TERRASCEND

2026 Second Quarter Financial Results

August 6, 2026

Terrascend.com

TSX: TSND | OTCQX: TSNDF

Executive Leadership Speakers

Jason Wild

Executive Chairman

Ziad Ghanem

President &
Chief Executive Officer

Eric Jackson

Chief Financial Officer

Disclaimer

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Although the Company believes that the expectations and assumptions on which such forward-looking information and forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking information and forward-looking statements 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 and forward-looking statements are 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 and forward-looking statements. Such risks and uncertainties include, but are not limited to, current and future market conditions; the Company's ability to execute on its business strategy, drive efficiency, and achieve profitability and growth targets; the Company's ability to continue generating positive cash flow from operations; the impact and scope of the rescheduling of cannabis, including the distinction between medical and adult-use cannabis and the ongoing nature of the broader rescheduling process; 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.sedarplus.ca and in the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the "SEC") on March 12, 2026.

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 or forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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 non-GAAP financial measures, including EBITDA from continuing operations, Adjusted EBITDA from continuing operations, Adjusted EBITDA margin from continuing operations, Free Cash Flow, and Free Cash Flow Yield. 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, (ii) Free Cash Flow Yield by taking Free cash flow on a trailing twelve-month basis and dividing by the market value of the Company's outstanding and exchangeable shares, which management believes provides investors with important information regarding cash generation relative to the Company's market valuation, and (iii) EBITDA from continuing operations and Adjusted EBITDA from continuing operations as net loss, adjusted in each case to exclude provision for income taxes, finance expenses, and amortization and depreciation, and further adjusted for Adjusted EBITDA from continuing operations to exclude share-based compensation, loss (gain) on fair value of derivative liabilities, (gain) loss on lease termination, gain from revaluation of contingent consideration, unrealized and realized loss (gain) on investments, unrealized and realized foreign exchange loss (gain), and certain other one-time 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. Investors are encouraged to review the reconciliation of each non-GAAP financial measure to the most directly comparable GAAP measure set forth below.

The Company believes Adjusted EBITDA from continuing operations is a useful performance measure to assess the performance of the Company as it provides more meaningful ongoing operating results by excluding the effects of expenses that are not reflective of the Company's underlying business performance and other one-time or non-recurring expenses.

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

Q2 2026 Financial Highlights

$67.1 M
Net Revenue from continuing operations

$17.7 M
Adjusted EBITDA from continuing operations*

26.3%
Adjusted EBITDA Margin from continuing operations*

54.0%
Gross Profit Margin

+120
Basis Points QoQ

+290
Basis Points YoY

$7.4 M
Positive Net Cash Provided from Continuing Operations Representing 16th Consecutive Positive Quarter

$5.7 M
Positive Free Cash Flow* Representing 12th Consecutive Positive Quarter

* Adjusted EBITDA from continuing operations, Adjusted EBITDA Margin from continuing operations, and Free Cash Flow are non-GAAP measures defined in the section titled “Definition and Reconciliation of Non-GAAP Measures” and reconciled to the most directly comparable GAAP measure in the Appendix at the end of this presentation.

Strengthened Balance Sheet

- Completed oversubscribed convertible debenture financing.
  - Raised approximately $21.8 million in aggregate gross proceeds.
  - Approximately $11.1 million used to retire existing higher-interest convertible debentures, which reduced blended interest cost and extended the maturity of convertible debentures to 2031.

- Strength of operating and free cash flow generation allowed the Company to repay an additional $10 million of its Term Loan during the quarter.

- Continued free cash flow generation, together with the Company's ability to access additional capital through its Term Loan facility, provides the flexibility to act on attractive opportunities.

Regulatory Reform Developments at Federal and State Levels

- Rescheduling state-licensed medical cannabis to Schedule III represents a monumental inflection point. Immediate impact:
  - Elimination of 280E tax burden on medical cannabis.
  - Expected to materially improve profitability and cash flow
  - Expected to further strengthen balance sheet and
  - Expected to lower the cost of capital over time

- The DEA held its formal hearing on the broader rescheduling of cannabis, during which the federal government presented affirmative, science-based testimony that cannabis has an accepted medical use in the United States, with the DEA itself serving as the proponent in support of rescheduling.

