



Curaleaf Reports Third Quarter 2021 Results

- Third quarter 2021 Revenue of \$317 million, an increase of 2% sequentially and 74% YoY
- Third quarter 2021 Adjusted EBITDA⁽¹⁾ of \$71 million, an increase of 69% YoY
- Third quarter cash flow from operations of \$52 million or 16% of revenue
- Completed on October 1, 2021, the previously announced acquisition of Los Sueños Farms
- Entered into definitive agreement to acquire Tryke Companies, a vertically integrated MSO operating in Nevada, Arizona, and Utah

WAKEFIELD, Mass., November 8, 2021 – Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) (“Curaleaf” or the “Company”), a leading international provider of consumer products in cannabis, today reported its financial and operating results for the third quarter ended September 30, 2021. All financial information is provided in U.S. dollars unless otherwise indicated.

Third Quarter 2021 Financial Highlights (Unaudited)

| (\$ thousands, except per share amounts) | Q3 2021 | Q2 2021 | % qoq Change | Q3 2020 | % yoy Change |
|--|------------|------------|--------------|------------|--------------|
| Total Revenue | \$ 317,125 | \$ 312,205 | 2% | \$ 182,408 | 74% |
| Gross profit before impact of biological assets | 144,909 | 155,238 | -7% | 91,775 | 58% |
| Gross profit on cannabis sales ⁽¹⁾⁽²⁾ | 144,368 | 154,527 | -7% | 89,669 | 61% |
| Gross margin on cannabis sales ⁽¹⁾⁽²⁾ | 45.6% | 49.6% | | 49.7% | |
| Adjusted EBITDA ⁽¹⁾ | 71,363 | 84,372 | -15% | 42,295 | 69% |
| Net loss attributable to Curaleaf Holdings Inc. | (56,917) | (7,240) | | (9,343) | |
| Net loss per share – basic and diluted | \$ (0.08) | \$ (0.01) | | \$ (0.01) | |

(1) See "Non-IFRS Financial and Performance Measures" below for more information regarding Curaleaf's use of Non-IFRS financial measures and other reconciliations.

(2) Cannabis sales excludes Management Fee Income. Gross profit and gross margin on cannabis sales both exclude the impact of biological assets.

Earnings Call: Monday, November 8, 2021, at 5:00 P.M. ET

Conference ID # is 2599473

Replay ID # is 10160750

U.S. Live Call: +1-888-317-6003
International Live Call (Toll): +1-412-317-6061
Canada Live Call: +1-866-284-3684

U.S. Replay: +1-877-344-7529
International Replay (Toll): +1-412-317-0088
Canada Replay: +1-855-669-9658

A webcast of the call can be accessed on the investor relations section of the Curaleaf website at ir.curaleaf.com

The teleconference will be available for replay starting at approximately 7:00 P.M. ET on November 8, 2021, and will end at 7:00 P.M. ET on November 15, 2021

Boris Jordan, Executive Chairman of Curaleaf commented, “During the third quarter we delivered record revenue of \$317 million, representing 2% sequential and 74% year-over-year growth. We also generated \$52 million of positive operating cash flow. While we faced some transient headwinds during the quarter, we continued to execute well against our strategic initiatives, prioritizing growth and gaining market share. As a result, we remain on track to achieve our \$1.2 to \$1.3 billion annual revenue guidance, albeit at the lower end of the range, representing growth of over 90%. Strategic M&A remains a key pillar our growth plan. We closed the Los Sueños Farms acquisition in October, and today announced another highly strategic deal to acquire Tryke Companies, a vertically integrated MSO which bolsters our leadership position in Nevada, Arizona, and Utah and will be immediately accretive to our margins and cash flow.”

Joe Bayern, Chief Executive Officer of Curaleaf stated, “We continued to successfully execute our plan for long-term growth in the third quarter with a focus on our four pillars of competitive advantage – research & development, commercialization, national distribution, and marketing and brand building. We expanded our scale and reach by strategically growing our retail and wholesale presence and significantly increasing our cultivation capacity both organically and, more recently, through M&A. Significant investments in R&D are a cornerstone of our competitive advantage, and we continued to set ourselves apart with the introduction Cliq by Select in the third quarter, while also expanding our innovative Select Squeeze and Nano Bites products to new markets. Looking to the balance of 2021 and beyond, we will continue to execute our long-term strategy with a focus on gaining market share in a sustainable and profitable manner.”

