

## **The Cannabist Co. Cuts Dispensary Footprint in Pennsylvania**

### **The Cannabist Co. Divests Pennsylvania Dispensary Footprint to Sharpen Wholesale Focus**

*The sale, involving three medical cannabis dispensaries, repositions the company's wholesale strategy in the commonwealth.*

NEW YORK – The Cannabist Co. Holdings Inc., one of the nation's most experienced cultivators, manufacturers, and retailers of cannabis products, announced the completion of a major transaction to divest its retail presence in Pennsylvania.

The company finalized the sale of its Pennsylvania affiliate, Columbia Care Pennsylvania LLC, which owned and operated three medical cannabis dispensaries. The buyer, VP Investment Holdings LLC, consists of principals from Restore Integrative Wellness Center LLC, a leading privately held dispensary operator in the state.

The \$10 million all-cash deal marks a significant shift for The Cannabist Co., which has chosen to reposition its focus on wholesale operations in Pennsylvania through its grow/processing affiliate, Green Leaf Medicals LLC (gLeaf).

#### **Details of the Transaction: \$10 Million in Cash and a Strategic Supply Agreement**

As part of the transaction, VP Holdings acquired Columbia Care Pennsylvania LLC via an equity purchase agreement valued at approximately \$10 million in cash paid at closing.

The transaction also included a supply agreement between VP Holdings (and Restore) and The Cannabist Co., ensuring that Cannabist's products, produced at its Saxton, Pa. cultivation and processing facility, will continue to reach patients through Restore-branded dispensaries and other distribution channels across the state.

This structure allows The Cannabist Co. to maintain a strong footprint in Pennsylvania's medical market while exiting direct retail operations.

#### **The Three Dispensary Locations Sold to VP Holdings**

The sale involved three medical cannabis dispensaries located in key Pennsylvania markets:

- Scranton
- Allentown
- Wilkes-Barr

VP Holdings has already announced plans to rebrand all three dispensaries under the Restore name, strengthening Restore's retail presence in Pennsylvania's medical cannabis sector.

By integrating these dispensaries into the Restore network, VP Holdings aims to provide continuity for patients while also expanding its retail reach in some of the state's most populous and high-demand regions.

## **Why The Cannabist Co. Chose to Reposition Its Strategy in Pennsylvania**

For The Cannabist Co., the divestiture reflects a broader strategic realignment. CEO David Hart emphasized that the move is part of a deliberate plan to simplify operations and strengthen financial performance.

By selling the dispensaries, The Cannabist Co. eliminates the overhead and complexity of retail operations, while simultaneously boosting liquidity and unlocking growth opportunities on the wholesale side.

## **Strengthening the Wholesale Business Through Saxton Grow-Processor Facility**

The Cannabist Co.'s wholesale strategy now centers on its state-of-the-art Saxton, Pa. grow-processor facility. This facility serves as a cornerstone of the company's operations in Pennsylvania, offering the capacity to cultivate and process cannabis at scale.

The concurrent supply agreement with VP Holdings guarantees a stable distribution channel, while also positioning Cannabist to expand its wholesale reach across additional Pennsylvania dispensaries.

According to the company, this strategy enables a stronger focus on commercialization of high-quality medical marijuana products and positions the firm to better respond to potential future changes in the state's regulatory landscape, including possible adult-use legalization.

## **Financial Benefits: Immediate Liquidity and Balance Sheet Improvement**

The divestiture generated \$10 million in immediate cash proceeds, providing a direct financial boost to The Cannabist Co. The company has framed the move as a liquidity-enhancing step that supports broader balance sheet strength.

For an industry where access to capital remains challenging due to federal restrictions, the cash proceeds and reduced operating burden are expected to offer The Cannabist Co. greater financial flexibility.

## **Management Commentary: A Forward-Looking Strategic Move**

CEO David Hart underscored the significance of the transaction in positioning The Cannabist Co. for long-term growth.

Hart also noted the potential adult-use cannabis market in Pennsylvania as a long-term growth opportunity. By securing its wholesale foundation, The Cannabist Co. believes it will be well-positioned to capitalize if recreational legalization moves forward in the commonwealth.

## **Legal and Advisory Teams Behind the Transaction**

Several financial and legal advisers supported the completion of the deal:

- CLD Advisory acted as exclusive financial adviser to The Cannabist Co.
- Foley Hoag LLP served as legal adviser to the company.
- Cannabis Law Solutions provided Pennsylvania regulatory counsel to The Cannabist Co.
- Ballard Spahr LLP represented Restore in the transaction.

This combination of advisory expertise ensured regulatory compliance, proper structuring, and successful closing of the transaction in one of the nation's most tightly regulated cannabis markets.

## **Broader Implications for the Pennsylvania Cannabis Market**

Pennsylvania remains a major medical cannabis market with more than 400,000 registered patients as of 2025. The consolidation of dispensary ownership under Restore, paired with The Cannabist Co.'s strengthened wholesale strategy, highlights an industry trend toward specialization and strategic partnerships.

For patients, the rebranding of the dispensaries under Restore is expected to deliver consistency and access to a wide range of products. For The Cannabist Co., the focus on wholesale allows the company to maximize its core cultivation and processing strengths while reducing operational complexity.

## **Looking Ahead: Wholesale Expansion and Adult-Use Opportunities**

The Cannabist Co.'s exit from retail in Pennsylvania represents more than just a single transaction. It reflects a forward-looking approach to navigating an evolving cannabis market.

As the state debates potential adult-use legalization, Cannabist's wholesale positioning provides a scalable platform to supply products to a broader base of retailers. The company expects this wholesale-first model to provide competitive advantages in terms of distribution reach, product innovation, and operational efficiency.

If Pennsylvania transitions into an adult-use market, The Cannabist Co. will likely benefit from its ability to rapidly expand wholesale supply through its Saxton facility, while relying on retail partners like Restore to bring those products to market.

## **Conclusion: A Strategic Divestiture That Strengthens Long-Term Positioning**

The Cannabist Co.'s decision to sell its three dispensaries in Scranton, Allentown, and Wilkes-Barre marks a significant turning point in its Pennsylvania operations. By securing cash proceeds, entering a strategic supply agreement, and focusing on wholesale cultivation, the company has created a leaner, more financially resilient platform for growth.

As the cannabis industry continues to mature and Pennsylvania's market evolves, The Cannabist Co. is betting that a focused wholesale strategy, anchored by its Saxton grow-processor facility, will deliver both immediate financial strength and long-term competitive advantages.

With a simplified business model, stronger liquidity, and ongoing access to patients through wholesale distribution, The Cannabist Co. is positioning itself to thrive in both today's medical market and tomorrow's potential adult-use future.

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