



## Trulieve Caps Transformational Year with Record Fourth Quarter and Full Year 2021 Results

- Record revenue of \$938.4 million in 2021, up 80% year over year, and quarterly revenue of \$305.3 million, up 36% sequentially
- Industry leading U.S. retail network of 162 dispensaries, up 116% from 2020, supported by over 4.0 million square feet of cultivation and processing capacity, up 107% from 2020, as of March 30, 2022

**Tallahassee, FL – March 30, 2022** – [Trulieve Cannabis Corp.](#) (CSE: [TRUL](#)) (OTCQX: [TCNNE](#)) (“Trulieve” or “the Company”), a leading and top-performing cannabis company in the U.S., today announced its results for the quarter and full year ended December 31, 2021. Results are reported in U.S. dollars unless otherwise indicated.

### 2021 Full Year Financial and Operational Highlights\*

- Revenue increased 80% year-over-year to \$938.4 million in 2021.
- Gross profit of \$566.1 million and gross margin of 60.3% in 2021 compared to gross profit of \$386.4 million and gross margin of 74.1% in 2020.
- Adjusted gross profit of \$621.4 million and adjusted gross margin of 66.2% in 2021 compared to adjusted gross profit of \$389.9 million and adjusted gross margin of 74.8% in 2020.\* The decline in adjusted gross margin is primarily attributable to strategic diversification into new lower margin markets and channels.
- Net income of \$18.0 million and adjusted net income of \$123.4 million\*, which excludes \$105.4 million of non-recurring compensation, fair value of inventory step up, and transaction, acquisition and integration charges primarily associated with the Harvest Health & Recreation Inc. (“Harvest”) acquisition.
- Adjusted EBITDA of \$384.6 million, or 41.0% of revenue in 2021 compared to adjusted EBITDA of \$260.1 million, or 49.9% of revenue in 2020.\*
- Cash at year end of \$234 million.
- Raised \$227 million in equity and \$350 million in five year senior secured notes at 8% interest, representing industry leading terms for U.S. plant touching cannabis operators.
- Welcomed two new members to the Board of Directors, which now includes four women representing half of the Board.
- Closed seven total acquisitions valued at ~\$1.5 billion in 2021 including Harvest and Keystone Shops. The Harvest acquisition closed in less than five months from the announcement, accelerating integration and optimization activities.
- Added 84 dispensaries in 2021, increasing retail footprint by 112% to 159 retail locations nationwide at year end.
- Added ~1.6 million square feet of cultivation and processing capacity through organic growth and acquisitions in 2021, increasing capacity by 89% to over 3.5 million square feet at year end.
- Commenced cultivation and retail operations in Massachusetts and West Virginia and received a notice of intent to award a Class 1 production license in Georgia.
- Exited 2021 with operations in 11 states, with 30% of our retail locations outside of the state of Florida.

\*See “Non-GAAP Financial Measures” below for additional information and a reconciliation to GAAP for all Non-GAAP metrics.

#### **Q4 2021 Financial and Operational Highlights\***

- Revenue increased 81% in the fourth quarter compared to the fourth quarter of 2020 and 36% sequentially to \$305.3 million.
- Gross profit of \$132.4 million and gross margin of 43.4% in the fourth quarter of 2021 compared to gross profit of \$119.9 million and gross margin of 71.2% in the fourth quarter of 2020.
- Adjusted gross profit of \$180.6 million and adjusted gross margin of 59.1% in the fourth quarter of 2021 compared to adjusted gross profit of \$121.7 million and adjusted gross margin of 72.2% in the fourth quarter of 2020.\*
- Net loss of \$71.5 million and adjusted net income of \$1.8 million\*, which excludes \$73.3 million of non-recurring fair value of inventory step up, and transaction, acquisition and integration charges primarily associated with the Harvest acquisition.
- Adjusted EBITDA of \$100.9 million, or 33.0% of revenue in the fourth quarter of 2021 compared to adjusted EBITDA of \$81.4 million or 48.3% of revenue in the same period of the prior year.
- Added 58 dispensaries in the fourth quarter including 49 acquired through Harvest and Purplemed, 9 opened in Florida, Pennsylvania, and West Virginia, and completed the relocation of two dispensaries in Florida.
- Rebranded and reopened fourteen legacy Harvest dispensaries in Florida during October as required following the Harvest acquisition.
- Released our inaugural ESG report, building upon the work done in our Sustainability Report in 2020.

\*See "Non-GAAP Financial Measures" below for additional information and a reconciliation to GAAP for all Non-GAAP metrics.