- SAFE Banking Act was reintroduced in both chambers of Congress with bipartisan support.

- Enforcement against unregulated intoxicating hemp products continues to build ahead of the federal definition change taking effect later this year.

- We believe the full rescheduling of cannabis, if completed will position TerrAscend to uplist to a major U.S. exchange (Nasdaq or NYSE).

State-by-State Overview

Ziad Ghanem, President & Chief Executive Officer

New Jersey

2Q '26 Highlights

- Revenue +1.7% sequentially, led by continued strength in retail business, wholesale revenue remained essentially flat QoQ.
- Gross margins of 58.4%, reflecting the benefits of vertically integrated operating model.
- All 3 Apothecarium locations ranked among top 25 in the State with 2 increasing their rankings quarter-over-quarter*.
- Maintained leading position in New Jersey with 7.2% market share*.
- Kind Tree, Legend and Valhalla brands all delivered another strong quarter.
- Remain disciplined on growth, including expanding capacity at Boonton cultivation facility and evaluating additional retail expansion opportunities.

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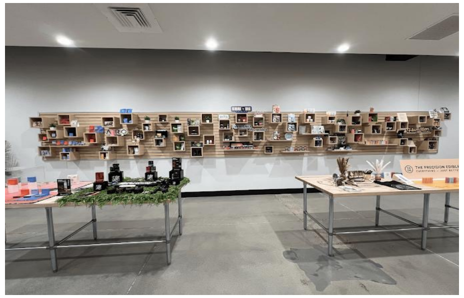
* LIT Alerts is an independent market measurement source.

Pursuit of Accretive M&A

- Signed an agreement to acquire ownership in Aunt Mary's Dispensary in New Jersey, which will become the Company's fifth dispensary in the state.

- In the current environment, the Company is evaluating attractive assets, including distressed assets, particularly in core markets.

- **Focused on disciplined, accretive acquisitions and have been selective in passing on opportunities that did not meet investment criteria.**



