

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

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,<sup>1</sup> 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.

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<sup>1</sup> 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.<sup>2</sup>
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

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<sup>2</sup> 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:

<b>Restructuring Support Agreement<sup>3</sup></b>	
<b>Supporting Noteholders</b>	<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>
<b>Milestones</b>	<p>Among other things:</p> <ol style="list-style-type: none"> <li>1. the Ohio Transaction shall be completed by no later than October 15, 2026;</li> <li>2. the Delaware Transaction shall be completed by no later than July 15, 2026;</li> <li>3. the Remaining States Transaction shall be completed by no later than January 31, 2027; and</li> <li>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.</li> </ol>

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

<b>Key Covenants of the CC Group</b>	<p>Among other things:</p> <ol style="list-style-type: none"><li>1. pursue and implement the Restructuring Process and take all actions reasonably necessary to implement it;</li><li>2. implement each Approved Restructuring Transaction by the applicable Transaction Timing date set forth in the Support Agreement (as summarized above);</li><li>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);</li><li>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;</li><li>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;</li><li>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; and</li><li>7. pay the reasonable and documented fees and expenses of the Noteholder Advisors (Goodmans LLP, Feuerstein Kulick LLP and Ducera Partners LLC).</li></ol>
<b>Events of Termination in Favour of the Supporting Noteholders</b>	<p>Among other things:</p> <ol style="list-style-type: none"><li>1. breach by any Company of the Support Agreement that is not cured within 7 calendar days of notice;</li><li>2. any Variance Report showing adverse variance in excess of Permitted Variance for the 4-week rolling period;</li><li>3. the purchase price consideration for any Sale Transaction or other transaction not being administered/distributed in accordance with the Distribution Process;</li><li>4. the Court not granting the Initial Order or ARIO, or dismissal/termination/stay of the CCAA Proceedings;</li><li>5. the Cannabist Company providing notice of exercise of</li></ol>

	<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>
<b>Remedies</b>	<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>
<b>Other Key Terms</b>	<ol style="list-style-type: none"><li>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.</li><li>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.</li><li>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.</li><li>4. <u>Fiduciary Out</u>: Nothing in the Support Agreement shall</li></ol>

	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](mailto: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:

<b>Proposed Charges</b>		
<b>Priority</b>	<b>Proposed Charge</b>	<b>Property Subject to Charge</b>
First	<u>Administration Charge</u> , up to a maximum amount of \$1.3 million	All property of the Applicants
Second	<u>D&amp;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
<b>Total</b>	<b>7</b>

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 24<sup>th</sup> day of March, 2026.

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



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**Jodi Porepa**  
Senior Managing Director



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**Jeffrey Rosenberg**  
Senior Managing Director

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**APPENDIX A**  
**LIST OF SUBSIDIARIES**

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- 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

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**APPENDIX B**  
**CASH FLOW FORECAST AND MANAGEMENT'S STATEMENT**

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**The Cannabist Company Holdings Inc.**

**Consolidated Cash Flow Forecast of the CC Group**

(\$USD in thousands)

