



**THE INDUSTRY'S LEADING MULTI-STATE OPERATOR +  
COLORADO'S PREMIER INTEGRATED CANNABIS BUSINESS**

A Combined Vision for Cannabis Quality and Innovation



# Disclaimer and Forward-Looking Statements

## Disclaimer

Columbia Care Inc. (the “Company” or “Columbia Care”) derives a substantial portion of its revenues from the cannabis industry in certain U.S. states, which industry is illegal under U.S. Federal Law. Columbia Care is directly involved in both the adult-use and medical cannabis industry in the states of California, and Massachusetts, and in the medical cannabis industry in the states of Arizona, Delaware, Florida, Illinois, Maryland, New Jersey, New York, Ohio, Pennsylvania, the District of Columbia, and Virginia and in Puerto Rico, which states have regulated such industries. The cultivation, processing, sale and use of cannabis are illegal under federal law pursuant to the U.S. Controlled Substance Act of 1970 (the “CSA”). Under the CSA, the policies and regulations of the United States Federal Government and its agencies are that cannabis has no medical benefit and a range of activities, including cultivation and the personal use of cannabis, are prohibited. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply. On January 4, 2018, former U.S. Attorney General Jeff Sessions issued a memorandum to U.S. district attorneys that rescinded previous guidance from the U.S. Department of Justice specific to cannabis enforcement in the United States, including the Cole Memo (as defined herein). With the Cole Memo rescinded, U.S. federal prosecutors have been given discretion in determining whether to prosecute cannabis-related violations of U.S. federal law. If the Department of Justice policy was to aggressively pursue financiers or equity owners of cannabis-related businesses, and U.S. district attorneys followed such Department of Justice policies through pursuing prosecutions, then (i) Columbia Care could face seizure of its cash and other assets used to support or derived from its cannabis operations, and (ii) Columbia Care employees, directors, officers, managers and investors could face charges of ancillary criminal violations of the CSA for aiding and abetting and conspiring to violate the CSA by virtue of providing financial support to state-licensed or permitted cultivators, processors, distributors, and/or retailers of cannabis. Additionally, employees, directors, officers, managers and investors of Columbia Care who are not U.S. citizens face the risk of being barred from entry into the United States for life. Former U.S. Attorney General Jeff Sessions resigned on November 7, 2018 and was replaced by Matthew Whitaker as interim Attorney General. On February 14, 2019, William Barr was sworn in as Attorney General. It is unclear what position the new Attorney General will take on the enforcement of federal laws with regard to the U.S. cannabis industry. However, in a written response to questions from U.S. Senator Cory Booker made as a nominee, Attorney General Barr stated “I do not intend to go after parties who have complied with state law in reliance on the Cole Memorandum.” For these reasons, Columbia Care’s investments in the U.S. cannabis market may subject Columbia Care to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian and U.S. authorities.

Columbia Care makes no medical or treatment claims about our products, implied or otherwise, and each patient should consult their treating physician, explore all options, and discuss their personal health to determine whether he or she may be a potential candidate for medical marijuana or other cannabis-derived products. Our products have not been evaluated by the Food and Drug Administration (“FDA”). In addition, our products have not been approved by the FDA to diagnose, treat, cure, or prevent any disease. In addition, we have not conducted clinical trials for the use of our products. Any references to quality, consistency, efficacy and safety of our products are not intended to imply that such claims have been verified in clinical trials.

## Non-IFRS Financial Measures

In this presentation, Columbia Care refers to certain non-IFRS financial measures, such as EBITDA and 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.

# Disclaimer and Forward-Looking Statements

## Forward-Looking Statements

This presentation contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Statements concerning Columbia Care Inc.'s ("Columbia Care" or the "Company") objectives, goals, strategies, priorities, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance and condition of Columbia Care 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 the following specific assumptions: the ability of Columbia Care to get the anticipated benefit from the transaction with The Green Solutions (TGS), the ability of Columbia Care to meet its dispensary targets including the ability to negotiate additional lease arrangements satisfactory to the company, receipt of necessary permits and regulatory approvals, timely completion of planned construction, the ability to identify and attract qualified staff and the ability to meet all regulatory requirements and to launch industrial hemp-based CBD products nationwide and in the EU. Projections may be impacted by macroeconomic factors, in addition to other factors not controllable by the Company. Columbia Care has also made certain general industry assumptions in the preparation of such forward-looking statements. Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, Management can give no assurance that actual results will be consistent with these forward-looking statements. Not all factors which affect the forward-looking information are known, and actual results may vary from the projected results in a material respect and may be above or below the forward-looking information presented in a material respect. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Columbia Care's actual results, performance or achievements, or developments in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. When considering these forward-looking statements, readers should keep in mind the risk factors and other cautionary statements in Columbia Care's final prospectus dated March 21, 2019 (the "Prospectus") and filed with the applicable Canadian securities regulatory authorities on SEDAR at [www.sedar.com](http://www.sedar.com). The risk factors and other factors noted in the Prospectus, as well as the risks associated with the completion of the transaction and the integration of TGS could cause actual events or results to differ materially from those described in any forward-looking information. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and Columbia Care does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change except as required by applicable securities laws. All of the forward-looking statements made in this presentation are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Columbia Care.

