



TERRASCEND

2025 Fourth Quarter and Full Year
Financial Results

March 12, 2026

[Terrascend.com](https://www.terrascend.com)

TSX: TSND | OTCQX: TSNDF

Executive Leadership Speakers



Jason Wild

Executive Chairman



Ziad Ghanem

President &
Chief Executive Officer



Alisa Campbell

Interim Chief Financial Officer

Disclaimer

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The statements included in this presentation are made as of the date of this presentation. TerrAscend 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.

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Disclaimer

Definition and Reconciliation of Non-GAAP Measures

In addition to reporting the financial results in accordance with generally accepted accounting principles in the United States ("GAAP"), the Company reports certain financial results that differ from what is reported under GAAP. Non-GAAP measures used by management do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies. The Company believes that certain investors and analysts use these measures to measure a company's ability to meet other payment obligations or as a common measurement to value companies in the cannabis industry, and the Company calculates: (i) Free cash flow from net cash provided by operating activities from continuing operations less capital expenditures for property and equipment, which management believes is an important measurement of the Company's ability to generate additional cash from its business operations, and (ii) EBITDA from continuing operations and Adjusted EBITDA from continuing operations as net loss, adjusted to exclude provision for income taxes, finance expenses, depreciation and amortization, share-based compensation, impairment of intangible assets, impairment of property and equipment and right of use assets, loss on extinguishment of debt, (gain) loss from revaluation of contingent consideration, unrealized and realized (gain) loss on investments, unrealized and realized foreign exchange (gain) loss, loss (gain) on fair value of derivative liabilities, loss (gain) on disposal of fixed assets, gain on lease termination, and certain other items, which management believes is not reflective of the ongoing operations and performance of the Company. 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 GAAP.

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are contained in the Appendix to this presentation. The Company has not provided a reconciliation of its forward-looking Adjusted EBITDA Margin from continuing operations with the most directly comparable GAAP measure in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable to calculate the most directly comparable GAAP measure, without unreasonable efforts due to the variability and low visibility with respect to certain costs such as stock-based compensation, certain fair value measurements, tax items, and others that may arise during the period that are not ascertainable.

Third Party Information

Certain information contained in this presentation and statements made orally during the related earnings webcast relate to or are based on studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party studies, publications, surveys and other data to be reliable as of the date of this presentation, the Company has not independently verified, and makes no representations as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, no independent source has evaluated the reasonableness or accuracy of the Company's internal estimates or research and no reliance should be made on any information or statements made in this presentation relating to or based on such internal estimates and research.

Overview

Jason Wild, Executive Chairman

FY and Q4 2025 Financial Highlights

Full Year 2025

 \$260.6 M
Net Revenue from
continuing operations

 52.3%
Gross Profit Margin

 \$67.8 M
Adjusted EBITDA from
continuing operations*

 26.0%
Adjusted EBITDA Margin
from continuing
operations*

Q4 2025

 \$66.1 M
Net Revenue from
continuing operations

 52.1%
Gross Profit Margin

 \$16.7 M
Adjusted EBITDA from
continuing operations*

 25.2%
Adjusted EBITDA Margin
from continuing operations*

 Net Cash Provided from
Continuing Operations:

\$8.3 M (Q4 2025) &
\$33.9 M (FY 2025)

14th Consecutive Positive
Quarter

 Free Cash Flow*:

\$6.6 M (Q4 2025) &
\$25.3M (FY 2025)

