



Columbia Care Completes US\$20.4 Million Add-On Debt Financing

October 29, 2020

Unsolicited Institutional Demand Enabled the Company to Issue Debt Under the Existing Indenture at a Premium on an Accelerated Basis Without a Marketing Process

Additional Liquidity Strengthens Company's Financial Position in Anticipation of Pursuing High Return, Margin Enhancing Growth Opportunities, Including Targeted Mergers & Acquisitions

Market Driven Reduction in Cost of Debt of Approximately 170 bps Positively Impacts Company's Overall Cost of Capital and Demonstrates Continued Access to Institutional Investors

NEW YORK--(BUSINESS WIRE)-- Columbia Care, Inc. (NEO: CCHW) (CSE: CCHW) (OTCQX: CCHWF) (FSE: 3LP) ("Columbia Care" or the "Company") today announced the completion of an add-on debt issuance under its existing senior secured indenture via a private placement (the "Offering") of 20,000 units (the "Units") for aggregate gross proceeds of approximately US\$20.4 million.

Each Unit is comprised of US\$1,000 in principal amount of 13% senior secured first-lien notes due May 14, 2023 (the "Notes") and 60 common share purchase warrants (the "Warrants"), each Warrant entitling the holder to purchase one common share of the Company at a price of C\$5.84 per share prior to May 14, 2023. While the face value of each Unit is consistent with the Company's prior debt financing that closed in 2Q 2020, these Notes were issued at a premium, resulting in a decline in the expected yield by 170 basis points. The resulting impact of this is the reduction in coupon to approximately 12%. Including the estimated value of the Warrants, the total yield to maturity is expected to be approximately 14%.

This financing was completed in response to unsolicited investor demand from two long-term institutional investors – with the lead investor being a +\$140 billion multi-strategy asset manager. The Offering was completed pursuant to the terms of an agency agreement between the Company and Canaccord Genuity Corp.

"This add-on debt financing highlights the confidence and continued support Columbia Care enjoys with institutional investors," said Nicholas Vita, CEO of Columbia Care. "Incoming calls for debt and equity have increased over the past two quarters as continued operational performance supports the market's expectation that Columbia Care will crossover to EBITDA positive in 3Q 2020. We chose to move forward with this transaction because it reduced our overall cost of capital, was institutionally driven by two blue chip investors and required no marketing process. We remain committed to being disciplined stewards of capital while executing against our growth and profitability initiatives to further position Columbia Care as the leading nationwide cannabis operator."

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and shall not constitute an offer, solicitation, or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

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 99 facilities¹ including 76 dispensaries and 23 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.

Caution Concerning Forward-Looking Statements

This press release contains certain statements that may 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 regard to its ability to execute on its growth and profitability initiatives, which although considered reasonable by the Company, may prove to be incorrect and are subject to known and unknown risks and uncertainties that may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied by any forward-looking information. Securityholders should review the 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 open or under development; includes Project Cannabis; includes facilities where Columbia Care provides consultative services pursuant to the terms of a management services arrangement

View source version on businesswire.com: <https://www.businesswire.com/news/home/20201029006143/en/>

Investor:

Cristina De Tomasi
Investor Relations

+1.212.271.0915
ir@col-care.com

Media:

Gabriella Velez
5WPR

columbiacare@5wpr.com

Source: Columbia Care Inc.

Released October 29, 2020