## Cautionary Note Regarding United States Securities Laws

This presentation does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities of Columbia Care, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities of Columbia Care have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons," as such term is defined in Regulation S under the U.S. Securities Act. This document does not constitute an offering memorandum or an offer or solicitation in any province or other jurisdiction.

## Risk Factors

For a detailed description of risk factors associated with Columbia Care, refer to the "Risk Factors" section of the Prospectus, which is available on SEDAR at [www.sedar.com](http://www.sedar.com)





# STRATEGY



COLUMBIA  
CARE

*Executing upon a disciplined M&A strategy, the acquisition of The Green Solution enables Columbia Care to establish leadership in the 2<sup>nd</sup> largest cannabis market in the US while driving shareholder value and accelerating profitability without compromising its core mission, vision, and values*

## M&A Selection Criteria

- Must fit strategically, geographically and culturally
- Establish market leadership and scale to drive economic value
- Target profitable companies with leading management teams that have strong, fully developed underlying infrastructure
- Leverage products, brands and services across Columbia Care's national platform in markets converting from medical only to fully legalized
- Seek operators with structural cost, consumer access and technology advantages complementary to Columbia Care assets

## Financial Considerations

- Targeting TEV of  $< \sim 2.0 \times$  LTM Revenue
- Contributes meaningful top-line revenue growth with positive EBITDA
- Fully funded and built out infrastructure with actionable organic and margin expansion opportunities
- Zero to low leverage
- Accelerates pathway to profitability



# THE TRANSACTION

*Columbia Care will purchase 100% of The Green Solution<sup>(1)</sup> for \$140,000,000 with the potential for an additional performance-based milestone payment in 2021*

- Colorado's largest and most efficient operator, The Green Solution (TGS) is one of the most awarded cannabis companies in the US. TGS is being acquired by Columbia Care, one of the largest multi-state operators in the US and the global industry leader in product innovation, quality and expertise
- Pro Forma, Columbia Care will have 74 dispensaries, 19 cultivation and manufacturing facilities open or under development as of FYE 2019 reaching ~50% of the addressable US market
- The Green Solution's 754 employees will join the Columbia Care family, with the resulting total employee count to reach 1,389+
- The Green Solution's best in class adult use product lines will join Columbia Care's industry leading suite of medical and wellness products, creating one of the most comprehensive global, branded product portfolios
- Pro Forma, Columbia Care will have LTM Q3-2019 Revenue of \$138.5mm, an increase of \$73.3mm or 112%. Adds positive EBITDA contribution, accelerating Columbia Care's pathway to profitability
- Transaction is expected to close in 1H 2020, pending regulatory approval

<sup>(1)</sup>Affiliates and subsidiaries

# ALIGNED MISSION

*Columbia Care and TGS have built organizations focused on leadership, compliance, product innovation, patient and customer experience*