#### **Recent Events**

- Closed second tranche of private placement of 8% senior secured notes due October 2026 totaling \$75 million.
- Opened 3 new dispensaries in Boca Raton and Riverview, Florida and Philadelphia, Pennsylvania.
- Completed the rebranding to Trulieve of 22 affiliated and acquired retail locations in Maryland and Pennsylvania.
- Currently operate 162 retail dispensaries and over 4.0 million square feet of cultivation and processing capacity in the United States.
- Acquired 64K square feet of operational indoor cultivation capacity in Arizona.
- Expanded or entered into new branded partnerships with Connected, El Blunto, Khalifa Kush, and Miami Mango.
- Announced a partnership with Survivor's Ethan Zohn as a brand ambassador for Momenta branded products.
- Launched nationwide Supplier Diversity Initiative.

#### **Management Commentary**

"2021 was a phenomenal year for Trulieve, full of monumental achievements, punctuated by the completion of the Harvest acquisition," said Kim Rivers, Trulieve CEO. "We delivered another record year while making substantive progress toward achieving our long-term goals."

Rivers continued, "Our team built upon our established track record of success, further expanding our distribution network through our hub strategy while setting the stage for continued growth. In

2022 we expect to deliver improved performance as our efforts to optimize assets and teams across our platform provide meaningful contributions to our results.”

## Financial Guidance

Trulieve is introducing 2022 guidance with expected revenue in the range of \$1.3 billion to \$1.4 billion and adjusted EBITDA\* in the range of \$450 million to \$500 million. Based on our current forecasts, we expect to realize improved performance in the second half of 2022 relative to the first half of 2022.

## Financial Highlights

Results of Operations  (Figures in millions and % change based on these figures)	For the Three Months Ended			For the Full Year Ended		
	December 31, 2021	December 31, 2020	change	December 31, 2021	December 31, 2020	change
Revenue	\$ 305.3	\$ 168.4	81%	\$ 938.4	\$ 521.5	80%
Gross Profit	\$ 132.4	\$ 119.9	10%	\$ 566.1	\$ 386.4	47%
Gross Margin %	43%	71%		60%	74%	
Adjusted Gross Profit	\$ 180.6	\$ 121.7	48%	\$ 621.4	\$ 389.9	59%
Adjusted Gross Margin %	59%	72%		66%	75%	
Operating Expenses	\$ 150.6	\$ 56.0	169%	\$ 369.2	\$ 168.1	120%
Operating Expenses %	49%	33%		39%	32%	
Net Income (Loss)	\$ (71.5)	\$ 3.0	---	\$ 18.0	\$ 63.0	-71%
Adjusted Net Income	\$ 1.8	\$ 41.8	-96%	\$ 123.4	\$ 120.5	2%
Diluted Shares Outstanding	145.1	119.4		146.8	118.3	
EPS	\$ (0.49)	\$ 0.03	---	\$ 0.12	\$ 0.53	-77%
Adjusted EPS	\$ 0.01	\$ 0.35	-97%	\$ 0.84	\$ 1.02	-18%
Adjusted EBITDA	\$ 100.9	\$ 81.4	24%	\$ 384.6	\$ 260.1	48%
Adjusted EBITDA Margin %	33%	48%		41%	50%	

## Analyst Event 2022

Trulieve will host an analyst event in Tallahassee, Florida on Tuesday June 7, 2022. The event will include a guided facility tour and a public webcast presentation by management. In person attendance will be limited. Analysts interested in attending the event in person should contact investor relations for additional details.

## Conference Call

The Company will host a conference call and live audio webcast on March 30, 2022, at 8:30 A.M. Eastern time, to discuss its fourth quarter and full year 2021 financial results.

Interested parties can join the conference call by dialing in as directed below. Participants are asked to request the Trulieve Cannabis Corp. call. Please dial in 15 minutes prior to the call.

U.S. toll free: 1-844-824-3830  
 Canada toll free: 1-855-669-9657  
 International dial in: 1-412-542-4136

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

<https://app.webinar.net/m21krRWnGKb>

A powerpoint presentation is available at

<https://investors.trulieve.com/events-presentations>

An archived replay of the webcast will be available at:  
<https://investors.trulieve.com/events-presentations>

The Company's Form 10-K for the year ended December 31, 2021, is available on the SEC's website or at <https://investors.trulieve.com/financial-filings/annual-reports>. The Company's Management Discussion and Analysis for the period and the accompanying financial statements and notes are available under the Company's profile on SEDAR and on its website at <https://investors.trulieve.com/financial-information/quarterly-results>. This news release is not in any way a substitute for reading those financial statements, including the notes to the financial statements.

