



Source: LEEF Brands Inc.

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LEEF Brands Signs Binding Letter of Intent to Acquire a Tier 1 Processing License in New York, Paving the Way to Enter the \$1.5B Cannabis Market in 2025

VANCOUVER, British Columbia, Feb. 18, 2025 (GLOBE NEWSWIRE) -- LEEF Brands Inc. (CSE: LEEF) (OTCQB: LEEEF) ("LEEF Brands" or the "Company"), a leading California cannabis extraction company, today announced the signing of a binding Letter of Intent to acquire a Type 1 processing license, marking its strategic entry into New York's rapidly expanding cannabis market.

In addition to acquiring the license, LEEF has secured a 7,000-square-foot facility and positioned extraction equipment in New York, allowing for rapid market entry with minimal capital expenditure.

"New York represents an incredible opportunity for LEEF Brands, particularly with concentrates used in 55% of all cannabis products sold in the state," said Micah Anderson, CEO of LEEF Brands. "With our equipment in place and a facility ready to launch, this expansion positions us to generate new revenue streams in 2025, increase margins, and enhance stability through market diversification—all while maintaining our high-quality standards."

Strategic Highlights:

- **Immediate Market Access:** Fully equipped facility ready for rapid deployment.
- **Proven Business Model:** Replicating LEEF's successful California model with a full spectrum of concentrates, including distillate, hydrocarbon, and solventless extracts.
- **Established Sales Channels:** Leveraging existing relationships with top California brand partners operating in New York.
- **Asset-Light Entry:** Minimal capital required to scale operations quickly.

Market Opportunity:

New York's cannabis market is growing rapidly. According to New York State's Office of Cannabis Management, sales have surged from \$160 million in 2023 to an estimated \$1 billion in 2024, with projections of \$1.5 billion by 2025. Concentrates play a significant role in this growth, as they are used in over 55% of all products sold in the state.

"LEEF has spent the past eight years mastering our craft in California, the nation's most competitive cannabis market," added Anderson. "Expanding to New York is just the first step in a broader strategic plan to replicate our successful business model in new markets across the country."

Corporate Update

In accordance with the previously disclosed acquisition agreement dated January 12, 2023, the Company has issued 1,858,032 common shares to the former shareholders of The Leaf at 73740 LLC.

About LEEF Brands, Inc.

LEEF Brands Inc. is a leading California-based extraction and manufacturing cannabis company, recognized for its large-scale vertical integration and as one of the state's most sophisticated operators. With a comprehensive supply chain, cutting-edge manufacturing processes, and a dynamic bulk concentrate portfolio, LEEF powers some of the largest brands in the country. For more information, visit www.LeefBrands.com.

LEEF Brands Inc.

Per: Kevin Wilson Chief Financial Officer

Forward-Looking Statements

This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively, "forward-looking statements"), including, but not limited to, statements regarding the anticipated use of proceeds from the Financing and the Company's future financial condition, operations, and objectives.

Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance or financial results. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. All forward-looking statements, including those herein, are qualified by this cautionary statement.

Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements.

There are certain factors that could cause actual results to differ materially from those in the forward-looking information, including, but not limited to the risks disclosed in the Company's public filings on the Company's issuer profile on SEDAR+ at www.sedarplus.ca. Accordingly, readers should not place undue reliance on forward-looking statements.

For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR+ at www.sedarplus.ca.

The forward-looking statements and financial outlooks contained in this news release speak only as of the date of this news release or as of the date or dates specified in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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