

*****Embargoed until 6:30am-ET Wednesday Nov.11*****

Verano Holdings Announces Agreement to Acquire and Combine Operations with AltMed in Florida and Arizona, Creating One of the Largest U.S. Private Cannabis Companies

- Combines two profitable, fully integrated platforms operating in limited-license, high-growth markets
- Deal expected to be immediately accretive upon closing

CHICAGO and SARASOTA, Fla. – November 11, 2020 – Verano Holdings, LLC (“Verano”), a leading multi-state cannabis owner, operator, and manager today announced the signing of a definitive merger agreement to acquire and combine operations with Alternative Medical Enterprises, LLC, Plants of Ruskin, LLC, and affiliated companies (collectively, “AltMed”), vertically-integrated cannabis companies that apply pharmaceutical industry standards to developing, cultivating, producing, and dispensing medical cannabis and medical cannabis products in Florida and Arizona. The transaction is expected to result in a highly-accretive combination of Verano and AltMed with the resulting company operating under the Verano name.

Two Industry Leaders Join Forces

Verano is a leading multi-state owner, developer, operator, and manager of cannabis cultivation, manufacturing, and dispensing licenses offering innovative products to the discerning, high-end customer market. Verano produces a full suite of premium, artisanal cannabis products sold under its consumer brands, including Encore™ Edibles, Avexia™ and Verano™. Verano’s unique Zen Leaf™ branded dispensary environments deliver an elevated cannabis shopping experience in both medical and adult-use markets. Active in 12 U.S. states, with 17 active retail locations and approximately 440,000 square feet of cultivation facilities, Verano has been profitable each year since its founding.

AltMed, founded in 2014 and profitable in recent years, is a fully-integrated medical cannabis company known for its robust research and development pipeline exemplified by its award-winning MÜV™ products and dispensaries. AltMed offers a full range of premium cannabis options developed in its vertically-integrated operations in Arizona and Florida. With 27 active retail locations, AltMed has 220,000 square feet of cultivation facilities in Florida, and 30,000 square feet in Arizona, which is rapidly expanding by an additional 50,000 square feet to meet increased demand.

This transformative transaction is expected to create a market leader in the United States by combining two profitable, fully-integrated platforms with the ability to scale by entering new markets and expanding deeper into existing key markets. The combination will accelerate Verano’s expansion into Florida and Arizona, currently among the largest and fastest-growing cannabis markets in the United States. Following the consummation of the transaction, the combined group of companies will operate under the Verano name and will have the ability to operate in 14 states, with eight cultivation facilities and 44 active retail locations. Approximately 32 additional retail locations are planned.

Expected Benefits of Planned Transformative Combination

The combination is expected to result in substantial benefits to AltMed and Verano, including the following reasons for the transaction.

- Establishes Verano as one of the three largest MSOs in the United States based on 2021 internal projections compared to current FactSet 2021 consensus estimates for revenue and EBITDA.

- Creates a scale market leader well positioned for growth and accelerates expansion in limited license, high-growth markets – specifically Florida and Arizona.
- Includes a premium, comprehensive product offering encompassing both medically-focused and lifestyle. Four product brands: Verano™, Avexia™, Encore™, and MÜV™; and two retail brands: Zen Leaf™ and MÜV™.
- Joins companies with aligned cultures, industry-leading management teams, and best-in-class core competencies of people, processes, research and products.
- Increases Verano’s reputation as a manufacturer of high-quality products on a large scale by adding similar capabilities in new states.
- Enhances both companies’ abilities to provide a superior, patient and customer-focused cannabis experience.
- Combines experienced management teams with significant and diverse industry expertise including pharmaceutical, real estate, manufacturing, agriculture and hospitality, with a proven track record as disciplined cannabis industry operators and good stewards of capital.
- Increases the combined company’s financial profile with industry-leading margins and profitability.

Verano Management Commentary

“The combination of Verano and AltMed is a game changer in the U.S. cannabis industry. It is expected to create one of the largest private cannabis companies with truly no redundancies in geography or operations. AltMed is an ideal partner to accelerate our shared vision to be one of the most innovative and profitable cannabis operators in the country. Our cultures are seamlessly aligned and we have a strong commitment to providing a superior, customer-focused cannabis experience across our existing markets. AltMed not only has a substantial market presence in Florida and Arizona, a state which recently approved recreational use, but also delivers a portfolio of high-quality, pharmaceutical-grade medical cannabis products,” said George Archos, Founder and CEO of Verano Holdings. “Together, we believe we have a very strong management team whose experience spans cannabis, pharma, real estate and hospitality, and we are very excited to welcome and work collectively with AltMed’s Michael Smullen, Bill Petron and John Tipton.”