### **About Trulieve**

Trulieve is an industry leading, vertically integrated cannabis company and multi-state operator in the U.S. operating in 11 states, with leading market positions in Arizona, Florida, and Pennsylvania. Trulieve is poised for accelerated growth and expansion, building scale in retail and distribution in new and existing markets through its hub strategy. By providing innovative, high-quality products across its brand portfolio, Trulieve delivers optimal customer experiences and increases access to cannabis, helping patients and customers to live without limits. Trulieve is listed on the CSE under the symbol TRUL and trades on the OTCQX market under the symbol TCNNF. For more information, please visit [Trulieve.com](https://www.trulieve.com).

Facebook: [@Trulieve](https://www.facebook.com/Trulieve)

Instagram: [@Trulieve](https://www.instagram.com/Trulieve)

Twitter: [@Trulieve](https://twitter.com/Trulieve)

### **Non-GAAP Financial Measures**

In addition to our results determined in accordance with GAAP, we supplement our results with non-GAAP financial measures, including adjusted gross profit, adjusted net income, adjusted net income per diluted share, and adjusted cash flow from operations. Our management uses these non-GAAP financial measures in conjunction with GAAP financial measures to evaluate our operating results and financial performance. We believe these measures are useful to investors as they are widely used measures of performance and can facilitate comparison to other companies. These non-GAAP financial measures have limitations as analytical tools in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP. Because of these limitations, these non-GAAP financial measures should be considered along with GAAP financial performance measures. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures. A reconciliation of the non-GAAP financial measures to such GAAP measures can be found below. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with GAAP.

### Reconciliation of Non-GAAP Adjusted Gross Profit

The following table presents a reconciliation of GAAP gross profit to non-GAAP adjusted gross profit, for each of the periods presented:

(Amounts expressed in millions of United States dollars)	For the Three Months Ended		For the Full Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Gross Profit GAAP	\$ 132.4	\$ 119.9	\$ 566.1	\$ 386.4
Gross Margin % GAAP	43%	71%	60%	74%
Add (Deduct) Impact of:				
Inventory Step Up Fair Value	\$ 38.0	\$ 1.0	\$ 41.2	\$ 1.0
Transaction, Acquisition, and Integration Costs	\$ 10.2	\$ 0.9	\$ 14.0	\$ 2.6
Adjusted Gross Profit Non-GAAP	\$ 180.6	\$ 121.7	\$ 621.4	\$ 389.9
Adjusted Gross Margin % Non-GAAP	59%	72%	66%	75%

### Reconciliation of Non-GAAP Adjusted Net Income

The following table presents a reconciliation of GAAP net income (loss) to non-GAAP adjusted net income, for each of the periods presented:

(Amounts expressed in millions of United States dollars)	For the Three Months Ended		For the Full Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net Income (Loss) GAAP	\$ (71.5)	\$ 3.0	\$ 18.0	\$ 63.0
Add (Deduct) Impact of:				
Share-Based Compensation	\$ 0.0	\$ 0.0	\$ 4.2	\$ 0.0
Warrant Liability Adjustment	\$ (0.2)	\$ 29.9	\$ (0.2)	\$ 42.7
Inventory Step Up Fair Value	\$ 38.0	\$ 1.0	\$ 41.2	\$ 1.0
Transaction, Acquisition, and Integration Costs	\$ 30.0	\$ 4.7	\$ 48.7	\$ 4.7
Covid Related Expenses	\$ 0.2	\$ 3.2	\$ 6.2	\$ 9.1
Impairment Intangible Assets	\$ 5.4	\$ 0.0	\$ 5.4	\$ 0.0
Adjusted Net Income Non-GAAP	\$ 1.8	\$ 41.8	\$ 123.4	\$ 120.5

### Reconciliation of Non-GAAP Adjusted Earnings Per Share

The following table presents a reconciliation of GAAP earnings (loss) per share to non-GAAP adjusted earnings per share, for each of the periods presented:

(Amounts expressed in millions of United States dollars)	For the Three Months Ended		For the Full Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Earnings (Loss) Per Share GAAP	\$ (0.49)	\$ 0.03	\$ 0.12	\$ 0.53
Add (Deduct) Impact of:				
Share-Based Compensation	\$ 0.00	\$ 0.00	\$ 0.03	\$ 0.00
Warrant Liability Adjustment	\$ 0.00	\$ 0.25	\$ 0.00	\$ 0.36
Inventory Step Up Fair Value	\$ 0.26	\$ 0.01	\$ 0.28	\$ 0.01
Transaction, Acquisition, and Integration Costs	\$ 0.21	\$ 0.04	\$ 0.33	\$ 0.04
Covid Related Expenses	\$ 0.00	\$ 0.03	\$ 0.04	\$ 0.08
Impairment Intangible Assets	\$ 0.04	\$ 0.00	\$ 0.04	\$ 0.00
Adjusted Earnings Per Share Non-GAAP	\$ 0.01	\$ 0.35	\$ 0.84	\$ 1.02

