian Securities Exchange (converted into U.S. Dollars at an exchange rate determined by the Company in good faith) on the date the Warrants are granted.

NOW THEREFORE, in consideration of the mutual promises contained herein, the Parties agree to the following:

1. Executive hereby waives his Annual Increase for 2024 and his 2023 Annual Bonus, and consents to the Parent cancelling his 2021 LTI Award as of the effective date of this Amendment No. 2. Instead, the Parties agree that Executive will receive the following: (i) a lump sum cash payment in the amount of \$212,500, (ii) \$1,150,000 aggregate principal amount of Notes, and (iii) Warrants to purchase up to approximately \$575,000 worth of the Company's Shares at an exercise price per Share equal to the greater of (a) a twenty-five percent (25%) premium to the volume-weighted average price per share of the Company's Shares on the Canadian Securities Exchange (converted into U.S. Dollars at an exchange rate determined by the Company in good faith) over the trailing ten (10) trading day period prior to the date the Warrants are granted, and (b) the Fair Market Value (as defined in the Plan) of the Company's subordinate voting shares on the Canadian Securities Exchange (converted into U.S. Dollars at an exchange rate determined by the Company in good faith) on the date the Warrants are granted (collectively, the "Payments"). Each Payment shall be made on or about November 17, 2023, or as soon as practicable thereafter, as determined by the Board in its sole discretion, but in no event later than December 31, 2023, subject to the Company's collection of all applicable withholding and payroll taxes, and provided Executive remains employed by the Company on the applicable payment date. In the event that the Warrants cannot be granted prior to December 31, 2023 due to the fact that Parent reasonably determines that doing so would violate Applicable Securities Laws, such Warrants shall be issued as soon as possible following the first date on which such issuance would not violate Applicable Securities Laws and in accordance with Code Section 409A.

Except for the exercise price, the Warrants will be in the same form as issued to Executive in the Offering, and the Notes shall be issued on the same terms as the Notes issued to Executive in the Offering as additional notes under the Indenture dated December 7, 2022 with Odyssey Trust Company, as trustee. Executive acknowledges and agrees that the Notes and Warrants have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state, and are offered and sold in reliance upon the exemption from registration afforded by Section 4(a)(2) under the Securities Act and/or Regulation D promulgated thereunder and, as applicable, corresponding provisions of state securities laws, and such Notes and Warrants may not be offered or sold by the Executive without registration

under the Securities Act or any applicable state securities laws or pursuant to exemption from registration thereunder.

2. Section 3(d) of the Employment Agreement entitled “Expenses” and Section 26 of the Employment Agreement entitled “Code Section 409A Compliance” is hereby incorporated into this Agreement in full by reference.
 3. By signing this Agreement, Executive acknowledges and agrees that, notwithstanding anything to the contrary in any agreement between Executive and the Company, or any of its affiliates, including, but not limited to the Employment Agreement and any equity award or any program, plan or arrangement of the Company, the Parent, or any of the Company or the Parent’s affiliates, the changes to Executive’s Employment Agreement made pursuant to this Agreement have been implemented with Executive’s consent, and shall not constitute “Good Reason” for Executive to resign from the Company or a breach of any obligation of the Company, the Parent, or any of the Company or the Parent’s affiliates to the Executive.
 4. Except to the extent otherwise agreed by the parties in writing, the waiver of Executive’s 2023 Annual Bonus and Annual Increase for 2024, and the cancellation of the 2021 LTI Award, and the payments and benefits made in lieu thereof, shall be a one-time change, and shall not impact the payment of any subsequent Annual Bonus, Annual Increase and/or LTI Award that may become due and payable pursuant to the Employment Agreement. For the avoidance of doubt, in the event Executive remains in the Company’s service on January 1, 2025, the Annual Increase to Executive’s Base Salary that will occur on such date will occur as if the Annual Increase waiver had not occurred, such that Executive’s base salary will be set at the annual rate of \$1,050,000 effective January 1, 2025.
 5. Except as otherwise provided herein, nothing in this Agreement constitutes a waiver of any other compensation or benefits to which Executive may be entitled or a waiver of any of Executive’s rights under any agreement between Executive and the Company and/or the Parent.
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IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

EXECUTIVE

Date: November 15, 2023

By /s/ James Cacioppo
James Cacioppo

COMPANY

JGMT, LLC

Date: November 15, 2023

By /s/ Jon Barack
Jon Barack
Title Authorized Representative

PARENT

Jushi Holdings, Inc.

Date: November 15, 2023

By /s/ Jon Barack
Jon Barack
Title President



Jushi Holdings Inc. Announces Option Re-Pricing Program

Boca Raton, Florida – November 16, 2023 - Jushi Holdings Inc. (“Jushi” or the “Company”) (CSE: JUSH) (OTCQX: JUSHF), a vertically integrated, multi-state cannabis operator, is pleased to announce that an independent committee of its board of directors has approved an option re-pricing program with respect to certain options (collectively, the “**Subject Options**”) issued to seven senior management employees and three independent directors (collectively, the “**Eligible Participants**”) under the Company’s 2019 Equity Incentive Plan (as amended, the “**Option Plan**”).

