

Court File No. CL-26-00000122-0000

The Cannabist Company Holdings Inc., et al.

**SECOND REPORT OF THE MONITOR,
FTI CONSULTING CANADA INC.**

April 10, 2026

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
THE CANNABIST COMPANY HOLDINGS INC.
AND THE CANNABIST COMPANY HOLDINGS (CANADA) INC.

**SECOND REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

I. INTRODUCTION

1. On March 24, 2026 (the “**Filing Date**”), The Cannabist Company Holdings Inc. (the “**Parent Company**”) and The Cannabist Company Holdings (Canada) Inc. (the “**Co-Issuer**”, and together with the Parent Company, the “**Applicants**”) sought and obtained an initial order (the “**Initial Order**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The proceeding that the Applicants commenced under the CCAA is referred to herein as the “**CCAA Proceeding**”.
2. The Initial Order, among other things:
 - (a) appointed FTI Consulting Canada Inc. (“**FTI**”) as the monitor of the Applicants (in such capacity, the “**Monitor**”);

- (b) granted a stay of proceedings in favour of the Applicants and the Applicants' subsidiaries listed in **Schedule "A"** hereto (the "**Subsidiaries**", and together with the Applicants, the "**CC Group**") up to and including April 2, 2026 (the "**Stay of Proceedings**");
 - (c) approved the Applicants' and the Subsidiaries' ability to pay pre-filing amounts in respect of critical vendors up to a maximum of \$4 million, with the Monitor's consent;
 - (d) appointed the Parent Company as the "foreign representative" for purposes of the proceeding under Chapter 15 of the United States Bankruptcy Code before the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**", and such proceeding, the "**Chapter 15 Proceeding**");
 - (e) granted the Administration Charge and the D&O Charge; and
 - (f) approved the continued utilization of the Cash Management System.
3. On April 2, 2026, the Court granted an amended and restated initial order (the "**ARIO**") that, among other things:
- (a) extended the Stay of Proceedings to May 29, 2026;
 - (b) approved a key employee retention plan (the "**KERP**") in favour of certain key employees of the CC Group and granted the KERP Charge in the maximum amount in connection therewith;
 - (c) appointed SierraConstellation Partners LLC ("**Sierra**") as the chief restructuring officer of the Applicants (in such capacity, the "**CRO**");
 - (d) approved the engagements of Moelis & Company LLC ("**Moelis**") and Ducera Partners LLC ("**Ducera**") and the Transaction Fee Charge in respect of certain fees thereof;

- (e) authorized the CC Group to incur no further expenses in relation to various securities filings;
 - (f) approved the Applicants' and the Subsidiaries' ability to pay pre-filing amounts in respect of critical vendors up to an increased maximum of \$8 million, with the Monitor's consent;
 - (g) increased the maximum amount of the Administration Charge to \$2.5 million;
 - (h) increased the maximum amount of the D&O Charge to \$10.5 million; and
 - (i) approved the terms of the support agreement (the "**Support Agreement**") dated March 23, 2026, by and between the Applicants and certain holders of the majority of the Senior Notes (the "**Supporting Noteholders**").
4. A copy of the ARIO is attached hereto as **Appendix A**".
5. Copies of each of FTI's pre-filing report dated March 24, 2026 (the "**Pre-Filing Report**") and first report dated March 31, 2026 (the "**First Report**"), in each case without appendices, are attached at **Appendix "B"** and **Appendix "C"**, respectively. The Pre-Filing Report and First Report are also available on the Monitor's website at <https://cfcanada.fticonsulting.com/tcc>.
6. The purpose of this second report of the Monitor (the "**Second Report**") is to provide this Court with information regarding:
- (a) the activities of the CC Group and the Monitor since the First Report;
 - (b) the Monitor's views, conclusions and recommendations on the relief that the Applicants seek in connection with the sale transactions in respect of each of the CC Group's Ohio business and Delaware business (such transactions, the "**Ohio Transaction**" and the "**Delaware Transaction**", respectively) and the proposed sale approval orders in respect of each such transaction (such orders, the "**Ohio Sale Approval Order**" and the "**Delaware Sale Approval Order**", respectively) and the related order for ancillary relief (the "**Ancillary Order**").

II. TERMS OF REFERENCE

7. In preparing this Second Report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants, and discussions with various parties (the "**Information**").
8. Except as otherwise described in this Second Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Second Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
9. The Monitor has prepared this Second Report in connection with the Applicants' motion for the Sale Approval Orders and the Ancillary Order and this Second Report should not be relied on for any other purpose.
10. Future-oriented financial information reported or relied on in preparing this Second Report is based on the assumptions of the management of the Applicants ("**Management**") regarding future events; actual results may vary from forecast and such variations may be material.
11. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars.

III. ACTIVITIES OF THE MONITOR SINCE THE FIRST REPORT

12. The Monitor has also undertaken the following activities since the First Report:

- (a) Maintaining a website at <https://cfcanada.fticonsulting.com/tcc> (the “**Monitor’s Website**”) for documents, court materials and updates on this CCAA Proceeding to be posted, a dedicated email address (tcc@fticonsulting.com) and hotlines (1-416-649-8130 and 1-833-708-8209) for stakeholders to communicate directly with the Monitor in respect of their questions or concerns about this CCAA Proceeding;
- (b) posting the current and updated service list for this CCAA Proceeding on the Monitor’s Website;
- (c) engaging in discussions with the CC Group, its legal counsel, and its directors and management in respect of the CC Group’s operations;
- (d) engaging in discussions with the CC Group, its legal counsel, and its directors and management in respect of ongoing wind down efforts, including wind-down activities in certain markets that the CC Group will be exiting;
- (e) engaging in discussions with the CC Group in respect of the Ohio Transaction and the Delaware Transaction and the advancement and progress of same;
- (f) engaging in discussions with the CC Group around communication with employees and other key stakeholder groups;
- (g) engaging in discussions with and/or assisting the CC Group in discussions with landlords, regulatory bodies, suppliers, other creditors and employees related to this CCAA Proceeding and responded to requests for information from certain such parties;
- (h) participating in communications with certain cannabis regulators in the United States, which discussions are ongoing;
- (i) engaging with the Monitor’s legal counsel, Torys LLP, and the Monitor’s local Delaware counsel, Morris, Nichols, Arsht & Tunnell LLP, regarding matters related to this CCAA Proceeding and the Chapter 15 Proceeding;
- (j) monitoring the receipts and disbursements of the CC Group;

- (k) responding to various enquiries from stakeholders of the CC Group; and
- (l) preparing this Second Report.

IV. ACTIVITIES OF THE CC GROUP SINCE THE FIRST REPORT

13. Since the First Report, the Monitor understands that the CC Group, with the assistance of their legal counsel and the Monitor, have undertaken the following activities, among others:
- (a) communicated with employees to provide information about this CCAA Proceeding, sale transactions, including the Ohio Transaction and the Delaware Transaction, and wind down of remaining markets, and to answer their questions, which discussions are ongoing;
 - (b) communicated with the CC Group's vendors and certain other stakeholders to provide information about this CCAA Proceeding and to answer their questions;
 - (c) communicated with cannabis regulators in the United States, which discussions are ongoing;
 - (d) communicated with the Cboe Canada Inc. exchange and the OTCQX exchange regarding the CCAA filing;
 - (e) continued negotiations with the counterparties to the Ohio Transaction and Delaware Transaction and advanced the underlying transactions;
 - (f) [continued negotiations with interested parties regarding remaining markets]; and
 - (g) managed cash flows and made disbursements in accordance with the Initial Order and the Support Agreement, in consultation with the Monitor.

V. THE MONITOR'S ROLE IN CONNECTION WITH THE OHIO TRANSACTION AND THE DELAWARE TRANSACTION

14. As described in the Affidavit of Curt Kroll sworn March 23, 2026 (the "**Kroll Affidavit**"), the Affidavit of Grant Kassel sworn March 23, 2026 (the "**Kassel Affidavit**"), the Pre-Filing Report, and the First Report, the CC Group has entered into, intends to enter into or has already completed, as applicable, certain transactions that were agreed to during the sale process that commenced prior to the CCAA Proceeding (the "**Pre-Filing Sale Process**").
15. The Monitor notes at the outset that it did not administer the Pre-Filing Sale Process or negotiate the terms of the Ohio Transaction and the Delaware Transaction, though the Monitor has been involved with the CC Group during some of the same time period over which the Pre-Filing Sale Process was conducted and the Ohio Transaction and the Delaware Transaction were negotiated.
16. The Monitor previously advised the Court and creditors that it would provide its recommendations in respect of the CC Group's sale transactions and the Pre-Filing Sale Process when the Applicants seek this Court's approval of such sale transactions. This Second Report contains this information in respect of the Ohio Transaction and the Delaware Transaction and the Pre-Filing Sale Process as it relates to such transactions.

VI. STRATEGIC REVIEW

17. As described in the Kassel Affidavit, in June 2025, the CC Group continued its strategic review, with the assistance of Moelis (the "**Strategic Review**"). This review followed the CC Group's restructuring under the *Canada Business Corporations Act*. The purpose of the Strategic Review was to explore available options for the CC Group to maximize value for the CC Group and its stakeholders. The Strategic Review involved:
 - (a) a sales process, conducted with the assistance of Moelis, to explore the sale of the CC Group either as a whole or through strategic market divestitures;

- (b) a review, also with the assistance of Moelis, of a stand-alone restructuring of the CC Group's business and capital structure.
18. In the result, the sale of the CC Group through strategic market divestitures was the path selected, as described below, culminating in a number of transactions prior to the commencement of this CCAA Proceeding, including the Ohio Transaction and the Delaware Transaction, also as described below. The Pre-Filing Sale Process that came out of the Strategic Review is addressed in the section that follows.

VII. PRE-FILING SALE PROCESS

19. The Pre-Filing Sale Process related to the Ohio Transaction and the Delaware Transaction and that is the focus of this Second Report, commenced on June 17, 2025, and was led by Moelis, in consultation with the CC Group and its other advisors. The Monitor notes that this multi-phase process shares many of the hallmarks of a sales process that would be conducted under the CCAA by a debtor company and/or a monitor.
20. As set out in the Kassel Affidavit, the following information describes how the Pre-Filing Sale Process was conducted:
- (a) Moelis initially targeted seventeen (17) potential strategic purchasers that were provided with a non-disclosure agreement (“**NDA**”).
 - (b) Beginning on June 24, 2025, potential bidders who had executed NDAs were provided with access to a virtual data room (the “**VDR**”) to conduct due diligence. The VDR included, among other things, information regarding the CC Group's financials, state-by-state market overviews, contracts, floor plans, licenses, and various other corporate documents.
 - (c) Moelis sent communications to potential bidders who had executed NDAs and requested that the potential bidders: (a) submit a list of the CC Group's cannabis markets that they were interested in evaluating for a potential transaction, including any priority markets, by June 30, 2025; and (b) submit a preliminary, non-binding,

written indication of interest (an “**LOI**”) by no later than July 18, 2025 (the “**Phase 1 Bid Deadline**”).

- (d) Fifteen (15) potential bidders executed NDAs and conducted due diligence prior to the Phase 1 Bid Deadline and Moelis received a total of twelve (12) LOIs by the Phase 1 Bid Deadline.
- (e) The CC Group reviewed each of these LOIs with Moelis and its other advisors and determined that eleven (11) bidders should be permitted to proceed to the second phase of the Pre-Filing Sale Process (“**Phase 2**”).
- (f) Six (6) additional potential purchasers approached Moelis following the Phase 1 Bid Deadline seeking to participate in Phase 2 of the Pre-Filing Sale Process. The CC Group, in consultation with Moelis and its other advisors, determined that allowing additional qualified parties to participate in Phase 2 would increase competitive tension and thereby enhance the prospects of maximizing value, without materially hindering the integrity of the Pre-Filing Sale Process.
- (g) Moelis requested that all potential bidders in Phase 2 submit final LOIs that include all material terms, including cash purchase price, consideration (including non-cash consideration), anticipated sources of financing, timing required to secure such financing, and expected timetable for consummating a transaction, by no later than September 3, 2025 (the “**Phase 2 Bid Deadline**”).
- (h) Moelis and the CC Group’s management team continued facilitating due diligence throughout Phase 2, including site visits, and engaging with each potential Phase 2 bidder in an effort to drive competitive tension and improve headline value, consideration mix, and other key deal terms.
- (i) A total of twelve (12) potential Phase 2 bidders completed site visits across several different markets during Phase 2.
- (j) By the Phase 2 Bid Deadline, Moelis received ten (10) final LOIs, one of which contemplated an acquisition of the CC Group’s entire business. The nine (9) other

LOIs received by the Phase 2 Bid Deadline contemplated acquisitions of the CC Group's business across five states, with each individual LOI contemplating an acquisition of between one to two markets.

- (k) Following the Phase 2 Bid Deadline, five (5) additional parties approached Moelis and the CC Group, seeking to execute an NDA and participate in the Pre-Filing Sale Process. Again, the CC Group, in consultation with Moelis and its other advisors, determined that allowing these additional parties to participate in the Sales Process would enhance the prospects of maximizing value, without materially hindering the integrity or timelines of the Pre-Filing Sale Process.
- (l) Ultimately, Moelis received six (6) additional bids following the Phase 2 Bid Deadline. These additional bids contemplated acquisitions of the CC Group's business across nine (9) states, with most bids proposing an acquisition of between one to two markets (other than one (1) bid which contemplated an acquisition of three markets).
- (m) Both before and after the Phase 2 Bid Deadline, Moelis continued to work with select bidders to improve bid terms.
- (n) On October 3, 2025, the CC Group formed the Special Committee, comprised of independent members of the Board, to oversee the ongoing Strategic Review and make recommendations to the Board regarding the ultimate path forward for the CC Group.
- (o) The Special Committee was tasked with evaluating the bids received and determining the optimal path forward in light of the available options (including a range of restructuring scenarios), with the assistance of Moelis and the CC Group's other advisors. The Special Committee evaluated the final LOIs based on the same criteria applicable to Phase 1 bids but also considered, among other things, execution risk, treatment of employees, impacts on key stakeholders, and required regulatory approvals.

- (p) During this timeframe, Moelis and the CC Group also engaged in discussions with select Senior Noteholders to obtain feedback on the bid results and the proposed restructuring scenarios to further the Strategic Review. The Senior Noteholders who were consulted unanimously indicated that they did not support a restructuring solution.
 - (q) Upon consideration of all of the bids received through the Pre-Filing Sale Process, including the additional bids received following the Phase 2 Bid Deadline, and the evaluation of the restructuring options, the Special Committee, in consultation with the CC Group's advisors, exercised its good faith business judgment to determine to pursue a sale of the CC Group's business. In particular, the Special Committee determined that pursuing a series of select transactions for certain markets would maximize the value of the CC Group, as compared to a sale of the entire CC Group. The LOI contemplating the acquisition of the CC Group's entire business was determined to be less preferable as the consideration proposed therein was expected to realize less than the CC Group's assets in separate transactions.
 - (r) Accordingly, the Special Committee exercised its good faith business judgment to conclude that it was in the best interests of the CC Group and its stakeholders to pursue separate sale transactions. This determination was made following careful review of the bids and the CC Group's strategic alternatives, and was supported by Senior Noteholders holding a majority of the outstanding debt under the Senior Notes.
 - (s) At the direction of the Special Committee, the CC Group and its advisors advanced discussions with certain bidders that, in aggregate, would result in several separate sale transactions.
21. The processes for each of the Ohio Transaction and the Delaware Transaction are discussed below.

VIII. OHIO TRANSACTION

22. As set out in the Kassel Affidavit, the following information describes how the Pre-Filing Sales Process for the CC Group's Ohio business was conducted:
- (a) Moelis received four (4) Phase 2 bids that expressed interest in acquiring the CC Group's Ohio business (the "**Ohio Phase 2 Bids**").
 - (b) The Special Committee, in consultation with Moelis and its other advisors, reviewed each of the Ohio Phase 2 Bids, and after receiving feedback from three Senior Noteholders holding the largest portion of the outstanding debt under the Senior Notes, directed the CC Group's advisors to advance discussions with Holistic Industries Inc. ("**Holistic**") in respect of Holistic's Phase 2 Bid (the "**Holistic Bid**").
 - (c) The Holistic Bid was selected by the Special Committee in its business judgment after considering a number of factors including consideration mix, certainty around deal execution and total consideration to the CC Group's stakeholders. The Special Committee viewed the consideration mix of the Holistic Bid as preferable to other Phase 2 Bids, as the Holistic Bid provided for the payment of the majority of consideration in the form of cash, with additional proceeds in the form of a seller note (and such seller note included more favorable terms than the seller notes offered in certain other bids).
 - (d) Throughout November 2025, the CC Group and its advisors continued to progress diligence and negotiations to improve the terms of the Holistic Bid.
 - (e) Following such discussions, on November 28, 2025, the CC Group and Holistic executed a non-binding term sheet (the "**Ohio Term Sheet**") for the sale of the CC Group's Ohio business. The Ohio Term Sheet contemplated an initial 45-day exclusivity period during which the CC Group was restricted from engaging in discussions with another third party or entering into any arrangements to sell the Ohio business to another third party.

- (f) In the latter half of December 2025, and following favourable industry developments around the issuance of Executive Order 14370 (the “EO”), directing the Attorney General of the United States to take all necessary steps to complete the rescheduling of cannabis from Schedule I to Schedule III under the Controlled Substances Act (21 U.S.C. §) (the “CSA”), the CC Group and Holistic also engaged in negotiations to further improve the terms of the Ohio Term Sheet.
- (g) In light of such ongoing good-faith discussions, the CC Group and Holistic agreed to extend the exclusivity period from January 13, 2026, to February 13, 2026.
- (h) While the CC Group and Holistic were negotiating definitive documentation, as detailed in the Kroll Affidavit, the Attorney General of the State of Ohio filed an antitrust complaint in the Franklin County Court of Common Pleas against nine multi-state cannabis operators as defendants, including the Parent Company (the “**Ohio Antitrust Complaint**”).
- (i) In light of the Ohio Antitrust Complaint and other matters arising during the course of diligence, Holistic and the CC Group further negotiated terms from the original Ohio Term Sheet. Several discussions between the CC Group’s advisors and Holistic took place within this timeframe. The Special Committee, in consultation with Moelis and the CC Group’s other advisors, also carefully considered various alternatives during the negotiations. The Ad Hoc Group was consistently consulted through the negotiations.
- (j) On March 23, 2026, the Special Committee, with input and advice from the CC Group’s advisors, and with the support of the Ad Hoc Group, exercised its good faith business judgment and determined that the CC Group should execute the definitive equity purchase agreement with Holistic (the “**Ohio EPA**”) on the terms described below.
- (k) In making the determination, the Special Committee considered, among other things: (a) the results of the competitive and robust Sales Process; (b) the costs and

complexity of remarketing the Ohio business; and (c) the input and feedback of the Ad Hoc Group.

- (l) A redacted copy of the Ohio EPA (without exhibits and schedules) is attached to the Kroll Affidavit as Exhibit “D”.

23. The key terms of the Ohio EPA are summarized below¹:

Key Term	Ohio EPA
Parties	<p>Buyer: Holistic Industries Inc.</p> <p>Companies being acquired: Columbia Care OH LLC, Corsa Verde LLC, Cannascend Alternative, LLC, Cannascend Alternative Logan LLC, CC OH Realty LLC, Green Leaf Medical of Ohio II, LLC</p> <p>Members owning Equity of the Companies: Green Leaf Medical of Ohio III, LLC (solely with respect to Green Leaf Medical of Ohio II, LLC), Columbia Care LLC (excluding Green Leaf Medical of Ohio II, LLC)</p> <p>Entity beneficially owning Equity of the Members: The Cannabist Company Holdings Inc.</p>
Transaction and Structure	<p>Equity sale. Buyer shall purchase all the issued and outstanding Equity of each Company from the Members free and clear of all Liens, other than Permitted Liens. Each Company shall become a wholly owned subsidiary of the Buyer post-closing.</p>
Consideration and Post-Closing Adjustments	<p>Aggregate purchase price is: (i) the Final Closing Cash Payment (\$34,500,000, subject to adjustments for cash and working capital compared to target, indebtedness, and transaction expenses, and reduced by any Additional Location Deposit); plus (ii) a \$12.5 million seller promissory note; plus (iii) the Additional Location Deposit if payable. Buyer is not assuming Excluded Liabilities, including any Seller Income Tax Liabilities of Cannabist, the Members or their affiliates for pre-closing periods.</p> <p>Within 60 calendar days after the Closing Date, there is a true-up of cash, working capital, indebtedness and transaction expenses. There is a 30-day seller objection period, with expert determination. Any excess increases the seller promissory note; any shortfall is set off against the seller promissory note.</p>
Outside Date	<p>November 30, 2026.</p>
Employees	<p>Buyer or its Affiliates may, in its discretion, offer employment to individuals providing services exclusively to the Companies. Offered Employees who accept employment on Buyer's terms prior to closing are Transferred Employees. Those who do not accept (or are not offered) employment are Non-Transferred Employees.</p>

¹ Capitalized terms used in this paragraph and not otherwise defined have the meanings given to them in the Ohio EPA.