Maryland

2Q '26 Highlights

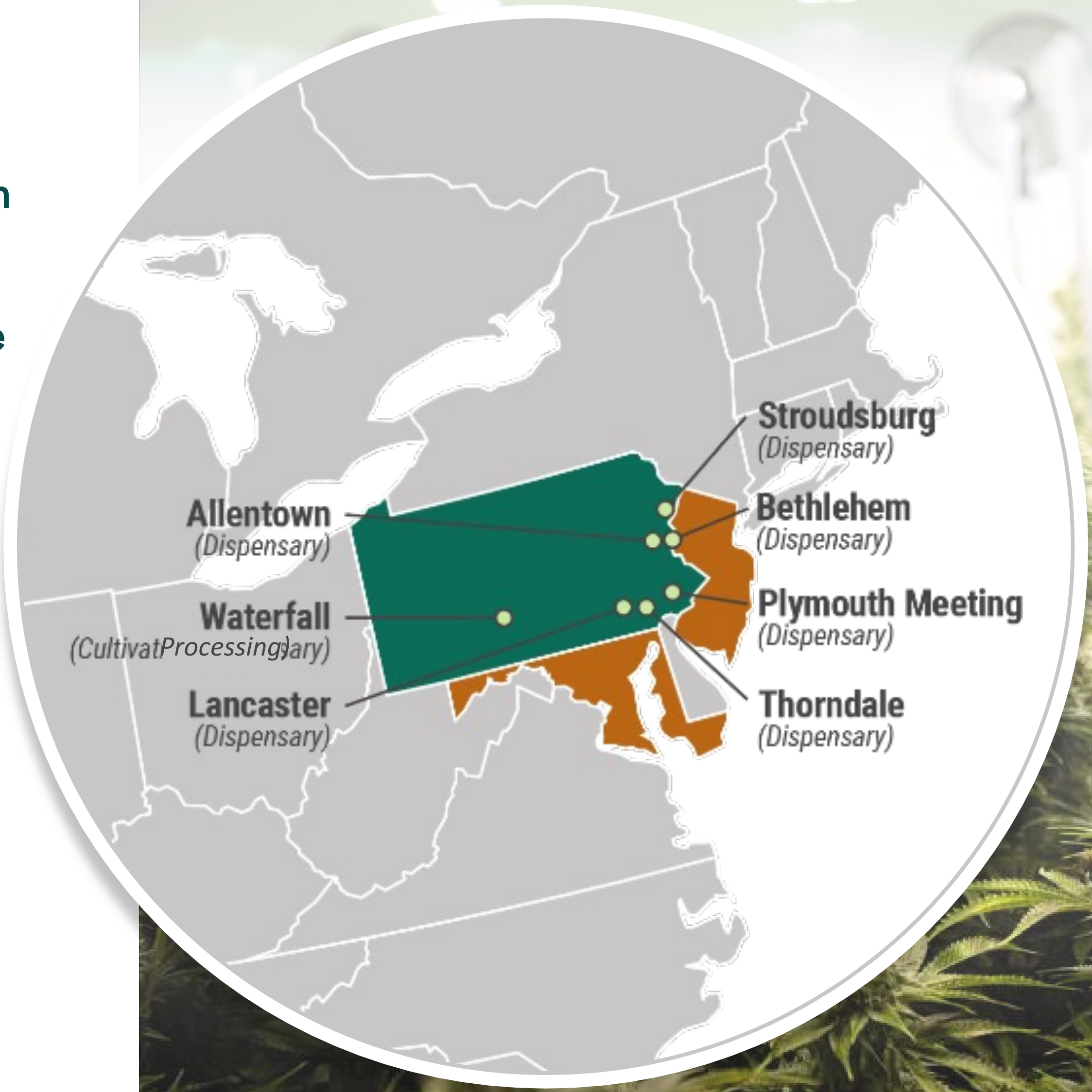
- Revenue and gross margin improved sequentially.
- Gross margins exceeded 60%.
- 2 of 4 Apothecarium stores rank in the top 10 statewide*.
- Kind Tree, Legend, Valhalla and Tyson 2.0 contributing to growth in the quarter**.
- Vertically integrated platform, established brands and operational discipline position the Company well to maintain this growth, high margin and profitably.

* LIT Alerts is an independent market measurement source.
** BDSA.

Pennsylvania

2Q '26 Highlights

- Revenue increased 3.8% sequentially, driven by growth across both our retail and wholesale businesses.
- Marked third consecutive quarter of sequential revenue growth and made Pennsylvania the Company's fastest-growing core market during the quarter.
- 5 of 6 Apothecarium stores ranked in the top 15 of all dispensaries in the state*.
- Kind Tree and Legend maintained leading positions in flower, vapes and extracts**.
- Fully built out large scale cultivation and manufacturing facility with no meaningful incremental capital required to support future growth.



* LIT Alerts is an independent market measurement source.
** BDSA.

Ohio

2Q '26 Highlights

- Ratio Cannabis 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.

