



News Release

MedMen Expands Market Share in California with Acquisition of Long Beach Retailer

The Company Adds Flagship Location in Southern California's Third Largest City

LOS ANGELES (June 6, 2019) – [MedMen Enterprises Inc.](#) (“MedMen” or the “Company”) (CSE: MMEN) (OTCQX: MMNFF) announced that it has signed a definitive agreement to acquire a 100% stake in MattnJeremy, Inc. LLC d/b/a One Love Beach Club (“One Love”). The acquisition further enhances MedMen’s industry-leading California footprint, adding a premier location strategically located between its Santa Ana and LAX locations. One Love is currently on a run-rate of approximately \$6 million in unaudited gross revenue with an unaudited EBITDA margin of approximately 29%. ¹

“We’re excited to welcome Long Beach to the MedMen family and continue our growth in the most important cannabis market in the world,” said Adam Bierman, MedMen CEO.

One Love was established in 2009 and is located at 2767 E Broadway in Long Beach, a few blocks away from the beach between Downtown and Belmont Shore. Located 20 miles south of Los Angeles, Long Beach is Southern California’s third largest city, behind Los Angeles and San Diego, with just under a half-million residents. The coastal city offers oceanfront hotels, attractions, events, shopping, recreational activities, art and culture, restaurants and nightly entertainment. The Long Beach Convention & Visitors Bureau estimated that more than 7.9 million visitors came to the city in 2018 to attend its attractions and events.

“It has been an honor serving the Long Beach community over the past ten years,” said the Abrams Family, owner and operators of One Love. “We look forward to MedMen continuing to provide our community with high quality cannabis.”

Transaction Details

As consideration for the transaction, the Company will pay \$13 million, of which \$10 million will be satisfied in Class B Subordinate Voting shares (“Shares”), \$1 million in cash at closing and \$2 million in deferred cash. The transaction is subject to regulatory approvals by local and state authorities and other customary closing conditions. The Company expects the transaction to close within 45 days.

1. Based on unaudited financials provided by One Love.

ABOUT MEDMEN:

MedMen is a cannabis retailer with operations across the U.S. and flagship stores in Los Angeles, Las Vegas and New York. MedMen’s mission is to provide an unparalleled experience that invites the world to discover the remarkable benefits of cannabis because a world where

cannabis is legal and regulated is a safer, healthier and happier world. Learn more at www.medmen.com.

OFFICER CONTACT:

Adam Bierman
Chief Executive Officer
info@medmen.com
(855) 292-8399

MEDIA CONTACT:

Allison McLarty
Vice President, Corporate Communications
communications@medmen.com
(646) 270-6797

INVESTOR RELATIONS CONTACT:

Stéphanie Van Hassel
Vice President, Investor Relations
investors@medmen.com
(323) 705-3025

Cautionary Note Regarding Forward-Looking Information and Statements

This press release contains “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking information”) with respect to the Company, including, but not limited to: information concerning the completion of the contemplated business combination with PharmaCann, LLC, expectations regarding whether the contemplated acquisition will be consummated, including whether conditions to the consummation of the proposed acquisition of PharmaCann will be satisfied and whether the proposed acquisition will be completed on the current terms, the timing for completing the proposed acquisition of PharmaCann and other pending acquisitions, expectations for the effects of the proposed acquisition of PharmaCann and other pending acquisitions, including the potential number and location of facilities and stores or licenses therefor to be acquired, expectations regarding the markets to be entered into by or expansion in current markets by the Company as a result of completing such proposed acquisitions, the ability of the Company to successfully achieve its business objectives as a result of completing the contemplated acquisitions, estimates of future cultivation, manufacturing and extraction capacity, store related forecasts, including as to number of planned stores to be opened in the future, and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, financial position, operational or financial performance or achievements. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “will”, “projects”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Except for statements of historical fact, information contained herein constitutes forward-looking information.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including among other things assumptions about: the contemplated acquisitions being completed on the current terms and current contemplated timeline; development costs remaining consistent with budgets; favorable equity and debt capital markets; the ability to raise sufficient capital to advance the business of the Company; favorable operating conditions; political and regulatory stability; obtaining and maintaining all required licenses and permits; receipt of governmental approvals

and permits; sustained labor stability; stability in financial and capital goods markets; favorable production levels and costs from the Company's operations; the pricing of various cannabis products; the level of demand for cannabis products; and the availability of third party service providers and other inputs for the Company's operations. While the Company considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, financial position, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, financial position, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others: the ability to consummate the proposed acquisitions; the ability to obtain requisite regulatory approvals and third party consents and the satisfaction of other conditions to the consummation of the proposed acquisitions on the proposed terms and schedule; the potential impact of the announcement or consummation of the proposed acquisitions on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; the diversion of management time on the proposed acquisitions; risks relating to cannabis being illegal under US federal law and risks of federal enforcement actions related to cannabis; negative changes in the political environment or in the regulation of cannabis and the Company's business; risks relating to lack of banking providers and characterization of the Company's revenue as proceeds of crime as a result of anti-money laundering laws and regulation; the costs of compliance with and the risk of liability being imposed under the laws the Company operates under including environmental regulations; negative shifts in public opinion and perception of the cannabis industry and cannabis consumption; risks that service providers may suspend or withdraw services; the limited operating history of the Company; reliance on the expertise and judgement of senior management of the Company; increasing competition in the industry; risks related to financing activities, including leverage; risks related to the management of growth; increased costs related to the Company becoming a publicly traded company; risks inherent in an agricultural business; adverse agricultural conditions impacting cannabis yields; risks relating to rising energy costs; risks of product liability and other safety related liability as a result of usage of the Company's cannabis products; negative future research regarding safety and efficacy of cannabis and cannabis derived products; risk of shortages of or price increases in key inputs, suppliers and skilled labor; a lack of reliable data on the medical and adult-use cannabis industry; loss of intellectual property rights or protections; cybersecurity risks; constraints on marketing products; fraudulent activity by employees, contractors and consultants; tax and insurance related risks; risk of litigation; conflicts of interest; compliance with extensive government regulation; changes in general economic, business and political conditions, including changes in the financial markets; as well as those risk factors discussed in the Company's Annual Information Form filed on SEDAR at www.sedar.com on November 2, 2018 and discussed in the Company's other public filings available on SEDAR. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such information.

Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is provided and made as of the date of this press release and the Company does not undertake any obligation to revise or update any forward-looking information other than as required by applicable law.

SOURCE: MedMen Enterprises