## Reconciliation of Non-GAAP Adjusted EBITDA

The following table presents a reconciliation of GAAP net income (loss) to non-GAAP Adjusted EBITDA, for each of the periods presented:

(Amounts expressed in millions of United States dollars)	For the Three Months Ended		For the Full Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net Income (Loss) GAAP	\$ (71.5)	\$ 3.0	\$ 18.0	\$ 63.0
Add (Deduct) Impact of:				
Interest Expense, net	\$ 14.1	\$ 3.7	\$ 34.8	\$ 20.2
Provision For Income Taxes	\$ 40.8	\$ 27.3	\$ 146.1	\$ 94.5
Depreciation and Amortization	\$ 28.3	\$ 4.0	\$ 48.1	\$ 12.6
Depreciation in COGS	\$ 9.7	\$ 4.1	\$ 24.1	\$ 11.5
EBITDA	\$ 21.3	\$ 42.2	\$ 271.0	\$ 201.8
Inventory Step Up Fair Value	\$ 38.0	\$ 1.0	\$ 41.2	\$ 1.0
Integration and Transition Costs	\$ 22.9	\$ 0.0	\$ 25.6	\$ 0.0
Acquisition and Transaction Costs	\$ 1.5	\$ 4.7	\$ 15.8	\$ 4.7
Share-Based Compensation	\$ 7.0	\$ 0.6	\$ 13.4	\$ 2.8
Other Non-Recurring Expenses	\$ 5.2	\$ 0.0	\$ 6.8	\$ 0.0
Covid Related Expenses	\$ 0.2	\$ 3.2	\$ 6.2	\$ 9.1
Impairment and Disposal of Long-lived Assets	\$ 5.4	\$ 0.1	\$ 5.4	\$ 0.1
Non-Controlling Interest	\$ 0.5	\$ 0.0	\$ 0.5	\$ 0.0
Other Expense (Income), net	\$ (0.8)	\$ (0.1)	\$ (1.1)	\$ (2.1)
Fair Value of Derivative Liabilities - Warrants	\$ (0.2)	\$ 29.9	\$ (0.2)	\$ 42.7
Adjusted EBITDA Non-GAAP	\$ 100.9	\$ 81.4	\$ 384.6	\$ 260.1

## Reconciliation of Non-GAAP Adjusted Cash Provided by Operating Activities

The following table presents a reconciliation of GAAP cash provided by operating activities to non-GAAP Adjusted cash provided by operating activities, for each of the periods presented:

(Amounts expressed in millions of United States dollars)	For the Three Months Ended		For the Full Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net Cash Provided by Operating Activities GAAP	\$ (62.2)	\$ 26.8	\$ 12.9	\$ 99.6
Add (Deduct) Impact of:				
Share-Based Compensation	\$ 0.0	\$ 0.0	\$ 4.2	\$ 0.0
Warrant Liability Adjustment	\$ (0.2)	\$ 29.9	\$ (0.2)	\$ 42.7
Inventory Step Up Fair Value	\$ 38.0	\$ 1.0	\$ 41.2	\$ 1.0
Transaction, Acquisition, and Integration Costs and NCI	\$ 30.0	\$ 4.7	\$ 48.7	\$ 4.7
Covid Related Expenses	\$ 0.2	\$ 3.2	\$ 6.2	\$ 9.1
Impairment Long-lived Assets	\$ 5.4	\$ 0.0	\$ 5.4	\$ 0.0
Adjusted Cash Provided by Operating Activities Non-GAAP	\$ 11.1	\$ 65.5	\$ 118.3	\$ 157.1

## Forward-Looking Statements

This news release includes forward-looking information and statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements relate to the Company's expectations or forecasts of business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs and include statements regarding the Company's expected revenue and adjusted EBITDA for fiscal 2022, its plans for expansion,

the scope and timing of adoption of cannabis in the U.S. and potential acquisitions and expansion of the Company's operations. 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, including, without limitation, the risks discussed under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021 and in our periodic reports subsequently filed with the United States Securities and Exchange Commission and in the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com). 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.

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