



TERRASCEND

Q2 2020
Earnings Call Presentation
August 20, 2020 | [Terrascend.com](https://www.terrascend.com)
(CSE: TER | OTCQX: TRSSF)

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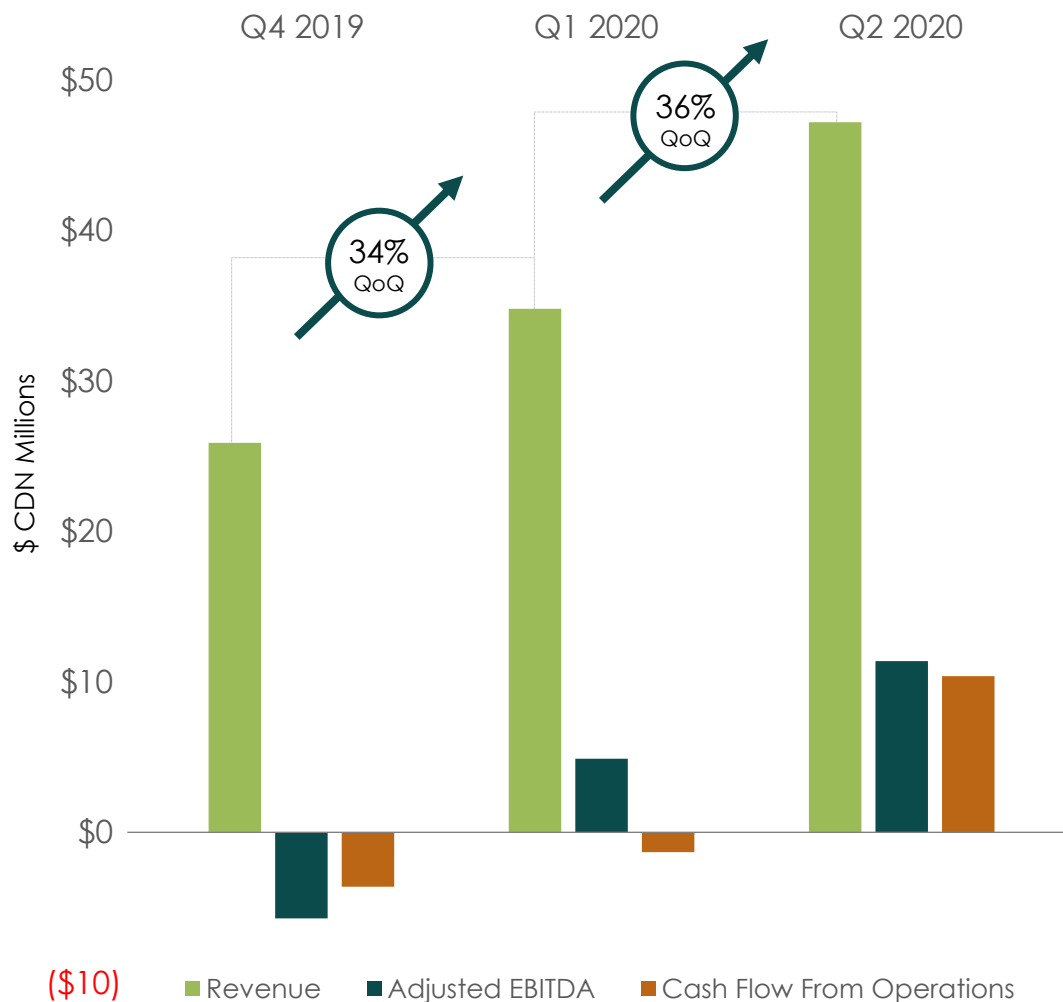
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Q2 2020 Highlights

Driving growth in revenue, profit, and cashflow



- **U.S operations represent the single greatest growth opportunity**
- **Strategically investing in high growth, limited license markets, to go deep and build scale**
- **3X cultivation capacity expansion in PA complete, additional 25% increase coming online in Q4 2020**
- **Cultivation in NJ ongoing. First harvest planned in Q4 2020 and sales to follow shortly afterwards**
- **Expansion of State flower and Valhalla facilities complete, roll out of Valhalla branded edibles to NJ and Canada planned for Q1 2021**

Q2 2020 Financial Results

\$ in Canadian millions, unless otherwise noted	Q2 2020	Q1 2020	QoQ CHANGE (%)	Q2 2019	YoY CHANGE (%)
Net Sales	\$47.2	\$34.8	36%	\$17.6	169%
Gross Margin <small>before gain on fair value of biological assets</small>	56%	45%		9%	
General & Administrative Expense	\$15.7	\$14.6	8%	\$11.4	38%
General Administrative % of Net Sales	33%	42%		65%	
Adjusted EBITDA ¹	\$11.4	\$4.9	131%	\$(8.6)	
Adjusted EBITDA Margin ¹	24%	14%		(49%)	
Cash & Equivalents <small>(including Restricted Cash)</small>	\$75.0	\$31.4		\$17.0	
Cash Flow From Operations	\$10.4	\$(1.3)		\$(21.6)	

1. Adjusted EBITDA is a Non-IFRS measure. Please see the Q2 2020 MD&A for a reconciliation of Non-IFRS measures.





Thank You

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