



April 10, 2019

CSE: TRUL

Trulieve Reports Record Revenue for the Fourth Quarter and Full Year 2018

Strategic execution delivers strong earnings and growth in 2018; 2019 full year guidance affirms September 2018 preliminary outlook

Tallahassee, FL – April 10, 2019– Trulieve Cannabis Corp. (CSE: TRUL) (“Trulieve” or the “Company”) today announced its financial results for the fourth quarter and full year ended December 31, 2018. Unless otherwise stated, all currency is expressed in U.S. dollars.

Fourth Quarter 2018 Financial Highlights

- Revenue grew from \$28.3 million in Q3 2018 to \$35.9 million in Q4 2018
- Adjusted EBITDA^{1,2} increased from \$12.6 million in Q3 2018 to \$15.2 million in Q4 2018

Full-Year 2018 Financial Highlights

- Revenue of \$102.8 million
- Year-over-year revenue growth of 419%
- Adjusted EBITDA of \$45.6 million, or 44.4%

2018 Highlights

- Began trading on the Canadian Securities Exchange
- Entered into agreements to acquire 100% of Life Essence, Inc. in Massachusetts and 100% of Leef Industries, LLC in California
- Expanded Trulieve-branded products, partnerships, and number of Florida dispensaries to 22
- Opened a 55,000 square foot, best-in-class, GMP certified processing facility, bringing efficiencies and state-of-the-art innovation to our Florida production

Recent Event Highlights

- Favorable Florida settlement increases the potential number of Trulieve dispensaries to 14 above state cap
- Approval of smokable flower in the state of Florida

“In 2018, we focused on building a foundation to scale the business over the long-term and made significant progress on Trulieve’s core mission to create the preferred customer-centric brand in cannabis,” said Kim Rivers, CEO of Trulieve. “In the fourth quarter, we demonstrated



our growth through brand expansion and scale by increasing our dispensary footprint in Florida by five stores, adding cultivation and state of the art processing facilities, onboarding strategic brand relationships and making significant progress on our plans for growth beyond Florida with acquisitions in Massachusetts and California.”

“2019 will be a year of execution for us as we leverage our strong revenue growth and positive adjusted EBITDA. We will focus on innovating and delivering new products for our customers, such as smokable flower, edibles and nano-emulsions. We will cultivate new strategic partnerships, as we have recently demonstrated with Slang and Blue River. Finally, we will execute on our plans for multi-state operational expansion.”

Results of operations	For the three months ended December 31			For the full year ended December 31		
(Figures in millions and % change based on these figures)	2018	2017	% change	2018	2017	% change
Total Revenue	\$35.9	\$13.2	172%	\$102.8	\$19.8	419%
Gross Margin²	\$20.8	\$6.1	241%	\$68.6	\$8.7	689%
Gross Margin %	58%	46%	--	67%	44%	--
Operating Expenses	\$10.4	\$4.1	154%	\$29.2	\$8.3	252%
Operating Expenses %	29%	31%	--	28%	42%	--
Adjusted EBITDA^{1,2}	\$15.2	\$2.2	591%	\$45.6	\$0.8	5600%

Reconciliation of Non-IFRS Adjusted EBITDA	For the three months ended December 31			For the full year ended December 31		
(Figures in millions and % change based on these figures)	2018	2017	% change	2018	2017	% change
Net Income (IFRS)	\$10.7	\$0.3	3467%	\$43.0	\$3.6	1094%
Add (Deduct) Impact of: Net Effect of Change in Fair Value of Biologicals	(12.9)	(1.1)	1073%	(36.9)	(9.7)	280%
Grow Cost for Unsold Inventory	4.2	0	0%	4.2	0	0%
Interest Expense, Net	0.7	0.3	133%	2.2	0.9	144%



Depreciation and Amortization	0.5	0.1	400%	1.1	0.2	450%
Depreciation included in Cost of Goods Sold	0.7	0.2	250%	2.0	0.4	400%
Provision for Income Taxes	11.4	2.4	375%	28.8	4.7	513%
RTO Expense	—	—	0%	1.4	—	0%
Loss on Debt Settled with Equity	—	—	0%	—	0.8	(100%)
Other Income, Net	0	0	0%	(0.1)	0	0%
Total Adjustments	4.5	1.9	137%	2.6	(2.8)	(193%)
Adjusted EBITDA ^{1,2}	15.2	2.2	591%	45.6	0.8	5600%

1. EBITDA and Adjusted EBITDA are non-IFRS financial measures. While Trulieve believes that these measures are useful for the evaluation and assessment of its performance, they do not have any standard meaning prescribed by IFRS, are unlikely to be comparable to similar measures presented by other issuers and should not be considered as an alternative to comparable measures determined in accordance with IFRS.
2. Adjusted EBITDA and Gross margin do not include the net effect of changes in the fair value of biological assets.

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.

2019 Financial Guidance

Full year 2019 revenue and earnings guidance:

- Revenue is expected to grow 108% to approximately \$214M. As previously disclosed, full year 2019 revenue growth guidance includes an expected increase in number of dispensaries in Florida and execution on our multi-state expansion.
- Anticipated gross profit of approximately \$145M for 2019, or 68% of revenue before net changes in the fair value of biological assets.
- An adjusted EBITDA of approximately \$92M, or 43% of revenue, reflecting our continued leverage of scale and financial discipline.

Conference Call

The Company will host a conference call and live audio webcast on Thursday, April 11, 2019 at 10:00 A.M. Eastern time, to discuss its fourth quarter and year end 2018 financial results.



All interested parties can join the conference call by dialing 1-888-231-8191 or 1-647-427-7450, conference ID: 8568579. Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until Thursday, April 18, 2019 at midnight, ET. To access the archived conference call, please dial 1-855-859-2056 and enter the encore code 8568579.

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

<https://event.on24.com/wcc/r/1971070/D2B3F3376095CE979194B2BEA5C0FE86>

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 and Massachusetts. Trulieve is listed on the Canadian Securities Exchange under the symbol TRUL.

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.

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

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