10th Consecutive Positive
Quarter

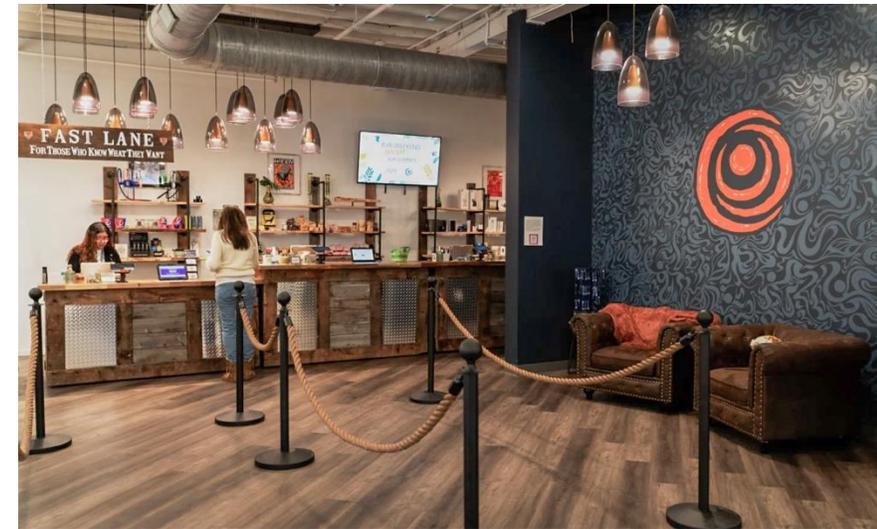
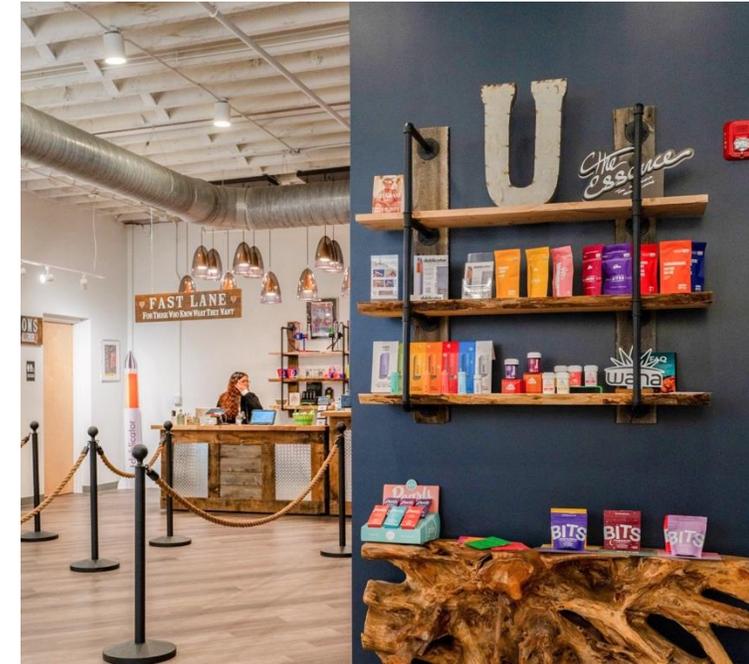
Completed \$79 Million Non-Dilutive Debt Financing

- Closed on an upsized senior secured syndicated term loan. Majority used to retire existing debt, with remainder designated for future growth initiatives.
- Executed additional uncommitted term loan of up to \$35 million for strategic M&A.
- Extends maturity of all senior secured debt until late 2028.
- Transaction reflects Focus Growth's confidence in TerrAscend's vision and strategy.

Pursuit of Accretive M&A

Focused on transactions that are accretive and aligned with our long-term investment strategy.

- Completed Union Chill transaction, bringing total number of dispensaries in New Jersey to 4.
- Entered Ohio market with acquisition of Ratio Cannabis.
- In the current environment, the Company is evaluating attractive distressed assets, particularly in our core markets such as New Jersey and Pennsylvania.



Closely Monitoring Regulatory Reform Developments at Federal and State Levels

- Have operated and will continue to operate our business independent of federal reform.
- White House issued an executive order directing federal agencies to expedite the rescheduling process for marijuana and enhance federal research and policy coordination in December 2025.



State-by-State Overview

Ziad Ghanem, President & Chief Executive Officer

New Jersey

4Q '25 Highlights

- Completed Union Chill transaction in January 2026, entering 2026 as the highest grossing retailer in the state.
- Retail revenue increased while wholesale revenue decreased, due to price compression.
- All three Apothecarium retail locations in New Jersey rank in the top 20 stores in the state, with Phillipsburg being #3 out of nearly 260 licensed dispensaries*.
- Legend became the 6th overall brand in New Jersey, with Kind Tree ranking 9th out of over 275 brands**.
- Kind Tree remains the 5th ranked flower brand and Legend ranks 3rd in vape**.
- Long-term objective to expand to the current maximum of ten dispensaries in New Jersey.