## QUALITY & LEADERSHIP

### COLUMBIA CARE

Improving lives through innovation, quality and expertise

### THE GREEN SOLUTION

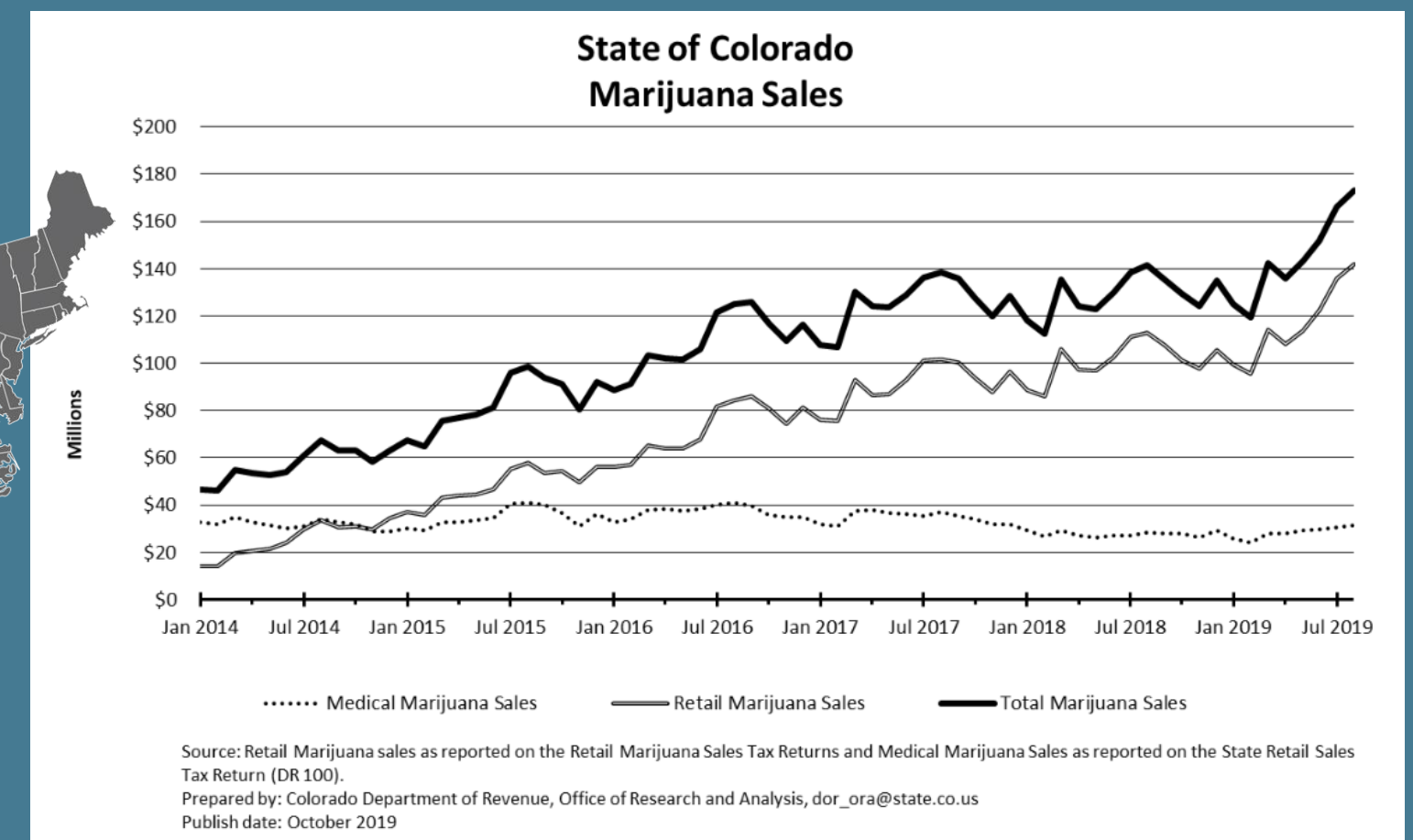
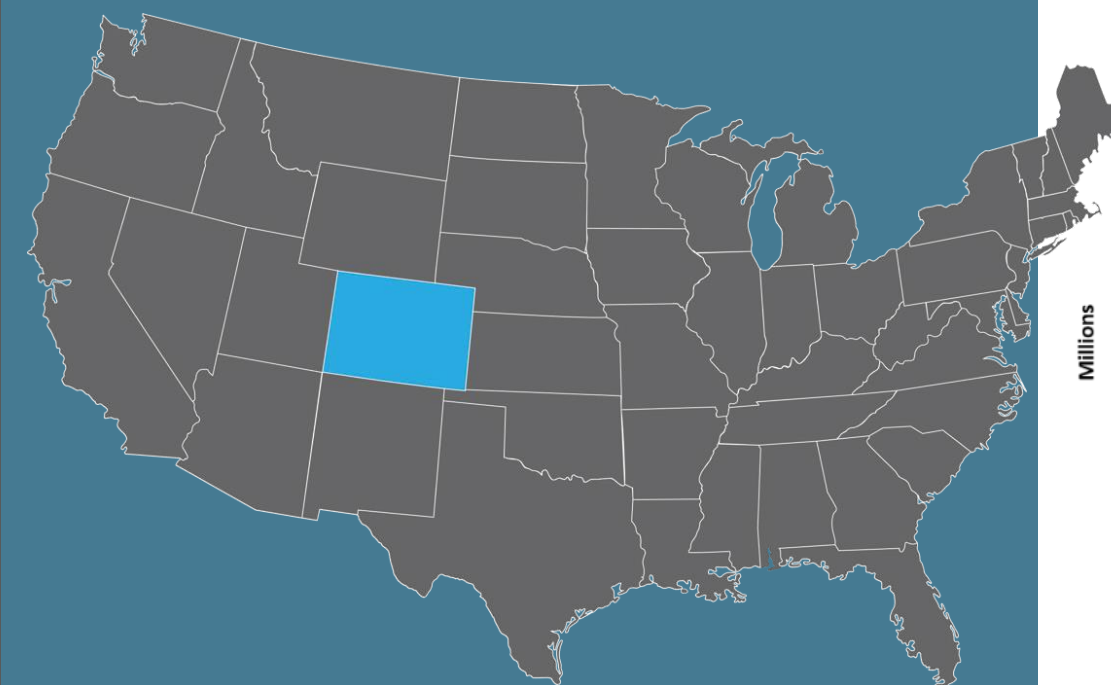
Leadership in cannabis acceptance, accessibility, compliance and quality