	<p>At Buyer's request, Cannabist must cause any Transferred Employee to terminate employment with the applicable Employer and transition to Buyer's designated employment entity at closing. Prior to closing, Cannabist must ensure that all obligations in respect of each Transferred Employee are performed and satisfied.</p> <p>Cannabist must ensure that the Employer makes all payments of severance required under any employee benefit plan or statutory requirement that could become Indebtedness of the Companies under operation of law and that the Employer uses reasonable best efforts to obtain an acknowledgement and release of claims from each Transferred Employee relating to employment with the Employer. Buyer has no liability for Non-Transferred Employees or pre-closing plans, save for post-closing services of Transferred Employees.</p>
<p>Key Conditions to Closing</p>	<p>Issuance of the CCAA Sale Order and approval(s) from the Ohio Division of Cannabis Control for the Transactions and the transfer of ownership of the Companies and in the Marijuana Permits with respect to the Existing Locations, which approval(s) shall be free of any uncured regulatory violations.</p> <p>The parties will cooperate in good faith to complete all change-of-ownership filings with the Ohio Division of Cannabis Control and to obtain the required approvals, free of any uncured regulatory violations, with the Buyer afforded a reasonable opportunity to review filings in form acceptable to it.</p>
<p>Pre-Closing Restructuring</p>	<p>The pre-closing restructuring isolates an additional retail location that is under development and has not yet received its certificate of operation from the Ohio Division of Cannabis Control. This allows the main transaction to proceed for the operational locations while creating a separate option structure for the Additional Location.</p> <p>Prior to closing and as promptly as practicable after signing (or, if later, after the provisional licence is issued for the Additional Location), CCO must apply for a variance from the Ohio Division of Cannabis Control to permit the transfer of the provisional licence and all assets exclusively related to the Additional Location to a newly formed entity. The New Sub may be either: (a) a direct, wholly owned subsidiary of Cannabist; or (b) an affiliate with the same beneficial owners (any such entity, the "New Sub Member").</p>
<p>Membership Interest Purchase Option Agreement ("MIPOA") and the MIPOA Documents</p>	<p>The MIPOA Documents are entered into only if, at or prior to closing, the Ohio Division of Cannabis Control has not issued the certificate of operation for the Additional Location. The MIPOA documents are necessary because Ohio does not allow transfers of a provisional license, the precursor to a certificate of operation, to a third party (i.e., only a certificate of operation can be transferred, once issued), and the certificate of operation is not expected to be issued at or prior to closing. New Sub Member is to grant the Buyer the Option to buy all of the issued and outstanding equity, voting and economic interests of New Sub from New Sub Member, which can only be exercised once the certificate of operation has been issued. The purchase price under the MIPOA is equal to the Additional Location Deposit (representing the portion of the purchase price allocable to the Additional Location and its related assets). In addition to the MIPOA, the parties enter into: (i) a Grid Note and related security agreement (designed to support the financing of the development and operation of the</p>

	Additional Location pending issuance of the certificate of operation); and (ii) a Consulting and Staffing Services Agreement.
	From and after Closing, Cannabist agrees to indemnify and hold harmless the Buyer Indemnitees (Buyer, its Representatives, and its Affiliates, including the Companies) against all Losses arising from five specified categories: (i) any Antitrust Claim; (ii) any Indemnified Taxes, including Losses arising from non-payment and any Tax Contest; (iii) any Transaction Expenses not captured in the final true-up; (iv) any inaccuracies in the Funds Flow not caused by Buyer or its Affiliates; and (v) any Excluded Liabilities, including Seller Income Tax Liabilities and any claim that Buyer or a Company is liable for Excluded Liabilities as a transferee, nominee, alter ego, or successor. The indemnification is subject to certain express limitations, including: (i) the exclusive remedy is a set off against the seller promissory note; (ii) no punitive, exemplary, consequential, special, or indirect damages may be recovered, except to the extent payable to a third party under a Third Party Claim; and (iii) indemnification for Antitrust Claims is limited to third party Losses and Third Party Claims and does not extend to Direct Claims.
Indemnification	There are separate notice, defence, and resolution mechanics for three categories of claims (Third Party Claims, Direct Claims, and Set-Off and Holdback).

24. The Monitor notes the following in respect of the Ohio Sale Approval Order:

- (a) The Ohio Sale Approval Order approves the Ohio Transaction and provides for certain ancillary relief in relation thereto, including limited waivers, but does not contain typical vesting language that is often included in approval and vesting orders granted under the CCAA.
- (b) The Ohio Sale Approval Order provides for the purchase price to be paid either to the Monitor (with the Monitor's consent) or to an escrow agent, and includes a typical monitor's certificate mechanism to certify closing.
- (c) Limited releases in respect of the Ohio Transaction are provided for in the Ancillary Order, which releases are discussed in greater detail below.
- (d) If this Court grants the Ohio Sale Approval Order and the Ancillary Order, then the Foreign Representative intends to seek recognition of such orders in the Chapter 15 Proceeding.
- (e) As was noted in the Pre-Filing Report, the Monitor understands that, as sale transactions close (if approved by this Court) and certain Subsidiaries' assets are

sold to purchasers, the Applicants may seek to add those Subsidiaries as applicants in these CCAA Proceedings at that time to provide an efficient mechanism to effect distributions to creditors and wind-down the applicable Subsidiary.

25. The Monitor supports approval of the proposed Ohio Transaction for the following reasons:

(a) The Pre-Filing Sales Process shares many of the same hallmarks of a sales process that would be conducted by a debtor company and/or monitor under the CCAA. Among other hallmarks:

- (i) the pre-filing marketing and sales process in respect of the CC Group's business was extensive;
- (ii) Moelis and the CC Group conducted a broad and thorough marketing process;
- (iii) the market for a potential purchaser of the CC Group's Ohio business was thoroughly canvassed;
- (iv) potential bidders had sufficient time and access to detailed information to perform due diligence to adequately assess the CC Group's Ohio business; and
- (v) the Pre-Filing Sales Process was carried out fairly with appropriate governance and decision making;

(b) The Ohio Transaction is the best available option in the circumstances for the CC Group and its stakeholders. Among other benefits:

- (i) as an equity sale, the Subsidiaries being acquired remain responsible for their liabilities in the ordinary course;
- (ii) the primary liability that is being "released" is the Senior Noteholders' security interest over the equity of the Subsidiaries contemplated to be acquired;

- (iii) most of the Senior Noteholders (60%) support the Ohio Transaction pursuant to the Support Agreement;
 - (iv) the Ohio Transaction preserves the going-concern value of the Subsidiaries operating in the Ohio market as an integrated, operating business;
 - (v) by transferring the Ohio business as a going concern to a scaled industry operator, the Ohio Transaction preserves critical relationships with regulators, patients/customers, suppliers, landlords, and local communities;
 - (vi) the consideration to be received represents the best outcome under the circumstances which resulted from a robust canvassing of the market of potentially interested parties pursuant to reasonable timelines;
- (c) In light of the benefits described above, the Ohio Transaction is more beneficial to creditors than a sale or disposition in bankruptcy;
 - (d) The Supporting Noteholders were consulted throughout the Pre-Filing Sales Process and support the Transaction; and
 - (e) There is no known opposition to the Transaction as at the date of this Second Report.

IX. DELAWARE TRANSACTION

26. As set out in the Kassel Affidavit, the following information describes how the Pre-Filing Sales Process for the CC Group's Delaware business was conducted:
- (a) Moelis received two Phase 2 bids that expressed interest in acquiring the CC Group's Delaware business.
 - (b) Throughout October 2025, Moelis continued to facilitate due diligence with bidders, one of which was Parma Holdco LLC ("**Parma**"), an indirect affiliate of

Millstreet Credit Fund LP (“**Millstreet**”)², including an on-site visit to the cultivation and manufacturing facility in Delaware.

- (c) In late October 2025, a third-party submitted an all-cash proposal to acquire the CC Group’s Delaware business. Following the receipt on October 30, 2025, of a non-separable bid from Parma for the CC Group’s Virginia and Delaware businesses, such third-party revoked its proposal.
- (d) Thereafter, in early November 2025, Parma engaged with the CC Group and its advisors regarding a potential combined acquisition of the CC Group’s business in Delaware and Virginia. The CC Group, in consultation with its advisors, informed Parma that it was not interested in combining the sale of the Delaware and Virginia businesses.³
- (e) On November 24, 2025, Parma submitted an indication of interest which contemplated a separate acquisition of the CC Group’s Delaware business.
- (f) Given the favourable industry developments around the EO that contemplated a rescheduling of cannabis from Schedule I to Schedule III under the CSA, the Special Committee directed Moelis and the CC Group’s other advisors to request that Parma increase its aggregate consideration for the CC Group’s Delaware business.
- (g) Following such request, on January 2, 2026, Parma advised Moelis and the CC Group that it intended to submit a revised indication of interest to acquire the CC Group’s Delaware business at a materially higher price.
- (h) After considering the various alternatives and with support of the Ad Hoc Group, on January 23, 2026, the CC Group and Millstreet executed an exclusivity agreement (the “**Delaware Exclusivity Agreement**”).

² As previously disclosed by the Monitor, Millstreet is a Supporting Noteholder.

³ Parma pursued the purchase of the CC Group’s Virginia business separately.

- (i) Pursuant to the Delaware Exclusivity Agreement, the parties agreed to an exclusivity period which ended on February 22, 2026 (and was thereafter extended to February 27, 2026), during which due diligence was conducted.
- (j) Ultimately, following several discussions between the CC Group’s advisors and Parma, on March 23, 2026, the Special Committee, with input and advice from the CC Group’s advisors, and with the support of the Ad Hoc Group, exercised its good faith business judgment and determined that the CC Group and its subsidiary, Columbia Care Delaware, LLC (the “**DE Seller**”) should execute the definitive asset purchase agreement with Parma (the “**Delaware APA**”).
- (k) A redacted copy of the Delaware APA (without exhibits and schedules) is attached to the Kroll Affidavit as Exhibit “D”.

27. The key terms of the Delaware APA are summarized below⁴:

Key Term	Delaware APA
Parties	<p>Buyer: Parma Holdco LLC</p> <p>Company/Seller: Columbia Care Delaware, LLC</p> <p>The Cannabist Company Holdings Inc. is not selling any assets but is a party to the Delaware APA as the ultimate parent entity and among other things, gives representations, indemnities, restrictive covenants, and obligations connected to the Canadian Court process.</p> <p>Millstreet Credit Fund LP is also a party to the Delaware APA, solely for the purposes of sections relating to organization and authorization of the Buyer, required approvals, and as a guarantor that irrevocably and unconditionally guarantees the due and punctual payment to the Company (or Cannabist, as applicable) of all amounts payable by Buyer under the Delaware APA.</p>
Transaction and Structure	Asset sale of Purchased Assets (defined below), free and clear of all Liens other than Permitted Liens, excluding the Excluded Assets (defined below).
Purchased Assets	<p>The Purchased Assets consist of assets of the DE Seller primarily used or held for use in connection with the Delaware business, other than the Excluded Assets, including all:</p> <ul style="list-style-type: none"> • Cash held at any DE Location as of the Closing Date; • Notes and accounts receivable;

⁴ Capitalized terms used in this paragraph and not otherwise defined have the meanings given to them in the Delaware APA.

	<ul style="list-style-type: none"> • Inventory; • Office supplies, production supplies, spare parts, other miscellaneous supplies and other tangible property of any kind; • Leasehold improvements and all machinery, equipment, fixtures, trade fixtures, computers and related software, tooling and furniture of any kind wherever located; • Certain contracts, including leases; • Prepayments and prepaid expenses; • Intellectual Property; • Warranties, claims, refunds, credits, causes of action, rights of recovery and rights of set-off of any kind that are primarily related to or arising from the Purchased Assets or the operation of the Business; • Records and other information pertaining to accounts, personnel, referral sources, suppliers, and customers, and all drawings, reports, studies, plans, books, ledgers, files and business and accounting records of every kind; • Advertising, marketing, and promotional materials; • Permits and any applications therefor; and • Goodwill as a going concern and all other intangible property.
<p>Excluded Assets</p>	<p>The Excluded Assets include all:</p> <ul style="list-style-type: none"> • All cash (other than Cash of DE Seller held at any DE Location), intercompany receivables and bank accounts; • Excluded Contracts; • Insurance Policies, prepaid insurance premiums and insurance deposits; • Prepaid expenses, credits, claims, security, refunds, deposits, prepayments, warranties, and any other rights related to the Excluded Assets or the Excluded Liabilities (defined below); • Refunds for Taxes or other Tax assets relating to the Purchased Assets, the Business or the Assumed Liabilities (defined below) with respect to a Pre-Closing Tax Period; • Claims, rights or interests of DE Seller in or to any refund, rebate, abatement or other recovery for Taxes (other than in respect of any Transfer Taxes borne by Buyer) and any other Tax assets of the DE Seller; • Tax Returns and financial statements of DE Seller and its Affiliates and all books and records related thereto; • Minute books and stock records and any books and records relating to the Excluded Assets, required by Law or by order of the Canadian Court for the Company to retain, prohibited by Law or Contract from delivering to Buyer, or copies of any books and records required to wind down the Company;

	<ul style="list-style-type: none"> • Intercompany claims between DE Seller and any of its affiliates; • Claims or causes of action arising under or relating to the Delaware APA or any Transaction Agreement; • Warranties, claims, refunds, credits, causes of action, rights of recovery or rights of set-off relating to any Excluded Asset or Excluded Liability; • Personal data that is nontransferable under applicable law or privacy policies or notices; and • Records and reports in connection with the Delaware APA, bids and expressions of interest with respect to the Business, and all privileged communications.
Assumed Liabilities	Buyer shall assume and agree to pay, perform, and discharge all Liabilities of the Company, other than the Excluded Liabilities.
Excluded Liabilities	<p>The Excluded Liabilities include all:</p> <ul style="list-style-type: none"> • Transaction Expenses; • Indebtedness of the DE Seller owed to any Affiliate of the Company; • Intercompany obligations to any Affiliate of the DE Seller; • Liabilities with respect to any of the Excluded Assets (including all Liabilities under Excluded Contract and all Liabilities with respect to any of the Excluded Assets under any Contract); • Liabilities relating to or arising from any fraudulent conveyance, successor liability, de facto merger, alter ego or similar claims made by any third party; • Liabilities of Buyer arising under any bulk transfer or fraudulent conveyance Law or any common law or other doctrine of de facto merger, alter ego or successor liability, which is directly or indirectly related to, the result of or arises out of the transactions contemplated by the Delaware APA and/or any Transaction Agreement; • All intercompany obligations owed to any Affiliate of the DE Seller; and • Liability for any Indemnified Tax.
Consideration and Post-Closing Adjustments	<p>Purchase Price equals the Final Closing Cash Payment plus the Offset Escrow Amount plus the Deposit Escrow Amount. The base price within the payment formula is \$16,500,000, adjusted by closing cash, net working capital versus a Target Working Capital of \$500,000, final indebtedness and transaction payments.</p> <p>A customary true-up applies to cash, working capital, indebtedness and transaction payments. The Buyer is to deliver a closing statement within 60 days post-closing; Cannabist has 30 days to object. Unresolved items proceed to Kroll or an agreed national accounting firm for final and binding determination. Any shortfall versus the Initial Closing Cash Payment is satisfied first from the Offset Escrow and then by the DE Seller.</p>
Outside Date	July 23, 2026.

Employees	The Buyer (or its affiliate) will offer employment to all Business Employees, subject to certain limited exceptions, effective at closing, including those on protected leave who return within six months. Offers provide base pay no less favourable than pre-closing levels, substantially comparable short-term cash incentive opportunities, and, in aggregate, substantially comparable employee benefits excluding equity-based, retention, severance, deferred compensation and defined benefit pension arrangements. Buyer assumes accrued but unused vacation and paid time off for transferred employees and grants full prior service credit for eligibility, vesting and PTO accruals without duplicate benefits. Non-transferred and former employee liabilities remain with the Company, and the Buyer bears WARN Act compliance for post-closing actions.
Offset Escrow	The Offset Escrow Amount is \$2,475,000 deposited at closing with Western Alliance Bank. It will be used first to settle any purchase price shortfall at final true-up and then serves as the primary source for indemnifiable losses, subject to a \$550,000 basket, and caps of \$825,000 for general warranties and \$1,650,000 for specified “intermediate” warranties. Release occurs 12 months post-closing save for amounts then under dispute, with a scheduled distribution of \$825,000 to the Company at the time the final closing cash payment is determined, net of any price shortfall.
Deposit Escrow	Within two business days of signing, the Buyer is to deposit \$3,300,000 with Western Alliance Bank. At closing, the deposit is released to Cannabist. If the Delaware APA is terminated for the Buyer’s failure to fund the Deposit Escrow Amount within the prescribed period, such amount is payable to Cannabist as liquidated damages; otherwise, in other termination scenarios other than Buyer’s uncured material breach, it is released back to the Buyer.
Indemnification	<p>From and after the Closing, Cannabist agrees to indemnify and hold harmless the Buyer Indemnified Parties against all Losses arising from (i) breaches of representations, warranties, and covenants, (ii) unpaid Transaction Expenses, Transaction Payments or Indebtedness not reflected in the final closing calculations, (iii) certain pre-closing tax liabilities, (iv) inaccuracies in the funds flow, and (v) Indebtedness of Cannabist or its Affiliates. For breaches of general representations and warranties (other than Fundamental or Intermediate Representations), Cannabist’s liability is subject to a basket of \$550,000 and a cap of \$825,000.</p> <p>For breaches of the Intermediate Representations, which relate to financial statements, assets, affiliated transactions, certain compliance matters and indebtedness, the cap is \$1,650,000. Breaches of the Fundamental Representations, which relate to organization, authorization, tax matters and brokerage, will not be subject to a basket or cap. All indemnification obligations under the Delaware APA, including with respect to Fundamental Representations, will be subject to an aggregate cap equal to the Purchase Price actually paid. The basket and caps will not apply to losses arising from fraud or intentional misrepresentation.</p>
Transition Services Agreement	A Transition Services Agreement is a closing deliverable to be executed by the Company, Cannabist and the Buyer. The Transition Services Agreement will provide that Cannabist, through its affiliates, will provide certain services to the Company post-closing to assist the Company in its operations for a specified period of time. The services to be offered under the Transition Services Agreement

	include services related to: information technology (software and web service licensing, domain hosting, file management etc.), financial services (accounting, banking, cash management etc.), security, marketing, and standard operating procedures.
Key Conditions to Closing	Issuance of the Delaware Sale Approval Order and approval(s) from the Office of the Marijuana Commissioner for the transactions contemplated by this Agreement and the transfer of ownership of the Company and in the Marijuana Permits with respect to the Cultivation Facility and the DE Locations, which approval(s) shall be free of any uncured regulatory violations.

28. The Monitor notes the following in respect of the Delaware Sale Approval Order:

- (a) The Delaware Sale Approval Order approves the Delaware Transaction and provides for certain ancillary relief in relation thereto, including limited waivers, but does not contain typical vesting language that is often included in approval and vesting orders granted under the CCAA.
- (b) The Delaware Sale Approval Order provides for the purchase price to be paid either to the Monitor (with the Monitor's consent) or to an escrow agent, and includes a typical monitor's certificate mechanism to certify closing.
- (c) Limited releases in respect of the Delaware Transaction are provided for in the Ancillary Order, which releases are discussed in greater detail below.
- (d) If this Court grants the Delaware Sale Approval Order and the Ancillary Order, then the Foreign Representative intends to seek recognition of such orders in the Chapter 15 Proceeding.
- (e) As was noted in the Pre-Filing Report, the Monitor understands that, as the Sale Transactions close (if approved by this Court) and certain Subsidiaries' assets are sold to purchasers, the Applicants may seek to add those Subsidiaries as applicants in these CCAA Proceedings at that time to provide an efficient mechanism to effect distributions to creditors and wind-down the applicable Subsidiary. Pursuant to the Delaware Sale Approval Order, Columbia Care Delaware LLC, a Seller, will be deemed to have become an Applicant in these proceedings one (1) minute prior to

Closing for all purposes, with the same rights, obligations and protections afforded to the Applicants hereunder and under the ARIO, and shall be entitled to the benefits and protections of the CCAA and any orders made in these proceedings.