Financial Overview*

Eric Jackson, Chief Financial Officer

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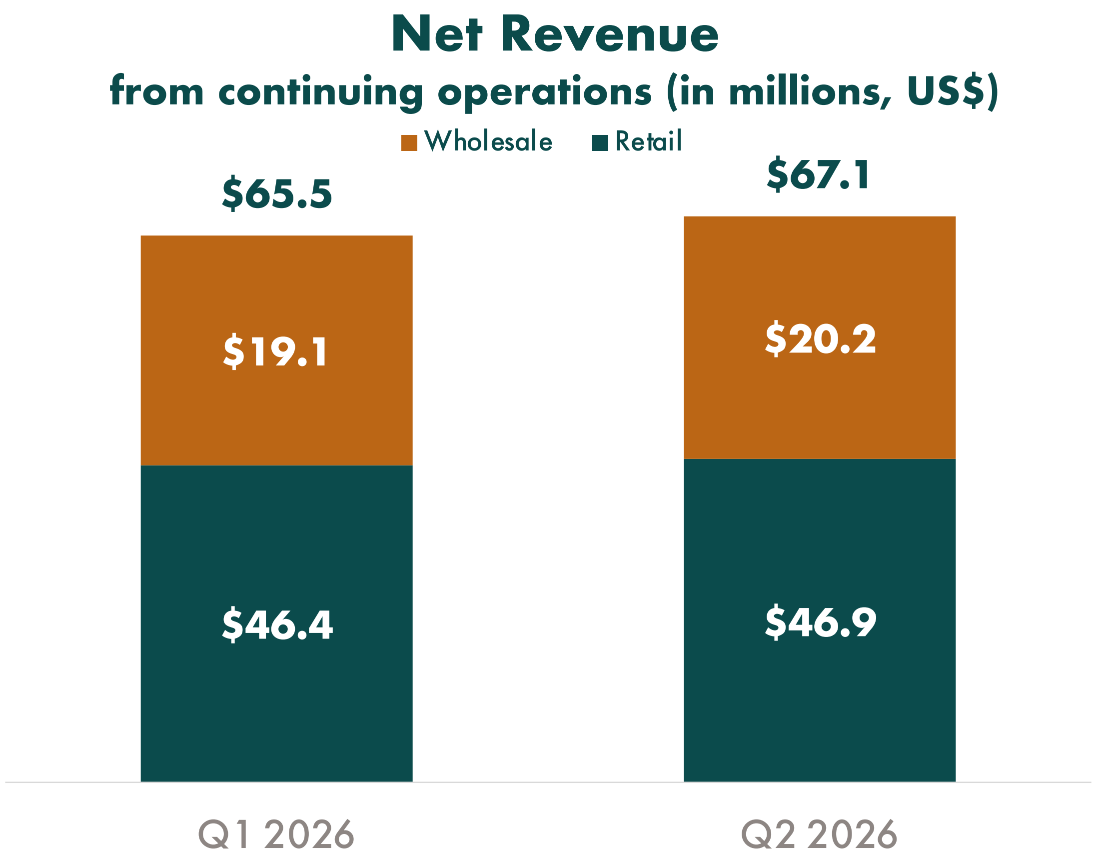
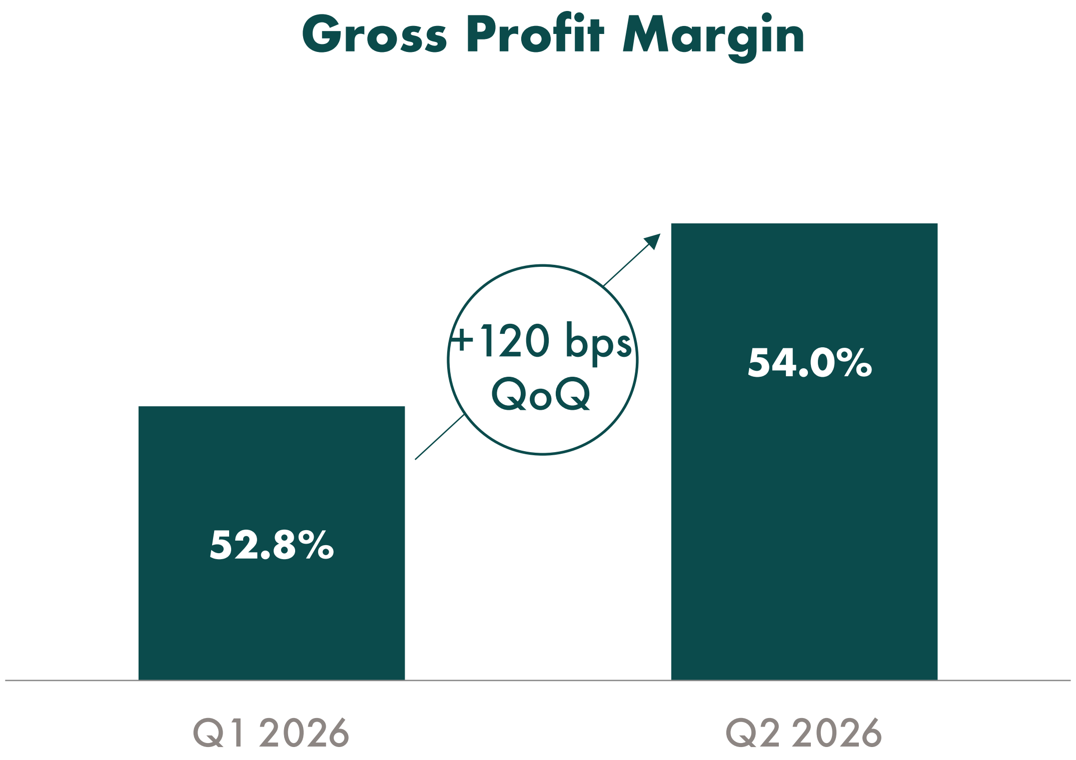
* The following financial measures reflect results from continuing operations, unless otherwise noted. In connection with the Company's previously announced plan to sell all Michigan assets, those assets were classified as discontinued operations beginning with the quarter ended June 30, 2025, and all prior-period amounts have been recast accordingly.