Third Quarter Operating Highlights

- Opened two new dispensaries located in Bordentown, New Jersey and Wells, Maine bringing total retail locations to 109 as of September 30, 2021.
- Expanded the number of U.S. wholesale accounts by 6% sequentially, exceeding 2,100 active accounts as of September 30, 2021.
- On track to organically add 275,000 square feet of flower canopy by year-end 2021.
- Introduced Select Squeeze THC infused beverage enhancer in several new markets including Michigan, New Jersey, and New York.
- Launched Cliq by Select premium vape system, a unique hardware design featuring a proprietary pod and durable stainless-steel encasing in Arizona, California, Nevada, and Oregon with additional markets expected by year-end 2021.

Post-Third Quarter Operating Highlights

- Closed the previously announced acquisition of Los Sueños Farms and its related entities bringing total Curaleaf cultivation capacity to approximately 4.4 million square feet and retail locations to 111 as of November 8, 2021.
- Entered into a definitive agreement to acquire Tryke Companies, a vertically integrated MSO operating in Nevada, Arizona, and Utah. Tryke owns and operates the Reef-branded dispensaries with four highly trafficked retail stores in Nevada and two in Arizona and brings an extensive and

highly complementary vertical portfolio of retail and wholesale distribution, licenses, and cultivation assets to Curaleaf. For more information, please refer to the Company's press release at <https://ir.curaleaf.com/>.

Financial Results for the Third Quarter Ended September 30, 2021

Revenue (Unaudited)

(\$ thousands)

| | Q3 2021 | Q2 2021 | Q3 2020 |
|-----------------------|------------|------------|------------|
| Retail revenue | \$ 224,543 | \$ 222,147 | \$ 135,344 |
| Wholesale revenue | 92,041 | 89,347 | 44,958 |
| Management fee income | 541 | 711 | 2,106 |
| Total Revenue | \$ 317,125 | \$ 312,205 | \$ 182,408 |

Total revenue was \$317 million for the third quarter of 2021, an increase of 2% from \$312 million in the second quarter of 2021 and 74% from \$182 million in the third quarter of 2020.

Retail revenue reached \$225 million, representing 1% sequential growth and 66% year-over-year growth. Retail revenue represented 71% of total revenue. During the third quarter the Company opened two new dispensaries including one in Bordentown, New Jersey and one in Wells, Maine, reaching 109 dispensaries as of quarter end.

Wholesale revenue grew 3% sequentially and 105% year-over-year to \$92 million and represented 29% of total revenue. During the third quarter, total wholesale accounts increased approximately 6% sequentially and exceeded 2,100 accounts at quarter end.

Gross Profit on Cannabis Sales (Unaudited)

(\$ thousands)

| | Q3 2021 | Q2 2021 | Q3 2020 |
|--------------------------------|------------|------------|------------|
| Retail and wholesale revenue | \$ 316,584 | \$ 311,494 | \$ 180,302 |
| Cost of goods sold | 172,216 | 156,967 | 90,633 |
| Gross profit on cannabis sales | \$ 144,368 | \$ 154,527 | \$ 89,669 |

Gross profit on Cannabis Sales was \$144 million for the third quarter of 2021, an increase of 61% from \$90 million in the third quarter of 2020. Gross profit margin was 45.6%, compared with 49.6% in the prior quarter and 49.7% in the third quarter of 2020. The change in gross margin primarily reflects a one-time loss on inventory related to the Eureka, California facility divestiture, lower revenue growth in certain Northeast markets, and the write down of certain other inventory in the third quarter of 2021, partially offset by ongoing cultivation and process efficiencies. Excluding one-time impacts, third quarter 2021 gross margin was 47.7%.

