



## Columbia Care Completes Acquisition of Project Cannabis

December 2, 2020

NEW YORK--(BUSINESS WIRE)-- Columbia Care Inc. (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company") announced that it has completed its acquisition of Project Cannabis, a leading cannabis cultivator, wholesaler and retailer based in Los Angeles, California.

Total transaction consideration includes approximately \$52.5 million in Columbia Care stock and an additional consideration of \$16.5 million anticipated to be paid to the sellers from the proceeds of a subsequent sale of Project Cannabis' real estate assets <sup>1</sup>.

"As both a shareholder and Columbia Care's CEO, I am delighted to announce the completion of our acquisition of Project Cannabis. This combination enables us to optimize both profitability and scale as we deepen our presence in the world's largest cannabis market," said Nicholas Vita, CEO of Columbia Care. "The transaction is immediately accretive to adjusted EBITDA and cash flow, and California is now one of our top five markets by both revenue and profitability. With Project Cannabis' premium and exotic strains, nationally recognized brand portfolio and extensive distribution network, we will further enhance the breadth and quality of our product offerings and reach a significant portion of California's addressable market. We look forward to driving additional operational and financial synergies with Project Cannabis as we leverage their adult-use and wholesaling expertise across the rest of our US markets."

Project Cannabis' fully integrated portfolio includes four dispensaries and one 36,000ft<sup>2</sup> state-of-the-art cultivation facility. To begin realizing margin synergies, Columbia Care will start manufacturing Project Cannabis' extracted products and concentrates at the Company's 45,000ft<sup>2</sup> manufacturing facility in San Diego. Through the retail channel, Project Cannabis will cross-sell Columbia Care's medically-focused and new adult use product lines—along with its existing brand portfolio—leveraging its long-standing distribution network of over 100 dispensaries across California.

For additional information regarding the transaction, please refer to Columbia Care's press release issued on September 8, 2020, or visit the presentations section of the investors' website at [www.ir.col-care.com](http://www.ir.col-care.com).

### About Columbia Care

Columbia Care is one of the largest and most experienced cultivators, manufacturers and providers of medical and adult use cannabis products and related services with licenses in 18 US jurisdictions and the EU. Columbia Care currently operates 100 facilities including 76 dispensaries and 24 cultivation and manufacturing facilities. Columbia Care is one of the original providers of medical cannabis in the United States, and continues to deliver an industry-leading, patient-centered medicinal cannabis operation that has quickly expanded into the adult use market as a premier operator. The company currently offers products spanning flower, edibles, oils, and tablets, and manufactures popular brands including Amber and Platinum Label CBD. With more than four million sales transactions since its inception in 2012, Columbia Care is known for setting the standard for compassion, professionalism, quality, care, and innovation in the rapidly expanding cannabis industry. For more information on Columbia Care, please visit [www.col-care.com](http://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 ("forward-looking statements"). Statements concerning Columbia Care's objectives, goals, strategies, priorities, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance and condition of Columbia Care as well as statements relating to the revenue guidance and positive adj. EBITDA guidance for Project Cannabis are forward-looking statements. The words "believe", "expect", "anticipate", "estimate", "intend", "may", "will", "would", "could", "should", "continue", "plan", "goal", "objective", and similar expressions and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. In particular, but without limiting the foregoing, disclosure in this press release as well as statements regarding the Company's objectives, plans and goals, including future operating results and economic performance may make reference to or involve forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. No undue reliance should be placed on forward-looking statements contained in this press release. Such forward-looking statements are made as of the date of this press release. Columbia Care undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

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<sup>1</sup> Total consideration for Project Cannabis is \$69 million less the value of the Project Cannabis real estate assets, estimated to be between \$12 million and \$17 million resulting in Columbia Care issuing shares worth \$52 million – \$57 million.

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