July 26, 2019

Couche-Tard Makes Strategic Investment in Cannabis Retailer Fire and Flower

Davies assisted its client, Alimentation Couche-Tard Inc., in accelerating its move into Canada's flourishing cannabis sector through a strategic investment in Fire & Flower Holdings Corp., a leading independent cannabis retailer based in Edmonton, Alberta.

Couche-Tard's initial $25.9-million investment, which was subject to regulatory approvals, gave it rights to 9.9% of Fire & Flower's equity and the potential to increase its stake to 50.1%.

Fire & Flower will use the funds to develop its Hifyre digital retail platform and expand its network of 23 cannabis outlets in Alberta, Saskatchewan and Ontario.

The investment builds on Couche-Tard's initial foray into cannabis retailing – a multi-year partnership with retailer Canopy Growth Corp. to support a privately run cannabis shop in Ontario.

The Davies team acting on the transaction included Sébastien Thériault, Olivier Désilets, Véronique Gaumond-Carignan, Alyssa Wiseman and Amélie Doyon.