Net Income / (Loss) (Unaudited)
(\$ thousands)

| | | Q3 2021 | Q2 2021 | Q3 2020 |
|---|----|----------|------------|------------|
| Total Revenue | \$ | 317,125 | \$ 312,205 | \$ 182,408 |
| Gross profit | | 182,734 | 184,495 | 115,783 |
| Income (Loss) from operations | | 39,988 | 51,886 | 16,371 |
| Total other income (expense), net | | (38,955) | (19,026) | (6,557) |
| Income tax benefit (expense) | | (60,313) | (42,624) | (18,745) |
| Net loss | | (59,280) | (9,764) | (8,931) |
| Less: Net loss attributable to non-controlling interest | | (2,363) | (2,524) | 412 |
| Net loss attributable to Curaleaf Holdings, Inc. | \$ | (56,917) | \$ (7,240) | \$ (9,343) |

For the third quarter of 2021, net loss attributable to Curaleaf Holdings, Inc. was \$57 million, compared with a net loss of \$7 million in the second quarter of 2021 and \$9 million in the third quarter of 2020. Higher operating income by \$24 million was offset primarily by \$42 million of higher tax expense, \$25 million of higher other expense, and \$8 million of higher interest expense compared with the third quarter of 2020. Third quarter 2021 income tax expense included certain discrete items totaling \$10.6 million related to the write-off of certain California net operating losses and the year-to-date accrual for late tax payments.

Adjusted EBITDA
(\$ thousands)

| | | Q3 2021 | Q2 2021 | Q3 2020 |
|--|----|----------|------------|------------|
| Net loss | \$ | (59,280) | \$ (9,764) | \$ (8,931) |
| Interest expense, net | | 25,054 | 21,330 | 17,431 |
| Income tax expense | | 60,313 | 42,624 | 18,745 |
| Depreciation and amortization ⁽¹⁾ | | 37,132 | 35,030 | 26,657 |
| Share-based compensation | | 13,180 | 18,370 | 5,430 |
| Other (income) expense | | 13,900 | (2,304) | (10,874) |
| Change in fair value of biological assets | | (37,825) | (29,257) | (24,008) |
| One time charges ⁽²⁾ | | 18,889 | 8,343 | 17,845 |
| Adjusted EBITDA | \$ | 71,363 | \$ 84,372 | \$ 42,295 |

(1) Depreciation and amortization expense in Q3 2021, Q2 2021, and Q3 2020 include amounts charged to cost of goods sold on the statement of profits and losses.

(2) One-time charges in Q3 2021 include approximately \$13 million of expenses primarily composed of accounting and professional fees, bad debt write off, and employee severance costs mainly related to the Eureka, California facility divestiture and Grassroots acquisition, and a \$5.9 million one-time loss on inventory related to a California facility divestiture and inventory write-down in one of our states.

Adjusted EBITDA was \$71 million for the third quarter of 2021, an increase of 69% from \$42 million in the third quarter of 2020. The year-over-year increase was mainly driven by revenue growth. Adjusted EBITDA margin was 22.5%, compared with 27.0% in the prior quarter and 23.2% in the third quarter of 2020, with the change primarily reflecting lower gross margin and higher SG&A expense related to increased headcount in support of new store openings, higher travel costs, and marketing in support of new product rollouts.

Balance Sheet and Cash Flow

As of September 30, 2021, the Company had \$317 million of cash and \$342 million of outstanding debt net of unamortized debt discounts.

During the third quarter of 2021, Curaleaf invested \$44 million net in capital expenditures, focused on cultivation, processing, and selective retail expansion in strategic markets.

Shares Outstanding

As of September 30, 2021, and June 30, 2021, the Company's weighted average shares outstanding amounted to 703,545,262 and 701,668,932 shares, respectively.

As of September 30, 2021, and June 30, 2021, Company's issued and outstanding SVS plus MVS shares amounted to 704,818,302 and 703,260,526 shares, respectively.

Non-IFRS Financial and Performance Measures

In this press release Curaleaf refers to certain non-IFRS financial measures such as "Gross Profit on Cannabis Sales" 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 issuers. The Company defines "Gross Profit on Cannabis Sales" as retail and wholesale revenues less cost of goods sold. "Adjusted EBITDA" is defined by Curaleaf as earnings before interest, taxes, depreciation and amortization less share-based compensation expense and one-time charges related to business development, acquisition, financing and reorganization costs. Curaleaf considers these measures to be an important indicator of the financial strength and performance of our business. We believe the adjusted results presented provide relevant and useful information for investors because they clarify our actual operating performance, make it easier to compare our results with those of other companies and allow investors to review performance in the same way as our management. Since these measures are not calculated in accordance with IFRS, they should not be considered in isolation of, or as a substitute for, our reported results as indicators of our performance, and they may not be comparable to similarly named measures from other companies. The following tables provide a reconciliation of each of the non-IFRS measures to its closest IFRS measure.

