

NEWS RELEASES

PUBLISHED: MAY 24, 2021

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Husch Blackwell Guides Los Sueños Farms in Its Sale to Curaleaf

Husch Blackwell represented cannabis cultivator Los Sueños Farms as seller's counsel in its recent \$67 million sale to Curaleaf, one of the world's largest cannabis companies. The transaction involved a combination of stock and cash consideration.

Los Sueños Farms is the largest cultivator of outdoor-grown cannabis in the state of Colorado. Its operations include three Pueblo, Colorado outdoor facilities covering 66 acres of cultivation capacity, including land, equipment and licensed operating entities, an 1,800-plant indoor facility, and two retail cannabis dispensary locations serving adult-use customers.

The proposed acquisition comprises approximately \$49 million for the Los Sueños Farms operating companies and an additional \$18 million for its real estate and farm assets. The total consideration of \$67 million is composed of 61 percent in Curaleaf subordinate voting shares, 29 percent in cash at closing, and 10 percent in assumed debt maturing in five years. Additional contingent consideration of up to \$8 million in stock will be paid based upon operating cash flow-based targets for 2022.

The transaction has been unanimously approved by the Curaleaf board of directors and is expected to close upon regulatory approval.

The Husch Blackwell team was led by Steve Levine and included Alyssa Samuel, Yuefan Wang, Megan Herr and Lindy Martinez.