Maryland

4Q '25 Highlights

- Currently on an approximate \$75 million annual run rate.
- Gross margins improved this quarter to nearly 60%, due to verticality and increased efficiencies.
- Hagerstown facility expansion driving improved flower output and operating leverage.
- Two of four Apothecarium stores rank in the top 10 statewide, with Salisbury at #6 and Cumberland at #7*.
- Kind Tree ranks as a top 6th flower brand, and Valhalla edibles continue to grow market share**.



Pennsylvania

4Q '25 Highlights

- Net revenue increased 8% sequentially.
- Three Apothecarium stores ranked in the top 10 of all dispensaries across the state with additional stores in the top 30*.
- TerrAscend market share is approximately 5% of total PA cannabis revenue*.
- Legend flower sales grew 40% sequentially**.
- Valhalla remains a top 3 edibles brand**.
- Fully built out large scale cultivation and manufacturing facility with no need for additional investment.



Ohio Entrance / Michigan Exit

4Q '25 Highlights

- Ratio Cannabis in Ohio is fully integrated in existing operations and performing well.
- Goal in Ohio is to assemble a leading retail footprint by acquiring high-quality stores at the right price, as we did in Maryland.
- Completed the sale of a majority of the assets in Michigan. Significantly negotiated down liabilities and debt exposure.
- Majority of proceeds used to reduce existing debt.

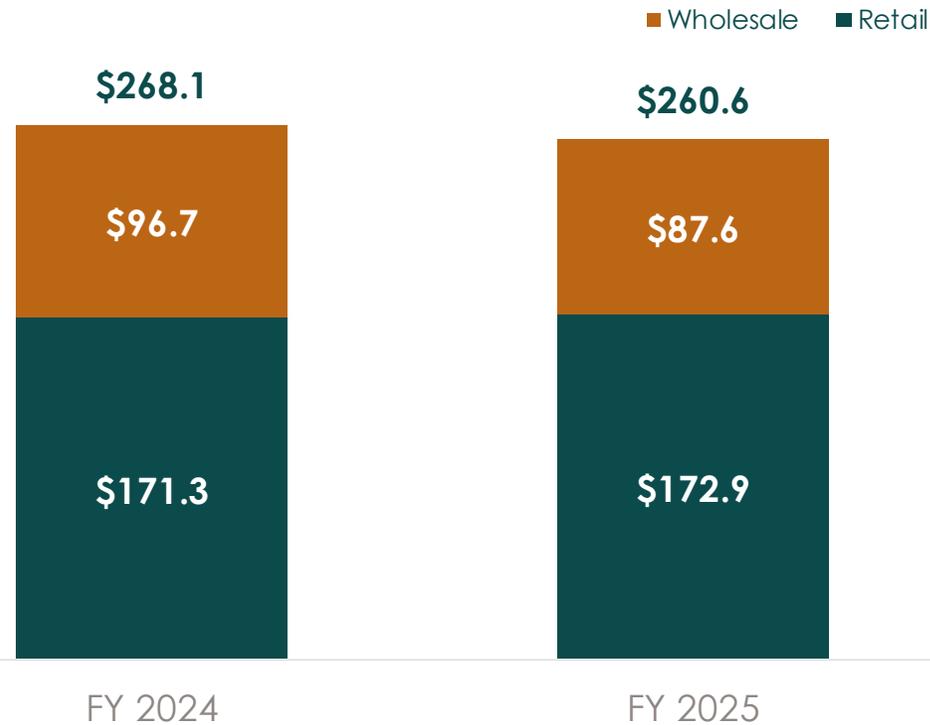


Financial Overview*

Alisa Campbell, Interim Chief Financial Officer

2025 Full Year and Fourth Quarter Net Revenue

Full Year Net Revenue
from continuing operations (in millions, US\$)