Second Quarter 2026 Net Revenue



- Revenue: $67.1 million compared to $65.5 million in Q1 2026.
- Retail and wholesale revenue both increased sequentially, reflecting broad-based demand across core Northeast markets.

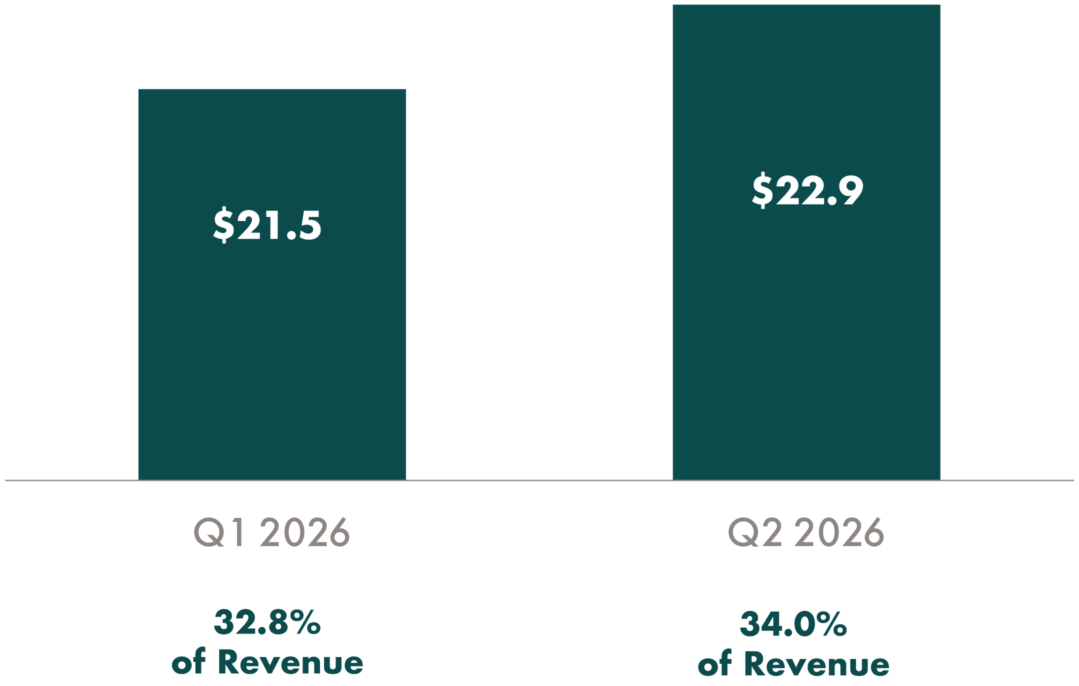
Second Quarter 2026 Gross Profit Margin



- Gross Profit Margin: Increased to 54.0% versus 52.8% in Q1 2026.
- Quarter-over-quarter, gross profit improved by 120 basis-points.

Second Quarter 2026 General & Administrative (G&A) Expenses

General & Administrative Expenses
(in millions, US$)



- G&A expenses for Q2 2026, $22.9 million, compared to $21.5 million in Q1 2026.
- G&A as a % of net revenue for Q2 2026, 34.0%, compared to 32.8% for Q1 2026.

