

Columbia Care Signs Definitive Agreement to Acquire Green Leaf Medical

Positions Company as One of the Leading Cultivators, Processors, Wholesaling Suppliers and Retailers in Pennsylvania, Maryland, Virginia, and Ohio

Company management will conduct a conference call this morning at 8 AM EST to discuss the transaction and answer questions from stakeholders.

- *Substantially Expands Footprint and Operating Scale in East Coast and Mid-Atlantic*
- *Adds Approximately 400,000 ft² of Cultivation and Production Capacity, Four Operating Dispensaries and Six Undeveloped, but Permitted Dispensaries, in Key Limited License Markets*
- *Brings Vertical Integration in PA and MD and Immediately Positions Columbia Care as a Leading Wholesaler*
- *Upfront Consideration of Approximately \$240.0 Million Comprising \$45.0 Million in Cash and \$195.0 Million in Columbia Care Stock with the Potential for Additional Performance-based Milestones in 2022 and 2023*
- *Transaction Immediately Accretive to Columbia Care Gross Margin, Adjusted EBITDA and Free Cash Flow with Acquisition Multiple of Approximately 4.8x 2021 Adjusted EBITDA*

NEW YORK, December 22, 2020 – Columbia Care Inc. (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) (“Columbia Care” or the “Company”) has signed a definitive agreement to acquire Green Leaf Medical, LLC (“Green Leaf”), a privately held, fully-integrated cannabis multi-state operator (MSO) based in the mid-Atlantic region, for approximately \$240 million with the potential for additional performance-based milestone payments.

Following the close of two acquisitions that established Columbia Care as a market leader in the two largest cannabis markets in the world, California and Colorado, the acquisition of Green Leaf expands Columbia Care’s operational scale and footprint in four key, limited license markets by materially enhancing the scale and capabilities of its seed-to-sale operations. Subject to the regulatory approval process, Columbia Care will be one of the largest and most efficient operators in Pennsylvania, Maryland, Ohio and Virginia. Founded in 2014 by Philip Goldberg and Kevin Goldberg, Green Leaf is one of the largest private MSOs in the United States and a market leader in the mid-Atlantic region with cultivation, extraction, processing, and retail operations across its four-state footprint. In addition to its dispensary footprint, Green Leaf also brings a leading wholesale market position in both Pennsylvania and Maryland, where its products are most widely sold under its nationally recognized gLeaf brand, including extracts and pre-rolls. Green Leaf facilitates online ordering, its operational home delivery services in Maryland and Virginia, and proprietary inventory and order management capabilities via its gLeaf Marketplace platform.

“This combination affirms Columbia Care’s position as one of the largest cultivators,

manufacturers and retailers in four key states - PA, VA, OH and MD - three of which are expected to convert from medical to adult use in the next 24 months. Green Leaf complements our retail footprint and brings wholesale leadership through which we can drive our portfolio of brands and unique products. The transaction is immediately accretive to gross margin, Adjusted EBITDA and Cash Flow from Operations,” said Nicholas Vita, CEO of Columbia Care. “Ohio and Pennsylvania are already two of our top performing markets by revenue and Adjusted EBITDA, and this transaction makes us one of the largest, most scaled wholesale and retail operators. In Maryland and Virginia, Green Leaf materially expands our wholesale footprint, retail dispensary network and the scope of our home delivery services. Acquiring Green Leaf immediately converts Maryland to an Adjusted EBITDA positive market. In addition, it accelerates our growth and profitability in Virginia, Ohio and Pennsylvania. No organization in the industry will be better positioned to serve patients and customers in the mid-Atlantic than Columbia Care. We are proud to partner with the Green Leaf team and organization and look forward to delivering the best suite of products and services available in the market.”

Commenting on the acquisition, Philip Goldberg, Green Leaf’s CEO and Co-Founder, stated: “Columbia Care is the ideal partner to take Green Leaf through its next phase of growth. In conjunction with its existing scale and market-leading strategy across its portfolio, Columbia Care’s dedication to ensuring optimal accessibility and product quality aligns with our values and will improve our ability to serve and expand our customer base throughout the mid-Atlantic.” Kevin Goldberg, Co-Founder, General Counsel and President of Green Leaf added: “We are excited to have the opportunity to expand the gLeaf brand beyond the mid-Atlantic region, and our partnership with Columbia Care gives us the ability to accomplish this quickly and efficiently. As founders and shareholders, we’ve built one of the best organizations in the industry, and we wanted to partner with a like-minded company in terms of its mission, values and culture. We look forward to joining Columbia Care’s leadership team to capitalize on the many operational synergies across each of our markets and deliver unparalleled results.”

The Company’s acquisition of Green Leaf is expected to close in the summer of 2021. Upon closing of the transaction, the entire Green Leaf management team will be retained and its CEO and Co-Founder, Philip Goldberg, is expected to join Columbia Care’s Board of Directors.

Vita continued: “Green Leaf has built a fantastic business, and as a result, they have market leading trust and loyalty among the patients and communities they serve. We immediately recognized the similarities in how our companies were formed and the way we define and achieve success. By leveraging Green Leaf’s legacy and market position, we look forward to continuing the growth, innovation and customer focus that both companies are known for across the industry.”