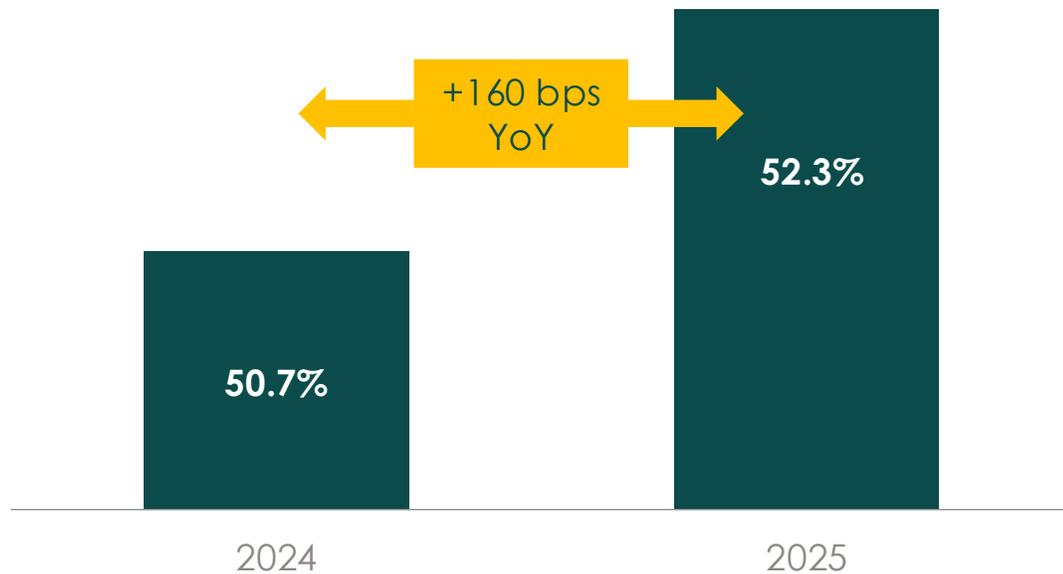


Quarterly Net Revenue
from continuing operations (in millions, US\$)

