



NEWS RELEASE

# Verano to Acquire Sierra Well, Expanding Nevada Distribution with Two Top-Performing Dispensaries in Reno, Carson City and Additional Active Cultivation Capacity

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Transaction Benefits & Market Impact

- Addition of two fully-operational and top-performing dispensaries in Reno and Carson City expands strategic retail coverage of Northern Nevada. The neighboring cities have a combined population of over 300,000 residents and draw a substantial number of tourists, recently surpassing five million visitors on an annual basis.
- Expected to strengthen distribution capability in Northern Nevada with the addition of an approximately 10,000 sq. ft. Reno cultivation and production facility, complementing active expansion at the Verano-affiliated cultivation facility in North Las Vegas.
- Broadens Nevada supply chain while increasing dispensary count between Verano and its affiliates to four active storefronts, with a fifth planned location to open in Las Vegas later this summer.
- Builds upon Verano's national portfolio of 79 operational dispensaries and 10 cultivation and production facilities across its active 11-state footprint.

CHICAGO, July 26, 2021 (GLOBE NEWSWIRE) -- Verano Holdings Corp. (CSE: VRNO) (OTCQX: VRNOF) ("Verano" or the "Company"), a leading multi-state cannabis company, today announced it has entered into an agreement to acquire all of the equity interests of WSCC, Inc., d/b/a Sierra Well ("Sierra Well"), adding two operational dispensaries and an active cultivation and production facility in Nevada along with two real estate properties in Carson City and Reno. Both dispensaries are situated along busy retail corridors and just minutes from their respective city centers. Closing on the transaction is subject to customary conditions, contingencies, and approvals, including regulatory approval.

"We've been operating successfully in Nevada since 2017 and have maintained focus on growing our presence in this highly attractive state. Following completion of this accretive transaction, Nevada will become a core market for us. We are pleased to strategically expand our distribution in Nevada while partnering with a like-minded ownership group that has built a profitable business through sound operational management," said George Archos, Verano Founder and CEO. "We look forward to expanding Verano's retail presence into Northern Nevada and bringing our house of premium brands to more patients and consumers in a region that's rife with natural beauty and draws significant tourism from around the country."

#### Transaction Details

Upon consummation of the transaction, Sierra Well will become a wholly-owned subsidiary of the Company. The purchase price is US\$29,000,000, subject to adjustment, implying a 5x 2021 adjusted EBITDA multiple inclusive of real estate, which will be satisfied by the payment of US\$5,600,000 in cash and the issuance of up to 1,536,685 Class A subordinate voting shares of the Company.

The transaction is expected to close shortly after receipt of all necessary approvals and will include in total two medical cannabis cultivation licenses; two adult-use cultivation licenses; two medical cannabis dispensary licenses; two adult-use dispensary licenses; one medical production license; one adult-use product manufacturing license; and one adult-use distribution license.

#### About Verano

Verano is a leading, vertically-integrated, multi-state cannabis operator in the U.S., devoted to the ongoing improvement of communal wellness by providing responsible access to regulated cannabis products. With a mission to address vital health and wellness needs, Verano produces a comprehensive suite of premium, innovative cannabis products sold under its trusted portfolio of consumer brands: Verano™, Avexia™, Encore™, and MÜV™. Verano's portfolio encompasses 14 U.S. States, with active operations in 11, which includes 10 production facilities comprising approximately 832,000 square feet of cultivation (including a 26,000 sq. ft. facility in Massachusetts nearing completion of construction). Verano designs, builds, and operates dispensaries under retail brands Zen

Leaf™ and MÜV™, delivering a superior cannabis shopping experience in both medical and adult-use markets. Learn more at [www.verano.com](http://www.verano.com).

#### Forward Looking Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein include, but are not limited to statements or information with respect to the Company's position in the marketplace, the Company's cultivation and distribution capacity, the completion of pending acquisitions, the addition of new dispensaries to the Company's portfolio, the accretive nature of acquisitions, and the ability of the Company to achieve its business objectives and growth plans going forward.

Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein, including, without limitation, the risk factors discussed in the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com).

The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information or forward-looking statements that are contained or referenced herein, except as may be required in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice regarding forward-looking information and statements.

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