# Colorado Market Facts

- Second largest cannabis market in the U.S. with an estimated \$1.6B in annual sales in 2019
- 5.7M total population<sup>(2)</sup> with over 85M visitors annually
- Highly fragmented market with only 11% of recreational retail license holders having more than three dispensaries<sup>(3)</sup>
- Legalized sales are 4.5x medical market sales
- Legalized home delivery being introduced in 2021
- Robust wholesale market

## THE MARKET

*Columbia Care is the first national operator to enter the fragmented \$1.6B<sup>(1)</sup> Colorado cannabis market*



<sup>(4)</sup>Colorado Department of Revenue

<sup>(1)</sup>BDS Analytics  
<sup>(2)</sup>US Census June 2019  
<sup>(3)</sup>Marijuana Business Factbook 2019



# THE CULTIVATION SOLUTION

## One of the Lowest Cost Producers of Quality Cannabis



### Indoor Facilities

- +250,000 sqft of cultivation capacity including
  - 3,406 sqft dedicated to proprietary R&D / genetic breeding program
  - 59,636 sqft five-story high efficiency vertical grow

### Greenhouse

- 16,000 sqft of greenhouses on TGS' Trinidad growing complex
- One turn annual winter harvest

### Outdoor Grow Complex

- 140 acres in ideal southern Colorado location
- One turn per year, recently completed successful 2019 harvest
- Ultra low-cost flower/biomass production





THE  
**MANUFACTURING**  
SOLUTION

## Highly Efficient Operations



COLUMBIA  
C A R E

### Scaled manufacturing operations

- 25,000 sqft automated operation
- Automated trimming and packaging (nitrogen vacuum packed, flexible packaging, wet fill and dry fill lines)
- Cutting-edge extraction, infusion and production
- 225,000 products manufactured per month
- Broad portfolio including edibles, beverages, concentrates and flower products, 125+ SKU's