Mr. Archos continued, “This combination will create significant opportunity to expand our business into limited-license markets and scale both our wholesale and retail operations. We have created a thoughtful model for long-term success and a solid platform to deliver what we expect to be industry-leading EBITDA margin on a pro forma basis. In addition, our combined strong balance sheet should provide us with financial flexibility to expand operations and go deeper in states in which we operate.”

AltMed Management Commentary

“We share Verano’s enthusiasm for this transformative business combination. We have a mutual commitment to delivering a high-quality product through a superior customer experience to distinguish us in the marketplace,” said Michael Smullen, Chairman, CEO and Co-founder of AltMed’s Alternative Medical Enterprises, LLC. “We are both disciplined stewards of capital, run our businesses efficiently

and are focused on delivering profitable growth. It was important for us to find the right strategic partner and Verano was the ideal choice.”

“Through our combination with Verano, we will have economies of scale to further expand our operations, bring adult-use programs online and scale cultivation and manufacturing capacity to meet market demand,” said John Tipton, CEO of AltMed Florida. “Both Verano and AltMed are uncompromisingly dedicated to superb cultivation and manufacturing processes, new product development and retail design and engagement. In combining with a multi-state operator, we have a larger platform to meet the growing needs of our customers and deliver long-term profitable growth for our stakeholders.”

Management Details

The combined company will be led by the founder and CEO of Verano, George Archos, a veteran in the logistics and operations spaces who entered the cannabis industry in 2014. AltMed’s key personnel will maintain a strong presence on the management team and Board of Directors, including Michael Smullen, Alternative Medical Enterprises, LLC’s Chairman, CEO & Co-Founder, and John Tipton, a registered CPA with more than 30 years of leadership experience in both the agricultural and land development industries. In addition, Bill Petron of AltMed Arizona will bring his vast experience to the newly formed company.

Beacon Securities Limited is acting as AltMed’s financial advisor.

About Verano: *Verano is a leading vertically-integrated multi-state cannabis operator in the U.S. An operator of licensed cannabis cultivation, processing and retail facilities, Verano is devoted to the ongoing development of communal wellness by providing responsible access to regulated cannabis products to the discerning high-end customer. Active in 12 U.S. states, with 17 active retail locations and approximately 440,000 square feet across its cultivation facilities, Verano has been profitable since it was founded. Verano produces a full suite of premium, artisanal cannabis products sold under its trusted portfolio of consumer brands: Encore™, Avexia™ and Verano™. Verano designs, builds and operates inimitable Zen Leaf™ branded dispensary environments that deliver a superior cannabis shopping experience in both medical and adult-use markets. Learn more at <http://verano.holdings/>*

About AltMed: *The MÜV™ brand of medical cannabis infused products launched in Arizona in 2016 and quickly gained international attention and recognition. MÜV Dispensaries by AltMed Florida was formed a year later through the partnership of AltMed Enterprises and Plants of Ruskin, a multi-generational Florida agricultural leader. Through continual research and development, MÜV has received multiple patents for its award-winning MÜV Products line that provides quality, consistent and reliable medical cannabis products to patients at all 27 locations (one in Arizona muv-az.com, 26 in Florida muvfl.com, and more added each month). Patients are encouraged to place reservations online at muvfl.com for in-store pickup, order for delivery, or visit any one of the 26 MÜV Dispensaries for alternative medical cannabis medicine you can trust.*

Forward-Looking Information

Certain statements in this press release are “forward-looking statements.” Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, our commercialization plans and other future conditions. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be “forward-

looking statements.” In some cases, you can identify forward-looking statements by terminology such as “may,” “might,” “will,” “should,” “expect,” “seek,” “endeavor,” “anticipate,” “plan,” “project,” “estimate,” “believe,” “intend,” “predicts,” “estimates” or the negative of these terms or comparable terminology. Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks, uncertainties and assumptions, which would cause actual results or events to differ materially from those presently anticipated.

A number of factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including, but not limited to, national or regional economic, legal, regulatory and competitive conditions, plans for commercialization, changes in relationships with vendors, access to capital, expectations regarding market acceptance and size and other factors. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this press release. These factors should be considered carefully, and investors and prospective investors in Verano should not place undue reliance on these forward-looking statements.

Although the forward-looking statements contained in this press release are based upon what Verano currently believes to be reasonable assumptions on the date hereof, Verano cannot assure investors and prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. New risks and uncertainties may emerge from time to time. Except as required by law, Verano has no obligation to advise any person if it becomes aware of any inaccuracy in or omission of any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances.

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