



Columbia Care Completes Acquisition of Colorado-Based Medicine Man; Strengthens Leadership Position in World's Second Largest Cannabis Market

November 1, 2021

Adds Four Denver-Metro Retail Locations and a 35,000-Square-Foot Indoor Cultivation Facility

Immediately Accretive to Columbia Care's Adjusted EBITDA and Cash Flow from Operations

Solidifies Columbia Care's Position as the Leading Retailer, Cultivator and Manufacturer in Colorado

NEW YORK--(BUSINESS WIRE)-- [Columbia Care Inc.](#) (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company"), one of the largest and most experienced cultivators, manufacturers and distributors of cannabis products in the United States, today announced it has completed its acquisition of [Medicine Man](#), a premier, vertically integrated Colorado-based cannabis company that has been serving the Denver metro area since 2009.

Total upfront consideration was \$42.0 million, comprised of \$8.4 million in cash and \$33.6 million in stock, with the potential for an additional milestone payment based on 2021 performance. The transaction is immediately accretive to Adjusted EBITDA and cash flow from operations. Upfront consideration of \$42.0 million represents a multiple of approximately 4.5x projected 2021 EBITDA.

"As the second largest cannabis market in the world, Colorado has become a global bellwether for adult use programs and continues to show strong organic growth. The acquisition of Medicine Man enhances our position as the leader in the state by combining with a recognized operator that has been a consistent outperformer in the Colorado market since its founding," said Nicholas Vita, CEO of Columbia Care. "We are grateful to the cities of Aurora, Denver and Thornton, and the State of Colorado, for their support, as well as to the Medicine Man team that has been terrific to work with throughout this process. Our vision and values are aligned, and we look forward to expanding our Columbia Care family with the addition of those who made Medicine Man such a successful company."

This acquisition adds one cultivation facility and four dispensaries to Columbia Care's Colorado operations, including the Medicine Man Longmont location, which is anticipated to close in Q1 2022. Columbia Care's footprint in Colorado will now total 26 dispensaries and six cultivation and manufacturing facilities, including those under The Green Solution brand.

"This marks the next step in the evolution of Medicine Man, from an ambitious family-run company to part of a best-in-class operation. Our experience with Columbia Care through this process has reinforced the reasons we decided to partner with them. The team has been incredible, fair and efficient over the last few months. Our focus now turns to executing their vision and bringing as much value as possible to the Columbia Care operation," said Sally Vander Veer, CEO of Medicine Man.

For additional information regarding the transaction, please refer to Columbia Care's [press release](#) issued on June 15, 2021, or visit the presentations section of the [investors' website](#).

Advisors

Foley Hoag LLP is serving as legal counsel to Columbia Care. Right Side Advisory Services is acting as financial advisor to Medicine Man. Husch Blackwell LLP is acting as legal counsel to Medicine Man.

About Columbia Care

Columbia Care is one of the largest and most experienced cultivators, manufacturers and providers of cannabis products and related services, with licenses in 18 U.S. jurisdictions and the EU. Columbia Care operates 130 facilities including 99 dispensaries and 31 cultivation and manufacturing facilities, including those under development. Columbia Care is one of the original providers of medical cannabis in the U.S. and now delivers industry-leading products and services to both the medical and adult-use markets. In 2021, the company launched Cannabist, its new retail brand, creating a national dispensary network that leverages proprietary technology platforms. The company offers products spanning flower, edibles, oils, and tablets, and manufactures popular brands including Seed & Strain, Triple Seven, gLeaf, Classix, Plant Sugar, Press, Amber and Platinum Label CBD. For more information on Columbia Care, please visit www.col-care.com.

Caution Concerning Forward-Looking Statements

This press release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws and reflect the Company's current expectations regarding future events. The Company has made assumptions with regard to its ability to execute on brand and product initiatives, which although considered reasonable by the Company, may prove to be incorrect and are subject to known and unknown risks and uncertainties that may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied by any forward-looking information. Securityholders should review the risk factors discussed under "Risk Factors" in Columbia Care's Annual Information Form dated March 31, 2021, filed with the applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com and described from time to time in documents filed by the Company with Canadian securities regulatory authorities.

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