# THE (RETAIL) SOLUTION

## Largest Colorado Cannabis Retailer



### Leading Colorado Cannabis Retailer

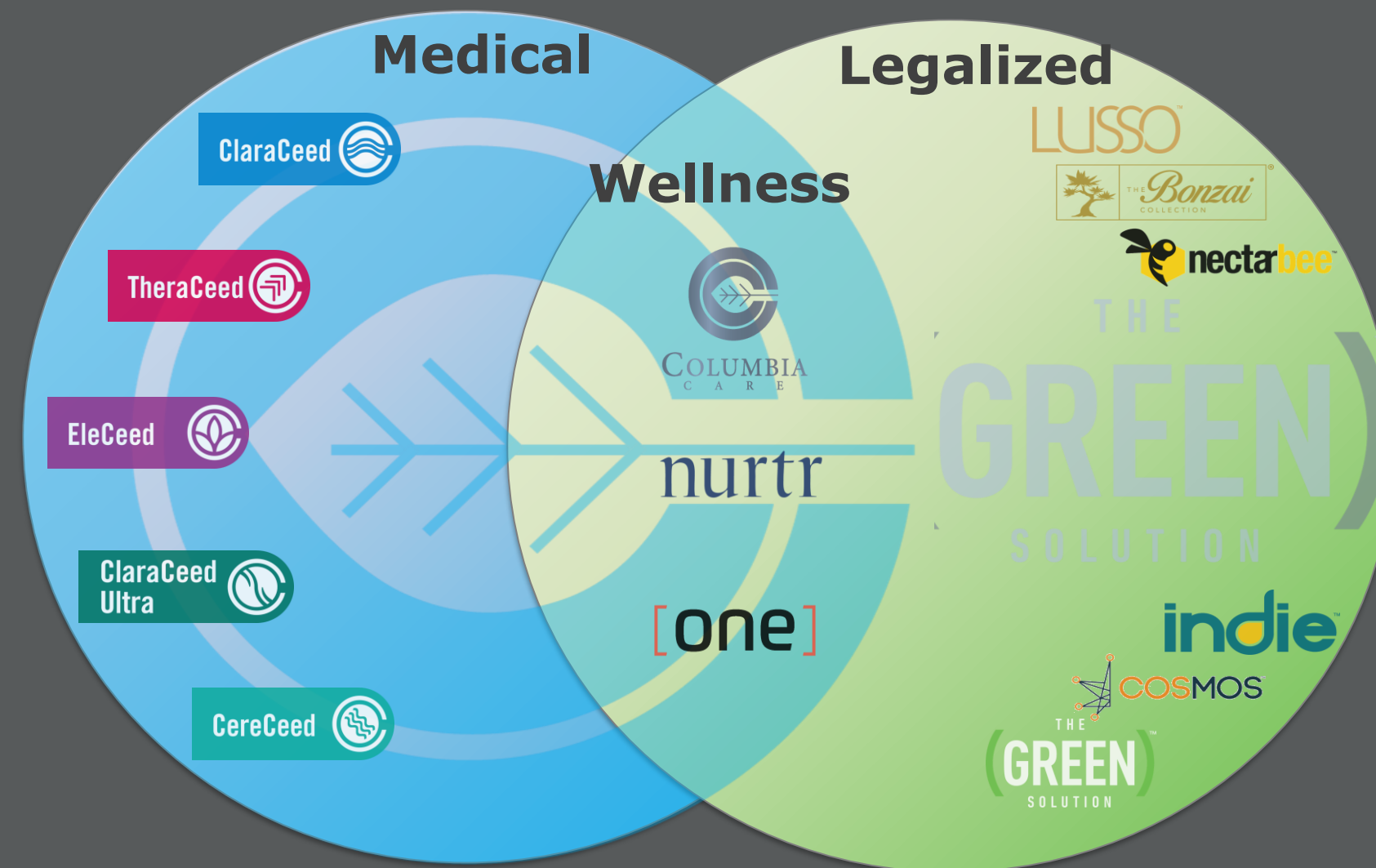
- 23 locations (FYE19)
- 1.4M transactions (2018)
- ~US\$49 basket size
- 76,000 sq ft retail footprint
- Green Lifestyle™ (TGS Rewards Program)
- E-Commerce & delivery ready





# UNLOCKING VALUE AND BUILDING NATIONAL SCALE

*Proforma Revenue TTM Q3-2019 US\$138.5M*



Path to Growth	Comprehensive Coverage	Trusted Partner
<p>Gives immediate scale to Columbia Care's expanding leadership in fully legalized markets. Offering diversity of products, brands and expertise for legalized markets</p>	<p>Provides Columbia Care with portfolio of more accessibly priced products to expand relevance, grow TAM and capture market share</p>	<p>Allows Columbia Care to provide the highest quality products to the largest number of patients and customers</p>



# TRANSACTION OVERVIEW

Proposed Transaction	Consideration to TGS	Key Approvals and Conditions	Deal Protection	Timing
<p>Columbia Care will acquire 100% of The Green Solution and certain affiliates and subsidiaries</p>	<p>TEV: \$140,000,000</p> <p>Performance based milestone payment to be determined based on 2020 audited revenue and adj. EBITDA margin the form of stock</p>	<p>Transaction close is subject to all regulatory approvals, including but not limited to:</p> <p>Hart Scott Rodino Antitrust Improvements Act</p> <p>Colorado state and municipal level approvals</p>	<p>Subject to customary representations, warranties and covenants for transactions of this type</p> <p>Customary deal protection clauses</p>	<p>Closing anticipated to occur in 1H 2020 pending regulatory approval</p>

## WHY THIS CHANGES THE CANNABIS MARKET NATIONALLY:

- ✓ Expands US footprint through acquisition of leading position in US\$1.6B Colorado market
- ✓ Seamless integration plan incorporates TGS management continuity
- ✓ Ability to bring pharma quality products, home delivery and CNC Card to Colorado
- ✓ Ability to launch TGS products across all Columbia Care jurisdictions
- ✓ Accretive to revenue and EBITDA