29. The Monitor supports approval of the proposed Delaware Transaction for the following reasons:

(a) The Pre-Filing Sales Process shares many of the same hallmarks of a sales process that would be conducted by a debtor company and/or monitor under the CCAA.

Among other hallmarks:

- (i) the pre-filing marketing and sales process in respect of the CC Group's business was extensive;
- (ii) Moelis and the CC Group conducted a broad and thorough marketing process;
- (iii) the market for a potential purchaser of the CC Group's Delaware business was thoroughly canvassed;
- (iv) potential bidders had sufficient time and access to detailed information to perform due diligence to adequately assess the CC Group's Delaware business; and
- (v) the Pre-Filing Sales Process was carried out fairly with appropriate governance and decision making;

(b) The Delaware Transaction is the best available option in the circumstances for the CC Group and its stakeholders. Among other benefits:

- (i) the Buyer is assuming substantially all liabilities in the ordinary course. The primary liabilities that are being excluded are the Senior Noteholders' security interest over the assets being acquired and unpaid U.S. federal income taxes for the pre-closing period to the extent such liability arises

solely from the CC Group filing U.S. federal income tax returns taking the position that Section 280E does not apply to the CC Group.

- (ii) Most of the Senior Noteholders (60%) support the Delaware Transaction pursuant to the Support Agreement;
 - (iii) the Delaware Transaction contemplated by the Delaware APA preserves the going-concern value of the Subsidiary operating in the Delaware market;
 - (iv) the purchaser is a scaled industry operator, and by preserving the business as a going concern, the Delaware Transaction preserves critical relationships with regulators, patients/customers, suppliers, landlords, and local communities;
 - (v) the Delaware Transaction contemplates preservation of substantially all the employees (with base pay no less favourable than pre-closing levels, substantially comparable short-term cash incentive opportunities, and in the aggregate, substantially comparable employee benefits);
 - (vi) the consideration to be received in respect of the Delaware Transaction is the highest in the circumstances which resulted from a robust canvassing of the market of potentially interested parties pursuant to reasonable timelines;
- (c) In light of the benefits described above, the Delaware Transaction is more beneficial to creditors than a sale or disposition in bankruptcy;
 - (d) The Supporting Noteholders were consulted throughout the Pre-Filing Sales Process and support the Transaction; and
 - (e) There is no known opposition to the Transaction as at the date of this Second Report.

X. RELEASES

30. The Ancillary Order contains limited releases in favour of the following parties:

- (a) the current directors, officers, managers, members, employees, consultants, legal counsel and advisors of the Applicants and the Subsidiaries (collectively, the “**CC Group Releasees**”);
- (b) the Monitor and its legal counsel and their respective current directors, officers, partners, employees, consultants and advisors (collectively, the “**Monitor Releasees**”);
- (c) with respect to the Ohio EPA only: the Ohio Buyer (and any Affiliate thereof), the New Sub, the New Sub Member, including in each case their respective current and former directors, officers, employees, consultants, legal counsel and advisors (collectively, the “**Ohio Purchaser Releasees**”)⁵; and
- (d) with respect to the Delaware APA only, Parma and its current and former directors, officers, employees, consultants, legal counsel and advisors (collectively, the “**Delaware Purchaser Releasees**”).

31. In each case:

- (a) The claims released are limited to claims in respect of the applicable Purchase Agreement, any agreement, document, instrument, matter or transaction involving the applicable Sellers or the Applicants arising in connection with or pursuant to the applicable Purchase Agreement, the consummation of the applicable Transaction, the Strategic Review, the restructuring and sale efforts of the Applicants and the Subsidiaries, the CCAA Proceedings, or the Chapter 15 Proceedings;
- (b) The claims released exclude: (i) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is finally determined by a court of competent jurisdiction hearing the claim to have constituted fraud, willful misconduct, or gross negligence; or ii) any

⁵ Capitalized terms used in this paragraph and not otherwise defined have the meanings given to them in the Ohio EPA.

obligations of any of the Released Parties under or pursuant to the applicable Purchase Agreement or Transaction Agreements.⁶

32. The Monitor's views on these proposed releases are set out below.

Directors and Officers

33. In respect of the releases in favour of the Directors and Officers, the Monitor notes that the test for third party releases was established in the Ontario Court of Appeal's *Metcalfe*⁷ decision. With reference to the relevant factors set out in the *Metcalfe* test, the Monitor notes the following:

- (a) **Are the released parties necessary and essential to the restructuring?** The Monitor notes that, with reference to the description of the Directors' and Officers' contributions as described in the Kroll Affidavit, the Kassel Affidavit and the Affidavit of Thomas Lynch sworn April 9, 2026, the Directors and Officers played a critical role in the CC Group's operations and restructuring efforts, including both prior to, and during, this CCAA Proceeding.
- (b) **Are the claims to be released rationally connected to the purpose of the Transaction and necessary for it?** The claims to be released involve all pre-filing claims and post-filing claims related to the Ohio Transaction and the Delaware Transaction, the Pre-Filing Sales Process, the CCAA Proceeding and the Chapter 15 Proceeding.
- (c) **Can the Transaction succeed without the release?** The purchasers in respect of the Ohio Transaction and the Delaware Transaction have not indicated to the Monitor that they would refuse to close such transactions absent the releases.
- (d) **Have the parties benefiting from the release contributed in a tangible and realistic way to the Transaction?** For the reasons identified in subparagraph (a)

⁶ Capitalized terms used in this paragraph and not otherwise defined have the meanings given to them in the Ancillary Order.

⁷ *Metcalfe & Mansfield Alternative Investments II Corp., (Re)*, [2008 ONCA 587](#), [para 112](#).

above, the Monitor does not believe that the successful outcome for the CC Group and its stakeholders that the Ohio Transaction and the Delaware Transaction represent would be possible without the Directors' and Officers' significant contributions.

- (e) **Will the Transaction benefit creditors, generally?** The Ohio Transaction and the Delaware Transaction benefit creditors generally for the reasons described in the preceding sections of this Second Report describing each such transaction, including that they provide for the continuation of the CC Group's businesses as going concerns in Ohio and Delaware, provides the greatest recovery available in the circumstances and prevents value-destructive liquidation scenarios. As the apparent fulcrum creditor, the Supporting Noteholders support the Ohio Transaction, the Delaware Transaction and the proposed releases.
- (f) **Are the releases fair, reasonable and not overly broad or offensive to public policy?** The proposed releases are tailored to the Ohio Transaction and the Delaware Transaction and are not overly broad. They are relatively narrow in the context of releases granted in CCAA proceedings and are subject to typical carve-outs. These CCAA Proceedings have been broadly noticed and the proposed releases are being sought on notice to the service list.

- 34. In the Monitor's view, on balancing the foregoing factors, and in particular the considerable contributions of the Directors and Officers prior to and during the CCAA Proceeding in respect of the Ohio Transaction and the Delaware Transaction, in particular, the Directors and Officers have met the factors established by the *Metcalf* test that recommend in favour of the proposed releases in favour of the Directors and Officers.

Monitor Releasees and Remainder of CC Group Releasees

- 35. With reference to the *Metcalf* test factors set out above, the Monitor Releasees and the remainder of the CC Group Releasees have significantly contributed to the CCAA Proceeding in respect of the Ohio Transaction and the Delaware Transaction, in particular, and have provided material contributions, such that it is unlikely that the Ohio Transaction

and the Delaware Transaction would have been achieved without the involvement of each of the Monitor Releasees and the remainder of the CC Group Releasees. The releases in favour of these parties are sufficiently narrow and not overly broad given that they do not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the applicable party. The proposed releases are being sought on notice to the service list. As the apparent fulcrum creditor, the Supporting Noteholders support the Ohio Transaction, the Delaware Transaction and the proposed releases. The Monitor is supportive of such releases.

Ohio Purchaser Releasees and Delaware Purchaser Releasees

36. With reference to the *Metcalfe* test factors set out above, the Ohio Purchaser Releasees and Delaware Purchaser Releasees have made significant contributions to the CCAA Proceeding and the Ohio Transaction and Delaware Transaction, in particular, the result of which is a going-concern solution for the CC Group's Ohio business and Delaware business. This result would not be possible without the contributions of these parties, and the Ohio Purchaser Releasees and Delaware Purchaser Releasees clearly meet the test for releases in the *Metcalfe* decision. The releases in favour of these parties are sufficiently narrow and not overly broad given that they do not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the applicable party, and do not release any claim under the applicable transaction documents related to the Ohio Transaction and Delaware Transaction. The proposed releases are being sought on notice to the service list. As the apparent fulcrum creditor, the Supporting Noteholders support the Ohio Transaction, the Delaware Transaction and the proposed releases. The Monitor is supportive of such releases.
37. For the foregoing reasons, and with reference to the *Metcalfe* test factors for releases, the Monitor is supportive of the releases sought.

XI. RECOMMENDATION AND CONCLUSION

38. Based on the foregoing, the Monitor respectfully recommends that this Court grant the Ohio Sale Approval Order, the Delaware Sale Approval Order and the Ancillary Order in the forms requested by the Applicants.

The Monitor respectfully submits this Second Report to the Court.

Dated this 10th day of April, 2026.

FTI Consulting Canada Inc.
In its capacity as Monitor of
The Cannabist Company Holdings Inc. et al.



Jodi Porepa
Senior Managing Director



Jeffrey Rosenberg
Senior Managing Director

APPENDIX A
LIST OF SUBSIDIARIES

- Columbia Care LLC
- Beacon Holdings LLC
- Columbia Care Illinois LLC
- Columbia Care Maryland LLC
- Access Bryant SPC
- CC CA Realty LLC
- CC California LLC
- CA Care LLC
- TGS Colorado Management, LLC
- Columbia Care CO Inc.
- MJ Brain Bank, LLC
- Futurevision Ltd.
- Infuzionz, LLC
- Rocky Mountain Tillage, LLC
- The Green Solution, LLC
- Columbia Care Delaware, LLC
- Col. Care (Delaware) LLC
- La Yerba Buena LLC
- Columbia Care DE Management, LLC

- Equity Health Partners DE LLC
- Peach Blossom Partners LLC
- The Green Room Social Equity Partners LLC
- Curative Health Cultivation LLC
- Curative Health LLC
- Columbia Care MD, LLC
- Columbia Care MD Realty, LLC
- Time for Healing, LLC
- Green Leaf Management, LLC
- Green Leaf Extracts, LLC
- Wellness Institute of Maryland, LLC
- Patriot Care Corp.
- Columbia Care NJ Realty LLC
- Columbia Care New Jersey LLC
- Columbia Care NY LLC
- Columbia Care NY Realty LLC
- CC Logistics Services LLC
- Cannascend Alternative Logan LLC
- Cannascend Alternative, LLC
- CC OH Realty LLC
- Columbia Care OH LLC
- Corsa Verde LLC
- Green Leaf Medical of Ohio II, LLC
- Green Leaf Medical of Ohio III, LLC

- CC PA Realty LLC
- Green Leaf Medicals, LLC
- Columbia Care WV LLC
- Columbia Care International Holdco LLC
- Columbia Care Deutschland GmbH
- Green Leaf Medical LLC
- CC Procurement LLC
- Avum LLC
- Tetra Holdings LLC
- Tetra FinCo LLC
- PHF Facilities, Inc.
- CC VA HoldCo LLC

APPENDIX A
AMENDED AND RESTATED ORDER

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
) THURSDAY, THE 2ND DAY
JUSTICE J. DIETRICH)
) OF APRIL, 2026

**IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE
CANNABIST COMPANY HOLDINGS INC. AND THE CANNABIST COMPANY HOLDINGS
(CANADA) INC.**

(Applicants)

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by The Cannabist Company Holdings Inc. (the "**Parent Company**") and the Cannabist Company Holdings (Canada) Inc (collectively, the "**Applicants**"), for an amended and restated initial order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by judicial videoconference via Zoom.

ON READING the affidavits of Curt Kroll sworn March 23, 2026 (the "**Initial Kroll Affidavit**"), and sworn March 31, 2026 and the Exhibits thereto, the affidavit of Grant Kassel sworn March 23, 2026 (the "**Kassel Affidavit**") and the Exhibits thereto, the pre-filing report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as the proposed monitor of the Applicants dated March 24, 2026 (the "**Pre-Filing Report**"), and the first report of FTI in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**"), dated March 31, 2026 (the "**First Report**"), on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, counsel for FTI, counsel for the Supporting Noteholders and such other parties as listed on the Counsel Slip, with no one else appearing although duly served as appears from the affidavit of service of Brittney Ketwaroo sworn March 31, 2026.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the Initial Kroll Affidavit, and all references to currency in this Order shall be references to U.S. dollars unless otherwise specified.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that both of the Applicants are companies to which the CCAA applies. Although not Applicants, the entities listed under Schedule "A" hereto shall have the benefits of the protections and authorizations provided by this Order (collectively, the "**Subsidiaries**", and together with the Applicants, the "**CC Group**").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court and the terms of the Support Agreement, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ their employees, contractors, advisors, consultants, agents, experts, appraisers, valuers, brokers, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the CC Group shall be entitled to continue to utilize their existing central cash management system currently in place or replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment,

collection or other action taken under the Cash Management System, or as to the use or application by the CC Group of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person or Persons (as hereinafter defined) other than the CC Group, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of arrangement or compromise under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the date of this Order.

6. **THIS COURT ORDERS** that, subject to the terms of the Support Agreement, the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after this Order, as may be amended from time to time:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee and director expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges;
- (c) all outstanding and future amounts related to honouring customer loyalty and reward programs, incentives, offers and benefits, whether existing before or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing policies and procedures; and
- (d) with the consent of the Monitor and in each case as contemplated by the Cash Flow Forecast, amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order, with the Applicants and Monitor considering, among other factors, whether:
 - (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply;

- (ii) making such payment will preserve, protect or enhance the value of the Property or the Business; and
- (iii) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of this Order, including pursuant to the terms of this Order,

provided, however, that the aggregate of all such payments referred to in paragraph 6(d) shall not exceed \$8,000,000 without further Order of this Court.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the Support Agreement, the Applicants shall be entitled, but not required, to pay all reasonable expenses incurred by the Applicants in carrying on their Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. **THIS COURT ORDERS** that, the Applicants shall, in accordance with legal requirements, remit or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) income taxes; (iv) statutory deductions in the United States; and (v) 401(k) contributions in respect of employees domiciled in the United States;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or

collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. **THIS COURT ORDERS** that the Parent Company is hereby authorized, empowered, and directed to take all steps and actions in respect of, and to comply with and perform their obligations under the Transition Services Agreement (as defined in the Kassel Affidavit), the Employee Leasing Agreement (as defined in the Kassel Affidavit), and the transactions contemplated therein.

10. **THIS COURT ORDERS** that any and all payments made by Parma Holdco LLC to the Applicants pursuant to the Employee Leasing Agreement (as defined in the Kassel Affidavit), shall be used exclusively for the purpose of satisfying wages, salaries and associated employer payroll remittances and benefits relating to those personnel covered by the Employee Leasing Agreement.

11. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

12. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date;
- (b) to grant no security interests, trust, liens, mortgages, charges or encumbrances upon or in respect of any of the Property; and
- (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

13. **THIS COURT ORDERS** that both of the Applicants shall, subject to such requirements as are imposed by the CCAA and subject to the terms of the Support Agreement, have the right to:

- (a) continue to pursue all negotiations and discussions regarding the sale of the Property and Business, subject to prior approval of this Court being obtained before closing any such sale;
- (b) permanently or temporarily cease, downsize or shut down any of its business or operations, dispose of redundant or non-material assets not exceeding \$2,500,000 in any one transaction or \$5,000,000 in the aggregate, and continue to sell its Verano stock;
- (c) dissolve and/or merge any inactive Subsidiaries;
- (d) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (e) pursue all avenues of refinancing of its Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any material refinancing.

All of the foregoing is to permit the Applicants to proceed with an orderly restructuring of the Business.

14. **THIS COURT ORDERS** that the relevant Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if

the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

15. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE SUBSIDIARIES OR THE PROPERTY

16. **THIS COURT ORDERS** that until and including May 29, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants, CRO or the Monitor or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

17. **THIS COURT ORDERS** that during the Stay Period, except with the written consent of the Applicants and the Monitor, or with leave of this Court, no Proceeding shall be commenced or continued against or in respect of the Subsidiaries, or any of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, and including all proceeds thereof (the "**Subsidiaries' Property**") and business (the "**Subsidiaries' Business**") and together with the Subsidiaries' Property, the "**Subsidiaries' Property and**

Business”), including, without limitation, terminating, making any demand, accelerating, amending, or declaring in default or taking any enforcement steps under any agreement with respect to which any of the Applicants or the Subsidiaries is a party, borrower, principal obligor or guarantor.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicants, CRO or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or Proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, (d) prevent the registration of a claim for lien, or (e) prohibit the Supporting Noteholders (as defined in the Support Agreement) from exercising their rights to terminate the Support Agreement in accordance with the Support Agreement.

19. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any Person against or in respect of the Subsidiaries, or affecting the Subsidiaries’ Property and Business, are hereby stayed and suspended except with the prior written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall: (a) empower the Subsidiaries to carry on any business which they are not lawfully entitled to carry on; (b) affect such investigations, actions, suits or proceedings by regulatory body are permitted by Section 11.1 of the CCAA; (c) prevent the filing of any registration to preserve or perfect a security interest; (d) prevent the registration of a claim for lien; or (e) prohibit the Supporting Noteholders from exercising their rights to terminate the Support Agreement in accordance with the Support Agreement.

NO INTERFERENCE WITH RIGHTS

20. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or

held by the Applicants or Subsidiaries, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

21. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or the Subsidiaries or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, cash management services, payment processing services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, email addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants or the Subsidiaries, as applicable, in accordance with normal payment practices of the Applicants or the Subsidiaries, as applicable, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants, the applicable Subsidiaries and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

22. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants or Subsidiaries. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

KEY EMPLOYEE RETENTION PLAN

23. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”) as described in the Initial Kroll Affidavit, an unredacted copy of which is attached as Confidential Exhibit “**J**” to the Initial Kroll Affidavit, is hereby approved and the Applicants are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

24. **THIS COURT ORDERS** that payments made by the Applicants pursuant to this Order do not and will not constitute a preference, fraudulent conveyance, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

25. **THIS COURT ORDERS** that the key employees referred to in the KERP (the “**Key Employees**”) shall be entitled to the benefit of and are hereby granted a charge on the Property (the “**KERP Charge**”), which charge shall not exceed an aggregate amount of \$1,665,000 to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority as set out in paragraphs 46 and 48 herein.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

26. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors, officers or managers of the Applicants or the Subsidiaries with respect to any claim against the directors, officers or managers that arose before the date hereof and that relates to any obligations of the Applicants or the Subsidiaries whereby the directors or officers are alleged under any law to be liable in their capacity as directors, officers or managers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS’ AND OFFICERS’ INDEMNIFICATION AND CHARGE

27. **THIS COURT ORDERS** that the Applicants and the Subsidiaries shall indemnify their directors, officers and managers against obligations and liabilities that they may incur as directors or officers of the Applicants or the Subsidiaries after the commencement of the within proceedings, except to the extent that, with respect to any officer, director or manager, the obligation or liability was incurred as a result of the director’s, officer’s or manager’s gross negligence or wilful misconduct.

28. **THIS COURT ORDERS** that the directors, officers and managers of the Applicants and Subsidiaries shall be entitled to the benefit of and are hereby granted a charge (the “**D&O Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$10,500,000, as security for the indemnity provided in paragraph 27 of this Order. The D&O Charge shall have the priority as set out in paragraphs 46 and 48 herein.

29. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the D&O Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 27 of this Order.

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

30. **THIS COURT ORDERS** that (a) the agreement dated as of March 23, 2026, pursuant to which the Parent Company has engaged SierraConstellation Partners LLC to act as Chief Restructuring Officer of the Applicants ("**CRO**") and provide certain financial advisory and consulting services to the Applicants, a copy of which is attached as Exhibit "**L**" to the Initial Kroll Affidavit (the "**CRO Engagement Letter**"); (b) the execution of the CRO Engagement Letter by the Parent Company, *nunc pro tunc*; and (c) the appointment of the CRO pursuant to the terms thereof is hereby approved, including without limitation, the payment of the fees and expenses contemplated thereby.