Forecast Week Ending	22-Mar-26	29-Mar-26	05-Apr-26	12-Apr-26	19-Apr-26	26-Apr-26	03-May-26	10-May-26	17-May-26	24-May-26	31-May-26	07-Jun-26	14-Jun-26	13 Weeks	
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
<b>Receipts</b>															
Retail	\$	4,442	\$ 4,442	\$ 4,422	\$ 4,414	\$ 4,414	\$ 4,414	\$ 4,325	\$ 4,207	\$ 4,207	\$ 4,207	\$ 4,207	\$ 3,917	\$ 3,917	\$ 55,537
Wholesale		639	570	856	872	209	553	519	632	473	473	473	338	432	7,037
Sale Proceeds		-	930	-	1,000	-	-	-	-	-	-	-	-	14,025	15,955
Other		-	1,424	1,424	-	-	-	1,424	-	1,424	-	1,424	-	-	7,118
<b>Total Receipts</b>	[2]	\$ 5,081	\$ 7,366	\$ 6,701	\$ 6,286	\$ 4,623	\$ 4,967	\$ 6,268	\$ 4,839	\$ 6,103	\$ 4,680	\$ 6,103	\$ 4,255	\$ 18,374	\$ 85,647
<b>Operating Disbursements</b>															
Payroll	[3]	\$ (1,903)	\$ (1,689)	\$ (3,068)	\$ (1,131)	\$ (1,423)	\$ (1,131)	\$ (2,494)	\$ (1,122)	\$ (1,039)	\$ (1,122)	\$ (1,792)	\$ (1,123)	\$ (1,088)	\$ (20,124)
Rent	[4]	-	(70)	(2,142)	-	-	-	(2,136)	-	-	-	(2,136)	-	-	(6,485)
Inventory	[5]	(2,351)	(1,244)	(1,399)	(1,309)	(2,031)	(1,991)	(1,516)	(1,266)	(1,266)	(1,516)	(1,531)	(1,912)	(2,412)	(21,744)
Taxes	[6]	(2,610)	(0)	(500)	-	(3,120)	-	-	-	(3,070)	-	-	-	-	(9,301)
Other	[7]	(2,481)	(876)	(1,838)	(1,204)	(1,378)	(1,749)	(1,348)	(709)	(1,141)	(959)	(1,405)	(1,114)	(1,394)	(17,597)
<b>Total Operating Disbursements</b>		\$ (9,345)	\$ (3,879)	\$ (8,948)	\$ (3,644)	\$ (7,952)	\$ (4,871)	\$ (7,494)	\$ (3,097)	\$ (6,516)	\$ (3,597)	\$ (6,864)	\$ (4,149)	\$ (4,895)	\$ (75,251)
<b>Non-Operating Disbursements</b>															
Debt Principal, Interest & Fees	[8]	\$ (544)	\$ -	\$ (56)	\$ (988)	\$ (149)	\$ -	\$ (56)	\$ -	\$ (149)	\$ -	\$ (56)	\$ -	\$ -	\$ (1,998)
Professional Fees	[9]	(2,732)	(1,416)	(1,660)	(710)	(712)	(710)	(836)	(439)	(439)	(439)	(836)	(485)	(765)	(12,178)
Other		-	(5,000)	(2,000)	(2,000)	(2,000)	-	-	-	-	-	(2,046)	-	-	(13,046)
<b>Total Non-Operating Disbursements</b>		\$ (3,276)	\$ (6,416)	\$ (3,716)	\$ (3,698)	\$ (2,861)	\$ (710)	\$ (892)	\$ (439)	\$ (588)	\$ (439)	\$ (2,938)	\$ (485)	\$ (765)	\$ (27,222)
<b>Net Cash Flow</b>		\$ (7,540)	\$ (2,929)	\$ (5,963)	\$ (1,055)	\$ (6,190)	\$ (614)	\$ (2,118)	\$ 1,303	\$ (1,000)	\$ 644	\$ (3,699)	\$ (378)	\$ 12,714	\$ (16,826)
<b>Cash</b>															
Beginning Balance		\$ 35,027	\$ 27,486	\$ 24,557	\$ 18,594	\$ 17,539	\$ 11,349	\$ 10,735	\$ 8,616	\$ 9,920	\$ 8,919	\$ 9,563	\$ 5,865	\$ 5,486	\$ 35,027
Net Receipts / (Disbursements)		(7,540)	(2,929)	(5,963)	(1,055)	(6,190)	(614)	(2,118)	1,303	(1,000)	644	(3,699)	(378)	12,714	(16,826)
<b>Ending Balance</b>		\$ 27,486	\$ 24,557	\$ 18,594	\$ 17,539	\$ 11,349	\$ 10,735	\$ 8,616	\$ 9,920	\$ 8,919	\$ 9,563	\$ 5,865	\$ 5,486	\$ 18,200	\$ 18,200
Cash in Transit	[10]	(2,295)	(2,295)	(2,116)	(2,116)	(2,116)	(2,116)	(2,136)	(2,136)	(2,136)	(2,136)	(1,982)	(1,982)	(1,982)	(1,982)
Restricted Cash	[11]	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)	(2,766)
Check Float		657	657	657	657	657	657	657	657	657	657	657	657	657	657
<b>Ending Cash (Available for Operations)</b>		\$ 23,082	\$ 20,152	\$ 14,369	\$ 13,314	\$ 7,123	\$ 6,509	\$ 4,371	\$ 5,675	\$ 4,674	\$ 5,318	\$ 1,620	\$ 1,395	\$ 14,109	\$ 14,109

