**TerrAscend Preannounces Strong 2020 Results - Full Year Net Sales of $198 Million and Adjusted EBITDA of $60 Million**

*Fourth quarter net sales of $65 million representing growth of 28% quarter-over-quarter and 152% year-over-year*

*Fourth quarter adjusted EBITDA of $26 million representing growth of 46% quarter-over-quarter*

*Fourth quarter adjusted EBITDA margin expanded to 40% in Q4 from 35% in Q3 and 24% in Q2*

NEW YORK and TORONTO, February 19, 2021 // - TerrAscend Corp. (“TerrAscend” or the “Company”) (CSE:TER, OTCQX: TRSSF), a leading North American cannabis operator, today announced preliminary financial results for its fourth quarter and full year ending December 31, 2020. All amounts are in Canadian dollars. Based on a preliminary (unaudited) review, the Company anticipates:

**Fourth Quarter and Full Year 2020 Financial Highlights:**

* Full year net sales of $198 million and adjusted EBITDA of $60 million
* Fourth quarter net sales of $65 million representing growth of 28% quarter-over-quarter and 152% year-over-year
* Fourth quarter adjusted EBITDA of $26 million representing growth of 46% quarter-over-quarter
* Fourth quarter adjusted EBITDA margin of 40% expanding from 35% in Q3 and 24% in Q2

“Our fourth quarter results demonstrate robust sequential revenue growth and continued expansion of EBITDA margins, which reflect the strong fundamentals of our business,” said Jason Ackerman, CEO and Executive Chairman of TerrAscend. “During the quarter, we realized sales from key expansion projects in Pennsylvania, New Jersey, and California, that together with our pending entrance into the Maryland market, position the company for continued growth in 2021.”

Additionally, TerrAscend reiterates its 2021 guidance for net sales of $360-380 million and adjusted EBITDA of $140-160 million. The Company will host a scheduled conference call to discuss its 2020 results and provide updated 2021 guidance on March 23rd, 2021. The Company will report its financial results for the fourth quarter and full year 2020 in advance of the call.

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| **CONFERENCE CALL DETAILS** | |
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| DATE: | Tuesday, March 23rd, 2021 |
| TIME: | 8:30 a.m. Eastern Time |
| WEBCAST: | [Click to Access](https://produceredition.webcasts.com/starthere.jsp?ei=1428643&tp_key=02e558100e) |
| DIAL-IN NUMBER: | 1-888-664-6392 |
| CONFERENCE ID: | 53793717 |
| REPLAY: | (416) 764-8677 or (888) 390-0541 Available until 12:00 midnight Eastern Time Tuesday, April 6th, 2021  Replay Code: 793717 |

***The Canadian Securities Exchange (“CSE”) has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.***

**About TerrAscend**

TerrAscend is a leading North American cannabis operator with vertically integrated operations in Pennsylvania, New Jersey, and California in addition to operating as a licensed producer in Canada. TerrAscend operates an award-winning chain of Apothecarium dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities on both the East and West coasts. TerrAscend’s best-in-class cultivation and manufacturing practices yield consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use market. The Company owns a number of synergistic businesses and brands, including The Apothecarium, Ilera Healthcare, State Flower, Valhalla Confections, and Arise Bioscience Inc. For more information, visit [www.terrascend.com](http://www.terrascend.com).

**Non-IFRS Measures, Reconciliation and Discussion**

Certain financial measures in this news release are non-IFRS measures. These terms are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. These metrics have no direct comparable IFRS financial measure. Such information is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. For more information, please see “Non-IFRS Financial Measures” in the Company’s Interim MD&A available on www.sedar.com.

Adjusted EBITDA is a non-IFRS measure which management uses to evaluate the performance of the Company’s business as it reflects its ongoing profitability. The Company believes that certain investors and analysts use this measure to evaluate a company’s ability to service debt and to meet other payment obligations or as a common measurement to value companies in certain industries. The Company measures Adjusted EBITDA as EBITDA less unrealized gain on changes in fair value of biological assets and other income plus fair value changes in biological assets included in inventory sold, impairments, restructuring costs, purchase accounting adjustments, transaction costs, share based compensation, revaluation of warrants and derivatives liabilities, and unrealized loss on investments.

**Forward Looking Information**

This news release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions, and include statements with respect to future revenue and profits. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment; and the availability of licenses, approvals and permits.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, current and future market conditions; risks related to federal, state, provincial, territorial, local and foreign government laws, rules and regulations, including federal and state laws in the United States relating to cannabis operations in the United States; and the risk factors set out in the Company’s most recently filed MD&A, filed with the Canadian securities regulators and available under the Company’s profile on SEDAR at www.sedar.com.

The statements in this press release are made as of the date of this release. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

**Financial Outlook**

This press release contains a financial outlook within the meaning of applicable Canadian securities laws. The financial outlook has been prepared by management of TerrAscend to provide an outlook for full year 2021 and may not be appropriate for any other purpose. The financial outlook has been prepared based on a number of assumptions including the assumptions discussed under the heading “Forward Looking Information” above and assumptions with respect to production, pricing, and demand. The actual results of TerrAscend’s operations for any period will likely vary from the amounts set forth in these projections and such variations may be material. TerrAscend and its management believe that the financial outlook has been prepared on a reasonable basis. However, because this information is highly subjective and subject to numerous risks, including the risks discussed under the heading “Forward Looking Information” above, it should not be relied on as necessarily indicative of future results. Except as required by applicable Canadian securities laws, TerrAscend undertakes no obligation to update the financial outlook.

TerrAscend undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of TerrAscend, its securities, or financial or operating results (as applicable).

**Caution Regarding Cannabis Operations in the United States**

Investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with medical or adult-use cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve TerrAscend of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against TerrAscend. The enforcement of federal laws in the United States is a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend’s operations and financial performance.

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