

TerrAscend Signs Agreement to Acquire Fourth Dispensary in New Jersey

Union Chill, a single dispensary operator in Hunterdon County, is generating over \$11 million in annualized revenue

Acquisition further solidifies TerrAscend's leadership position in the state

TORONTO, May 06, 2025 -- **TerrAscend Corp. (the "Company") (TSX: TSND) (OTCQX: TSNDF)**, a leading North American cannabis company, today announced it has signed an agreement where its consolidated entities ("TerrAscend") will operate its fourth dispensary in New Jersey. Union Chill Cannabis Company LLC ("Union Chill"), a high-performing, single dispensary operator in Hunterdon County, is expected to be immediately accretive to TerrAscend on an EBITDA and cashflow basis and further solidifies the Company's leadership position in the state. The closing remains subject to regulatory approval.

"Union Chill is a strong performer, generating more than \$11 million in annualized revenue from its location in Hunterdon County," said Jason Wild, Executive Chairman of TerrAscend. "We see a clear opportunity to enhance sales and margins by introducing our portfolio of premium brands, including Kind Tree, Legend, Valhalla, Cookies, and Wana. We are actively evaluating additional expansion opportunities in New Jersey and expect to sign multiple additional transactions by the end of 2025. We are also on track with the expansion of cultivation and manufacturing capacity at our Boonton facility, ensuring we can meet the increased demand from both the expansion in our retail footprint as well as our growing wholesale business."

Established in 2023, Union Chill is well situated with limited competition within a 10-mile radius. Upon closing of the transaction, Union Chill will increase TerrAscend's retail footprint to 39 dispensaries across five U.S. states and Canada.

About TerrAscend

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 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.terrascend.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.

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, and include, but not limited to, statements with respect to the Company's expectations for its fourth quarter 2024 revenue and other financial results; the Company's operational improvements, growth and expansion opportunities in 2025; and the expected closing of the Union Chill Cannabis deal. 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.

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.sedarplus.ca and in the section titled "Risk Factors" in the Company's Annual Report for the year ended December 31, 2023 filed with the Securities and Exchange Commission on March 14, 2024, as updated by its Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 filed with the SEC on November 6, 2024.

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

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