



Golden Leaf Holdings Enters into Letter of Intent to Acquire Retail Chain

PORTLAND, Ore. – February 26, 2021 – Golden Leaf Holdings Ltd. (CSE: GLH) (OTCQB: GLDFF) (“Golden Leaf,” “GLH” or the “Company”), a premier, consumer-driven cannabis company specializing in retail, production, processing, wholesale and distribution, today announces it has signed a non-binding letter of intent to acquire a multi store chain in the Northwest Oregon. These stores are expected to generate at least US\$10 million in annual run rate revenue (based on unaudited January 2021 results) and had a net operating margin of 11% (unaudited) during fiscal 2020 (under U.S. GAAP).

“We will announce further details about this transaction upon the signing of a definitive purchase agreement,” commented John Varghese, Golden Leaf Executive Chairman.

The Company currently anticipates that the consideration for the acquisition will consist of a mix of cash, common shares and a promissory note. The Company expects to use the funds raised in its current private placement transaction to fund the cash portion of the purchase price for these stores. The Closing would be subject to execution of a definitive purchase agreement and satisfaction of all conditions thereunder, including applicable regulatory approvals. If a definitive purchase agreement is entered into, the Company expects that closing could occur within eight weeks from such execution.

“The acquisition of this retail chain will be transformative for GLH, as it would further cement us as a leader in the Oregon market. The Company expects this transaction to be accretive on close, as we will achieve tremendous synergy with our effort and current footprint and the introduction of our market-leading Chalice brand products,” noted CEO Jeff Yapp.

About Golden Leaf Holdings

Golden Leaf Holdings is a premier, consumer-driven cannabis company specializing in production, processing, wholesale, distribution and retail, with seven dispensaries in Portland, Oregon. The Company is committed to developing a dynamic portfolio built around the recognized brands of Chalice Farms, with a focus on health and wellness. Markets served include Oregon, California, Nevada and Washington. Visit www.glhmonthly.com for regular updates.

Investor Relations:

John Varghese
Executive Chairman
Golden Leaf Holdings Ltd.
971-371-2685
ir@goldenleafholdings.com

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Disclaimer: This press release contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements regarding the following: that the Company will execute a definitive agreement for the acquisition; that the Company will successfully close the acquisition; that the acquisition will reinforce the Company’s strategic plans; that the acquisition will produce synergies with the Company’s existing operations; that the acquisition will be accretive; the manner in which the Company will fund the acquisition; and that the acquired stores will continue to generate at least the revenue and margin that they currently generate. Forward-looking information also includes statements with respect to the Company’s future business operations, the opinions or beliefs of management, and future business goals. Generally, forward-looking information 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 statements that certain actions, events or results “may,” “could,” “would,” “might” or “will be taken,” “occur” or “be achieved.” Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include but are not limited to an inability to negotiate a mutually agreeable definitive purchase agreement or to settle the amount and nature of the purchase consideration; failure to obtain necessary regulatory approvals or to meet conditions to the closing; the exercise by counterparties of termination rights; or unanticipated difficulties in integrating operations. These risks also include general business, economic and competitive uncertainties; regulatory risks; market risks; risks inherent in manufacturing and retail operations, such as unforeseen costs and production shutdowns; difficulties in maintaining brand loyalty; and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is provided herein for the purpose of presenting information about management’s current expectations relating to the future, and readers are cautioned that such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration.

Corporate Communications:

InvestorBrandNetwork (IBN)
Los Angeles, California
www.InvestorBrandNetwork.com
310.299.1717 Office
Editor@InvestorBrandNetwork.com