



Columbia Care Announces September 1st Closing Date to Complete Acquisition of The Green Solution

August 26, 2020

At Close, Columbia Care Will Become the Largest Cannabis Operator in Colorado, the 2nd Largest Cannabis Market in the World

Fully Integrated Operating Portfolio Includes 23 Dispensaries and Six Cultivation and Manufacturing Facilities Expected to Generate Approximately \$88.5M in Revenue and \$18.5M in Adjusted EBITDA in FY 2020

Pro Forma 2020 Combined Revenue Guidance of USD\$234-\$265M Reaffirmed, Combination Brings Columbia Care to Adj. EBITDA Positive in 3rd Quarter

NEW YORK--(BUSINESS WIRE)-- Columbia Care Inc. (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company,") today announced that it will complete its acquisition of The Green Solution ("TGS"), the largest vertically integrated cannabis operator in Colorado on September 1, 2020. The combination is immediately accretive to Columbia Care's Adj. EBITDA and, in combination with Columbia Care's rapidly improving margin and profitability profile, will accelerate the Company's transition to being Adj. EBITDA positive in 3Q 2020.

As one of the first publicly traded companies to acquire a Colorado cannabis business, the TGS acquisition establishes Columbia Care as the leader in the \$1.75bn Colorado market, the second largest cannabis market in the world. With 23 dispensaries, many located in the Denver metro area and tourist destinations such as Aspen, TGS supplies its own dispensaries along with its wholesale distribution network from its six operational cultivation facilities and one highly-automated manufacturing facility. Additionally, a Columbia Care affiliate was recently awarded the opportunity to pursue a marijuana hospitality business license in Adams County, one of the first consumption lounges in the state.

With unaudited revenue through July 2020 of \$52.7 million, a YoY increase of 29% compared to 2019, TGS has performed well YTD despite headwinds caused by COVID-19. As a core principal of its national strategy, Columbia Care expects to leverage TGS's leadership position to serve as a consolidation platform for the fragmented Colorado market. Recently enhanced cultivation and manufacturing infrastructure will enable TGS to continue to expand margins while capturing incremental market share through M&A, the acceleration of its wholesale operations, implementation of additional manufacturing automation infrastructure, SKU optimization (including the launch of Columbia Care's medical, health and wellness focused products), expanding outdoor cultivation (to solidify its position as the low cost producer of cannabis) and provide a unique customer journey by investing in and expanding dispensary operations.

"Closing the acquisition of The Green Solution represents a major milestone for Columbia Care," said Nicholas Vita, CEO of Columbia Care. "This transaction aligned well with our national strategy to be the market leader in each of our key markets while adding a portfolio of brands and products to our suite of adult use offerings across the country. The acquisition of TGS is immediately accretive to Columbia Care's Adj. EBITDA and accelerates our transition to generating positive Adj. EBITDA into 3Q. Overnight, we have established a leading position in the world's second largest cannabis market. We added profitable scale to our national portfolio of brands and products and will continue to expand our market share in Colorado as we have done nationally - by offering consumers the highest quality products, best selection, most trusted customer experience, targeted brands and competitive wholesale offerings. We are grateful to our partners at TGS and applaud their vision and dedication to build one of the most successful companies in the industry. The entire Columbia Care team looks forward to working with the TGS organization and leadership as we pursue our joint goal of being the leading cannabis operator nationwide."

"We met with most of the largest operators and are thrilled to have found a trusted partner in Columbia Care to see the vision we have always held for The Green Solution," said Kyle Speidell, who co-founded and operates TGS with his brother, Eric Speidell. "This is a landmark acquisition that allows us to bring Columbia Care's expansive product portfolio to our customers in Colorado, as well as enables us to quickly expand our brands, products and expertise to every major market in the US. We look forward to our continued success and growth, locally and nationally."

The transaction increases Columbia Care's footprint to 95 facilities open or under development, including 73 dispensaries and 22 cultivation and manufacturing locations, covering 18 jurisdictions in the United States and the European Union.

<i>(in \$ '000)(*)</i>	Six Months Ended		Full Year
	June 30, 2020	June 30, 2019	2019
Combined Revenue⁽¹⁾			
Columbia Care	61,948	32,167	78,811
TGS	42,325	33,171	75,721
Pro Forma	104,273	65,338	154,532
Combined Gross Profit Before Fair Value Adjustments⁽¹⁾			
Columbia Care	20,976	9,830	21,137
TGS	17,817	16,091	30,924
Pro Forma	38,793	25,921	52,061
Combined Adjusted EBITDA⁽¹⁾			
Columbia Care	(14,599)	(22,048)	(48,295)

TGS	5,062	6,285	3,005
Pro Forma	(9,537)	(15,763)	(45,290)

(*) Columbia Care reported under IFRS, TGS reported under U.S. GAAP. All numbers are USD and unaudited.

(1) Combined metrics include operations from CannAscend in Ohio in Columbia Care and Pro Forma figures. Columbia Care purchased an exclusive option to acquire all outstanding membership interests in CannAscend following their twelfth month of operation and subject to regulatory approval.