31. **THE COURT ORDERS** that the CRO (a) shall not be or be deemed to be a director, *de facto* director, trustee or employee of the Applicants; and (b) shall not incur any liability or obligation as a result of their appointment or the carrying out of the provisions of the CRO Engagement Letter, save and except for any gross negligence or wilful misconduct on its part.

APPOINTMENT OF MONITOR

32. **THIS COURT ORDERS** that FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

33. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' and Subsidiaries' receipts and disbursements;

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property and Business, the Subsidiaries' Property and Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination of financial and other information on a periodic basis;
- (d) advise the Applicants in their preparation of cash flow statements and reporting to the Supporting Noteholders as contemplated by the Support Agreement, which information shall be reviewed with the Monitor;
- (e) have full and complete access to the Property and Business and the Subsidiaries' Property and Business, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants and the Subsidiaries, to the extent that is necessary to adequately assess the Applicants and the Subsidiaries' business and financial affairs or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (g) perform such other duties as are required by this Order or by this Court from time to time.

34. **THIS COURT ORDERS** that the Monitor and CRO shall not occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of (or be deemed to take Possession of) or exercise any control over (or be deemed to have exercised control over), any assets, properties or undertakings of any of the Applicants, the Subsidiaries or the direct or indirect subsidiaries or affiliates of any of the Applicants or the Subsidiaries, including, without limitation, the Property and the Subsidiaries' Property (collectively, the "**Excluded Property**"), including, for greater certainty, pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing or distribution of cannabis or cannabis products including, without limitation, under the *Cannabis Act* S.C. 2018, c. 16, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as

amended, the *Excise Act*, 2001, S.C. 2002, c. 22, as amended, the *Ontario Cannabis Licence Act*, S.O. 2018, c. 12, Sched. 2, as amended, the *Ontario Cannabis Control Act*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, as amended, the *British Columbia Cannabis Control and Licensing Act*, S.B.C. 2018, c. 29, as amended, the *British Columbia Cannabis Distribution Act*, S.B.C. 2018, c. 28 as amended, or other such applicable federal, provincial, foreign or other legislation or regulations (collectively, the “**Cannabis Legislation**”), and shall take no part whatsoever in the management or supervision of the management of the Business or the Subsidiaries’ Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Excluded Property, or any part thereof within the meaning of any Cannabis Legislation or otherwise, and nothing in this Order shall be construed as resulting in the Monitor or CRO being an employer or successor employer within the meaning of any statute, regulation or rule of law or equity for any purpose whatsoever.

35. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor or CRO to be in or to take Possession of any of the Excluded Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 1999, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor or CRO from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor or CRO shall not, as a result of this Order, or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Excluded Property within the meaning of any Environmental Legislation, unless it is actually in possession.

36. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor

shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

37. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, including under any Cannabis Legislation, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

38. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and Stikeman Elliott LLP, Weil, Gotshal & Manges LLP, Richards, Layton & Finger P.A., and Foley Hoag LLP, each as counsel to the CC Group (collectively, "**CC Counsel**"), shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to, the date of this Order by the CC Group as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor, and CC Counsel pursuant to arrangements agreed to between the CC Group and such parties. In addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and CC Counsel retainers in the aggregate amount of \$826,000 *nunc pro tunc*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

39. **THIS COURT ORDERS** that Goodmans LLP, Feuerstein Kulick LLP and ArentFox Schiff LLP, each as counsel to the Supporting Noteholders, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and on the terms in their respective fee letters with the Applicants, whether incurred prior to, on or subsequent to, the date of this Order by the CC Group as part of the costs of these proceedings.

40. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

APPROVAL OF FINANCIAL ADVISOR ENGAGEMENTS

41. **THIS COURT ORDERS** that (a) the engagement letter dated March 9, 2026 (the "**A&R Moelis Engagement Letter**") pursuant to which the Parent Company engaged Moelis &

Company LLC (“**Moelis**”) to undertake a strategic review process to explore, review and evaluate a broad range of transaction alternatives for the Applicants, a copy of which is attached as Exhibit “**M**” to the Initial Kroll Affidavit; and (b) the execution of the A&R Moelis Engagement Letter by the Applicants, *nunc pro tunc*, is hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereunder in accordance with the terms and conditions of the A&R Moelis Engagement Letter.

42. **THIS COURT ORDERS** that Moelis shall be entitled to the benefit of and is hereby granted a charge (the “**Moelis Transaction Fee Charge**”) on the Property, which charge shall not exceed \$4,300,000 to secure the Transaction Fees (as defined in the A&R Moelis Engagement Letter). The Moelis Transaction Fee Charge shall have the priority as set out in paragraphs 46 to 48 herein.

43. **THIS COURT ORDERS** that Ducera Partners LLC (“**Ducera**”) as financial advisor to the Supporting Noteholders shall be paid their fees and expenses as contemplated by the engagement letter dated December 18, 2025 (the “**Ducera Engagement Letter**”), a copy of which is attached as Exhibit “**N**” to the Initial Kroll Affidavit, and Ducera shall be entitled to the benefit of and is hereby granted a charge (the “**Ducera Transaction Fee Charge**”) on the Property, which charge shall not exceed \$1,000,000 to secure the Transaction Fees (as defined in the Ducera Engagement Letter). The Ducera Transaction Fee Charge shall have the priority as set out in paragraphs 46 to 48 herein.

44. **THIS COURT ORDERS** that neither Moelis nor Ducera shall incur any liability or obligation as a result of their appointment or the carrying out of the provisions of their respective engagement letters, save and except for any gross negligence or wilful misconduct on their part.

ADMINISTRATION CHARGE

45. **THIS COURT ORDERS** that the CC Counsel, the Monitor and its counsel, the CRO and Moelis (solely to the extent of Moelis’ Monthly Advisory Fees) shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$2,500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of such Persons, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority as set out in paragraphs 46 and 48 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

46. **THIS COURT ORDERS** that the priorities of the Administration Charge, the D&O Charge, the KERP Charge, the Moelis Transaction Fee Charge and the Ducera Transaction Fee Charge (collectively, the “**Charges**”), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$2,500,000);

Second – D&O Charge (to the maximum amount of \$10,500,000);

Third – KERP Charge (to the maximum amount of \$1,665,000);

Fourth – Moelis Transaction Fee Charge (in the amount of \$4,300,000) and the Ducera Transaction Fee Charge (in the amount of \$1,000,000), on a *pari passu* basis.

47. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

48. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person notwithstanding the order of perfection or attachment.

49. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, and the beneficiaries of the Charges, or further Order of this Court.

50. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made

pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal, provincial or other statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicants pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

51. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants’ interest in such real property leases.

RESTRUCTURING SUPPORT AGREEMENT

52. **THIS COURT ORDERS** that the execution of the Support Agreement dated as of March 23, 2026 (the “**Support Agreement**”) by the Applicants is hereby approved and ratified *nunc pro tunc*, and the Applicants are authorized, empowered, and directed to take all steps and actions in respect of, and to comply with their obligations under, the Support Agreement.

RELIEF FROM REPORTING OBLIGATIONS

53. **THIS COURT ORDERS** that the decision by the Applicants and the Subsidiaries to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents and press releases (collectively, the “**Securities Filings**”) that may be required by any federal, state, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of an over-the-counter market, including, without limitation, the *Securities Act* (Ontario) and comparable

statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, and the rules of OTCQX and the Financial Industry Regulatory Authority and other rules, regulations and policies of OTCQX (collectively, the “**Securities Provisions**”), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or over-the-counter market from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicants failing to make any Securities Filings required by the Securities Provisions.

54. **THIS COURT ORDERS** that none of the directors, officers, managers, employees, and other representatives of the Applicants nor the Monitor (or its directors, officers, managers, employees, and other representatives), shall have any personal liability for any failure by the Applicants to make any Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator, stock exchange or over-the-counter market from taking any action or exercising any discretion that it may have against the directors, officers, employees and other representatives of the Applicants of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicants. For greater certainty, nothing in this order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the “**Regulators**”) in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law. Without limiting the foregoing, nothing in this Order shall constitute or be construed as an admission by the Regulators that the court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Provisions.

SERVICE AND NOTICE

55. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the *Globe and Mail* and *Wall Street Journal*, a notice containing the information prescribed under the CCAA, (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA

and the regulations made thereunder, provided that the Monitor shall not make available the claims, names and addresses of any individual persons who are creditors.

56. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://cfcanada.fticonsulting.com/tcc>

57. **THIS COURT ORDERS** that, subject to paragraph 56, the Applicants, the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicants’ creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

58. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants’ creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

CHAPTER 15 PROCEEDINGS

59. **THIS COURT ORDERS** that the Parent Company is hereby authorized and empowered, but not required, to act as the foreign representative (in such capacity, the “**Foreign Representative**”) in respect of the within proceedings for the purpose of having these proceedings recognized and approved in any jurisdiction outside of Canada.

60. **THIS COURT ORDERS** that the Foreign Representative is hereby authorized and empowered, but not required, to apply for recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada including, without limitation, the United States Bankruptcy Court for the District of Delaware (the “**U.S. Bankruptcy Court**”) pursuant to Chapter 15 of the US Bankruptcy Code. The Foreign Representative is authorized to apply for recognition and enforcement of this Order and any subsequent Orders of this Court in the United States with respect to any Proceeding taking place in the United States, any Business or Property of the Applicants or any Subsidiaries’ Property and Business located or being conducted within the United States, and any Person located or acting within the United States, as applicable.

SEALING PROVISION

61. **THIS COURT ORDERS** that Confidential Exhibit “I” to the Initial Kroll Affidavit and Confidential Exhibit “D” to the Kassel Affidavit are hereby sealed until the earlier of (a) May 24, 2026; (b) the filing of a motion by the Applicants seeking approval of the Remaining States Transaction; and (c) further Order of the Court, and Confidential Exhibit “F” to the Kassel Affidavit is hereby sealed until the earlier of (i) the return hearing for the Delaware and Ohio Sale Approval Motion; and (ii) further Order of the Court, and Confidential Exhibit “J” to the Initial Kroll Affidavit is hereby sealed until further Order of the Court, and each shall not form part of the public record until such time.

GENERAL


62. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder.

63. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

64. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, including the U.S. Bankruptcy Court, to give effect to this Order and to assist the Applicants, the Subsidiaries the Foreign Representative, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Foreign Representative, the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Foreign Representative, the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

65. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

66. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



SCHEDULE "A"

Subsidiaries

1. Columbia Care LLC
2. Beacon Holdings LLC
3. Columbia Care Illinois LLC
4. Columbia Care Maryland LLC
5. Access Bryant SPC
6. CC CA Realty LLC
7. CC California LLC
8. CA Care LLC
9. TGS Colorado Management, LLC
10. Columbia Care CO Inc.
11. MJ Brain Bank, LLC
12. Futurevision Ltd.
13. Infuzionz, LLC
14. Rocky Mountain Tillage, LLC
15. The Green Solution, LLC
16. Columbia Care Delaware, LLC
17. Col. Care (Delaware) LLC
18. La Yerba Buena LLC
19. Columbia Care DE Management, LLC
20. Equity Health Partners DE LLC
21. Peach Blossom Partners LLC
22. The Green Room Social Equity Partners LLC
23. Curative Health Cultivation LLC
24. Curative Health LLC

25. Columbia Care MD, LLC
26. Columbia Care MD Realty, LLC
27. Time for Healing, LLC
28. Green Leaf Management, LLC
29. Green Leaf Extracts, LLC
30. Wellness Institute of Maryland, LLC
31. Patriot Care Corp.
32. Columbia Care NJ Realty LLC
33. Columbia Care New Jersey LLC
34. Columbia Care NY LLC
35. Columbia Care NY Realty LLC
36. CC Logistics Services LLC
37. Cannascend Alternative Logan LLC
38. Cannascend Alternative, LLC
39. CC OH Realty LLC
40. Columbia Care OH LLC
41. Corsa Verde LLC
42. Green Leaf Medical of Ohio II, LLC
43. Green Leaf Medical of Ohio III, LLC
44. CC PA Realty LLC
45. Green Leaf Medicals, LLC
46. Columbia Care WV LLC
47. Columbia Care International Holdco LLC
48. Columbia Care Deutschland GmbH
49. Green Leaf Medical LLC
50. CC Procurement LLC

51. Avum LLC

52. Tetra Holdings LLC

53. Tetra FinCo LLC

54. PHF Facilities, Inc.

55. CC VA HoldCo LLC

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

Court File No. CL-26-00000122-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE
CANNABIST COMPANY HOLDINGS INC. AND THE CANNABIST COMPANY HOLDINGS
(CANADA) INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**AMENDED AND RESTATED INITIAL ORDER
(APRIL 2, 2026)**

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APPENDIX B
PRE-FILING REPORT OF THE PROPOSED MONITOR

Court File No. _____

The Cannabist Company Holdings Inc. et al.

**PRE-FILING REPORT OF THE PROPOSED MONITOR,
FTI CONSULTING CANADA INC.**

March 24 2026

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Appendix A – LIST OF SUBSIDIARIES

Appendix B – CASH FLOW FORECAST AND MANAGEMENT'S STATEMENT

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
THE CANNABIST COMPANY HOLDINGS INC. AND
THE CANNABIST COMPANY HOLDINGS (CANADA) INC.

**PRE-FILING REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS PROPOSED MONITOR**

I. INTRODUCTION

1. FTI Consulting Canada Inc. (“**FTI**” or the “**Proposed Monitor**”) has been advised that on March 24, 2026, The Cannabist Company Holdings Inc. (the “**Parent Company**”) and The Cannabist Company Holdings (Canada) Inc. (the “**Co-Issuer**”, and together with the Parent Company, the “**Applicants**”), intend to make an application under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an initial order (the “**Proposed Initial Order**”) granting, among other things, a stay of proceedings in favour of the Applicants and the Subsidiaries (as defined below) for an initial ten days (the “**Stay of Proceedings**”) and appointing FTI as monitor (in such capacity, the “**Monitor**”). The Applicants’ proceeding under the CCAA is referred to herein as the “**CCAA Proceeding**”.

2. The Proposed Monitor has prepared this pre-filing report (this “**Pre-Filing Report**”) to provide information to this Court in respect of the relief that the Applicants seek in the Proposed Initial Order.
3. The Proposed Monitor understands that the Applicants will seek a further order (the “**ARIO**”) at the “comeback” hearing in this CCAA Proceeding, to be scheduled with the supervising judge prior to the expiry of the Stay of Proceedings. If appointed, the Monitor intends to file a further report in advance of that comeback hearing to provide information on the relief that the Applicants will seek in the ARIO.
4. The purpose of this Pre-Filing Report is to provide this Court with information pertaining to:
 - (a) the qualifications of FTI to act as Monitor and an overview of the involvement of FTI and its affiliates to date with the Applicants and the Applicants’ subsidiaries listed in **Appendix A** hereto (the “**Subsidiaries**”, and together with the Applicants, the “**CC Group**”);
 - (b) the state of the business and affairs of the Applicants and the Subsidiaries, along with the causes of their financial difficulty and insolvency;
 - (c) the Applicants’ financial position and weekly cash flow forecast for the period March 16, 2026, to June 14, 2026 (the “**March 2026 Forecast**”);
 - (d) the Applicants’ proposed roadmap during this CCAA Proceeding, including the CC Group’s intention to complete the Sale Transactions (as defined below) and wind down the balance of their operations;
 - (e) the recent closing of the Virginia Transaction (as defined below), the distribution of proceeds therefrom and certain post-closing agreements entered in connection therewith, including a transition services agreement;
 - (f) the terms of the support agreement (the “**Support Agreement**”) dated March 23, 2026, by and between the Applicants and certain holders of the majority of the Senior Notes (as defined below) (the “**Supporting Noteholders**”);

- (g) the opinions of the Proposed Monitor’s counsel regarding the validity and enforceability of the Senior Notes (as defined below);
- (h) the Proposed Monitor’s and the Applicants’ proposed communication plan during this CCAA Proceeding;
- (i) the Applicants’ request for approval of a charge in the maximum amount of \$9 million (the “**D&O Charge**”) securing the Applicants’ indemnification of their directors and officers against obligations and liabilities that they may incur in such capacities after the commencement of this CCAA Proceeding;
- (j) the Applicants’ request for approval of a charge in the maximum amount of \$1.3 million (the “**Administration Charge**”) securing the fees and expenses of the Monitor, the Monitor’s Canadian counsel, the Monitor’s Delaware counsel, the Applicants’ Canadian, U.S. and local Delaware counsel, Moelis & Company LLC (in respect of its monthly fees) and the CRO;
- (k) the Applicants’ request to pay certain pre-filing amounts owing to certain suppliers that provide the Applicants and/or Subsidiaries with essential services and/or products, up to a maximum aggregate amount of \$4 million and in each case with the Monitor’s consent;
- (l) the Applicants’ request to maintain the Cash Management System (as defined below); and
- (m) the Chapter 15 Proceedings (as defined below) that the Parent Company intends to commence in its capacity as the foreign representative of the Applicants (in such capacity, the “**Foreign Representative**”) in the United States.

II. TERMS OF REFERENCE

5. In preparing this Pre-Filing Report, the Proposed Monitor has relied upon unaudited financial information of the Applicants, the Applicants’ books and records, certain financial information prepared by the Applicants, and discussions with various parties (the “**Information**”).

6. Except as otherwise described in this Pre-Filing Report:
 - (a) The Proposed Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Proposed Monitor has not examined or reviewed financial forecasts and projections referred to in this Pre-Filing Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
7. The Proposed Monitor has prepared this Pre-Filing Report in connection with the application for the Proposed Initial Order filed, or to be filed, by the Applicants and should not be relied on for any other purpose.
8. Future oriented financial information reported or relied on in preparing this Pre-Filing Report is based on the assumptions of the management of the Applicants (“**Management**”) regarding future events; actual results may vary from forecast and such variations may be material.
9. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars.

III. EXECUTIVE SUMMARY

10. The Proposed Monitor understands that the Applicants’ anticipated roadmap in this CCAA Proceeding consists principally of: (i) implementing and consummating the Sale Transactions (as defined below) under this Court’s supervision, which would result in the sale of the majority of the CC Group’s operations through equity and/or asset sales; and (ii) completing the wind down of the CC Group’s remaining operations (*i.e.*, those operations that are not the subject of the Sale Transactions).
11. The CC Group has already developed the Sale Transactions through a pre-filing strategic review that provided for a dual-track process: (i) a review of a stand-alone restructuring of

the CC Group's business; and (ii) a sale process to explore either the sale of the whole CC Group or strategic market divestitures (the "**Pre-Filing Sale Process**") that Moelis & Company LLC ("**Moelis**") commenced in or around June 2025. For clarity, the Proposed Monitor understands that the Applicants do not currently intend to seek approval of a Court-supervised sale and investment solicitation process during this CCAA Proceeding.

12. In order to implement this roadmap, the Applicants are seeking relief under the CCAA in favour of themselves and a stay of proceedings and certain related relief in favour of the Subsidiaries. If this Court grants the Proposed Initial Order, the Foreign Representative intends to commence a foreign recognition proceeding under Chapter 15 of the United States Bankruptcy Code before the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**").
13. This CCAA Proceeding will attempt to provide the necessary breathing room while the CC Group pursues completion of the Sale Transactions. The Proposed Monitor understands that the Applicants' expectation is that the U.S. Court's recognition of this CCAA Proceeding will assist with this objective.
14. The Proposed Monitor understands that, as the Sale Transactions close (if approved by this Court) and certain Subsidiaries' assets are sold to the corresponding purchasers, the Applicants may seek to add those Subsidiaries as applicants in these CCAA Proceedings at that time to provide an efficient mechanism to effect distributions to creditors and wind-down the applicable Subsidiary.
15. The Proposed Monitor believes that this roadmap represents a realistic, appropriate and cost-effective path for the Applicants to monetize their assets for the benefit of their stakeholders. The Proposed Monitor notes that, through the Support Agreement, the Applicants have secured buy-in from the majority of their senior secured creditors (*i.e.*, the Supporting Noteholders) in respect of this roadmap.
16. The Applicants are not seeking this Court's approval of any Sale Transactions on their initial application. The Proposed Monitor notes that the Applicants will need to satisfy the applicable legal principles for the approval of a sale transaction if and when they seek this

Court's approval of each Sale Transaction, including as the Pre-Filing Sale Process relates to those Sale Transactions. The Proposed Monitor intends to provide this Court with more detailed information and recommendations regarding the Pre-Filing Sale Process and the Sale Transactions if and when the Applicants seek this Court's approval of same.

