



Trulieve Reports Strong Operational Results, Record Revenue and Profits, and Grows Footprint in the Second Quarter of 2019

Company achieving new operational efficiencies and strong financial discipline as it rolls out growth and expansion initiatives as a multi-state operator

TALLAHASSEE, FL, Aug. 14, 2019 /CNW/ - Trulieve Cannabis Corp. ("Trulieve" or the "Company") (CSE: TRUL) (OTCQX: TCNNF), today announced its financial results for the second quarter of 2019 ended June 30, 2019. Unless otherwise stated, all currency is expressed in U.S. dollars.

Second Quarter 2019 Financial & Operational Highlights

- Record revenue of \$57.9 million, an increase of 30% on a sequential quarter-to-quarter basis
- Adjusted EBITDA^{1,2} increased from \$19.0 million in Q1 2019 to \$31.6 million in Q2 2019
- Increase of 19% in Florida patient growth driven primarily by the introduction of smokable flower, increasing patient count to just over 181,000 at June 30, 2019
- Smokable flower accounted for approximately 50% of total product sales in Florida for Q2 2019, up from nearly 30% in Q1 2019
- Completed a public debt offering raising an aggregate principal amount of \$70 million
- Opened three additional dispensaries in Florida, bringing the total to 29 at Q2 2019
- Completed acquisition of CT-based medical cannabis dispensary, The Healing Corner
- Launched various automation initiatives to further increase efficiencies, product output, and innovation
- Executed a large-scale customized SAP implementation

Recent Highlights & Developments

- Reporting total current cultivation capacity of approximately 1.6 million square feet which includes large scale greenhouses, previously reported as experimental, which were added as a cost effective and highly efficient alternative to expand oil biomass capacity
- Commenced trading on the OTCQX[®] Best Market under the symbol "TCNNF"
- Extension of voluntary lock-up agreement with Company founders of 65,253,093, or approximately 59% of shares outstanding on an as converted basis, until July 2020, with 11,205,960, or approximately 10% of shares outstanding on an as converted basis, becoming unlocked in January 2020
- Closed sale lease back transaction with Innovative Industrial Properties, Inc. to provide capital for Holyoke, MA cultivation and processing site
- Appointed Peter T. Healy to Board of Directors

"Our strong financial results for the quarter combined with our operational and foundational evolution illustrates that Trulieve is not just a cannabis company, but an organization that possess the key fundamentals expected of leading companies across all industries," said Kim Rivers, CEO of Trulieve. "By continuing to focus on operational efficiencies, maintaining sound financial discipline, and leveraging our strong brand awareness and patient loyalty within current markets and in future expansion initiatives, we expect our efforts to translate to new strong results throughout the remainder of 2019."

Financial Results

| Results of operations | For the three months ended | | | For the three months ended | | |
|---|----------------------------|-------------|----------|----------------------------|--------|----------|
| | June 30 2019 | Mar 31 2019 | % change | 2019 | 2018 | % change |
| (Figures in millions and % change based on these figures) | | | | | | |
| Total Revenue | \$57.9 | \$44.5 | 30% | \$57.9 | \$23.3 | 149% |
| Gross Margin ² | \$37.6 | \$29.9 | 26% | \$37.6 | \$17.3 | 117% |

| | | | | | | |
|--------------------------------|--------|--------|-----|--------|--------|------|
| Gross Margin % | 65% | 67% | - | 65% | 74% | - |
| Operating Expenses | \$14.8 | \$11.9 | 24% | \$14.8 | \$6.0 | 146% |
| Operating Expenses % | 26% | 27% | - | 26% | 26% | - |
| Adjusted EBITDA ^{1,2} | \$31.6 | \$19.0 | 66% | \$31.6 | \$11.9 | 166% |

| Reconciliation of Non-IFRS Adjusted EBITDA (Figures in millions) | For the three months ended June 30, 2019 |
|--|--|
| Net Income (IFRS) | \$57.5 |
| Add (Deduct) Impact of Net Effect of Change in Fair Value of Biologicals | \$(66.2) |
| Grow Cost for Biological Assets & Unsold Inventory | \$7.1 |
| Interest Expense, Net | \$1.9 |
| Depreciation and Amortization | \$1.8 |
| Depreciation included in Cost of Goods Sold | \$1.7 |
| Provision for Income Taxes | \$27.7 |
| Other Income, Net | \$ - |
| Total Adjustments | \$(25.9) |
| Adjusted EBITDA ^{1,2} | \$31.6 |

The Management Discussion and Analysis for the period and the accompanying financial statements and notes are available under the Company's profile on SEDAR at www.sedar.com and on its website at <https://www.trulieve.com/investors>.

This news release is not in any way a substitute for reading those financial statements, including the notes to the financial statements.

Financial Guidance

Reflecting continued leverage of scale and financial discipline, the Company is reaffirming guidance for full year 2019 and long-term outlook. Guidance for 2019 and 2020 can be found in our first quarter press release available at:

<https://www.newswire.ca/news-releases/trulieve-reports-another-quarter-of-record-revenue-898676764.html>

Conference Call

The Company will host a conference call and live audio webcast on Thursday, August 15, 2019 at 10:00 A.M. Eastern time, to discuss its second quarter 2019 financial results.

All interested parties can join the conference call by dialing 1-888-231-8191 or 1-647-427-7450, conference ID: 9085490. Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until August 22, 2019 at midnight, ET. To access the archived conference call, please dial 1-855-859-2056 and enter the encore code 9085490.

A live audio webcast of the conference call will be available at:

<https://event.on24.com/wcc/r/2059700/3DD0A8D13E2E8625D056CAFB6079E47C>

Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. An archived replay of the webcast will be available for 90 days by clicking the link above.

About Trulieve Cannabis Corp.

Trulieve is a vertically integrated "seed-to-sale" company and is the first and largest fully licensed medical cannabis company in the State of Florida. Trulieve cultivates and produces all of its products in-house and distributes those products to Trulieve-branded stores (dispensaries) throughout the State of Florida, as well as directly to patients via home delivery. Trulieve also operates in California, Massachusetts and Connecticut. Trulieve is listed on the Canadian Securities Exchange under the symbol TRUL and trades on the OTCQX Best Market under the symbol TCNNF.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be

any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

Forward-Looking Statements

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Such statements include statements regarding the completion of the proposed acquisitions and the plans for the assets of the entities being acquired. Words such as "expects", "continue", "will", "anticipates" and "intends" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the Company's current projections and expectations about future events and financial trends that management believes might affect its financial condition, results of operations, business strategy and financial needs, and on certain assumptions and analysis made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors management believes are appropriate. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

To learn more about Trulieve, visit www.Trulieve.com.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

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