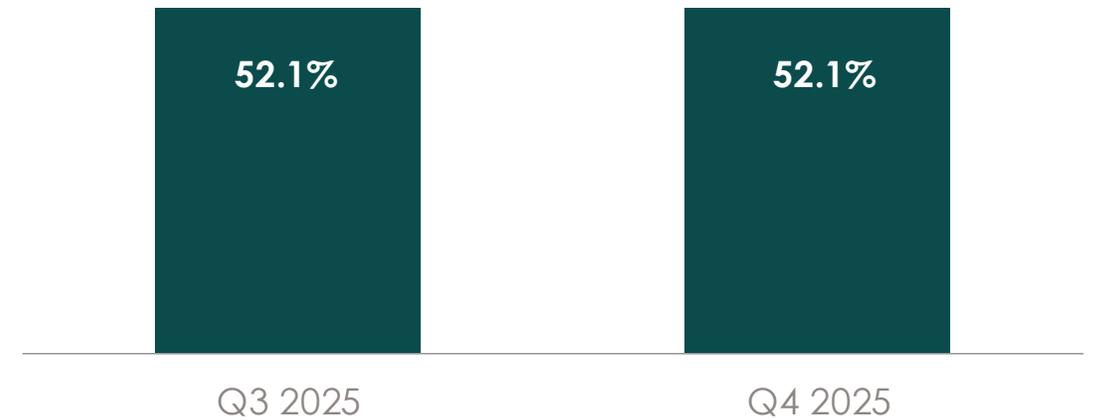


2025 Full Year and Fourth Quarter Gross Profit Margin

Full Year Gross Profit Margin

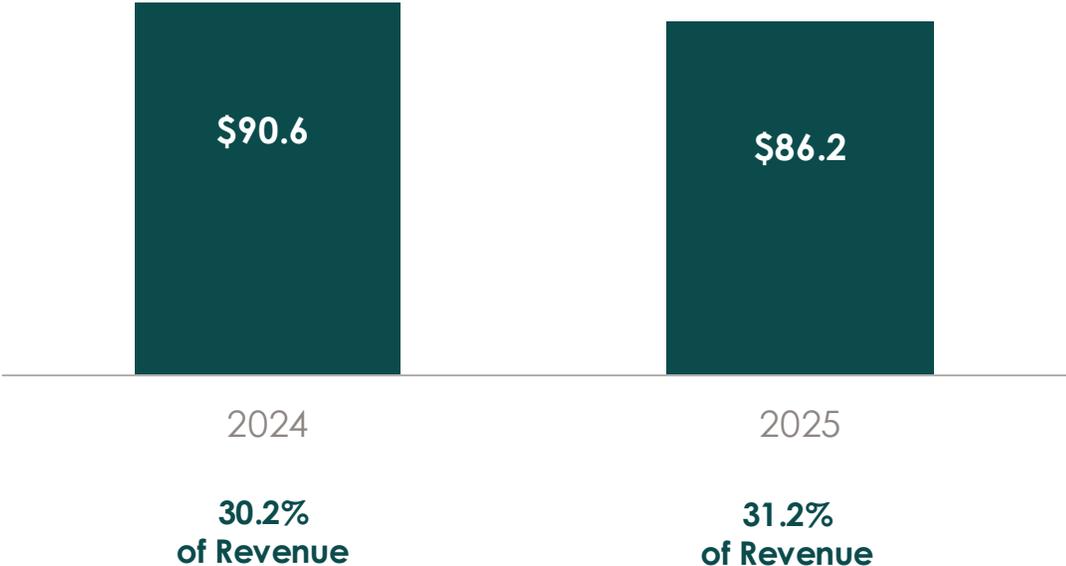


Quarterly Gross Profit Margin

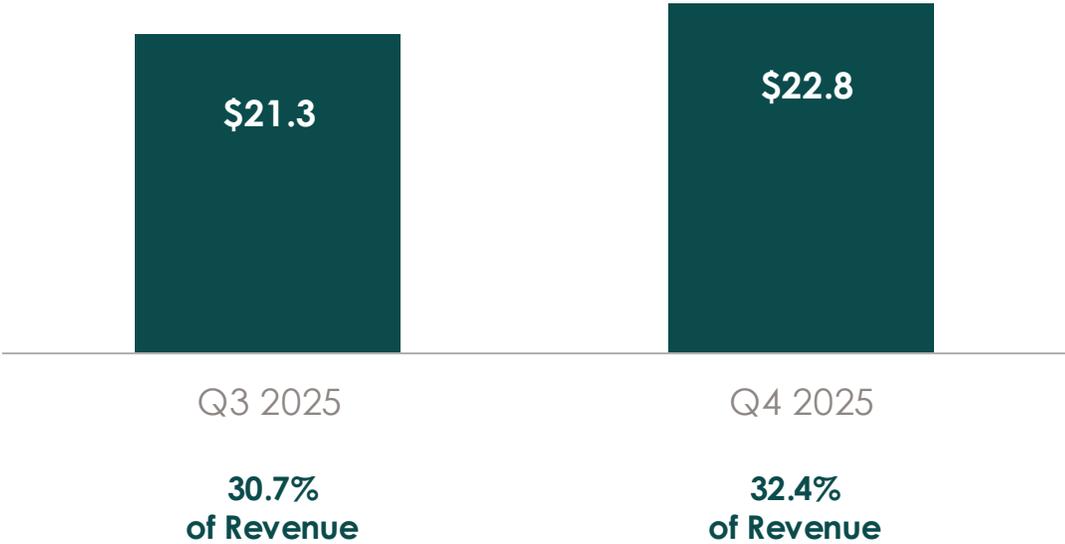


General & Administrative (G&A) Expenses

**Full Year
General & Administrative Expenses**
(in millions, US\$)



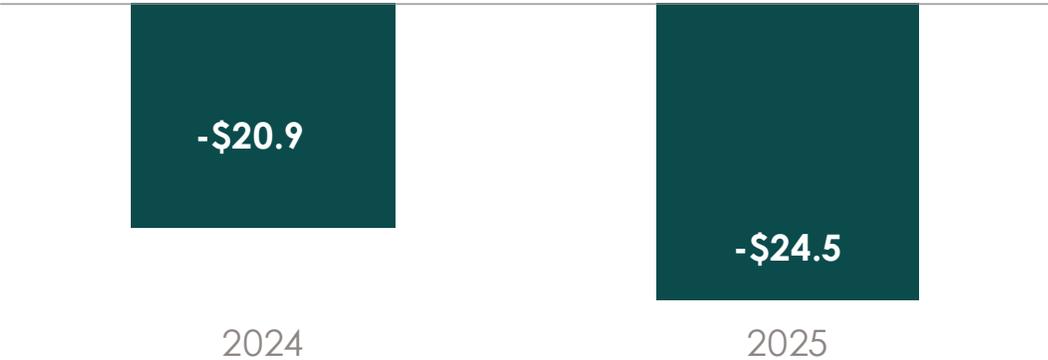
**Quarterly
General & Administrative Expenses**
(in millions, US\$)



Net Loss

Full Year GAAP Net Loss

from continuing operations (in millions, US\$)



GAAP Net Loss from continuing operations :