Transaction Highlights

Closing of the acquisition is subject to customary conditions, including regulatory approvals. At closing, the Company will make a payment of \$240.0 million, consisting of a cash payment of \$45.0 million with the balance of \$195.0 million being satisfied by the issuance of 43,900,144 common shares of the Company.

Additional Highlights

Pennsylvania

- One of the largest and most scaled cultivators and processors in Pennsylvania, with a 274,000 ft² cultivation and processing facility; approximately 100,000 ft² of this capacity is currently operational, and fully-funded construction on the additional 174,000 ft² is expected to be completed by year-end 2021.
- One of the state's largest wholesalers; products are sold in approximately 85% of Pennsylvania's 100 operating dispensaries.
- Perfects vertical operations when combined with Columbia Care's three operating dispensaries, positioning the Company for further growth in the state going forward and streamlines path to additional consolidation among PA dispensary license holders.
- Governor has indicated an intent to convert the state's program from medical to both adult use and medical use.

Maryland

- Fully built and operational 42,000 ft² cultivation and production facility.
- Two operating dispensaries with a third dispensary license in development.
- One of the state's largest wholesalers, with products sold in approximately 44% of the state's 95 operating dispensaries.
- Operates a robust statewide home delivery service, with 14 delivery vehicles and personnel that can be leveraged in adjacent markets of Washington, D.C., Virginia and Delaware via existing Columbia Care footprint.
- The transaction increases Columbia Care's total Maryland dispensary license count to four, which is the maximum number allowed per operator in the state.
- Ongoing discussions in legislature to convert from medical only market to medical and adult use.

Virginia

- Green Leaf is the largest cultivator in the state, with 100% ownership of its 82,000 ft² cultivation and production facility.
- Commenced cultivation operations in May 2020 and retail operations in November 2020.
- Serves as the state's exclusive retailer in 20 counties in central Virginia—including the state capital, Richmond—and offers home delivery across the state with 10 vehicles.
- Adds to Columbia Care's operations in Southeastern Virginia, which includes a cultivation and production facility as well as one operating dispensary in the Norfolk area.
- Each license entitled to operate one co-located cultivation/dispensary facility and five stand-alone dispensaries in their authorized region.
- Governor has indicated an intent to convert the state's program from medical to both adult use and medical use.

Ohio

- Green Leaf operates one retail dispensary – enabling Columbia Care to achieve the statutory maximum number of dispensaries owned and operated by one organization.
- The 7th most populous state in the country has an expansive list of qualifying medical

conditions that is expected to help generate an estimated \$505 million market by 2022.

If approved by regulators, the addition of the Green Leaf dispensary, combined with the option to acquire four dispensaries with which Columbia Care has a current consulting agreement, would give the Company five operating dispensaries in the state, the maximum number allowed per operator. Columbia Care already owns and operates a 63,000 ft² cultivation and production facility.¹

All amounts reflected in this press release and references to \$ are in U.S. dollars.

Advisors

Canaccord Genuity Corp. is serving as lead financial advisor with Alliance Global Partners as co-advisor, and Foley Hoag LLP is serving as legal counsel to Columbia Care. INFOR Financial Inc. is acting as the exclusive financial advisor and the Dentons cross-border cannabis group is acting as legal counsel to Green Leaf.

Conference Call and Webcast Details

Company management will conduct a conference call this morning at 8:00 AM EST to discuss the transaction. To access the live conference call via telephone, please dial 1-877-407-8914 (US Callers) or 1-201-493-6795 (international callers). A live audio webcast of the call will also be available in the Investor Relations section of the Company's website at <https://ir.col-care.com/> or at <https://services.choruscall.com/dataconf/productusers/colc/mediaframe/42668/index1.html>

A replay of the audio webcast will be available in the Investor Relations section of the Company's website approximately 2 hours after completion of the call and will be archived for 30 days. A presentation will be available in the Investor Relations section of the Company's website at <https://ir.col-care.com/>.

Non-IFRS Financial Measures

In this press release, Columbia Care refers to certain non-IFRS financial measures, namely adjusted EBITDA. 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 and further discussions are expected to be included in the Company's future Management, Discussion and Analysis for the relevant periods.

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 107 facilities² including 80 dispensaries and 27 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 Seed & Strain, 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.

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 Green Leaf Medical 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; statements relating to the business and future activities of, and developments related to, the Company and Green Leaf Medical after the date of this press release, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company and Green Leaf Medical' business, operations and plans; expectations relating to the disposition of Green Leaf Medical real estate for certain expected proceeds; 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, Green Leaf Medical 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 Green Leaf Medical prospective results of operations, production and production efficiency, commercialization and revenue, 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.

Investor Contact

Lee Ann Evans
Investor Relations
+1.212.271.0915
ir@col-care.com

Media Contact

Lindsay Wilson
Columbia Care
+1.978.662.2038
lwilson@col-care.com

Gabriella Velez
5WPR
columbiacare@5wpr.com

[1] As previously disclosed, the Company purchased an exclusive option to acquire all interests in Green Leaf and completion of such purchase is subject to regulatory approval.

[2] *Pro forma facilities either open or under development; includes Green Leaf facilities where Columbia Care provides consultative services pursuant to the terms of a management services arrangement.*