Consolidated Statements of Financial Position
(\$ thousands)

| | <u>September 30,</u> <u>2021</u> | <u>December 31,</u> <u>2020</u> |
|--|-------------------------------------|------------------------------------|
| | <i>Unaudited</i> | <i>Audited</i> |
| Assets | | |
| Current assets: | | |
| Cash | \$ 317,189 | \$ 73,542 |
| Accounts receivable | 56,762 | 28,830 |
| Inventory, net | 346,205 | 197,991 |
| Biological assets | 80,983 | 46,210 |
| Assets held for sale | 77,904 | 58,504 |
| Prepaid expenses and other current assets | 25,225 | 10,140 |
| Current portion of notes receivable | 2,240 | 2,645 |
| Total current assets | 906,508 | 417,862 |
| Deferred tax asset | 382 | 5,528 |
| Notes receivable | 795 | 2,000 |
| Property, plant and equipment, net | 328,410 | 242,855 |
| Right-of-use assets, net | 282,046 | 267,168 |
| Intangible assets, net | 1,113,825 | 797,401 |
| Goodwill | 512,608 | 470,144 |
| Investments | 7,368 | 16,264 |
| Prepaid acquisition consideration | — | 132,234 |
| Other assets | 22,879 | 35,135 |
| Total assets | <u>\$ 3,174,821</u> | <u>\$ 2,386,591</u> |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 60,761 | \$ 47,043 |
| Accrued expenses | 80,649 | 57,475 |
| Income tax payable | 130,144 | 79,649 |
| Current portion of lease liability | 17,942 | 15,710 |
| Current portion of notes payable | 1,732 | 6,500 |
| Current contingent consideration liability | 9,155 | — |
| Liabilities held for sale | 22,257 | 7,181 |
| Other current liabilities | 12,572 | 6,568 |
| Total current liabilities | 335,212 | 220,126 |
| Deferred tax liability | 303,480 | 226,465 |
| Notes payable | 340,251 | 285,001 |
| Lease Liabilities | 291,330 | 270,495 |
| Non-controlling interest redemption liability | 112,686 | 2,694 |
| Contingent consideration liability | 26,147 | 1,898 |
| Other long term liability | 3,861 | 3,698 |
| Total liabilities | 1,412,967 | 1,010,377 |
| Shareholders' equity: | | |
| Share capital | 2,200,095 | 1,754,412 |
| Treasury shares | (5,208) | (5,208) |
| Reserves | (166,774) | (177,744) |
| Accumulated other comprehensive income (deficit) | (3,879) | — |
| Accumulated deficit | (275,605) | (194,645) |
| Redeemable non-controlling interest | (112,686) | (2,694) |
| Total Curaleaf Holdings, Inc. shareholders' equity | 1,635,943 | 1,374,121 |
| Non-controlling interest | 125,911 | 2,093 |
| Total shareholders' equity | 1,761,854 | 1,376,214 |
| Total liabilities and shareholders' equity | <u>\$ 3,174,821</u> | <u>\$ 2,386,591</u> |

Consolidated Statements of Profits and Losses

(\$ thousands, except for share and per share amounts)

| | Three Months Ended | |
|--|--------------------|-------------|
| | September 30, | |
| | 2021 | 2020 |
| | Unaudited | Unaudited |
| Revenue: | | |
| Retail and wholesale revenue | \$ 316,584 | \$ 180,302 |
| Management fee income | 541 | 2,106 |
| Total revenue | 317,125 | 182,408 |
| Cost of goods sold | 172,216 | 90,633 |
| Gross profit before impact of biological assets | 144,909 | 91,775 |
| Realized fair value amounts included in inventory sold | (112,691) | (48,706) |
| Unrealized fair value gain on growth of biological assets | 150,516 | 72,714 |
| Gross profit | 182,734 | 115,783 |
| Operating expenses: | | |
| Selling, general and administrative | 101,800 | 72,664 |
| Share-based compensation | 13,180 | 5,430 |
| Depreciation and amortization | 27,766 | 21,318 |
| Total operating expenses | 142,746 | 99,412 |
| Income (Loss) from operations | 39,988 | 16,371 |
| Other income (expense): | | |
| Interest income | 129 | 40 |
| Interest expense | (15,659) | (12,357) |
| Interest expense related to lease liabilities | (9,524) | (5,114) |
| Gain on investment | — | 10,606 |
| Impairment of intangible assets | (5,672) | — |
| Other income (expense) | (8,229) | 268 |
| Total other income (expense), net | (38,955) | (6,557) |
| Income (Loss) before provision for income taxes | 1,033 | 9,814 |
| Income tax benefit (expense) | (60,313) | (18,745) |
| Net loss | (59,280) | (8,931) |
| Less: Net income (loss) attributable to non-controlling interest | (2,363) | 412 |
| Net loss attributable to Curaleaf Holdings, Inc. | \$ (56,917) | \$ (9,343) |
| Loss per share attributable to Curaleaf Holdings, Inc. – basic and diluted | \$ (0.08) | \$ (0.01) |
| Weighted average common shares outstanding – basic and diluted | 703,545,262 | 625,228,556 |