For additional information regarding the transaction, please visit the presentations section of the investors' website at www.ir.col-care.com.

Non-IFRS Financial Measures

In this press release, Columbia Care refers to certain non-IFRS financial measures, Combined Revenue, Adjusted or Adj. EBITDA, Combined Adjusted EBITDA and gross profit before fair value adjustments. These measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Columbia Care considers certain non-IFRS measures to be meaningful indicators of the performance of its business. A reconciliation of such non-IFRS financial measures to their nearest comparable IFRS measure is included in this press release and a further discussion of some of these items is contained in the Company's Management, Discussion and Analysis for the three and six months ended June 30, 2020 dated August 7, 2020.

About Columbia Care Inc.

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⁽²⁾ and the EU. Columbia Care has completed 2 million sales transactions since inception and working in collaboration with renowned and innovative teaching hospitals and medical centers globally, continues to be a patient-centered health and wellness company 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.

About The Green Solution

Since its inception in 2010 as one of the first cannabis companies in Colorado, The Green Solution (TGS) has grown exponentially into one of the top vertically integrated cannabis operators in Colorado. The family-founded and operated business is built on a foundation of customer service, education, innovation, product excellence, regulatory compliance and supply chain innovation. Awarded first place for its Supernova Cone and second place for its NectarBee Root Beer in The THC Classics 2020, TGS has remained an industry leader through proprietary technology and innovation, as well as through continually introducing new verticals, including a family of cannabis brands. Continued advancements across the marijuana supply chain and into enterprise technologies keep the company primed for growth. Today, TGS' infrastructure is designed to accommodate dispensary operations at a global scale. Learn more about TGS at www.MyGreenSolution.com or download the (GREEN) Lifestyle App, a quick, convenient rewards and loyalty app developed exclusively by TGS. Follow TGS on Facebook, on Twitter and Instagram.

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 pro forma revenue guidance and positive adj. EBITDA 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.

Certain material factors and assumptions were applied in providing these forward-looking statements. Forward-looking information involves numerous assumptions, including assumptions on revenue and expected gross margins, capital allocation, EBITDA break even targets and other financial results; growth of its operations via expansion, for the effects of any transactions; expectations for the potential benefits of any transactions including the acquisition of The Green Solution; statements relating to the business and future activities of, and developments related to, the Company after the date of this press release, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations and plans; expectations that planned acquisitions (including the acquisition of The Green Solution) will be completed as previously announced; expectations regarding cultivation and manufacturing capacity; expectations regarding receipt of regulatory approvals; expectations that licenses applied for will be obtained; potential future legalization of adult-use and/or medical cannabis under U.S. federal law; expectations of market size and growth in the U.S. and the states in which the Company operates; expectations for other economic, business, regulatory and/or competitive factors related to the Company or the cannabis industry generally; and other events or conditions that may occur in the future. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations. Holders of securities of the Company are cautioned that forward-looking statements are not based on historical facts but instead are based on reasonable assumptions and estimates of management of the Company at the time they were provided or made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, as applicable, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: the available funds of the Company and the anticipated use of such funds; the availability of financing opportunities; legal and regulatory risks inherent in the cannabis industry; risks associated with economic conditions, dependence on management and currency risk; risks relating to U.S. regulatory landscape and enforcement related to cannabis, including political risks; risks relating to anti-money laundering laws and regulation; other governmental and environmental regulation; public opinion and perception of the cannabis industry; risks related to contracts with third-party service providers; risks related to the enforceability of contracts; reliance on the expertise and judgment of senior management of the Company, and ability to retain such senior management; risks related to proprietary intellectual property and potential infringement by third parties; risks relating to the management of growth; increasing competition in the industry; risks inherent in an agricultural business; risks relating to energy costs; risks associated to cannabis products manufactured for human consumption including potential product recalls; reliance on key inputs, suppliers and skilled labor; cybersecurity risks; ability and constraints on marketing products; fraudulent activity by employees, contractors and consultants; tax and insurance related risks; risks related to the economy generally; risk of litigation; conflicts of interest; risks relating to certain remedies being limited and the difficulty of enforcement of judgments and effect service outside of Canada; risks related to future acquisitions or

dispositions; sales by existing shareholders; limited research and data relating to cannabis; as well as those risk factors discussed under "Risk Factors" in Columbia Care's Annual Information Form dated March 31, 2020 and filed with the applicable Canadian securities regulatory authorities on SEDAR at www.sedar.com, in the Company's Annual Information Form, and as described from time to time in documents filed by the Company with Canadian securities regulatory authorities.

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.

This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Columbia Care's prospective results of operations, production and production efficiency, commercialization, revenue, gross margins and capex, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraph. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Columbia Care's future business operations. Columbia Care disclaims any intention or obligation to update or revise any FOFI contained in this document, whether because of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

² *Includes Colorado, subject to successful completion of the acquisition of The Green Solution and West Virginia industrial hemp cultivation license*

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