Second Quarter 2026 Net Loss and Adjusted EBITDA*

GAAP Net Loss

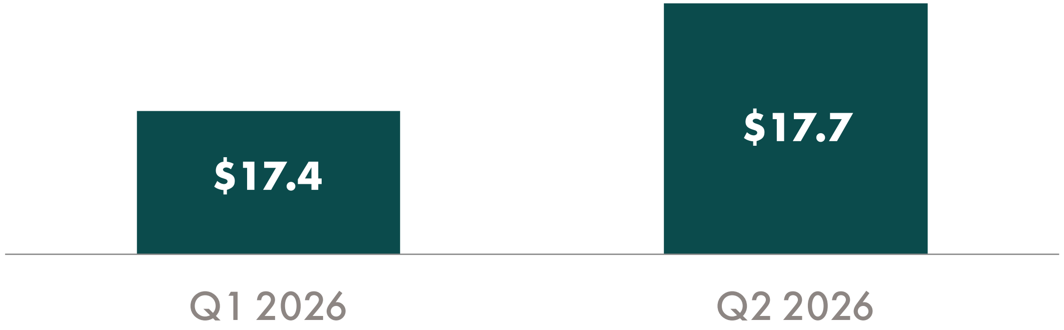
from continuing operations (in millions, US$)

GAAP Net Loss from continuing operations :

- $10.1 million net loss, compared to $6.8 million net loss in Q1 2026.

Adj EBITDA*

from continuing operations (in millions, US$)



26.5% of Revenue | **26.3% of Revenue**

Adjusted EBITDA from continuing operations*:

- $17.7 million, or 26.3% of revenue, compared to $17.4 million, or 26.5% of revenue in Q1 2026.

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* Adjusted EBITDA from continuing operations and Adjusted EBITDA margin from continuing operations are non-GAAP measures defined in the section titled "Definition and Reconciliation of Non-GAAP Measures" and reconciled to the most directly comparable GAAP measure in the Appendix at the end of this presentation.

Balance Sheet & Cash Flow

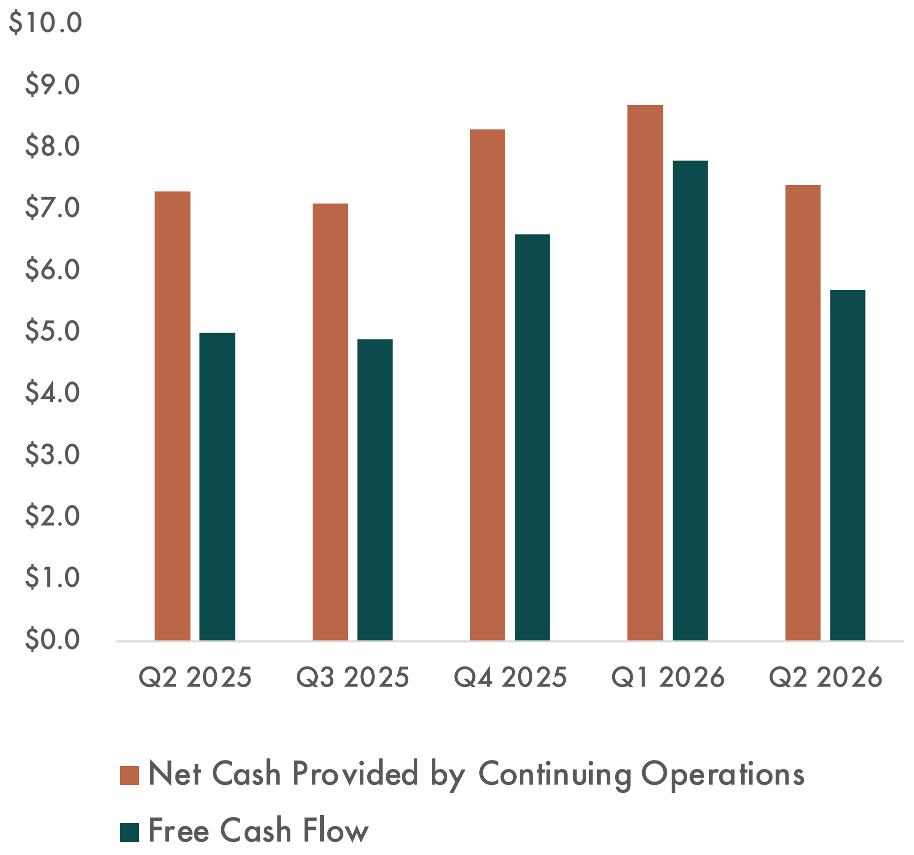
- **Cash and cash equivalents:**
  - $42.0 million (6/30/26).