Consolidated Statements of Profits and Losses
(\$ thousands, except for share and per share amounts)

| | Nine Months Ended September 30, | |
|--|------------------------------------|------------------|
| | 2021 | 2020 |
| | <i>Unaudited</i> | <i>Unaudited</i> |
| Revenue: | | |
| Retail and wholesale revenue | \$ 887,961 | \$ 356,937 |
| Management fee income | 1,689 | 39,448 |
| Total revenue | 889,650 | 396,385 |
| Cost of goods sold | 461,036 | 191,490 |
| Gross profit before impact of biological assets | 428,614 | 204,895 |
| Realized fair value amounts included in inventory sold | (263,408) | (92,322) |
| Unrealized fair value gain on growth of biological assets | 342,837 | 152,478 |
| Gross profit | 508,043 | 265,051 |
| Operating expenses: | | |
| Selling, general and administrative | 269,849 | 158,986 |
| Share-based compensation | 36,457 | 14,764 |
| Depreciation and amortization | 76,158 | 48,243 |
| Total operating expenses | 382,464 | 221,993 |
| Income (Loss) from operations | 125,579 | 43,058 |
| Other income (expense): | | |
| Interest income | 495 | 6,459 |
| Interest expense | (40,079) | (34,208) |
| Interest expense related to lease liabilities | (27,423) | (9,404) |
| Gain on investment | — | 10,606 |
| Impairment of intangible assets | (5,672) | — |
| Other income (expense) | (5,510) | 2,799 |
| Total other income (expense), net | (78,189) | (23,748) |
| Income (Loss) before provision for income taxes | 47,390 | 19,310 |
| Income tax benefit (expense) | (133,645) | (45,528) |
| Net loss | (86,255) | (26,218) |
| Less: Net income (loss) attributable to non-controlling interest | (4,887) | 242 |
| Net loss attributable to Curaleaf Holdings, Inc. | \$ (81,368) | \$ (26,460) |
| Loss per share attributable to Curaleaf Holdings, Inc. – basic and diluted | \$ (0.12) | \$ (0.05) |
| Weighted average common shares outstanding – basic and diluted | 695,830,455 | 555,629,066 |

Consolidated Statements of Cash Flows

(\$ thousands, except for share and per share amounts)

