



Columbia Care Completes Acquisition of CannAscend, Owner and Operator of Four Dispensaries Across Ohio

July 2, 2021

Acquisition Affirms Columbia Care's Position as one of the Most Scaled, Fully Integrated Medical Cannabis Licensees in Ohio

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 providers of cannabis products, today announced that it has finalized the acquisition of Ohio-based CannAscend, the owner and operator of four dispensaries across the state located in Dayton, Logan, Marietta and Monroe, as of July 1. The purchase option agreement was first announced in 2018.

Combined with its existing facilities in Mt. Orab (Level 1 cultivation, awarded in 2019 and acquired in 2021), Columbus (manufacturing, acquired in 2021), and Warren (recently acquired gLeaf dispensary), the incorporation of CannAscend enhances Columbia Care's vertically integrated operations in the state and brings Columbia Care to the dispensary legal limit as one of the most scaled operators in Ohio.

"Ohio is a key state, currently a top-five market for Columbia Care, with year-to-date state sales up more than 110 percent year-over-year and annualized runrate sales of more than \$370 million for 2021. We are thrilled to be able to affirm our leadership presence in Ohio with the completion of this acquisition," said Nicholas Vita, CEO of Columbia Care. "We are grateful to the State of Ohio for its support and have enjoyed the last few years working with the CannAscend team. Combining CannAscend's footprint with our state-of-the-art cultivation and production facilities and existing dispensary will have an immediate positive financial impact, and we look forward to continuing on the growth trajectory as one company. We are honored to directly serve the medical cannabis community in Ohio, which has grown to more than 200,000 registered patients."

In October 2018, Columbia Care and CannAscend entered into a Membership Interest Purchase Option Agreement. Under the terms of the agreement, Columbia Care purchased an exclusive option to acquire all outstanding membership interests of the dispensary operations on the first anniversary of the date upon which all four of the dispensaries have been issued certificates of operation under Ohio's Medical Marijuana Control Program. All four dispensaries were issued certificates of operation under Ohio's Medical Marijuana Control Program in 4Q 2019. The balance of total transaction price of \$14.2 million will be paid from funds held in escrow, which will not affect Columbia Care's cash position. As a result of the acquisition, Columbia Care will consolidate CannAscend from July 1 and will no longer break out Combined and Reported financial results.

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 currently operates 126 facilities¹ including 95 dispensaries and 31 cultivation and manufacturing facilities. Columbia Care is one of the original providers of medical cannabis in the U.S. and continues to deliver industry-leading products and services. The company launched Cannabist, its new retail brand, creating a national dispensary network that leverages proprietary technology platforms. Through its dispensary network, the company offers products spanning flower, edibles, oils, and tablets, and manufactures popular brands including Seed & Strain, Triple Seven, Classix, Plant Sugar, Press, 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 CannAscend 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 CannAscend after the date of this press release, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company and CannAscend business, operations and plans; expectations relating to the disposition of CannAscend 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, CannAscend 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, 2021 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.

¹ *Pro forma facilities either open or under development; includes facilities where Columbia Care provides consultative services pursuant to the terms of a management services arrangement*

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