- \$24.5 million net loss, compared to \$20.9 million net loss in 2024

Quarterly GAAP Net Loss

from continuing operations (in millions, US\$)



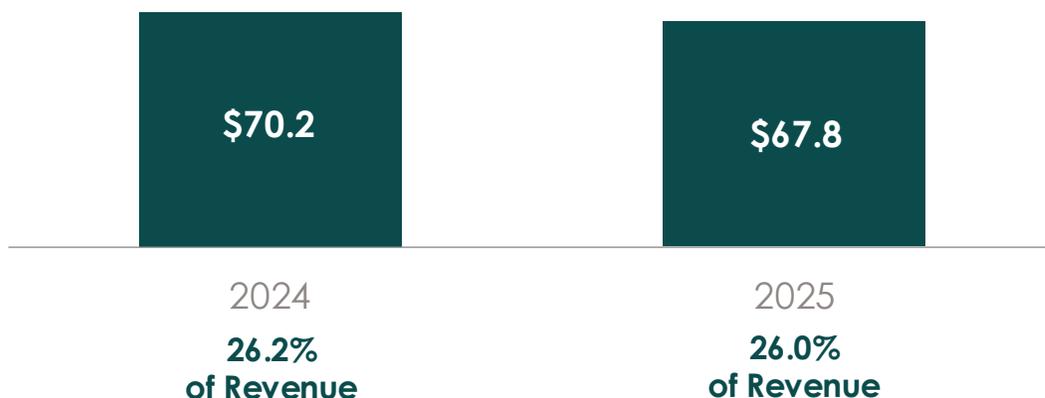
GAAP Net Loss from continuing operations :

- \$0.5 million net loss, compared to \$9.9 million in Q3 2025.

Adjusted EBITDA*

Full Year Adj EBITDA*

from continuing operations (in millions, US\$)

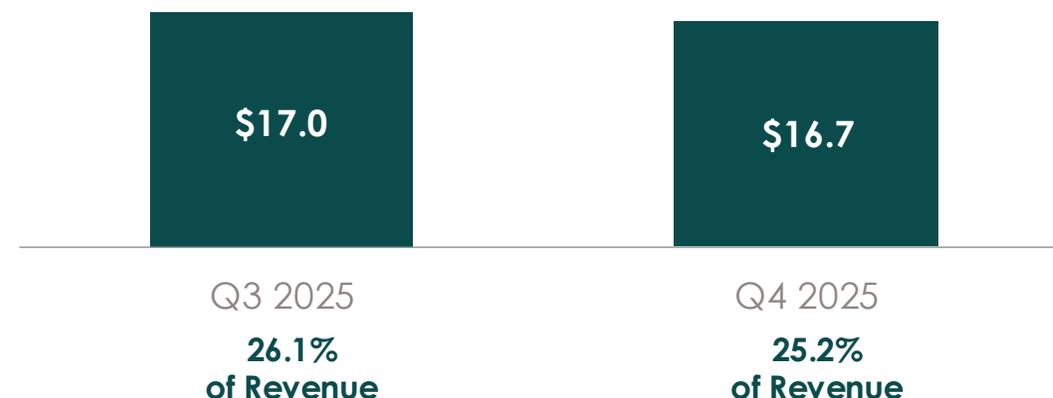


Adjusted EBITDA from continuing operations*:

- \$67.8 million, or 26.0% of revenue, compared to \$70.2 million or 26.2% of revenue in 2024.