The board of directors of the Company (the “**Board**”) recognizes that the current trading price of the subordinate voting shares of the Company (the “**Shares**”) is significantly lower than the exercise price of the Subject Options, and as such, the Subject Options are considerably “out of the money”. “Stock options are a critical component of Jushi’s compensation philosophy for senior management, the focal point of which is to increase long-term stockholder value. The Board believes it is critical to the future success of Jushi to revitalize the incentive value of the options granted to senior management to retain and motivate these employees to work towards Jushi’s financial success,” said Bill Wafford, independent director of the Company.

To comply with the policies of the Canadian Securities Exchange (the “**CSE**”) and applicable Canadian and US securities laws, Jushi has implemented a one-time offer (the “**Program**”) that permits Eligible Participants that hold options under the Option Plan with exercise prices that range between US\$3.91 and US\$4.71 to have those options cancelled and reissued on a future date (the “**Option Re-Issuance Date**”) at an exercise price based on the current trading price of the Shares on the Option Re-Issuance Date and otherwise in accordance with the Option Plan (the “**Re-Issuance Exercise Price**”). A total of 3,224,000 Subject Options (or 11% of the options authorized under the Option Plan) are part of the Program (including 1,465,000 Subject Options held by two officers of the Company). James Cacioppo, the CEO of the Company, is not eligible to participate in the Program.

Participation in the Program is voluntary. Eligible Participants that participate in the Program will have all of their Subject Options cancelled on November 17, 2023, and then will have the same number of options re-issued under the Option Plan (the “**Replacement Options**”) on the Option Re-Issuance Date at the Re-Issuance Exercise Price. The expiry date will be ten years from the Option Re-Issuance Date and the vesting of the Replacement Options held by the officers and directors will be reset (other than 300,000 Subject Options held by one officer of the Company will not be reset). The Subject Options of Eligible Participants that choose not to participate in the Program will remain outstanding pursuant to their current terms, including the current exercise price, expiry date and vesting schedule.

The Company also announces that, in order to assist the Company in managing the share reserve under the Plan and to also assist the Company in managing cash and near-term working capital requirements, the Company and Mr. Cacioppo have agreed to certain amendments to Mr. Cacioppo’s employment agreement (collectively, the “**Employment Agreement Amendments**”). All of the Employment Agreement Amendments were approved on behalf of the Company by the independent directors of the Company.

Pursuant to the Employment Agreement Amendments, Mr. Cacioppo, has agreed to: (i) cancel 3,000,000 Options that were granted to him on October 27, 2021; (ii) waive his annual salary increase of US\$100,000 for 2024; and (iii) waive his annual bonus entitlement of US\$850,000 for the measurement period 2023. In consideration of the foregoing cancellations and waivers, Mr. Cacioppo will receive the following: (1) a lump sum cash payment in the amount of US\$212,500; (2) US\$1,150,000 aggregate principal amount of 12% second lien notes on the same terms as the notes that were issued by the Company in its private placement that was completed in December 2022; and (3) Warrants to purchase up to approximately US\$575,000 worth of the Shares at an exercise price per Share equal to the greater of: (a) a 25% premium to the volume-weighted average price per Share of the Shares on the CSE (converted into U.S. Dollars) over the trailing 10 trading day period prior to the date the Warrants are granted, and (b) the Fair Market Value (as defined in the Option Plan) of the Shares on the CSE (converted into U.S. Dollars) on the date the Warrants are granted, but otherwise on the same terms as the warrants that were issued by the Company in its private placement that was completed in December 2022¹.

¹ Following the cancellation of the aforementioned 3,000,000 options held by Mr. Cacioppo, Mr. Cacioppo will own approximately 13.31% of the Shares, calculated on a fully diluted basis. For illustrative purposes only, using a 10-trading day period for the Shares ending November 13, 2023, pursuant to the amendments to Mr. Cacioppo’s employment agreement, Mr. Cacioppo would receive approximately 737,179 warrants to acquire Shares with an exercise price of US\$0.78, and including such warrants, Mr. Cacioppo would own approximately 13.52% of the Shares, calculated on a fully diluted basis.

About Jushi Holdings Inc.

We are a vertically integrated cannabis company led by an industry leading management team. Jushi is focused on building a multi-state portfolio of branded cannabis assets through opportunistic acquisitions, distressed workouts and competitive applications. Jushi strives to maximize shareholder value while delivering high quality products across all levels of the cannabis ecosystem. For more information please visit jushico.com or our social media channels, [Instagram](#), [Facebook](#), [X](#) and [LinkedIn](#).

Forward-Looking Information and Statements

This press release may contain “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws, including Canadian securities legislation and United States (“U.S.”) securities legislation (collectively, “forward-looking information”) which are based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. All information, other than statements of historical facts, included in this report that address activities, events or developments that Jushi expects or anticipates will or may occur in the future constitutes forward-looking information. Forward-looking information is often identified by the words, “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” or similar expressions and includes, among others, information regarding: future business strategy, including with respect to executive employee retention planning; expectations for other economic, business, regulatory and/or competitive factors related to Jushi or the cannabis industry generally; and other events or conditions that may occur in the future.

There can be no assurance that such forward-looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on the forward-looking information contained in this press release or other forward-looking statements made by Jushi. Forward-looking information is provided and made as of the date of this press release and Jushi does not undertake any obligation to revise or update any forward-looking information or statements other than as required by applicable law.

Unless the context requires otherwise, references in this press release to “Jushi,” “Company,” “we,” “us” and “our” refer to Jushi Holdings Inc. and our subsidiaries.

For further information, please contact:

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Director of Investor Relations

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