

Curaleaf Acquisition of Select to Move Forward on Amended Terms

HSR Waiting Period for the Proposed Acquisition has Expired

Transaction Expected to Close on January 1, 2020

WAKEFIELD, Mass., Oct. 30, 2019 /PRNewswire/ -- Today, Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) ("Curaleaf" or the "Company"), a leading vertically integrated cannabis operator in the United States, announced that it has agreed with Cura Partners, Inc., owners of the Select brand ("Select"), to amend the terms of their prior agreement for Curaleaf's acquisition of Select's state-regulated cannabis business. Additionally, the Company has also announced that the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR") has expired with respect to the acquisition of Select by Curaleaf (the "Proposed Transaction").

On May 1, 2019, Curaleaf announced signing a definitive agreement to acquire Select's business. The acquisition includes Select's manufacturing, processing, distribution, marketing and retailing operations and all adult-use and medical cannabis products marketed under the Select brand name, including all intellectual property.

Due to changes in market conditions since the original merger agreement was signed in May, Curaleaf and Select have mutually agreed to reduce the base consideration payable upon close under the Proposed Transaction. The amendment reflects current market conditions and closely aligns the interests of all stakeholders to the ongoing performance of Select's business.

Under the amended and restated merger agreement (the "Amended Merger Agreement"), the number of subordinate voting shares ("SVS") of Curaleaf payable at closing of the Proposed Transaction has been reduced to 55,000,000 SVS of Curaleaf from 95,555,556 originally. The remaining 40,555,556 SVS will now be payable to Select equity holders contingent upon Curaleaf achieving certain calendar year 2020 revenue targets based on Select-branded retail extract sales beginning at a target of \$130 million with maximum achievement at \$250 million. In addition, Select equity holders will also be eligible to receive an earn-out of up to \$200 million from the issuance of additional SVS, contingent upon Curaleaf exceeding \$300 million in calendar year 2020 revenue for Select-branded retail extract sales.

"The amended terms of the acquisition that we have agreed to with Select reflect our commitment to executing a prudent investment strategy that is in the best interests of our shareholders. We remain extremely confident in the strength and operations of the Select business and of the long-term prospects of the cannabis sector as a whole. We look forward to bringing our companies together to lead this industry as it continues to mature and grow," said Curaleaf CEO Joseph Lusardi. "Expiration of the HSR waiting period was a key milestone in closing this transaction and we continue to work with state regulators to receive the necessary approvals with a target closing date of January 1, 2020."

The Proposed Transaction combines Curaleaf's retail locations, vertical integration, wellness brand and strong East Coast market presence with Select's wholesale model, lifestyle brand and leading West Coast market presence. The Proposed Transaction is targeted to close on January 1, 2020, subject to customary closing conditions and regulatory approvals. The terms of the Amended Merger Agreement have been unanimously approved by independent special committees of the Boards of Directors at both companies.

Curaleaf's strategic expansion over the past year has led the Company to become one of the largest and most valuable cannabis companies in the United States.

As previously disclosed, the Proposed Transaction constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101") as a result of Mr. Boris Jordan, the Chairman and control person of Curaleaf, having an interest in the Proposed Transaction.

With respect to the terms of each of the Original Merger Agreement and the Amended Merger Agreement, Curaleaf has relied upon the exemptions provided under Sections 5.5(a) of MI 61-101 – Issuer Not Listed on Specified Markets and 5.7(a) of MI 61-101 – Fair Market Value Not More than 25% of Market Capitalization from the requirements that Curaleaf obtain a formal valuation of the Proposed Transaction and that the Proposed Transaction receive the approval of the minority shareholders of Curaleaf.

The terms of the Original Merger Agreement and the Amended Merger Agreement were negotiated by management and advisors under guidance of, and unanimously recommended for approval by, a committee composed of members of the Board of Directors of Curaleaf free from any conflict of interest with respect to the Proposed Transaction (the "Special Committee"), two of which are independent members of the Board of Directors within the meaning of National Instrument 52-110 – Audit Committees. The Special Committee had initially received a fairness opinion from Beacon Securities Limited ("Beacon") to the effect that, in its opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be paid by Curaleaf under the Original Merger Agreement was fair from a financial point of view, to Curaleaf.

The fee paid to Beacon in connection with the delivery of its fairness opinion was not contingent on the successful implementation of the Proposed Transaction.

Given the foregoing, the overall consideration for the Proposed Transaction payable by the Company has decreased as a result of a larger portion of the consideration being contingent on the combined business achieving revenue targets, the Special Committee and the Board has determined that a revised fairness opinion in respect of the terms of the A&R Merger Agreement was not necessary. A copy of the amended and restated Merger Agreement with respect to the Proposed Transaction will be filed under Curaleaf's profile on SEDAR at www.sedar.com.

About Curaleaf Holdings, Inc.

Headquartered in Wakefield, Massachusetts, Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) ("Curaleaf" or the "Company") is the leading vertically integrated multi-state cannabis operator in the United States. It is a high-growth cannabis company with a national brand known for quality, trust and reliability. The Company is positioned in highly populated, limited license states, and currently operates in 12 states with 49 dispensaries, 14 cultivation sites and 13 processing sites. Curaleaf has the executive expertise and research and development capabilities to provide leading service, selection, and accessibility across the medical and adult-use markets, as well as in the CBD category through its Curaleaf Hemp brand. For more information please visit www.curaleaf.com.

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Forward Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, including statements relating to the Proposed Transaction and the filing of the Amended Merger Agreement. All statements, other than statements of historical fact, included herein are forward looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects the current beliefs of Curaleaf and is based on information currently available to Curaleaf and on assumptions that Curaleaf believes are reasonable, including the ability of the parties to satisfy the conditions to closing of the Proposed Transaction in a timely manner and substantially on the terms described in this press release. These assumptions include, but are not limited to, the anticipated benefits to Curaleaf of the Proposed Transaction described above. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Curaleaf to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the ability of the parties to satisfy, in a timely manner, the other conditions to the closing of the Proposed Transaction; the failure to realize the anticipated benefits or synergies of the Proposed Transaction following closing due to integration issues or otherwise; general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive regulatory approvals; the actual results of future operations; competition; changes in legislation affecting Curaleaf; the timing and availability of external financing on acceptable terms; and lack of qualified, skilled labor or loss of key individuals and the other factors identified in Curaleaf's Listing Statement and its other public filings with the Canadian Securities Exchange. In addition, the closing of the Transaction may not be completed, or may be delayed, if the parties' respective conditions to the closing of the Proposed Transaction are not satisfied on the anticipated timelines or at all. Accordingly, there is a risk that the Proposed Transaction will not be completed within the anticipated time, on the terms currently proposed and disclosed in this press release or at all.

Although Curaleaf has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of Curaleaf as of the date of this news release and, accordingly, is subject to change after such date. However, Curaleaf expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information,

future events or otherwise, except as expressly required by applicable securities law.

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