| | Nine Months Ended September 30, | |
|--|------------------------------------|------------------|
| | 2021 | 2020 |
| | Unaudited | Unaudited |
| Cash flows from operating activities: | | |
| Net loss | \$ (86,255) | (26,218) |
| Adjustments to reconcile loss to net cash provided (used) in operating activities: | | |
| Depreciation and amortization | 102,336 | 59,480 |
| Share-based compensation | 36,457 | 16,282 |
| Non-cash interest expense | 32,872 | 4,601 |
| Unrealized gain on changes in fair value of biological assets | (342,837) | (152,478) |
| Realized fair value amounts included in inventory sold | 263,408 | 92,322 |
| Impairment loss | 6,685 | — |
| (Gain)/loss on sale of property, plant and equipment | 583 | 293 |
| Deferred taxes | (1,824) | 17,770 |
| Gain on contingent liability | — | (10,606) |
| Changes in operating assets and liabilities | | |
| Accounts receivable | (2,283) | 8,664 |
| Biological assets | 50,309 | 48,326 |
| Inventories | (141,433) | (81,335) |
| Prepaid expenses and other current assets | (15,022) | (541) |
| Other assets | 4,408 | 5,541 |
| Accounts payable | (1,895) | (5,270) |
| Income taxes payable | 51,769 | 9,984 |
| Accrued expenses | 15,277 | 6,374 |
| Net cash provided by (used in) operating activities | (27,445) | (6,811) |
| Cash flows from investing activities: | | |
| Purchases of property, plant and equipment, net | (117,361) | (70,195) |
| Proceeds from sale of entity | 29,828 | — |
| Payments made on completion on acquisitions | (7,800) | (78,610) |
| Prepayment of acquisition consideration | — | (7,500) |
| Cash acquired from acquisitions | 12,879 | — |
| Amounts advanced for notes receivable, net of payments received | 1,587 | (14,100) |
| Net cash used in investing activities | (80,867) | (170,405) |
| Cash flows from financing activities: | | |
| Cash received from financing agreement | 57,196 | 185,723 |
| Proceeds from sale leaseback | 23,153 | 38,640 |
| Debt issuance costs | (681) | — |
| Minority buyouts | (1,190) | (2,508) |
| Lease liability payments | (40,197) | (24,495) |
| Proceeds from minority interest investment in Curaleaf International | 84,795 | — |
| Cash received in private placement | — | 24,552 |
| Principal payments on notes payable | (6,085) | (2,505) |
| Acquisition escrow shares returned and retired | (7,730) | — |
| Exercise of stock options | 4,061 | 1,237 |
| Issuance of common shares, net of issuance costs | 240,572 | — |
| Net cash provided by financing activities | 353,894 | 220,644 |
| Net change in cash | 245,582 | 43,428 |
| Cash at beginning of period | 73,542 | 42,310 |
| Cash held for sale | — | (1,152) |
| Effect of exchange rate on cash | (1,935) | — |
| Cash at end of period | <u>\$ 317,189</u> | <u>\$ 84,586</u> |

About Curaleaf Holdings

Curaleaf Holdings, Inc. (CSE: CURA) (OTCQX: CURLF) ("Curaleaf") is a leading international provider of consumer products in cannabis with a mission to improve lives by providing clarity around cannabis and confidence around consumption. As a high-growth cannabis company known for quality, expertise and reliability, the Company and its brands, including Curaleaf and Select, provide industry-leading service, product selection and accessibility across the medical and adult-use markets. In the United States, Curaleaf currently operates in 23 states with 111 dispensaries, 25 cultivation sites, and employs over 5,200 team members. Curaleaf International is the largest vertically integrated cannabis company in Europe with a unique supply and distribution network throughout the European market, bringing together pioneering science and research with cutting-edge cultivation, extraction and production. Curaleaf is listed on the Canadian Securities Exchange under the symbol CURA and trades on the OTCQX market under the symbol CURLF. For more information, please visit <https://ir.curaleaf.com>.

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Curaleaf IR Twitter Account https://twitter.com/Curaleaf_IR

Investor Toolkit <https://ir.curaleaf.com/investor-toolkit>

Investor Relations Website <https://ir.curaleaf.com/>

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Disclaimer

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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 the Company’s Annual Management, Discussion and Analysis dated March 11, 2021, and in the Company’s Annual Information Form dated April 28, 2021, 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. You should not place undue reliance on forward-looking statements contained in this press release. Such forward-looking statements are made as of the date of this press release. We undertake 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.

This news release contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about the Company’s prospective results of operations, production and production efficiency, commercialization, revenue and cash on hand, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set second in the above paragraph. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about the Company’s future business operations. The Company disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein. The financial information reported in this news release is based on unaudited management prepared financial statements for the quarter ended June 30, 2021. Accordingly, such financial information may be subject to change. Financial statements for the period will be released and filed under the Company’s profiles on SEDAR at www.sedar.com no later than August 12, 2021. All financial information contained in this news release is qualified in its entirety with reference to such unaudited financial statements. While the Company does not expect there to be any material changes, to the extent that the financial information contained in this news release is inconsistent with the information contained in the Company’s unaudited financial statements, the financial information contained in this news release shall be deemed to be modified or superseded by the Company’s unaudited financial statements. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation for purposes of applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.