17. In respect of this initial application and the relief contained in the Proposed Initial Order, the Proposed Monitor is of the view that:
- (a) the relief in the Proposed Initial Order will provide the Applicants with the best opportunity to complete the Sale Transactions, facilitate an orderly wind-down, and preserve and maximize value for their stakeholders;
 - (b) the relief in favour of the Subsidiaries—including the extension of the Stay of Proceedings in favour of those entities—is reasonable and necessary in the circumstances, given in particular the Subsidiaries' high degree of integration in the CC Group and risks to the Sales Transactions without such the Stay of Proceedings;
 - (c) as noted, the Applicants have the support of the majority of the senior secured creditors (i.e., the Supporting Noteholders) through the Support Agreement, which significantly lowers the execution risk of this CCAA Proceeding;
 - (d) the continuation of the Cash Management System (as defined below) is necessary to ensure the CC Group can continue to operate its business in the ordinary course;
 - (e) the quantum of the proposed D&O Charge is reasonable in relation to the quantum of the estimated potential liability;
 - (f) the quantum of the proposed Administration Charge is reasonable in the circumstances; and
 - (g) the other relief contained in the Proposed Initial Order is necessary, reasonable and justified in the circumstances, including:

- (i) the Stay of Proceedings, and the extension of the Stay of Proceedings and related relief to the Subsidiaries;
- (ii) the authority to pay pre-filing amounts in respect of critical vendors up to a maximum of \$4 million, with the Monitor's consent;
- (iii) the maintenance of the CC Group's Cash Management System (as defined below); and
- (iv) the appointment of the Parent Company as the Foreign Representative for purposes of the Chapter 15 Proceeding (as defined below).

18. Accordingly, the Proposed Monitor respectfully recommends that this Court grant the Proposed Initial Order.

IV. FTI AND ITS AFFILIATES

QUALIFICATIONS TO ACT

19. FTI is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2) of the CCAA. For greater certainty, none of FTI nor its affiliates has ever acted as the auditor to any member of the CC Group. FTI has provided its consent to act as Monitor.
20. As set out in greater detail below, FTI has been preparing for this CCAA Proceeding since December, 2025, and, as a result of that work, has become generally familiar with the CC Group's business and operations, certain of its personnel, the key issues and the key stakeholders in this CCAA Proceeding. The senior FTI representatives with carriage of this matter are experienced Chartered Insolvency and Restructuring Professionals and Licensed Insolvency Trustees, who have acted in restructurings and CCAA matters in Ontario and other provinces of Canada and as an authorized "foreign representative" in foreign jurisdictions.

21. FTI has developed significant experience in CCAA proceedings in the cannabis space, including engagements in respect of both licensed producers and licensed retailers across Canada. FTI has overseen or managed CCAA proceedings that have resulted in successful restructurings or sales including in the CCAA proceedings of, among others, FIGR Brands, Inc., Fire & Flower Holdings Corp., Trees Corporation and BZAM. This experience makes FTI uniquely positioned to act as Monitor of the Applicants and to assist the Applicants to restructure and successfully complete the Sale Transactions process to enable their operations to continue.

FTI'S INVOLVEMENT TO DATE

22. FTI was engaged by the Applicants pursuant to an engagement letter dated December 1, 2025, and has been active since then in providing assistance and advice to the Applicants. FTI's role as financial advisor in Canada was to provide financial, strategic and restructuring advice and, if necessary, to assist the Applicants in preparing for a filing under the CCAA.
23. FTI has not provided any accounting or auditing advice to the Applicants. Fees payable to FTI pursuant to the FTI Engagement Letter are based on hours worked multiplied by normal hourly rates. FTI is not entitled to any success-based or other contingency-based fee.

V. OVERVIEW OF THE CC GROUP'S BUSINESS AND AFFAIRS

24. The business and affairs of the CC Group, the causes of its insolvency and its efforts prior to the commencement of this CCAA Proceeding to address those issues are described in detail in: (i) the affidavit of Curt Kroll, a Partner of SierraConstellation Partners LLC ("**Sierra**"), the Applicants' proposed Chief Restructuring Officer, sworn March 23, 2026 (the "**Initial Kroll Affidavit**"); and (ii) the affidavit of Grant Kassel, a Managing Director of Moelis, sworn on March 23, 2026 (the "**Kassel Affidavit**"), both of which were sworn in support of this initial application.
25. The Proposed Monitor has reviewed the Initial Kroll Affidavit and the Kassel Affidavit and discussed the business, affairs and causes of insolvency of the Applicants with, among

others, the Applicants' management, employees, counsel and other advisors. The Proposed Monitor is of the view that the Initial Kroll Affidavit and the Kassel Affidavit provide a fair summary thereof.

26. Based on those discussions, the Proposed Monitor understands the following:
- (a) The Applicants do not handle cannabis products or otherwise hold licenses to handle cannabis products, although certain of the Subsidiaries do.
 - (b) The CC Group operates a fully-integrated cannabis business across ten markets in the United States where medical or adult-use cannabis is legally permitted, consisting of Colorado, Delaware, Illinois, Maryland, Massachusetts, New Jersey, New York, Ohio, Pennsylvania and West Virginia.
 - (c) The CC Group consists of the following entities:
 - (i) **The Parent Company.** The Cannabist Company Holdings Inc., the Parent Company, is the ultimate parent company of each of the other entities in the CC Group. The Parent Company is incorporated under the *Business Corporations Act* (British Columbia) and its common shares are publicly listed for trading under the ticker symbol "CBST" on the Cboe Canada Inc. exchange and under the ticker symbol "CBSTF" on the OTCQX. The Parent Company is a co-issuer of the Senior Notes (as defined below).
 - (ii) **The Co-Issuer.** The Cannabist Company Holdings (Canada) Inc., the Co-Issuer, was incorporated under the *Business Corporations Act* (Ontario), and its registered head office is located in Toronto, Ontario. The Co-Issuer is the other co-issuer of the Senior Notes (as defined below).
 - (iii) **The Subsidiaries.** The Subsidiaries consist of the operating entities in the CC Group and intermediate holding entities. The Subsidiaries hold and utilize intellectual property assets, procure and distribute inventory to customers, provide specialized services and technical support, and maintain commercial relationships. Their operations are integrated to ensure

coverage and maintain continuity of supply and service standards that align with the CC Group's contractual and regulatory obligations. The Subsidiaries also maintain licenses, registrations, and permits that are required to comply with their regulatory obligations in each state which they operate in.

- (d) The CC Group employs approximately 1,278 people.
- (e) The CC Group utilizes an integrated banking and cash management system (the “**Cash Management System**”) to, among other things, collect funds and pay expenses associated with its operations. The Cash Management System is administered by the CC Group's finance management team. The CC Group maintains bank accounts in the United States as well as an investment account domiciled in Canada. Excess cash typically has been held and disbursed to the Subsidiaries to fund operations.
- (f) The CC Group's secured indebtedness consists primarily of:
 - (i) Approximately \$178,993,000 under senior secured notes issued under an amended and restated trust indenture dated May 29, 2025 (the “**A&R Indenture**”), by and between the Parent Company and the Co-Issuer, as co-issuers, and Odyssey Trust Company, as trustee. These senior secured notes consist of: (a) senior secured notes bearing interest at 9.25% per annum in the aggregate principal amount of \$166,262,000; and (b) senior secured convertible notes bearing interest at 9.0% per annum in the aggregate principal amount of \$12,731,000 (collectively, the “**Senior Notes**”, and the holders thereof, the “**Senior Noteholders**”). The Senior Notes mature on December 31, 2028.
 - (ii) An aggregate of approximately \$40,422,607 (as of December 31, 2025) under three loan agreements with East West Bank, which amounts are secured by mortgages over certain of the CC Group's real property located in New York, New Jersey, and Maryland.

- (g) The Proposed Monitor understands that the CC Group's current financial challenges are a product of, among other things, the intense competition from regulated and black market industry participants, as well as supply chain challenges (for example, cannabis products generally cannot cross state borders).
- (h) Additionally, the United States Internal Revenue Service (the "**IRS**") has taken the position that a federal tax rule in the United States (known as the "**Section 280E**" rule for its section in the U.S. Internal Revenue Code) requires certain entities in the CC Group to be taxed on the basis of their gross revenues, without recognition of business expenses or deductions, on the basis that such expenses and deductions relate to a business that "consists of trafficking in controlled substances." The Proposed Monitor understands that the Section 280E rule has resulted in approximately \$89,336,921 of asserted federal income tax liabilities as of December 31, 2025, which the CC Group disputes.
- (i) This tax liability, as assessed by the IRS, led to the IRS filing a tax lien in September 2024, following which the Parent Company agreed to pay the IRS \$500,000 each month towards these outstanding taxes under an installment payment agreement with the IRS (the "**IRS Payment Plan**") for the IRS to remove the lien. The Proposed Monitor understands that certain entities in the CC Group may be liable for any federal income tax liability. The March 2026 Forecast does not contemplate the CC Group making payments to the IRS in respect of any asserted claims against any entity in the CC Group, including any and all: (i) pre-filing income tax claims; or (ii) income tax claims that may accrue during this CCAA Proceeding. The Proposed Monitor understands from the Applicants that the CC Group, along with several other multi-state cannabis operators, is disputing Section 280E and accordingly, its liability for income tax. The Proposed Monitor further notes that the March 2026 Forecast does contemplate the payment of all other post-filing taxes, including state taxes, sales taxes and use taxes.
- (j) In or around June 2025, Moelis, in consultation with the CC Group, commenced the Pre-Filing Sale Process to find one or more transactions that would address the

CC Group's financial and/or operational issues. That process ultimately resulted in the Sale Transactions (as defined and discussed in further detail below).

- (k) In May 2025, to address the pending maturity of its then-existing senior notes, the CC Group completed a restructuring transaction under the *Canada Business Corporations Act*, including by entering into the A&R Indenture, which extended the maturity of its senior funded debt to December 31, 2028 (*i.e.*, the Senior Notes).
 - (l) On December 31, 2025, the CC Group elected not to make the interest payment on the Senior Notes in an effort to preserve liquidity while the Pre-Filing Sale Process was ongoing. This failure to pay interest triggered a 30-day grace period under the A&R Indenture, which led to a default under the A&R Indenture and the Senior Notes on January 30, 2026. On January 30, 2026, the requisite number of holders of Senior Notes under the A&R Indenture entered into a forbearance agreement (the "**Forbearance Agreement**").
 - (m) Pursuant to the Forbearance Agreement, the requisite number of holders of Senior Notes agreed to forbear from, and refrain from instructing the A&R Indenture trustee to engage in, exercising certain rights and remedies under the A&R Indenture solely with respect to the failure by the Applicants to make the interest payment on the Senior Notes. The Forbearance Agreement was subsequently extended on five occasions and is currently set to terminate on March 25, 2026.
 - (n) As discussed below, the Virginia Transaction (as defined below) closed on February 5, 2026, and, on February 13, 2026, the Parent Company applied the proceeds of sale to pay approximately \$97 million to the holders of the Senior Notes reducing the aggregate outstanding principal amount of the Senior Notes to \$178,993,000. The balance of the proceeds was retained to fund the CC Group's operations.
27. The Proposed Monitor understands that the CC Group requires an immediate stay of proceedings and relief granted under the CCAA to provide the breathing room needed to

stabilize operations, facilitate the Sale Transactions and wind down their remaining operations.

VI. CASH FLOW FORECAST

28. The March 2026 Forecast, together with Management's report on the cash-flow statement as required by section 10(2)(b) of the CCAA, is attached hereto as **Appendix B**. The March 2026 Forecast shows a net cash outflow of approximately \$16.8 million for the period of March 16, 2026, to June 14, 2026, and is summarized below:

(\$USD in thousands)

Forecast Week Ending	Total (13w)
Receipts	
Retail	\$ 55,537
Wholesale	7,037
Sale Proceeds	15,955
Other	7,118
Total Receipts	\$ 85,647
Operating Disbursements	
Payroll	\$ (20,124)
Rent	(6,485)
Inventory	(21,744)
Taxes	(9,301)
Other	(17,597)
Total Operating Disbursements	\$ (75,251)
Non-Operating Disbursements	
Debt Principal, Interest & Fees	\$ (1,998)
Professional Fees	(12,178)
Other	(13,046)
Total Non-Operating Disbursements	\$ (27,222)
Net Cash Flow	\$ (16,826)
Cash	
Beginning Balance	\$ 35,027
Net Receipts / (Disbursements)	(16,826)
Ending Balance	\$ 18,200
Cash in Transit	(1,982)
Restricted Cash	(2,766)
Check Float	657
Ending Cash (Available for Operations)	\$ 14,109

29. Section 23(1)(b) of the CCAA states that the Monitor shall “review the company’s cash-flow statement as to its reasonableness and file a report with the court on the monitor’s findings.”
30. Pursuant to section 23(1)(b) of the CCAA, and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Proposed Monitor reports as follows:
- (a) The March 2026 Forecast has been prepared by Management for the purpose described in Note 1, using the probable assumptions and the hypothetical assumptions set out in Notes 1 to 11 thereof.
 - (b) The Proposed Monitor’s review consisted of inquiries, analytical procedures and discussion related to information supplied by Management, certain of the Applicants’ employees and Sierra, the Applicants’ financial advisor. Since hypothetical assumptions do not need to be supported, the Proposed Monitor’s procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the March 2026 Forecast. The Proposed Monitor has also reviewed the support provided by Management for the probable assumptions, and the preparation and presentation of the March 2026 Forecast.
 - (c) Based on its review, nothing has come to the attention of the Proposed Monitor that causes it to believe that, in all material respects:
 - (i) the hypothetical assumptions are not consistent with the purpose of the March 2026 Forecast;
 - (ii) as at the date of this Pre-Filing Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the March 2026 Forecast, given the hypothetical assumptions; and/or
 - (iii) the March 2026 Forecast does not reflect the probable and hypothetical assumptions;

(d) Since the March 2026 Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the March 2026 Forecast will be achieved. The Proposed Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Pre-Filing Report or relied upon by the Proposed Monitor in preparing this Pre-Filing Report.

31. The March 2026 Forecast has been prepared solely for the purpose described in Note 1 on the face of the March 2026 Forecast, and readers are cautioned that it may not be appropriate for other purposes.

VII. THE SALE TRANSACTIONS

32. As described in the Kassel Affidavit, the CC Group has entered into, intends to enter into or has already completed, as applicable, the following transactions, all of which were agreed to during the Pre-Filing Sale Process (collectively, the “**Sale Transactions**”):

- (a) **Virginia Transaction:** A sale of the CC Group’s Virginia business to Parma Holdco LLC (“**Parma**”), an indirect affiliate of Millstreet Capital Management, LLC,¹ for \$130 million in cash, subject to adjustments (the “**Virginia Transaction**”). The Virginia Transaction closed on February 5, 2026. Shortly thereafter, a portion of the proceeds was paid out to the Senior Notes and the remaining balance was retained by the CC Group to fund ongoing operations.
- (b) **Ohio Transaction:** A sale of the CC Group’s Ohio business to Holistic Industries, Inc. for anticipated aggregate consideration of \$47 million, consisting of \$34.5 million in cash, \$12.5 million in the form of a promissory note and the payment of a deposit in connection with certain premises (the “**Ohio Transaction**”). An equity purchase agreement for the Ohio Transaction was executed on March 23, 2026.

¹ The Proposed Monitor notes that Millstreet Capital Management, LLC is a holder of Senior Notes.

- (c) **Delaware Transaction:** A sale of the CC Group’s Delaware business to Parma for anticipated aggregate consideration of \$16.5 million in cash, subject to adjustments (the “**Delaware Transaction**”). An asset purchase agreement for the Delaware Transaction was executed on March 23, 2026.
- (d) **Remaining States Transaction:** A sale of the CC Group’s Colorado, Maryland, New Jersey, Illinois, West Virginia and Massachusetts markets to multiple third-party buyers (the “**Remaining States Transaction**”). The CC Group entered into a non-binding memorandum of understanding dated January 30, 2026, and the parties are current negotiating binding agreements.
33. The Monitor understands that the CC Group has substantially completed the orderly wind-down of its operations in New York and is scheduled to surrender its cannabis licenses to the applicable state regulatory authorities on March 24, 2026.²
34. Additionally, the Monitor understands that the CC Group has commenced the orderly wind-down of its operations in Pennsylvania to preserve liquidity and permit the CC Group to focus its resources on completing the Sale Transactions. The Monitor further understands that substantially all of the CC Group’s regulated cannabis products in Pennsylvania have been sold or otherwise disposed of. These markets have suffered from sustained negative cash flows and received insufficient interest during the Pre-Filing Sale Process. No actionable transactions for these markets were received during the Pre-Filing Sale Process. The Applicants have advised the Proposed Monitor that they expect the wind-down of its operations in Pennsylvania to be substantially complete by April 2026.

THE VIRGINIA TRANSACTION: DISTRIBUTION OF PROCEEDS AND POST-CLOSING AGREEMENTS

35. The Virginia Transaction closed on February 5, 2026. On February 13, 2026, the Parent Company used the proceeds of sale from the Virginia Transaction to repay \$97 million to

² The applicable licenses were required to be renewed by March 25, 2026, and would have required a significant renewal fee.

the holders of Senior Notes, thereby reducing the aggregate outstanding amount owing to Senior Noteholders to approximately \$178,993,000.

36. Additionally, in connection with the Virginia Transaction, the parties entered into a transition services agreement (the “**Virginia TSA**”), an employee leasing agreement (the “**Virginia ELA**”) and a side letter (the “**Virginia Side Letter**”) to facilitate an efficient and orderly post-closing transition. Under the Virginia TSA, the sellers agreed to provide post-closing administrative and operational services. Under the Virginia ELA, the Applicants agreed to not terminate certain key employees for a limited period following closing. Finally, under the Virginia Side Letter, the Parent Company agreed to seek certain relief during this CCAA Proceeding to ensure amounts funded by the purchaser’s affiliate would be solely used for the intended purposes set forth in the Virginia ELA.

THE PROPOSED MONITOR’S RECOMMENDATION

37. As noted, the Applicants’ anticipated roadmap in this CCAA Proceeding consists principally of: (a) implementing and consummating the Sale Transactions under this Court’s supervision; and (b) winding down the balance of the CC Group’s operations. The Proposed Monitor believes that this roadmap represents a realistic, appropriate and cost-effective path for the Applicants and the Subsidiaries to monetize their assets for the benefit of their stakeholders. Indeed, the Applicants have already started to walk down this path by consummating the Virginia Transaction on February 5, 2026, entering into the other sale agreements, and commencing other winddown activities.
38. The Proposed Monitor will provide its recommendation in respect of the Sale Transactions and the Pre-Filing Sale Process, including as such process relates to the Sale Transactions, when the Applicants return to seek this Court’s approval of the Sale Transactions. The Proposed Monitor intends to provide this Court with more detailed information at that time.

VIII. THE RESTRUCTURING SUPPORT AGREEMENT

39. As noted, the CC Group’s failure to make an interest payment under the Senior Notes on December 31, 2025, triggered a 30-day grace period under the A&R Indenture, which led to a default under the A&R Indenture and the Senior Notes on January 30, 2026. On

January 30, 2026, the requisite number of holders of Senior Notes under the A&R Indenture entered into the Forbearance Agreement under which they agreed to forbear from exercising certain rights and remedies in respect of this payment default during the period provided thereunder. While the Forbearance Agreement was extended on five occasions, it currently terminates on March 25, 2026, and the Senior Notes remain in default.

40. The Parent Company and the Supporting Noteholders entered into the Support Agreement on March 23, 2026. Subject to the terms and conditions therein, the Support Agreement memorializes the Supporting Noteholders’ support for this CCAA Proceeding, including the Applicants’ intention to consummate the Sale Transactions and wind down their remaining operations.
41. The key terms of the Support Agreement are summarized in the following table:

Restructuring Support Agreement³	
Supporting Noteholders	<p>Holders of approximately 60% (by dollar value) of the: (i) Senior Secured Notes due December 31, 2028; and (ii) Senior Secured Convertible Notes due December 31, 2028, plus any holders of such Notes who subsequently become parties to the Support Agreement in accordance with the terms thereof.</p>
Milestones	<p>Among other things:</p> <ol style="list-style-type: none"> 1. the Ohio Transaction shall be completed by no later than October 15, 2026; 2. the Delaware Transaction shall be completed by no later than July 15, 2026; 3. the Remaining States Transaction shall be completed by no later than January 31, 2027; and 4. the CC Group’s remaining business and operations shall be liquidated and wound down as promptly as possible, with no rent or payroll expenses paid in respect thereof relating to any period after April 30, 2026.

