

CRESCO CAPITAL PARTNERS II, LLC ANNOUNCES FILING OF EARLY WARNING REPORT REGARDING HARBORSIDE INC.

DALLAS, Texas, April 5, 2022 /CNW/ - Capital Partners II, LLC ("**Cresco**") today announced that he has filed an early warning report under National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* for the purpose of reporting that the collective ownership of the subordinate voting shares (the "**Shares**") of Harborside Inc. ("**Harborside**") held by Cresco, CCP Flrish Inc. ("**CCPF**"), Cresco Capital Partners, LLC ("**CCP**"), Matthew Hawkins ("**Hawkins**") and Andrew Sturner ("**Sturner**" and together with CC PF, CCP and Hawkins, each a "joint actor" (as such term is defined in National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*) of Cresco, and together with Cresco, the "**Cresco Parties**") decreased to less than 10% as a result of the issuance of 90,752,139 Shares by Harborside in connection with the acquisition (the "**Acquisition**") all of the issued and outstanding shares of LPF JV Corporation ("**Loudpack**") and the completion of the mandatory conversion of all issued outstanding multiple voting shares of Harborside to Shares on March 31, 2022 (the "**Mandatory Conversion**").

On April 4, 2022, Harborside completed the Acquisition and issued 90,752,139 Shares. As a result of the Acquisition, the Cresco Parties' ownership in Harborside decreased to less than 10%.

Immediately prior to the completion of the Acquisition, assuming that Cresco is only entitled to 2,057,025 Shares pursuant to the acquisition of Sublimation Inc. ("**Sublime**") by Harborside (i) Cresco beneficially owns, and exercises control or direction over (A) 6,304,638 Shares and (B) warrants exercisable to acquire an aggregate of 3,550,000 Shares, representing approximately 4.4% of the issued and outstanding Shares on a non-diluted basis and approximately 6.7% of issued and outstanding Shares on a partially-diluted basis, assuming the exercise of the warrants held by Cresco; (ii) CC PF beneficially owns, and exercises control or direction over 385,542 Shares, representing approximately 0.3% of the issued and outstanding Shares on a non-diluted basis; (iii) CCP beneficially owns, and exercises control or direction over 96,385 Shares,

representing approximately 0.1% of the issued and outstanding Shares on a non-diluted basis; (iv) Hawkins beneficially owns, and exercises control or direction over options exercisable into an aggregate of 333,350 Shares, representing approximately 0.2% of issued and outstanding Shares on a partially-diluted basis, assuming the exercise of the options held by Hawkins; and (v) Sturner beneficially owns, and exercises control or direction over (A) 125,100 Shares; and (B) options exercisable into an aggregate of 130,000 Shares, representing approximately 0.1% of the issued and outstanding Shares on a non-diluted basis and approximately 0.2% of issued and outstanding Shares on a partially-diluted basis, assuming the exercise of the options held by Sturner.

Collectively, assuming that Cresco is only entitled to 2,057,025 Shares pursuant to the acquisition of Sublime by Harborside, immediately prior to the completion of the Acquisition, the Cresco Parties own or exercise control or direction over an aggregate of (i) 6,911,665 Shares; (ii) warrants exercisable to acquire an aggregate of 3,550,000 Shares; and (iii) options exercisable into an aggregate of 463,350 Shares, representing approximately 4.8% of the issued and outstanding Shares on a non-diluted basis and approximately 7.4% of issued and outstanding Shares on a partially-diluted basis, assuming the exercise of the warrants and options held by the Cresco Parties.

Following the completion of the Mandatory Conversion and the Acquisition, assuming that Cresco is only entitled to 2,057,025 Shares pursuant to the acquisition of Sublime by Harborside, the Cresco Parties continued to own or exercise control or direction over an aggregate of (i) 6,911,665 Shares; (ii) warrants exercisable to acquire an aggregate of 3,550,000 Shares; and (iii) options exercisable into an aggregate of 463,350 Shares, representing approximately **3.0%** of the issued and outstanding Shares on a non-diluted basis and approximately **4.6%** of issued and outstanding Shares on a partially-diluted basis, assuming the exercise of the warrants and options held by the Cresco Parties.

While Cresco currently has no immediate plans or intentions with respect to the securities of Harborside, depending on regulatory changes, market conditions, general economic and industry conditions, trading prices, Harborside's business, financial conditions and prospects and/or other relevant factors, Cresco may develop such plans or intentions in the future and, at such time, may from time to time acquire additional securities of Harborside.

A copy of the early warning report filed by Cresco with respect to the Shares will be available

under Harborside's profile on SEDAR at www.sedar.com or by contacting Cresco at (254) 266-6322. Harborside's head office is located at 2100 Embarcadero, Suite 202, Oakland, California, 94606. Cresco's head office is located at 2801 Woodside Street, Dallas, Texas, 75204.

SOURCE Cresco

<https://www.investharborside.com/2022-04-05-CRESCO-CAPITAL-PARTNERS-II,-LLC-ANNOUNCES-FILING-OF-EARLY-WARNING-REPORT-REGARDING-HARBORSIDE-INC>