
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 01, 2023

TerrAscend Corp.

(Exact name of Registrant as Specified in Its Charter)

Canada
(State or Other Jurisdiction
of Incorporation)

000-56363
(Commission File Number)

Not applicable
(IRS Employer
Identification No.)

77 City Centre Drive Suite 501
Mississauga, Ontario, Canada
(Address of Principal Executive Offices)

L5B 1M5
(Zip Code)

Registrant's Telephone Number, Including Area Code: 717 610-4165

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)*	Name of each exchange on which registered
N/A	TSNDF	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

* The registrant's common shares, no par value, trade over-the-counter on OTCQX Best Market under the trading symbol "TSNDF".

Item 2.02 Results of Operations and Financial Condition.

On August 1, 2023, TerrAscend Corp. (the “Company”) issued a press release announcing the preliminary, unaudited financial results for the quarter ended June 30, 2023. The press release is furnished as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits.(d) Exhibits

Exhibit No.	Description
99.1	Press Release, dated August 1, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 1, 2023

By: /s/ Keith Stauffer



TerrAscend Preannounces Strong Second Quarter 2023 Revenue and Gross Margins and Provides Full Year Guidance

Record second quarter 2023 Net Revenue of \$72.1 million, up 12.7% year-over-year and 3.9% sequentially, representing the 7th consecutive quarter of sequential growth

Gross Profit Margin increased to 50.2% compared to 48.8% in Q1 2023

Company expects full year 2023 Net Revenue and Adjusted EBITDA from continuing operations¹ of at least \$305 million and \$58 million, respectively

Second quarter 2023 earnings conference call scheduled for August 10, 2023 at 5 p.m. ET

TORONTO, ONTARIO (August 1, 2023) – TerrAscend Corp. (“**TerrAscend**” or the “**Company**”) (TSX: TSND) (OTCQX: TSNDF), a leading North American cannabis company, today announced preliminary and unaudited financial results for its second quarter ended June 30, 2023. All amounts are in U.S. dollars.

Based on a preliminary and unaudited review, the Company anticipates:

- Net Revenue of \$72.1 million, an increase of 12.7% year-over-year and 3.9% sequentially
- Gross Profit Margin increased to 50.2% compared to 48.8% in Q1 2023 and 37.5% in Q2 2022

Additionally, the Company expects Net Revenue and Adjusted EBITDA from continuing operations¹ for full year 2023 will be at least \$305 million and \$58 million, respectively, representing year over year growth of 23% in Net Revenue and 49% in Adjusted EBITDA from continuing operations¹.

“We are pleased to deliver results in the second quarter that exceeded our internal forecasts. This team has accomplished a tremendous amount in recent months. We have significantly improved our margins, transformed our balance sheet, materially lowered our interest expense, achieved positive cashflow, acquired four dispensaries in Maryland, and successfully listed on the TSX, all while driving sector leading revenue growth,” stated Jason Wild, Executive Chairman of TerrAscend. “These achievements bolster our confidence in the remainder of the year. As evidenced by today’s guidance, we expect significant growth in revenue and profitability as we realize the benefit of our now vertically integrated operations in Maryland as well as continued strong execution in our other geographies.”

¹Adjusted EBITDA from continuing operations is a non-GAAP measure. Please see discussion of non-GAAP measures at the end of this press release. TerrAscend is not able, at this time, to provide a reconciliation of Adjusted EBITDA for full year 2023 to net (loss)/income from continuing operations because of the unreasonable effort of estimating on a forward-looking basis certain items that are excluded from Adjusted EBITDA from continuing operations, including, for example, certain material non-cash items such as inventory write downs outside of the normal course of operations, share based compensation expense, impairment charges taken on goodwill, intangible assets and property and equipment, the gain or loss recognized on the revaluation of our contingent consideration liabilities, one-time write off of accounts receivable related to one customer that was deemed uncollectible, loan modification fees related to the modification of debt, the gain recognized on the extinguishment of debt, the gain or loss recognized

on the remeasurement of the fair value of the U.S. denominated preferred share warrants, one time fees incurred in connection with acquisitions and certain other adjustments management believes are not reflective of the ongoing operations and performance, the effect of which may be significant. The outlook for full year 2023 provided above is forward-looking in nature. Actual results may differ materially. See the cautionary note regarding "Forward-Looking Information" below.

Conference Call Details:

The Company will report its full financial results for the second quarter ended June 30, 2023 on Thursday, August 10, 2023 after market close. Management will host a conference call the same day at 5:00 p.m. Eastern Time to discuss its financial results for the second quarter 2023.

Date: Thursday, August 10, 2023
Time: 5:00 p.m. Eastern Time
RapidConnect URL: <https://empportal.ink/44mrcy0>
Webcast: [Click Here](#)
Dial-in Number: 1-888-664-6392
Conference ID: 98441769
Replay: 416-764-8677 or 1-888-390-0541

Available until 12:00 midnight Eastern Time Thursday, August 24, 2023
Replay Entry Code: 441769#

About TerrAscend Corp.

TerrAscend is a leading TSX-listed cannabis company with interests across the North American cannabis sector, including vertically integrated operations in Pennsylvania, New Jersey, Maryland, Michigan and California through TerrAscend Growth Corp. and retail operations in Canada through TerrAscend Canada Inc. ("TerrAscend"). TerrAscend operates The Apothecarium, Gage and other dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities in its core markets. TerrAscend's cultivation and manufacturing practices yield consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use markets. The Company owns or licenses several synergistic businesses and brands including Gage Cannabis, The Apothecarium, Cookies, Lemonnade, Ilera Healthcare, Kind Tree, Legend, State Flower, Wana, and Valhalla Confections. For more information visit www.terrascent.com.

Caution Regarding Cannabis Operations in the United States

Investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the U.S. Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with medical or adult-use cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve TerrAscend of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against TerrAscend. The enforcement of federal laws in the United States is a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend's operations and financial performance.

Notice Regarding Forward-Looking Information

This press release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment, and the availability of licenses, approvals and permits. Examples of forward-looking information contained in this press release include statements regarding the impacts of the expectations of the Company’s future financial and operational performance, including the outlook for full year 2023; and expectations for other economic, business, and/or competitive factors.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information 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 is 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. Such risks and uncertainties include, but are not limited to, current and future market conditions; 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.sedar.com and in the section titled “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission (the “SEC”) on March 16, 2023, as may be amended by the Company’s Annual Report on Form 10-K/A for the year ended December 31, 2022 filed with the SEC on May 4, 2023 and its subsequently filed quarterly reports on Form 10-Q.

Definition and Reconciliation of Non-GAAP Measures

In addition to reporting the financial results in accordance with 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. Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are calculated as EBITDA from continuing operations adjusted for certain material non-cash items such as inventory write downs outside of the normal course of operations, share based compensation expense, impairment charges taken on goodwill, intangible assets and property and equipment, the gain or loss recognized on the revaluation of our contingent consideration liabilities, one-time write off of accounts receivable related to one customer that was deemed uncollectible, loan modification fees related to the modification of debt, the gain recognized on the extinguishment of debt, the gain or loss recognized on the remeasurement of the fair value of the U.S. denominated preferred share warrants, one time fees incurred in connection with our acquisitions and certain other adjustments management believes are not reflective of the ongoing operations and performance. 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. The Company believes this definition is a useful measure to assess the performance of the Company as it provides more meaningful 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.

The statements in this press release are made as of the date of this press release. 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.

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

For more information regarding TerrAscend:

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