



Harborside to Shift San Leandro Dispensary from Medical to Adult-Use Sales

Submits Application to California Bureau of Cannabis Control to Receive Authorization

Plans Move to New San Leandro Retail Dispensary Location to Support Consumer Demand

OAKLAND, Calif., May 3, 2021 /CNW/ - [Harborside Inc.](#) ("Harborside" or the "Company") (CSE: HBOR),(OTCQX: HBORF) a California-focused, vertically integrated cannabis enterprise, today announced that it will be transitioning from medical to adult use retail sales at its existing San Leandro Wellness Solutions dispensary location. The transition comes after reaching agreement with the landlord of the property on authorization for adult-use sales as well as a six month lease extension. The extension provides Harborside sufficient time to finalize the lease terms and build out on a new retail dispensary location in San Leandro which will provide greater public visibility and lower overhead expenses. Harborside is currently seeking applicable regulatory approval from the California Bureau of Cannabis Control and will provide an update upon grant of the expanded license.

Harborside's new San Leandro location is expected to enable the Company to better serve its patients and future consumers while also reducing its rent and thus increasing profitability. As a result of the planned move, Harborside expects to be able to generate substantially more revenue and be more profitable by reducing its operating costs by more than \$2 million over the 10-year lease term.

"We have carefully evaluated potential new retail locations that would enhance our profitability and allow us to more conveniently and effectively serve a larger potential customer base," said Matt Hawkins, Chairman of Harborside. "I'm happy to have resolved our issues with our existing landlord and I am excited by the opportunity ahead for Harborside in the San Leandro area. Our new location will enable us to commence adult-use sales and introduce local consumers to the best-in-class service and unbeatable product selection that Harborside is known for. I look forward to announcing the new location in due course."

For the latest news, activities, and media coverage, please visit the Harborside corporate website at www.investharborside.com or connect with us on [LinkedIn](#), [Facebook](#), and [Twitter](#).

About Harborside:

Harborside Inc. is one of the oldest and most respected cannabis retailers in California, operating three of the major dispensaries in the San Francisco Bay Area, a dispensary in the Palm Springs area outfitted with Southern California's only cannabis drive-thru window, a dispensary in Oregon and a cultivation/production facility in Salinas, California. Harborside has played an instrumental role in making cannabis safe and accessible to a broad and diverse community of California consumers. In 2006, Harborside was awarded one of the first six medical cannabis licenses granted in the United States and today holds cannabis licenses for retail, distribution, cultivation, nursery and manufacturing. Harborside is currently a publicly listed company on the Canadian Securities Exchange ("CSE") trading under the ticker symbol "HBOR". Additional information regarding Harborside is available under Harborside's SEDAR profile at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates, and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements include, among other things, securing new retail space, completion of the buildout, regulatory approval, expected increased profitability, expected revenue projections, and expected reductions in operating costs.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to materially differ from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: implications of the COVID-19 pandemic on the Company's operations; fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the cannabis markets where the Company operates; changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political, social and environmental uncertainties; inability to obtain adequate insurance to cover risks and hazards; employee relations and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution, and sale of cannabis and cannabis-related products in the markets where the Company operates. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

The Company, through several of its subsidiaries, is indirectly involved in the manufacture, possession, use, sale, and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States. Local state laws where the Company operates permit such activities however, these activities are currently illegal under United States federal law. Additional information regarding this and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Listing Statement dated May 30, 2019, and in the Company's management's discussion and analysis for the period ended September 30, 2020, filed under the Company's profile on SEDAR at www.sedar.com.

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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CNW 08:00e 03-MAY-21