Notes to the Consolidated Cash Flow Forecast:

[1] The purpose of the Cash Flow Forecast is to estimate the liquidity requirements of The Cannabist Company Holdings Inc. and The Cannabist Company Holdings (Canada) Inc. (collectively, the "Applicants" or the "Company"), and together with the entities listed in Schedule "A" attached to the Initial Order (collectively, the "Subsidiaries" and together with the Applicants, the "CC Group").

The forecast above is presented in U.S. Dollars and has been forecasted on a cash-basis.

[2] Total Receipts are based on Management's expectations regarding Retail and Wholesale sales from operations, expected proceeds from M&A sales and other operating and non-operating receipts (including taxes).

Receipts from operations have been forecast based on current payment terms, historical trends in collections and expected demand.

[3] Forecast Payroll is based on recent payroll amounts and future forecast amounts, including any KERP payments.

[4] Forecast Rent is based on current payment terms and future forecast amounts.

[5] Forecast Inventory purchases pertaining to retail stores and wholesale purchases across the CC Group's dispensaries and cultivation facilities.

[6] Forecast Taxes include payments related to sales and use taxes and other taxes.

[7] Forecast Other Operating Disbursements includes utilities, insurance, technology, PP&E and other operating costs.

[8] Forecast Debt Principal, Interest and Fee payments are primarily based on M&A proceeds and expected payments to secured lenders and are based on estimated provided by advisors.

[9] Forecast Professional Fees include legal and professional fees associated with the CCAA proceedings and are based on estimates provided by the advisors.

[10] Forecast Cash in Transit is based on historical balances and pertains to cash held in local markets.

[11] Forecast Restricted Cash is based on current restrictions that are expected to persist throughout the Cash Flow Forecast.

**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. (COLLECTIVELY, THE "APPLICANTS")]

**March 22, 2026**

**REPORT ON CASH FLOW STATEMENT**

**(Paragraph 10.2(b) of the CCAA)**

The management of the Applicants has developed the assumptions and prepared the attached statement of projected cash flow as of March 21, 2026, consisting of a 13-week cash flow forecast for the period from the week ending March 22, 2026, to June 14, 2026 (the "**March 2026 Cash Flow Projections**").

The hypothetical assumptions are reasonable and consistent with the purpose of the projections as described in Note 1 to the March 2026 Cash Flow Projections, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the March 2026 Cash Flow Projections. All such assumptions are disclosed in Notes 1 to 11.

Since the March 2026 Cash Flow Projections is based on future events, actual results will vary from the information presented and the variations may be material.

The March 2026 Cash Flow Projections has been prepared solely for the purpose outlined in Note 1, using the probable and hypothetical assumptions set out in Notes 1 to 11. Consequently, readers are cautioned that the March 2026 Cash Flow Projections may not be suitable for other purposes.

Dated at Toronto, Ontario, this 22<sup>nd</sup> day of March, 2026.

A handwritten signature in black ink, appearing to be 'D. Hill', written above a horizontal line.

Chief Executive Officer

The Cannabist Company Holdings Inc., and the Cannabist Company Holdings (Canada) Inc.

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

Court File No. \_\_\_\_\_

**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

**PRE-FILING REPORT OF THE PROPOSED  
MONITOR**

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Proposed Monitor