³ All capitalized terms used in the table and not otherwise defined have meanings provided to them in the Support Agreement.

Key Covenants of the CC Group	<p>Among other things:</p> <ol style="list-style-type: none">1. pursue and implement the Restructuring Process and take all actions reasonably necessary to implement it;2. implement each Approved Restructuring Transaction by the applicable Transaction Timing date set forth in the Support Agreement (as summarized above);3. operate in accordance with the Weekly Cash Flow Forecast, subject to the Permitted Variance (not more than 15% adverse variance for Total Disbursements and not less than 15% adverse variance for Total Operating Receipts);4. not enter into or approve any DIP Financing secured by a lien ranking in priority to or pari passu with the liens securing the Notes without Supporting Noteholder consent;5. comply with certain information deliverables, including, among other things: (a) delivering a 13-week Weekly Cash Flow Forecast and Long-Term Budget; (b) delivering weekly written updates (including Variance Reports, cash balances and accounts payable aging); and (c) delivering monthly financial statements and cost-cutting status updates;6. comply with certain transaction process deliverables, including: (a) hosting weekly restructuring update calls with Noteholder Advisors; (b) providing draft Sale Commitment Documentation; and (c) providing draft Definitive Documents; and7. pay the reasonable and documented fees and expenses of the Noteholder Advisors (Goodmans LLP, Feuerstein Kulick LLP and Ducera Partners LLC).
Events of Termination in Favour of the Supporting Noteholders	<p>Among other things:</p> <ol style="list-style-type: none">1. breach by any Company of the Support Agreement that is not cured within 7 calendar days of notice;2. any Variance Report showing adverse variance in excess of Permitted Variance for the 4-week rolling period;3. the purchase price consideration for any Sale Transaction or other transaction not being administered/distributed in accordance with the Distribution Process;4. the Court not granting the Initial Order or ARIO, or dismissal/termination/stay of the CCAA Proceedings;5. the Cannabist Company providing notice of exercise of

	<p>certain fiduciary out rights; and</p> <p>6. filing a motion seeking or Court approving an Initial Order/ARIO not acceptable to Requisite Supporting Noteholders, a priming DIP Financing, or a Restructuring Transaction other than an Approved Restructuring Transaction.</p>
<p>Remedies</p>	<p>In the case of any breach of the Support Agreement by the Companies, the Supporting Noteholders’ sole and exclusive remedy in respect of such breach shall be termination of the Support Agreement.</p> <p>Nothing in the Support Agreement prohibits, prevents, modifies, or impedes the Supporting Noteholders’ exercise of rights and remedies available to them pursuant to the Indenture, the Security Documents, or applicable law.</p>
<p>Other Key Terms</p>	<ol style="list-style-type: none"> 1. <u>Conditions Precedent to Completion of Restructuring Transactions</u>: (i) approval of Initial Order and ARIO; (ii) all Definitive Documents in acceptable form; (iii) the Court granting a Transaction Approval Order; (iv) conditions in Definitive Documents satisfied or waived; and (v) no governmental order restraining the Restructuring Transaction. 2. <u>Cash Distribution Process</u>: (i) all Net Cash Proceeds from Approved Restructuring Transactions shall be delivered to an escrow account of the Monitor or another escrow agent; (ii) the Companies shall obtain an Omnibus Distribution Order within 45 days of the Initial Order authorizing certain distributions in repayment of Notes from time to time; (iii) distributions shall commence no later than August 31, 2026; (iv) if aggregate unrestricted cash exceeds \$30,000,000, excess cash shall be distributed for repayment of Notes. 3. <u>Non-Cash Distribution Process</u>: the Companies shall file and pursue approval of a CCAA plan of compromise and arrangement that addresses the distribution of non-cash consideration paid pursuant to the Sale Transactions (i.e., securities, promissory notes, earn-out rights, etc.), with such consideration to be delivered to an Agent selected by the Requisite Supporting Noteholders. Upon termination of this CCAA Proceeding, the remaining assets shall be assigned to the Agent, with any surplus proceeds following full repayment of the Notes to be paid to the trustee-in-bankruptcy of The Cannabist Company. 4. <u>Fiduciary Out</u>: Nothing in the Support Agreement shall

	require the directors, officers or managers to take any action that the board of the Parent Company reasonably determines, after consultation with counsel, would be inconsistent with fiduciary duties or an order of the Court.
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THE SECURITY OPINIONS

42. Prior to the commencement of these CCAA Proceedings, the Proposed Monitor has instructed the New York office of its counsel, Torys LLP (“**Torys N.Y.**”), and the Proposed Monitor’s special British Columbia counsel, Clark Wilson LLP (“**B.C. Counsel**”), to provide opinions as to the validity and enforceability of the indebtedness and security underlying the Senior Notes granted by the Parent Company and certain other entities in the CC Group (collectively, the “**Noteholder Security**”).
43. In respect of the portion of the Noteholder Security governed by British Columbia law, B.C. Counsel has prepared a written opinion dated March 3, 2026 (the “**B.C. Opinion**”). The B.C. Opinion addresses: (a) the A&R Indenture; and (b) the First Supplemental Indenture dated May 29, 2025, made between the Parent Company, as issuer, the Co-Issuer, and Odyssey Trust Company, as trustee (the “**Trustee**”) (together, “**B.C. Security Documents**”). Subject to the customary qualifications and assumptions set out therein, B.C. Counsel opines in the B.C. Opinion that:
- (a) each of the B.C. Security Documents constitutes a legal, binding, and enforceable obligation of the Parent Company in favour of the Trustee;
 - (b) the A&R Indenture creates in favour of the Trustee a valid security interest in the undertaking, business, property, assets, interests, and rights of the Parent Company that are subject to the A&R Indenture and to which the *Personal Property Security Act* (British Columbia) applies (the “**B.C. Property**”);
 - (c) the security interest granted by the A&R Indenture has been registered, filed, or recorded in all public offices where the registration, filing, or recording thereof is

required under the laws of the Province of British Columbia to perfect the security interest created by the A&R Indenture in the applicable B.C. Property.

44. In respect of the portion of the Noteholder Security governed by New York law (the “**N.Y. Security**”), Torys N.Y. has prepared a written opinion dated March 3, 2026 (the “**N.Y. Opinion**”). Consistent with the A&R Indenture which provides for certain unrestricted subsidiaries, Torys N.Y. determined that not every Subsidiary is indebted under, or otherwise granted a security interest in its property under, the documents governing the N.Y. Security (the “**N.Y. Security Documents**”). Specifically, only the following Subsidiaries are indebted under, and granted a security interest in its property under, the N.Y. Security Documents (collectively, the “**N.Y. Grantors**”):

Beacon Holdings, LLC	CA Care LLC	CC California LLC
CC OH Realty LLC	Columbia Care DC LLC	Columbia Care DE Management LLC
Columbia Care Delaware, LLC	Columbia Care Illinois LLC	Columbia Care LLC
Columbia Care MD LLC	Columbia Care Maryland LLC	Columbia Care NY LLC
Columbia Care New Jersey LLC	Curative Health Cultivation LLC	Curative Health LLC
Infuzionz, LLC	MJ Brain Bank, LLC	Patriot Care Corp.
Rocky Mountain Tillage, LLC	Green Leaf Medicals, LLC	Futurevision, Ltd. f/k/a Medicine Man Production
Cannascend Alternative Logan, L.L.C.	Time for Healing, LLC	Cannascend Alternative, LLC
Corsa Verde, LLC	Columbia Care WV LLC	Wellness Institute of Maryland, LLC
Green Leaf Medical, LLC	Columbia Care OH LLC	Green Leaf Extracts, LLC
Columbia Care CO Inc.	The Green Solution, LLC	Avum, LLC
CC Procurement LLC	Col. Care (Delaware) LLC	Green Leaf Management, LLC
TGS Colorado Management, LLC	Green Leaf Medical of Ohio II, LLC	Green Leaf Medical of Ohio III, LLC

45. The Proposed Monitor understands based on its discussions with the CC Group’s Canadian counsel that the Subsidiaries that are not subject to the Noteholders’ security are either dormant entities that will be dissolved during the pendency of this CCAA Proceeding, entities that hold assets that are subject to East West Bank’s mortgage or entities that hold certain cannabis assets that are not presently contemplated to be subject to a Sale Transaction.
46. Subject to the customary qualifications and assumptions set out therein, Torys N.Y. opines in the N.Y. Opinion that:
- (a) each N.Y. Security Document constitutes a legal, valid and binding obligation of each N.Y. Grantor that is a party thereto, enforceable against such N.Y. Grantor in accordance with its terms;
 - (b) the Amended and Restated Pledge and Security Agreement dated May 29, 2025, between the Grantors (as defined therein) and the Trustee creates in favour of the Trustee valid and enforceable liens on and security interests in the collateral described therein and which constitutes property in which a security interest can be granted under Article 9 of the Uniform Commercial Code, as adopted and in effect in the State of New York (the “UCC”, and such collateral, the “**Article 9 Collateral**”);
 - (c) each of the financing statements addressed in the N.Y. Opinion in respect of the N.Y. Security (collectively, the “**Financing Statements**”) has been duly filed with the appropriate jurisdiction, and all filing fees due in connection therewith have been paid; and
 - (d) the Trustee has a perfected security interest in the Article 9 Collateral described in the Financing Statements, to the extent that a security interest in such Article 9 Collateral can be perfected by the filing of a financing statement pursuant to the UCC.

THE PROPOSED MONITOR'S RECOMMENDATION

47. The Proposed Monitor believes that the Support Agreement is reasonable and appropriate in the circumstances, including for the following reasons:
- (a) The Support Agreement represents buy-in from the majority of the Senior Noteholders, being the senior secured creditors of the Parent Company, the Co-Issuer and the majority of the Subsidiaries (save for the mortgage security on specific real property held by East West Bank).
 - (b) Among other benefits, the Support Agreement materially reduces the execution risk associated with this CCAA Proceeding and mitigates against the risk of a potentially value-destructive contested CCAA proceeding.
 - (c) The Proposed Monitor's counsel's security review confirmed that the security provided by the Senior Notes is valid as against the applicable members of the CC Group indicated above.
 - (d) The Senior Noteholders are not expected to recover the full amount of their outstanding claims under the Senior Notes, meaning they are the fulcrum creditor of the CC Group and the primary economic stakeholder in respect of the Sale Transactions.

IX. COMMUNICATION PLAN

48. The Applicants and the Proposed Monitor, with input from their respective counsel and management, have prepared a detailed communication plan to inform stakeholder groups of this CCAA Proceeding following its commencement to ensure that the CC Group's operations will continue in a seamless manner.
49. Under this communication plan, individual, targeted communications may be sent to employees, suppliers and landlords and includes easy-to-understand frequently asked question sheets ("FAQs") explaining the general nature of this initial application and this CCAA Proceeding, the role of the Court and the Monitor, and the immediate implications of the Proposed Initial Order for each particular stakeholder group.

50. The communication plan is comprehensive and consistent with the scope of other communication plans employed at the outset of CCAA proceedings of a similar nature and scale.
51. The Proposed Initial Order, if granted, will require the Monitor to post materials in connection with this CCAA Proceeding on the Monitor’s website at <https://cfcanada.fticonsulting.com/tcc>. If appointed, FTI, as Monitor, will post FAQs on this website and will make available a dedicated email address: tcc@fticonsulting.com and hotline telephone numbers, including a local number (416-649-8130) and toll-free number (1-833-708-8209), for stakeholders who have questions or concerns in respect of this CCAA Proceeding.

X. PROPOSED CHARGES

52. The Proposed Initial Order contemplates the creation of two super-priority charges over the property of the Applicants (collectively, the “**Proposed Charges**”), which are described in more detail below. The Proposed Initial Order sets out a detailed priority regime for the Proposed Charges. The Proposed Charges contemplated by the Proposed Initial Order are as follows:

Proposed Charges		
Priority	Proposed Charge	Property Subject to Charge
First	<u>Administration Charge</u> , up to a maximum amount of \$1.3 million	All property of the Applicants
Second	<u>D&O Charge</u> , up to a maximum amount of \$9 million	All property of the Applicants

THE PROPOSED D&O CHARGE

53. The Applicants are seeking the D&O Charge in favour of the directors, officers, and managers of the CC Group (the “**D&Os**”) up to a maximum amount of \$9 million. The D&O Charge would have priority over all claims against the property of the Applicants (the “**Property**”) other than:
- (a) the Administration Charge (as described below); and
 - (b) any person who is a “secured creditor,” as defined in the CCAA, who has not been served with notice of the Applicants’ initial application (provided that the Applicants intend to seek the ARIO at the comeback hearing, which would grant priority to the D&O Charge and the other court-ordered charges ahead of secured creditors who did not receive notice of the initial application, if any).
54. As described in the Initial Kroll Affidavit, the Applicants intend to seek an increase in the D&O Charge to \$10.5 million at the comeback hearing.
55. As noted, the beneficiaries of the D&O Charge are the D&Os. The Proposed Monitor believes that the continued support and service of the D&Os during this CCAA Proceeding would be beneficial to the CC Group’s efforts to complete the Sale Transactions, preserve the value of the CC Group’s business and ultimately maximize recoveries for stakeholders. The Proposed Monitor has been informed that the D&Os will not continue to serve in their respective roles unless the D&O Charge is granted. The Proposed Monitor further notes that the D&Os of the Subsidiaries are primarily the officers of the Applicants who serve in multiple capacities.
56. The CC Group maintains directors’ and officers’ liability insurance (the “**D&O Insurance**”) which provides up to \$15 million in coverage. However, it is uncertain whether all claims for which the D&Os may be personally liable will be covered by the D&O Insurance given certain exclusions. It is also uncertain whether the amount of coverage provided by the D&O Insurance will be sufficient to adequately protect the D&Os from liability and to incentivize the D&Os to continue their service with the CC Group.

57. The quantum of the proposed D&O Charge is based on estimated amounts that may arise during this CCAA Proceeding for which directors and/or officers have potential statutory personal liability. These amounts include:
- (a) wages, salaries and applicable withholdings totaling approximately \$3.4 million;
 - (b) accrued vacation pay totaling approximately \$2.3 million;
 - (c) sales taxes totaling approximately \$2.4 million; and
 - (d) certain other taxes totaling approximately \$0.9 million.
58. The Proposed Monitor has reviewed the quantum of the proposed D&O Charge and the underlying support therefor and is of the view that the proposed quantum of the D&O Charge is reasonable and appropriate in the circumstances. Accordingly, the Proposed Monitor respectfully recommends that this Court grant the D&O Charge on the terms set out in the Proposed Initial Order.

THE PROPOSED ADMINISTRATION CHARGE

59. The Applicants also seek the Administration Charge up to a maximum amount of \$1.3 million. The Administration Charge would have priority over all other charges. The Proposed Monitor understands that the Applicants will seek to increase the maximum amount of Administration Charge to \$2.5 million on their comeback motion.
60. The beneficiaries of the Administration Charge are:
- (a) the Monitor;
 - (b) Torys LLP, the Monitor's Canadian counsel;
 - (c) Morris, Nichols, Arsht & Tunnell LLP, the Monitor's Delaware counsel;
 - (d) Stikeman Elliott LLP, the Applicants' Canadian counsel;
 - (e) Weil, Gotshal & Manges LLP, the Applicants' U.S. counsel;

- (f) Richards, Layton & Finger, P.A., the Applicants' Delaware counsel;
 - (g) Foley Hoag LLP, the Applicants' transaction regulatory counsel;
 - (h) Sierra, the Applicants' financial advisor; and
 - (i) Moelis, only in respect of its monthly advisory fees.
61. The CC Group requires the expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge during this CCAA Proceeding in order to complete the Sale Transactions, wind down the remaining operations and otherwise maximize value for stakeholders. Each of the beneficiaries of the Administration Charge will have distinct roles in the CCAA Proceedings and/or Chapter 15 Proceedings.
62. The Proposed Monitor has reviewed and considered the underlying assumptions upon which the Applicants have based the quantum of the proposed Administration Charge, the complexities of this CCAA Proceeding and the Chapter 15 Proceeding (including the multi-jurisdictional nature of the CC Group's operations) and the services to be provided by the beneficiaries of the Administration Charge. The Proposed Monitor is of the view that the proposed quantum of the Administration Charge in the Proposed Initial Order is reasonable and appropriate in the circumstances.
63. Accordingly, the Proposed Monitor respectfully recommends that this Court grant the Administration Charge on the terms set out in the Proposed Initial Order.

XI. OTHER RELIEF

STAY OF PROCEEDINGS

64. The Applicants seek the Stay of Proceedings in favour of themselves and seek to extend the Stay of Proceedings and certain other relief in the Proposed Initial Order to the Subsidiaries. The Proposed Monitor believes that the Stay of Proceedings is necessary to allow the Applicants and the Subsidiaries to continue to operate their deeply integrated business during this CCAA Proceeding and to give them breathing room to pursue their

plan of consummating the remaining Sale Transactions and winding down their remaining operations under this Court's supervision.

65. The Stay of Proceedings will avoid potential uncoordinated enforcement actions in different jurisdictions, all of which would be counterproductive to protection of value.
66. The Proposed Monitor understands that, as the Sale Transactions close and the applicable Subsidiaries' assets are sold, the CC Group may seek to include some or all of the corresponding Subsidiaries as applicants under the CCAA in respect of those new applicants at the appropriate time.
67. The Proposed Monitor understands that the most realistic alternative to this approach under United States law would be to commence separate insolvency proceedings for the Subsidiaries on a state-by-state basis. The Proposed Monitor believes that this result would be far worse for stakeholders than the Applicants' proposed roadmap in this CCAA Proceeding, in particular given the level of integration of the CC Group's business.

CRITICAL VENDORS

68. The Applicants are seeking authorization, together with the Subsidiaries, to pay pre-filing amounts to certain suppliers that provide the CC Group with essential services and products and/or are required to ensure the CC Group is in compliance with regulatory requirements (the "**Critical Vendors**"), up to the aggregate maximum amount of \$4 million and in each case with the Monitor's consent. The Monitor understands that the Applicants intend to seek an increase in the authorization for Critical Vendors to \$8 million at the comeback hearing.
69. The Proposed Monitor understands that the Critical Vendors are expected to consist of essential suppliers that supply services and/or products to the CC Group in the markets that are subject to certain of the Sale Transactions (*i.e.*, the CC Group's Ohio, Delaware, Colorado, Maryland, New Jersey, Illinois, West Virginia and Massachusetts businesses). For clarity, the Applicants do not anticipate that any vendors in the New York or Pennsylvania markets will be treated as Critical Vendors. For reference, the total quantum

of pre-filing amounts owing to all of the CC Group's vendors is approximately \$38.1 million.

70. The CC Group is requesting the authorization, but not requirement, to pay pre-filing amounts, with the consent of the Monitor, to certain suppliers, including:
- (a) Services and/or products in the markets subject to certain of the Sale Transactions totaling approximately \$3.6 million, the purpose of which is to remain in compliance with agreements governing the remaining Sale Transactions and to maintain the Applicants' business and to preserve value of the Applicants' assets; and
 - (b) Regulated and/or essential services and products totaling approximately \$4.4 million. The aforementioned essential products and services may pertain to: packaging, cultivation, testing, information technology, security and wholesale activity.

The Applicants, together with the Subsidiaries, do anticipate paying out in excess of 50% of the estimated Critical Vendor pool prior to the comeback hearing. Obtaining approval to pay up to the capped amounts is warranted to provide the Applicants with adequate flexibility to maintain business operations without disruption. The disclosure provided in this Report is meant to provide the Court with the basis on which this relief is being sought while balancing the Applicants' need for operational flexibility and preserving their negotiating position in relation to Critical Vendors and other vendors.

71. The Proposed Monitor will consider the following in assessing reasonableness of the pre-filing payments to Critical Vendors:
- (a) the intended outcome of these CCAA Proceedings is to complete the Sale Transactions. As such, to stabilize operations, remain in compliance with regulatory requirements, remain in compliance with agreements governing the remaining Sale Transactions and to maintain the Applicants' business and to preserve value of the Applicants' assets, which could impact the outcome, the

Monitor is of the view that the payment of certain pre-filing amounts is reasonable in the circumstances; and

- (b) the Monitor's consent will be required before any such proposed payment may be made, with such payments consistent with the March 2026 Forecast and Support Agreement.

