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Columbia Care Expands Southern California Presence Through Acquisition of The Healing Center San Diego

One of the Leading Dispensaries in San Diego, The Healing Center Strengthens Columbia Care's Vertical Operations in the World's Largest Cannabis Market

NEW YORK--(BUSINESS WIRE)-- Columbia Care Inc. (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company") announced today it has acquired The Healing Center San Diego ("THCSD"), one of the leading dispensaries in Southern California, for approximately \$15.0 million.

An accretive transaction for shareholders, total consideration includes \$3.0 million in cash, \$6.0 million in Columbia Care stock and \$6.0 million in seller promissory notes. Excluding any revenue or margin synergies, the purchase price represents approximately 1.2x and 4.7x estimated 2021 revenue and Adjusted EBITDA, respectively. Since its founding, THCSD has consistently generated revenue growth, as well as positive Adjusted EBITDA and free cash flow.

THCSD, founded by Ray Taylor and Jim Dickinson, opened its doors in 2016 as one of the first dispensaries to operate in San Diego, a limited license market. Offering a wide selection of products, high touch customer service, outstanding access and an expanded sales floor that will be open soon, THCSD continually receives some of the highest online customer ratings in California's second largest metropolitan market.

Acquiring THCSD enhances Columbia Care's retail presence and scale in California, further leveraging the existing world class manufacturing capabilities of its Balboa facility and the cultivation, retail, portfolio of market leading brands, and wholesale distribution of its recent acquisition, Project Cannabis. The Company, one of the leading, fully integrated operators in the state, now has three dispensaries and one state-of-the-art indoor cultivation facility in Los Angeles; two dispensaries and one GMP quality manufacturing facility in San Diego; several acres of outdoor cultivation capacity in Desert Hot Springs; and one dispensary in San Francisco. The Company also has state-wide distribution and wholesale relationships with more than 100 dispensaries.

"Expanding the retail footprint in our operational markets enhances scale, improves consumer access, leverages Columbia Care brands, drives margin expansion through the supply chain and delivers outsized shareholder returns – pillars of our stated growth strategy. Being a leader in California enables us to continue building brand equity and awareness across our product portfolio and solidify consumer loyalty and trust, which are the cornerstones of our success," said Nicholas Vita, CEO of Columbia Care. "THCSD has been a cannabis bellwether since its founding and has built a business with a loyal customer base. We are thrilled they have entrusted us to accelerate the excellence THCSD is known for. We share a mutual commitment to quality and customer service, and THCSD customers can

expect that to continue. We are proud to add THCS D and its team to our organization and further strengthen our leadership position in the world's largest cannabis market.”

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 108 facilities¹ including 81 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 and reflect the Company's current expectations regarding future events. The Company has made assumptions with respect to its and processing licenses, which, although considered reasonable by the Company at the time of preparation, may prove to be incorrect, as well as other risk factors discussed under "Risk Factors" in Columbia Care's Annual Information Form dated March 31, 2020, 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.

¹ *Pro forma facilities either open or under development*

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