- **Net cash provided by continuing operations:**
  - $7.4 million for Q2 2026.
  - Operating Cash Flow Yield of 12.5%**.
  - 16th consecutive quarter of positive cash flow from continuing operations.

- **Capex:**
  - $1.6 million for Q2 2026, primarily related to ongoing cultivation and facility optimization projects.

- **Free Cash Flow*:**
  - $5.7 million for Q2 2026.
  - Free Cash Flow Yield of 9.9%**.
  - 12th consecutive quarter of positive free cash flow.

Net Cash Provided by Continuing Operations & Free Cash Flow*



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* Free Cash Flow is a non-GAAP measures defined in the section titled "Definition and Reconciliation of Non-GAAP Measures" and reconciled to the most directly comparable GAAP measure in the Appendix at the end of this presentation.

** Operating Cash Flow Yield of 12.5% and Free Cash Flow Yield of 9.9% is calculated by taking Net Cash Provided from Continuing Operations and Free Cash Flow on a trailing twelve month basis and dividing by the market value of the Company's outstanding and exchangeable shares as of June 30, 2026.

Third Quarter 2026 Expectations

- Similar to Q2, we expect Q3 year-over-year revenue growth of 2% to 3%.
- We also expect consistent strong gross margin performance.

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 June 30, 2026, March 31, 206 and June 30, 2025.

	For the Three Months Ended		
	June 30, 2026	March 31, 2026	June 30, 2025
Net (loss) income	(8,055)	(8,004)	(48,107)
(Loss) income from discontinued operations	2,004	(1,175)	41,701
Loss from continued operations	(10,059)	(6,829)	(6,406)
Add (deduct) the impact of:			
Provision for income taxes	11,587	10,250	9,598
Finance expenses	9,347	9,753	8,962
Amortization and depreciation	3,881	4,140	3,784
EBITDA from continuing operations	**14,756**	**17,314**	**15,938**
Add (deduct) the impact of:			
Share-based compensation	829	885	779
Loss (gain) on fair value of derivative liabilities	1,171	(1,403)	(279)
Unrealized and realized foreign exchange loss (gain)	333	178	(648)
Unrealized and realized loss (gain) on investments	271	—	(7)
(Gain) loss on lease termination	(1)	36	—
Gain from revaluation of contingent consideration	—	—	(34)
Other one-time items	302	354	267
Adjusted EBITDA from continuing operations	**$ 17,661**	**$ 17,364**	**$ 16,016**
Adjusted EBITDA Margin from continuing operations	*26.3%*	*26.5%*	*24.6%*

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 June 30, 2026, March 31, 2026 and June 30, 2025.

	For the Three Months Ended		
	June 30, 2026	**March 31, 2026**	**June 30, 2025**
Net cash provided by operating activities - continuing operations	**$ 7,385**	**$ 8,652**	**$ 7,300**
Capital expenditures for property and equipment	(1,639)	(865)	(2,292)
Free Cash Flow	**$ 5,746**	**$ 7,787**	**$ 5,008**

Appendix – Reconciliation of Non-GAAP Measures

The table below reconciles Net cash provided by operating activities to Free Cash Flow Yield for trailing twelve months ended June 30, 2026.

	Trailing Twelve Months Ended June 30, 2026	
Net cash provided by operating activities	**$**	**31,484**
Capital expenditures for property and equipment		(6,468)
Free Cash Flow	**$**	**25,016**
Market capitalization as of June 30, 2026	$	252,669
Operating Cash Flow Yield		12.5%
Free Cash Flow Yield		9.9%