MAINTENANCE OF CASH MANAGEMENT SYSTEM

- 72. The Proposed Initial Order includes relief that would authorize the CC Group to continue to utilize the Cash Management System, or to otherwise replace the Cash Management System with an alternative cash management system with the Monitor's consent. The Proposed Monitor understands that the CC Group intends to continue utilizing the Cash Management System in accordance with this relief.
- 73. The Proposed Monitor has reviewed the description of the cash management system for CC Group set out in the Initial Kroll Affidavit and believes those descriptions to be accurate.
- 74. The CC Group maintains a total of fifty-six (56) accounts in total, nineteen (19) of which are with East West Bank ("**EWB**"), twenty (20) of which are with Valley National Bank ("**Valley National**"), twelve (12) of which are with Needham Bank ("**Needham**"), one (1) account is with First Federal Bank ("**First Federal**"), one (1) account is with Partners Colorado Credit Union ("**Partners**"), one (1) account is with Commerzbank ("**Commerz**"), one (1) account is with Haywood Securities ("**Haywood**"), and one (1) account is with Western Alliance Bank ("**Western Alliance**"). The majority of the CC Group's bank accounts act as depository accounts receiving retail and wholesale collections, with a few centralized operating accounts that consolidate collections, process disbursements and hold excess funds. In addition, the CC Group holds nominal cash to ensure sufficient cash float at the stores. Dutchie provides point of sale services ("**POS**") across the majority of retail locations and EWB provides back office administrative and processing capabilities that are integral to the cash management system. The chart below

provides a summary of the Applicants' banking facilities across the different banking institutions:

# of Accounts	
East West Bank	4
Needham Bank	3
Total	7

75. The CC Group has 38 corporate credit cards that are paid through its EWB accounts. Credit cards are primarily used for travel, IT subscriptions, and other miscellaneous expenses. The CC Group estimates that, on average, approximately \$150k is charged monthly to the credit cards. A cash collateral account pertaining to these credits cards currently holds \$300k.
76. The CC Group's cash management system allows for separate tracking of receipts and disbursements of the CC Group. The CC Group currently tracks all intercompany transactions and will continue to monitor and record all intercompany transactions in their accounting system post-filing.
77. This cash management system is critical to the ongoing management of the CC Group's business and affairs. Replacement of the cash management system would be costly and time consuming. Accordingly, the Proposed Monitor supports the CC Group's request to continue to operate its existing cash management system throughout the CCAA Proceeding.
78. The CC Group's existing Stash Cash loyalty program allows customers to earn points for money spent on product purchases and is managed by Alpine IQ, a third-party administrator. The loyalty program is critical to maximizing value for the CC Group, and accordingly, the Proposed Monitor supports the CC Group's request to continue to operate its existing cash management system in the ordinary course of business and throughout this CCAA Proceeding.

APPOINTMENT OF THE CANNABIST COMPANY HOLDINGS INC. AS FOREIGN REPRESENTATIVE

79. If this Court grants the Proposed Initial Order, the Proposed Monitor understands that the Applicants intend to initiate a foreign recognition proceeding under Chapter 15 of the

United States Bankruptcy Code before the U.S. Court (the “**Chapter 15 Proceeding**”). The Proposed Initial Order would appoint the Parent Company as the “foreign representative”.

80. The Proposed Monitor understands that the Foreign Representative intends to seek in the Chapter 15 Proceeding, among other things: (a) recognition of this CCAA Proceeding as a “foreign main proceeding” pursuant to the United States Bankruptcy Code; and (b) recognition and enforcement of the Proposed Initial Order in the United States.
81. The Proposed Monitor notes that the CC Group conducts business and has material assets in the United States. The Chapter 15 Proceeding will be necessary to ensure that the stays of proceedings contained in the Proposed Initial Order are recognized and enforced in the United States, thereby protecting the CC Group’s assets and operations in the United States from creditor action while this CCAA Proceeding is implemented.
82. The Proposed Monitor is of the view that the appointment of The Cannabist Company Holdings Inc. as the Foreign Representative is reasonable in the circumstances and a necessary step in the Applicants’ proposed roadmap in this CCAA Proceeding. The Proposed Monitor supports such appointment.

XII. CONCLUSION

83. For the reasons set out above, the Proposed Monitor is of the view that the relief contained in the Proposed Initial Order is appropriate and reasonable in the circumstances. Considering the Applicants’ liquidity constraints, as well as their considerable efforts since at least mid-2024 to resolve their operational and financial challenges without the need for a formal insolvency proceeding, the relief contained in the Proposed Initial Order is necessary to: (i) give the CC Group breathing room to stabilize its business and operate in the normal course; (ii) implement the Sale Transactions; and (iii) wind down the remaining operations.
84. Accordingly, the Proposed Monitor supports the Applicants’ application for the Proposed Initial Order and respectfully recommends that this Court grant the relief they seek therein.

The Proposed Monitor respectfully submits this Pre-Filing Report to the Court.

Dated this 24th day of March, 2026.

FTI Consulting Canada Inc.
In its capacity as Proposed Monitor of
The Cannabist Company Holdings Inc. et al.



Jodi Porepa
Senior Managing Director



Jeffrey Rosenberg
Senior Managing Director

APPENDIX C
FIRST REPORT OF THE MONITOR

Court File No. CL-26-00000122-0000

The Cannabist Company Holdings Inc. et al.

**FIRST REPORT OF THE MONITOR,
FTI CONSULTING CANADA INC.**

March 31, 2026

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APPENDIX A – INITIAL ORDER

APPENDIX B – PRE-FILING REPORT OF THE PROPOSED MONITOR

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
THE CANNABIST COMPANY HOLDINGS INC.
AND THE CANNABIST COMPANY HOLDINGS (CANADA) INC.

**FIRST REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

I. INTRODUCTION

1. On March 24, 2026 (the “**Filing Date**”), The Cannabist Company Holdings Inc. (the “**Parent Company**”) and The Cannabist Company Holdings (Canada) Inc. (the “**Co-Issuer**”, and together with the Parent Company, the “**Applicants**”) sought and obtained an initial order (the “**Initial Order**”) under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The proceeding that the Applicants commenced under the CCAA is referred to herein as the “**CCAA Proceeding**”.
2. The Initial Order, among other things:
 - (a) appointed FTI Consulting Canada Inc. (“**FTI**”) as the monitor of the Applicants (in such capacity, the “**Monitor**”);
 - (b) granted a stay of proceedings in favour of the Applicants and the Applicants’ subsidiaries listed in **Schedule “A”** hereto (the “**Subsidiaries**”, and together with

the Applicants, the “**CC Group**”) up to and including April 2, 2026 (the “**Stay of Proceedings**”);

- (c) approved the Applicants’ and the Subsidiaries’ ability to pay pre-filing amounts in respect of critical vendors up to a maximum of \$4 million, with the Monitor’s consent;
 - (d) appointed the Parent Company as the “foreign representative” for purposes of the Chapter 15 Proceeding (as defined below);
 - (e) granted the Administration Charge and the D&O Charge; and
 - (f) approved the continued utilization of the Cash Management System.
3. A copy of the Initial Order is attached hereto as **Appendix A**”.
4. Prior to the commencement of this CCAA Proceeding, FTI, in its capacity as the proposed Monitor, filed with this Court a pre-filing report dated March 24, 2026 (the “**Pre-Filing Report**”). The Pre-Filing Report is available on the Monitor’s website at <https://cfcanada.fticonsulting.com/tcc> and is attached hereto as **Appendix “B”**.
5. Capitalized terms not otherwise defined herein have the meanings given to them in the Pre-Filing Report.
6. The purpose of this first report of the Monitor (the “**First Report**”) is to provide this Court with information regarding:
- (a) the activities of the CC Group and the Monitor since the Filing Date;
 - (b) the Monitor’s views on the relief that the Applicants seek in connection with the proposed amended and restated Initial Order (the “**ARIO**”), which would, among other things:
 - (i) extend the Stay of Proceedings to May 29, 2026;

- (ii) approve a key employee retention plan (the “**KERP**”) in favour of certain key employees of the CC Group;
- (iii) appoint SierraConstellation Partners LLC (“**Sierra**”) as the chief restructuring officer of the Applicants (in such capacity, the “**CRO**”) under an engagement letter that was amended and restated on March 23, 2026 (the “**SCP Engagement Letter**”);
- (iv) approve the amended and restated engagement letter between Moelis & Company LLC (“**Moelis**”) and the Parent Company dated March 9, 2026 (the “**Moelis Engagement Letter**”), under which Moelis provides financial advisory services to the CC Group;
- (v) approve the engagement letter between Ducera Partners LLC (“**Ducera**”), the financial advisor of the Supporting Noteholders, and the Parent Company dated December 18, 2025 (the “**Ducera Engagement Letter**”);
- (vi) authorize the CC Group to incur no further expenses in relation to the Securities Filings (as defined below) and declaring that none of the D&Os, employees, and other representatives of the CC Group shall have any personal liability for any failure by the CC Group to make the Securities Filings;
- (vii) authorize the Applicants and the Subsidiaries to pay pre-filing amounts to critical suppliers, up to the increased aggregate maximum amount of \$8 million (from an aggregate maximum of \$4 million in the Initial Order);
- (viii) grant the following relief in respect of the following Court-ordered charges against the Applicants’ property (collectively, the “**Charges**”):
 - (A) increase the maximum amount of the Administration Charge to \$2.5 million (from an aggregate maximum of \$1.3 million in the Initial Order);

- (B) increase the maximum amount of the D&O Charge to \$10.5 million (from an aggregate maximum of \$9 million in the Initial Order);
 - (C) grant the KERP Charge (as defined below) as security for payments under the KERP in the maximum amount of \$1.67 million;
 - (D) grant the Moelis Transaction Fee Charge and the Ducera Transaction Fee Charge (both as defined below) as security for the respective Transaction Fees (as defined below) of Moelis and Ducera in the maximum amount of \$4.3 million and \$1 million, respectively; and
 - (E) approve the terms of the support agreement (the “**Support Agreement**”) dated March 23, 2026, by and between the Applicants and certain holders of the majority of the Senior Notes (as defined below) (the “**Supporting Noteholders**”); and
- (c) the Monitor’s conclusions and recommendations in respect of the foregoing.

II. TERMS OF REFERENCE

7. In preparing this First Report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants’ books and records, certain financial information prepared by the Applicants, and discussions with various parties (the “**Information**”).
8. Except as otherwise described in this First Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this First Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

9. The Monitor has prepared this First Report in connection with the Applicants' motion for the ARIO and should not be relied on for any other purpose.
10. Future-oriented financial information reported or relied on in preparing this First Report is based on the assumptions of the management of the Applicants (“**Management**”) regarding future events; actual results may vary from forecast and such variations may be material.
11. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars.

III. ACTIVITIES OF THE MONITOR SINCE THE FILING DATE

COMMUNICATIONS

12. The Monitor has established a website at <https://cfcanada.fticonsulting.com/tcc> (the “**Monitor’s Website**”) for documents, court materials and updates on this CCAA Proceeding to be posted. The Monitor has also established a dedicated email address (tcc@fticonsulting.com) and hotlines (1-416-649-8130 and 1-833-708-8209) for stakeholders to communicate directly with the Monitor in respect of their questions or concerns about this CCAA Proceeding.

NOTICES

13. In accordance with paragraph 42 of the Initial Order, the Monitor:
 - (a) arranged for publication of an initial notice in *The Globe and Mail (National Edition)* on March 30, 2026, and in the Wall Street Journal on March 28, 2026, which notice contained the information prescribed under the CCAA;
 - (b) posted a copy of the Initial Order and the related court materials on the Monitor’s Website on March 24, 2026, thereby making those materials publicly available;
 - (c) sent, in the prescribed manner, a notice to every known creditor with a claim against the CC Group of more than \$1,000; and

- (d) prepared a list of those creditors and the estimated amounts of those claims, and made that list publicly available on the Monitor's Website.

THE MONITOR'S OTHER ACTIVITIES

- 14. In addition to the activities listed above, the Monitor has also undertaken the following activities since this CCAA Proceeding commenced:
 - (a) posting the current service list for this CCAA Proceeding on the Monitor's Website;
 - (b) engaging in discussions with the CC Group, its legal counsel, and its directors and management in respect of the CC Group's operations;
 - (c) engaging in discussions with the CC Group, its legal counsel, and its directors and management in respect of ongoing wind down efforts, including wind-down activities in certain markets that the CC Group will be exiting;
 - (d) engaging in discussions with the CC Group in respect of the Sale Transactions and the advancement and progress of same;
 - (e) engaging in discussions with the CC Group around communication with employees and other key stakeholder groups;
 - (f) engaging in discussions with and/or assisting the CC Group in discussions with landlords, suppliers, other creditors and employees related to this CCAA Proceeding and responded to requests for information from certain such parties;
 - (g) participating in communications with certain cannabis regulators in the United States, which discussions are ongoing;
 - (h) appearing at a hearing in the Chapter 15 Proceeding (as defined below);
 - (i) engaging with the Monitor's legal counsel, Torys LLP, and the Monitor's local Delaware counsel, Morris, Nichols, Arsht & Tunnell LLP, regarding matters related to this CCAA Proceeding and the Chapter 15 Proceeding;

- (j) monitoring the receipts and disbursements of the CC Group;
- (k) responding to various enquiries from stakeholders of the CC Group; and
- (l) preparing this First Report.

IV. ACTIVITIES OF THE CC GROUP SINCE THE FILING DATE

15. Since the Filing Date, the Monitor understands that the CC Group, with the assistance of their legal counsel and the Monitor, have undertaken the following activities, among others:

- (a) issued a press release on the Filing Date regarding this CCAA Proceeding;
- (b) held multiple employee meetings across the organization and sent out communications to its employees to explain the impact of this CCAA Proceeding and to answer their questions in respect of this CCAA Proceeding;
- (c) communicated with the CC Group's vendors and certain other stakeholders to provide information about this CCAA Proceeding and answer their questions;
- (d) communicated with cannabis regulators in the United States, which discussions are ongoing;
- (e) assisted the Monitor in compiling a list of all known creditors for the purposes of providing the notices required under the CCAA;
- (f) communicated with the Cboe Canada Inc. exchange and the OTCQX exchange regarding the CCAA filing;
- (g) continued negotiations with the counterparties to the Sale Transactions and advanced the underlying transactions;
- (h) commenced a proceeding before the United States Bankruptcy Court for the District of Delaware (the "U.S. Court") for recognition of this CCAA Proceeding under

Chapter 15 of the United States Bankruptcy Code (the “**U.S. Bankruptcy Code**”) (the “**Chapter 15 Proceeding**”); and

- (i) managed cash flows and made disbursements in accordance with the Initial Order and the Support Agreement, in consultation with the Monitor.

V. UPDATE ON THE CHAPTER 15 PROCEEDING

16. On March 24, 2026, immediately following the granting of the Initial Order by this Court, the Parent Company, acting in its capacity as the court-appointed foreign representative of the Applicants, filed a petition pursuant to Chapter 15 of Title 11 of the U.S. Bankruptcy Code in the U.S. Court. The relief sought in the Chapter 15 Proceeding included, inter alia: (a) an order recognizing the CCAA Proceeding as a “foreign main proceeding” within the meaning of the U.S. Bankruptcy Code; and (b) an order recognizing and enforcing the Initial Order, including the extension of the Stay of Proceedings to the Subsidiaries, on a provisional basis.
17. On March 26, 2026, the U.S. Court conducted a hearing to consider recognition of these CCAA Proceeding and the Initial Order on a provisional basis. At this hearing, the United States Trustee raised a limited objection with respect to the provisional relief sought concerning the extension of the Stay of Proceedings to the Subsidiaries. After considering the submissions of the parties, the U.S. Court overruled the objection and granted the provisional relief motion. Specifically, the U.S. Court issued an order: (a) recognizing the CCAA Proceeding; (b) enforcing the Initial Order within the United States on a provisional basis; and (c) recognizing the extension of the Stay of Proceedings to the Subsidiaries pending a final determination of the relief requested. The Monitor appeared at such hearing.
18. A further hearing has been scheduled before the U.S. Court on May 12, 2026, at which time the Court will consider the requested relief on a final basis.

VI. UPDATES ON THE SALE TRANSACTIONS

19. As described in the Kassel Affidavit and the Pre-Filing Report, the CC Group has entered into, intends to enter into or has already completed, as applicable, certain transactions that were agreed to during the Pre-Filing Sale Process (collectively, the “**Sale Transactions**”).¹
20. The Applicants have scheduled a motion returnable on April 15, 2026, to seek approval of certain of the Sale Transactions. The Monitor will provide its recommendation in respect of those Sale Transactions and the Pre-Filing Sale Process, including as such process relates to the Sale Transactions, when the Applicants return to seek this Court’s approval of certain of the Sale Transactions. The Monitor intends to provide this Court with more detailed information at that time.

VII. APPOINTMENT OF SIERRA AS CRO

21. The Applicants seek to appoint Sierra as the CRO in this CCAA Proceeding.
22. The Monitor understands that Sierra has been acting as the CC Group’s financial advisor and restructuring support advisor since November 14, 2025, pursuant to the SCP Engagement Letter². Since that time, the Monitor understands that Sierra has gained a considerable understanding of the CC Group’s business, financial and operational affairs and the proposed path forward in this CCAA Proceeding. The Monitor further understands that Sierra has expertise in the U.S. cannabis space through its previous engagements.
23. On or around November 15, 2025, the Chief Financial Officer (“**CFO**”) of the CC Group resigned and entered into a consulting agreement to continue assisting the CC Group in a non-employee consultant capacity. The Monitor has been advised that the Chief Financial Officer’s consulting agreement has now expired and he is no longer working with CC Group.

¹ The Monitor notes that limited relief in the ARIO is related to transition services that the CC Group agreed to provide in connection with the sale of the CC Group’s Virginia business to Parma Holdco LLC, which closed on February 5, 2026 (and prior to the commencement of the CCAA Proceeding).

² The Monitor has been advised that Tom Lynch, the Chairman of the Company’s Board, who is affiliated with SCP, was recused from the selection process.

24. The proposed ARIO contemplates that Sierra's role as CRO would include, among other things, providing oversight and assistance with the preparation of financial information, communicating with lenders regarding financial performance, strategy and other matters, providing oversight and assistance in connection with negotiations with various stakeholders and evaluating and making recommendations in connection with strategic alternatives.
25. The Monitor believes that Sierra's appointment as CRO would add value to the CC Group's restructuring efforts, in light of the fact that they no longer have a CFO and do not intend to replace the role for the duration of the CCAA Proceeding. Sierra, in consultation with the Monitor, has been working together with the CC Group on its financial and operational activities, including assisting in the preparation of a potential wind-down plan, developing cash flow forecasts, building financial models, communicating with key stakeholders and advising on the restructuring strategy, all of which is expected to continue throughout this CCAA Proceeding. Moreover, Sierra's expertise in the cannabis space will be important to the success of this CCAA Proceeding, given the highly complex, overlapping regulatory environment that the CC Group operates in.

VIII. THE MOELIS AND DUCERA ENGAGEMENT LETTERS

MOELIS ENGAGEMENT LETTERS

26. As described in the Pre-Filing Report, the CC Group obtained the Sale Transactions through a pre-filing sale process (the "**Pre-Filing Sale Process**") that Moelis commenced in or around June 2024. In connection with the Pre-Filing Sale Process, the Parent Company and Moelis entered into the First Engagement Letter on June 27, 2024 and the Second Engagement Letter on October 4, 2024, under which Moelis was engaged to act as the CC Group's exclusive investment banker and financial advisor.
27. On March 9, 2026, the Parent Company, Weil (as counsel to and on behalf of the Parent Company), and Moelis entered into the Moelis Engagement Letter which amended and restated the prior engagement letters.