Quarterly Adj EBITDA*

from continuing operations (in millions, US\$)



Adjusted EBITDA from continuing operations*:

- \$16.7 million, or 25.2% of revenue, compared to \$17.0 million or 26.1% of revenue in Q3 2025.

Balance Sheet, Cash Flow & Stock Repurchase Program

- **Cash and cash equivalents:**
 - \$37.4 million (12/31/25).
- **Net cash provided by continuing operations:**
 - \$33.9 million for FY 2025.
 - \$8.3 million for Q4 2025, representing 14th consecutive quarter of positive cash flow from continuing operations.
- **Capex:**
 - \$1.7 million for Q4 2025, mainly related to ongoing cultivation expansion projects in the Northeast.
 - \$8.6 million for FY 2025.
- **Free Cash Flow*:**
 - \$6.6 million for Q4 2025, representing 10th consecutive quarter of positive free cash flow.
 - \$25.3 million for FY 2025.

First Quarter 2026 Expectations

- Revenue and gross margin expected to be in line with Q4 2025.

Thank You

Appendix – Reconciliation of Non-GAAP Measures

The table below reconciles net loss from continuing operations to EBITDA from continuing operations and Adjusted EBITDA from continuing operations for the quarters ended December 31, 2025 and September 30, 2025, and the years ended December 31, 2025 and December 31, 2024.

	For the Three Months Ended		For the Years Ended	
	December 31, 2025	September 30, 2025	December 31, 2025	December 31, 2024
Net income (loss)	3,598	(24,554)	(81,331)	(72,670)
Loss from discontinued operations	4,110	(14,647)	(56,842)	(51,779)
Loss from continued operations	(512)	(9,907)	(24,489)	(20,891)
<i>Add (deduct) the impact of:</i>				
Provision for income taxes	(1,673)	11,034	29,466	25,134
Finance expenses	9,666	9,243	36,291	34,339
Amortization and depreciation	3,977	3,934	15,640	15,191
EBITDA from continuing operations	11,458	14,304	56,908	53,773
<i>Add (deduct) the impact of:</i>				
Share-based compensation	1,348	1,366	5,007	9,706
Impairment of intangible assets	2,606	-	2,606	-
Loss on extinguishment of debt	-	1,432	1,432	2,096
Loss (gain) on fair value of derivative liabilities	188	723	535	(4,549)
Loss (gain) on disposal of fixed assets	127	-	127	(21)
Gain on lease termination	(99)	-	(99)	(1,169)
Impairment of property and equipment and right of use assets	-	-	-	2,438
Unrealized and realized foreign exchange loss (gain)	(157)	77	(687)	940
Unrealized and realized loss (gain) on investments	629	1	1,365	238
(Gain) loss from revaluation of contingent consideration	(179)	(1,171)	(1,004)	2,465
Other one-time items	731	266	1,621	4,303
Adjusted EBITDA from continuing operations	\$ 16,652	\$ 16,998	\$ 67,811	\$ 70,220
<i>Adjusted EBITDA Margin from continuing operations</i>	25.2%	26.1%	26.0%	26.2%

Appendix – Reconciliation of Non-GAAP Measures

The table below reconciles Net cash provided by operating activities - continuing operations to Free Cash Flow for the quarters ended December 31, 2025 and September 30, 2025 and the years ended December 31, 2025 and December 31, 2024.

	For the Three Months Ended		For the Years Ended	
	December 31, 2025	September 30, 2025	December 31, 2025	December 31, 2024
Net cash provided by operating activities - continuing operations	\$ 8,327	\$ 7,120	\$ 33,926	\$ 46,216
Capital expenditures for property and equipment	(1,716)	(2,248)	(8,614)	(6,866)
Free Cash Flow	<u>\$ 6,611</u>	<u>\$ 4,872</u>	<u>\$ 25,312</u>	<u>\$ 39,350</u>