28. Under the Moelis Engagement Letter, Moelis is entitled to a monthly financial advisory fee of \$150,000 in connection with its services in respect of the Pre-Filing Sale Process and the CC Group’s related strategic review. After the first three monthly fees have been paid to Moelis, half of the monthly fees thereafter are available for use as an offset against any future transaction fees payable to Moelis, subject to a maximum offset of \$525,000.
29. Under the Moelis Engagement Letter, Moelis is to be reimbursed for all its reasonable and documented out-of-pocket expenses incurred in entering into and performing services pursuant to the terms therein, provided that the Parent Company is not required to reimburse Moelis for amounts (other than outside legal costs and expenses) that exceed \$10,000 per month or for outside legal costs and expenses that exceed \$100,000 in the aggregate.
30. In addition to the monthly fees, the Moelis Engagement Letter also provides for certain “success” fees that become payable when one or more transactions involving the Parent Company are consummated. These fees, which are comprised of different fees that could apply depending on the type of transaction effected, are summarized as follows (collectively, the “**Moelis Transaction Fees**”):

Fee	Description
Restructuring Fee	A transaction fee (the “ Restructuring Fee ”) is payable at the closing of a Restructuring, equal to \$2,000,000.
Company Sale Transaction Fee	A transaction fee (the “ Company Sale Transaction Fee ”) is payable at the initial closing of a “Company Sale Transaction”, which involves the sale, disposition or other transfer of a majority or more of (i) the equity securities of the Parent Company; (ii) the assets, properties or businesses of the Company on a consolidated basis; or (iii) the merger, consolidation, or other business combination transaction involving the Parent Company pursuant to which the Parent Company’s equity holders immediately prior to such transaction own less than 50% of the equity of the surviving entity of such transaction in the amount of 1.2% for the portion of the Company Sale Transaction Value (as defined in the Moelis Engagement Letter) up to and including \$500

	million plus 0.5% for the portion of the Company Sale Transaction Value in excess of \$500 million.
Asset Sale Transaction Fee	A transaction fee (the “ Asset Sale Transaction Fee ”) is payable at the initial closing of an “Asset Sale Transaction”, being a counterparty’s acquisition of any business, unit, division, or specified discrete assets of the Company that does not constitute a Company Sale Transaction in the amount of 2.0% of the total gross consideration paid in connection with the Asset Sale Transaction.

DUCERA ENGAGEMENT LETTER

31. The Parent Company, counsel for the Supporting Noteholders and Ducera, the financial advisor to the ad hoc group of Supporting Noteholders (the “**Ad Hoc Group**”), entered into an engagement letter on December 18, 2025 (the “**Ducera Engagement Letter**”). In the Ducera Engagement Letter, Ducera agreed to provide, among other things, financial advice and similar services to the Ad Hoc Group in respect of the CC Group’s strategic review process and one or more Transactions (as defined in the Ducera Engagement Letter) involving the CC Group and the Senior Notes.
32. The Ducera Engagement Letter provides for the Applicants’ payment of a monthly cash fee of \$150,000 (the “**Monthly Advisory Fee**”) on the first of each month until the consummation of a Transaction (as defined in the Ducera Engagement Letter) or the termination of Ducera’s services under the Ducera Engagement Letter.
33. In addition, the Ducera Engagement Letter provides for the Applicants’ payment of one or more transaction fees equal to 1.65% (or, in the case of the Virginia business, 1.25%) of the aggregate gross recoveries received by the Noteholders as a result of any Transactions (as defined in the Ducera Engagement Letter) (the “**Ducera Transaction Fees**”, and together with the Moelis Transaction Fees, the “**Transaction Fees**”).
34. The Ducera Transaction Fees are reduced by \$75,000 per month for each month the Monthly Advisory Fee is paid after payment of the third full Monthly Advisory Fee.

THE MONITOR'S COMMENTS

35. The Monitor supports this Court's approval of the Moelis Engagement Letter and the Ducera Engagement Letter for the following reasons:

- (a) The Moelis Engagement Letter governed Moelis' implementation of the Pre-Filing Sale Process, which resulted in the Sale Transactions. Absent these efforts, it is unclear whether one or more alternative transactions for any part of the CC Group's business would have emerged.
- (b) The Supporting Noteholders, who are constituents of the CC Group's senior secured creditors, support the Ducera Engagement Letter and the Moelis Engagement Letter, along with the Transaction Fees. The Monitor understands the engagement letters and fees were agreed to between the Supporting Noteholders and the Parent Company directly and are consistent with the March 2026 Forecast.
- (c) The Monitor understands that the Sale Transactions are not expected to result in sufficient proceeds to repay the indebtedness under the Notes in full. Accordingly, the Supporting Noteholders (along with the other holders of the Notes) are ultimately expected to bear the economic impact of the Transaction Fees.
- (d) The CC Group entered into the Ducera Engagement Letter at the request of the Ad Hoc Group, which, as noted, is constituted of the CC Group's senior creditors who ultimately bear the economic impact of the Ducera Engagement Letter.
- (e) The Monitor has reviewed data in respect of investment banking fees approved in proceedings under Chapter 11 of the *United States Bankruptcy Code* over the last two years. Based on a comparison of the Moelis and Ducera fees to the minimum, maximum and average of the data set, both the Moelis and Ducera fees are within market parameters.
- (f) The Monitor is of the view that the continued engagement of Moelis and Ducera to assist the CC Group in the restructuring process will be beneficial to the CC Group and its stakeholders.

IX. THE KEY EMPLOYEE RETENTION PLAN

- 36. The CC Group has developed the KERP to facilitate and encourage certain of the CC Group’s senior management, key employees and service providers (each, a “**KERP Participant**”) to remain in their current roles at the CC Group. The KERP Participants were determined to be critical to the CC Group’s ongoing operations and success in this CCAA Proceeding.
- 37. The KERP Participants consist of C-Suite executives and other senior executives who are responsible for, among other things, overseeing and managing the CC Group’s entire business, including its cash flows, communications with stakeholders and treasury operations.
- 38. The KERP contemplates an aggregate of approximately \$2.74 million of payments to KERP Participants that will be made to KERP Participants in accordance with, and subject to, the following key terms, among others:

Term	Details
Maximum Amount	Approximately \$2.74 million
Conditions for Payment	In order to receive payments under the KERP, each KERP Participant must continue his or her active employment in good standing.
Payment Timing	Payments under the KERP are made in substantially equal monthly installments on the CC Group’s last regularly scheduled payroll date. The first KERP payment was made on or around December 31, 2025.
Employee Termination	If a KERP Participant’s employment is terminated by the CC Group without Cause (as defined by the KERP agreement) or terminates due to death or Disability (as defined in the KERP agreement), such KERP Participant is entitled to receive any remaining unpaid KERP payments on the first regularly scheduled payroll date following the 60th day following such termination date. These payments are subject to certain terms and conditions.

39. Approximately \$1.07 million of payments under the KERP have already been made to KERP Participants and \$1.67 million payments remain outstanding.
40. The KERP was designed and agreed to by the Supporting Noteholders and the Parent Company prior to the Monitor's involvement. Based on its review of the KERP, the Monitor supports the KERP for the following reasons:
- (a) The Monitor understands that the KERP was prepared and ultimately approved by:
 - (i) the special committee of independent members of the Parent Company's board of directors that was constituted to oversee the CC Group's strategic review; and
 - (ii) the compensation committee of the Parent Company's board of directors. Those committees developed the KERP in consultation with ClearBridge Compensation Group, a leading independent compensation consulting firm ("**ClearBridge**").
 - (b) ClearBridge analyzed the plan relative to previous bonus plans at CC Group, relative to market compensation plans and also compared the proposed plan to plans approved and disclosed in restructurings of U.S.-based companies and recent CCAA scenarios. The Board with the advice and guidance of ClearBridge, its legal counsel and the Compensation Committee approved the KERP. To date, approximately \$1.07 million in payments have already been made and a remaining \$1.67 million are expected to be paid throughout the CCAA Proceeding.
 - (c) The Monitor understands that the KERP replaced a prior transaction bonus plan for key employees, and that the KERP is expected to result in an aggregate of approximately \$640,000 less of payments to KERP Participants than that prior plan.
 - (d) The complicated nature of the CC Group's business and this CCAA Proceeding, including its cross-border nature and the numerous concurrent Sale Transactions and wind-down efforts, requires a workforce comprised of skilled professionals who possess knowledge of the CC Group's business and various workstreams that must come together to maximize value in this CCAA Proceeding. The Monitor has been advised that KERP Participants are crucial to the successful restructuring of the CC Group.

- (e) The objectives of this CCAA Proceeding are to complete the Sale Transactions and wind down the CC Group's remaining operations. In this context, where continued employment is highly uncertain, KERP Participants may seek work elsewhere without appropriate incentives.
 - (f) The KERP provides a targeted and cost-effective means of ensuring KERP Participants remain for the duration of the restructuring as the sales are completed and remaining wind down of certain markets continues. The KERP will ensure business continuity and minimize disruption in business operations throughout the CCAA Proceeding.
 - (g) The Monitor understands that, if the KERP is not approved, certain KERP Participants are likely to pursue other employment opportunities. The result of this would be increased uncertainty and potentially worse outcomes for stakeholders in this CCAA Proceeding. Given the nature of the expertise and the experience of the KERP Participants, it is believed that finding suitable replacements in a timely manner, especially during the CCAA Proceeding, would be very difficult.
 - (h) The Monitor understands that the Supporting Noteholders, the CC Group's primary economic stakeholder group, support the KERP.
41. In light of the foregoing, the Monitor believes that the KERP is necessary and will provide appropriate incentives for the KERP Participants to remain in their current positions and contribute to a successful CCAA Proceeding.
42. Confidential Exhibit "J" to the Initial Kroll Affidavit (the "**Confidential KERP Exhibit**") contains an overview of the KERP that contains certain key details about the KERP, including the maximum aggregate amount payable under the KERP, number of KERP Participants, minimum payment, maximum payment, and the general roles of different KERP Participants.
43. The Applicants are seeking to seal the Confidential KERP Exhibit due to its commercially sensitive and personal information related to the KERP Participants. The Monitor believes that this proposed sealing is appropriate in the circumstances. The Confidential KERP

Exhibit contains the personal information of KERP Participants, the disclosure of which would be inappropriate and cause potential harm to those KERP Participants.

X. CHARGES

44. The proposed ARIO provides for the following four charges (the “Charges”) on all property of the Applicants in the following maximum amounts and order of priority:

Proposed Charges	
Priority	Proposed Charge
First	<u>Administration Charge</u> , up to a maximum amount of \$2,500,000
Second	<u>D&O Charge</u> , up to a maximum amount of \$10,500,000
Third	<u>KERP Charge</u> , up to a maximum of \$1,665,000
Fourth	<u>Moelis Transaction Fee Charge</u> and <u>Ducera Transaction Fee Charge</u> (on a <i>pari passu</i> basis), up to a maximum amount of \$4,300,000 and \$1,000,000, respectively

ADMINISTRATION CHARGE

45. The Initial Order provided for a first-ranking charge over the Applicants’ property in a maximum amount of \$1.3 million to secure the fees of the following beneficiaries:
- (a) the Monitor;
 - (b) Torys LLP, the Monitor’s Canadian counsel;
 - (c) Morris, Nichols, Arsht & Tunnell LLP, the Monitor’s Delaware counsel;
 - (d) Stikeman Elliott LLP, the Applicants’ Canadian counsel;

- (e) Weil, Gotshal & Manges LLP, the Applicants' U.S. counsel;
 - (f) Richards, Layton & Finger, P.A., the Applicants' local Delaware counsel;
 - (g) Foley Hoag LLP, the Applicants' transaction regulatory counsel;
 - (h) Sierra, the CRO; and
 - (i) Moelis, only in respect of its monthly advisory fees (and, for greater certainty, not in respect of any Transaction Fees).
46. The proposed ARIO would increase the maximum amount of the Administration Charge to \$2.5 million. The expanded Administration Charge is based on the proposed billing cadence in the Cash Flow Forecast and covers a four-week period (as opposed to the initially shorter two-week period covered by the prior charge amount) for payments to counsel and other professionals listed above, whose continued participation in the CCAA Proceeding and the Chapter 15 Proceeding are integral to successful outcomes. The Monitor assisted the Applicants in the calculation of the Administration Charge and is of the view that it is reasonable and appropriate in the circumstances, having regard to the nature of the proceedings, potential work involved at peak times and the size of charges approved in similar sized proceedings. This is consistent with the rationale for the Administration Charge that was set out in the Pre-Filing Report, and which remains applicable.

D&O CHARGE

47. The Initial Order provided for a second-ranking charge on the Applicants' property in the maximum amount of \$9 million to secure any obligations or liabilities arising after the Filing Date against the D&Os in such capacities. The proposed ARIO would increase the maximum amount of the D&O Charge to \$10.5 million.
48. The amount of potential exposure is based on:
- (a) weekly and two-week cycle gross payroll amounts plus accruals for stub periods for each payroll;

- (b) estimated vacation accrual; and
 - (c) one cycle of monthly sales tax and certain other taxes plus accruals for stub periods.
49. The D&O Charge amounts during this CCAA Proceeding for which directors and/or officers have potential statutory personal liability include:
- (a) wages, salaries and applicable withholdings totaling approximately \$3.4 million;
 - (b) accrued vacation pay totaling approximately \$2.3 million;
 - (c) sales taxes totaling approximately \$3.7 million; and
 - (d) certain other taxes totaling approximately \$1.1 million.
50. As noted in the Pre-Filing Report, the beneficiaries of the D&O Charge are the D&Os. The Monitor believes that the continued support and service of the D&Os during this CCAA Proceeding would be beneficial to the CC Group's efforts to complete the Sale Transactions, preserve the value of the CC Group's business and ultimately maximize recoveries for stakeholders. This is consistent with the rationale for the Administration Charge that was set out in the Pre-Filing Report, and which remains applicable.

KERP CHARGE

51. The proposed ARIO provides for a third-ranking charge (the "**KERP Charge**") on the Applicants' property for the benefit of the KERP Participants in the maximum amount of \$1.67 million. The KERP Charge is subordinate to the Administration Charge and the D&O Charge.
52. The Monitor recommends that this Court approve the KERP Charge to support the continued engagement of the KERP Participants in this CCAA Proceeding.

TRANSACTION FEE CHARGE

53. The proposed ARIO provides for a charge in favour of Moelis (the "**Moelis Transaction Fee Charge**") and Ducera (the "**Ducera Transaction Fee Charge**") on the Applicants'

property in a maximum amount of \$4.3 million and \$1 million, respectively, to secure payment of Moelis' and Ducera's respective Transaction Fees. The Moelis Transaction Fee Charge and the Ducera Transaction Fee Charge rank *pari passu* as against one another.

54. The Monitor understands that the Supporting Noteholders support the Moelis Transaction Fee Charge and the Ducera Transaction Fee Charge.
55. The Monitor recommends that this Court approve the Moelis Transaction Fee Charge and the Ducera Transaction Fee Charge to support the continued engagement of Moelis and Ducera in this CCAA Proceeding.

XI. INCREASED MAXIMUM CRITICAL VENDOR PAYMENTS

56. The Initial Order authorized the CC Group to pay pre-filing amounts to certain suppliers that provide the CC Group with essential services and/or products (the “**Critical Vendors**”), up to the aggregate maximum amount of \$4 million and in each case with the Monitor's consent. The proposed ARIO would increase that maximum amount to \$8 million.
57. The Critical Vendors are comprised of:
 - (a) Services and/or products in the markets subject to certain of the Sale Transactions totaling approximately \$3.6 million, the purpose of which is to remain in compliance with agreements governing the remaining Sale Transactions and to maintain the Applicants' business and to preserve value of the Applicants' assets; and
 - (b) Regulated and/or essential services and products totaling approximately \$4.4 million. The aforementioned essential products and services may pertain to: packaging, cultivation, testing, information technology, security and wholesale activity.
58. The disclosure provided in this First Report and the Pre-Filing Report is meant to provide the Court with the basis on which this relief is being sought while balancing the Applicants'

need for operational flexibility and preserving their negotiating position in relation to Critical Vendors and other vendors.

59. As stated in the Pre-Filing Report, the Monitor will consider the following in assessing reasonableness of the pre-filing payments to Critical Vendors:
- (a) the intended outcome of these CCAA Proceeding is to complete the Sale Transactions. As such, to stabilize operations, remain in compliance with regulatory requirements, remain in compliance with agreements governing the remaining Sale Transactions and to maintain the Applicants' business and to preserve value of the Applicants' assets, which could impact the outcome, the Monitor is of the view that the payment of certain pre-filing amounts is reasonable in the circumstances; and
 - (b) the Monitor's consent will be required before any such proposed payment may be made, with such payments consistent with the March 2026 Forecast and the Support Agreement.
60. The authorization sought in the Initial Order was based on potential expected need up to the aggregate maximum amount of \$4 million within the initial 10-day period until the comeback hearing. The requested increase in the aggregate maximum amount to \$8 million is based on potential expected need for the duration of the CCAA Proceeding and set out above within certain specific categories. The Supporting Noteholders have also approved the critical vendor payments. Obtaining approval to pay up to the capped amounts is warranted to provide the Applicants with adequate flexibility to maintain business operations without disruption and is consistent with the March 2026 Forecast.
61. For these reasons and the reasons set out in the Pre-Filing Report, the Monitor recommends that this Court approve the increase to the Critical Vendor Payments.

XII. SECURITIES FILINGS

62. Cboe Canada Inc. suspended trading in the Parent Company's securities on March 24, 2026, and placed the stock in delisting review. Absent resolution of non-compliance, it is

expected that the securities will be delisted by close of trading on June 22, 2026. The OTCQX removed the Parent Company from the market on or before March 27, 2026.

63. As described in the Kroll Affidavit, the Applicants are seeking authorization to dispense with certain securities filing requirements, including authorization to incur no further expenses in relation to any filings (including financial statements), disclosures, core or non-core documents, restatements, amendments to existing filings, press releases or any other actions (collectively, the “**Securities Filings**”) that may be required by any federal, provincial, or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including without limitation, the *Securities Act* (Ontario) and comparable statutes, and other rules, regulations and policies of CBOE.
64. Detailed financial information and other information regarding the CC Group will continue to be made publicly available through the materials filed in these CCAA Proceedings. Further, incurring the time and costs associated with preparing the Securities Filings is unnecessary given the Sale Transactions will result in the sale of substantially all of the CC Group’s business and there is not any expected recovery for equity holders.
65. For these reasons, the Monitor recommends that this Court authorize the CC Group to incur no further expenses in relation to the Securities Filings.

XIII. REQUESTED STAY EXTENSION

66. The Stay of Proceedings currently expires on April 2, 2026. The Applicants seek to extend the Stay of Proceedings to May 29, 2026, in order to provide the CC Group with continued breathing space while they continue to advance and consummate the Sale Transactions and wind down their remaining operations.
67. The Monitor supports this stay extension for the following reasons:
 - (a) the Monitor believes that the Applicants have acted and continue to act in good faith and with due diligence;

- (b) the requested stay extension provides the CC Group with time required to advance and consummate the Sale Transactions and wind down the remainder of their operations;
- (c) the Supporting Noteholders (who are the senior secured creditors and largest economic stakeholder of the Applicants) are supportive of the requested stay extension; and
- (d) the Monitor believes that the creditors of the Applicants will not be prejudiced by the requested stay extension.

XIV. SUPPORT AGREEMENT

- 68. The Applicants initially sought the approval of the Support Agreement in the relief sought pursuant to the Initial Order. The Court decided that this relief should be sought pursuant to the ARIO.
- 69. The Parent Company and the Supporting Noteholders entered into the Support Agreement on March 23, 2026. Subject to the terms and conditions therein, the Support Agreement memorializes the Supporting Noteholders' support for this CCAA Proceeding, including the Applicants' intention to consummate the Sale Transactions and wind down their remaining operations. The Support Agreement is described in greater detail in the Pre-Filing Report.
- 70. It remains the view of the Monitor that the Support Agreement is reasonable and appropriate in the circumstances, including for the following reasons:
 - (a) the Support Agreement represents buy-in from the majority of the Senior Noteholders, being the senior secured creditors of the Parent Company, the Co-Issuer and the majority of the Subsidiaries (save for the mortgage security on specific real property held by East West Bank).
 - (b) among other benefits, the Support Agreement materially reduces the execution risk associated with this CCAA Proceeding and mitigates against the risk of a potentially value-destructive contested CCAA proceeding.

- (c) the Monitor's counsel's security review confirmed that the security provided by the Senior Notes is valid as against the applicable members of the CC Group indicated in the Pre-Filing Report.
- (d) the Senior Noteholders are not expected to recover the full amount of their outstanding claims under the Senior Notes, meaning they are the fulcrum creditors of the CC Group and the primary economic stakeholders in respect of the Sale Transactions.

71. For these reasons and the reasons set out in the Pre-Filing Report, the Monitor recommends that this Court approve the terms of the Support Agreement.

XV. RECOMMENDATION AND CONCLUSION

72. Based on the foregoing, the Monitor respectfully recommends that this Court grant the ARIO in the form requested by the Applicants.

The Monitor respectfully submits this First Report to the Court.

Dated this 31st day of March, 2026.

FTI Consulting Canada Inc.
In its capacity as Monitor of
The Cannabist Company Holdings Inc. et al.



Jodi Porepa
Senior Managing Director



Jeffrey Rosenberg
Senior Managing Director

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

Court File No. CL-26-00000122-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE
CANNABIST COMPANY HOLDINGS INC. AND THE CANNABIST COMPANY HOLDINGS
(CANADA) INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

SECOND REPORT OF THE MONITOR

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