



 **Trulieve**[®]
 CSE: TRUL OTCQX: TCNNF

First Quarter 2024 Investor Presentation
 May 2024

Trulieve
 Trulieve[®]
 Trulieve
 Trulieve

Get back to basics.
 Keep the good times flowing. NOW in Arizona.

 **Trulieve**[®]

Get back to basics.
 Keep the good times flowing. NOW in Arizona.

Arizona *Confisc*

GETTING STARTED

TETRAHYDRO
 CANNABI



Forward Looking Statements and Industry Data

Unless the context otherwise requires, the terms “Trulieve,” “we,” “us” and “our” in this presentation refer to Trulieve Cannabis Corp. and its subsidiaries.

Certain statements in this presentation constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation (collectively herein referred to as “forward-looking statements”), which can often be identified by words such as “will”, “may”, “estimate”, “expect”, “plan”, “project”, “intend”, “anticipate” and other words indicating that the statements are forward-looking. These forward-looking statements relate to Trulieve’s expectations or forecasts of business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs and include statements regarding Trulieve’s 2024 objectives, financial targets, and its plans for potential acquisitions and expansion of the Company’s operations. Such forward-looking statements are expectations only and are subject to known and unknown risks, uncertainties and other important factors, including, but not limited to, risk factors included in this presentation, that could cause the Company’s actual results, performance or achievements or industry results to differ materially from any future results, performance or achievements implied by such forward-looking statements. Such risks and uncertainties include, among others, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing state, local or other licenses; engaging in activities which currently are illegal under United States federal law and the uncertainty of existing protection from United States federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including United States state-law legalization, particularly in Florida, due to inconsistent public opinion, perception of the medical-use and adult-use cannabis industry, bureaucratic delays or inefficiencies or any other reasons; uncertainty regarding our tax liability and refunds under Section 280E of the US tax code; any other factors or developments which may hinder market growth; reliance on management; and the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with customers and suppliers. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. You are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Although it may voluntarily do so from time to time, the Company undertakes no commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Unless otherwise noted, the forecasted industry and market data contained herein are based upon management estimates and industry and market publications and surveys. The information from industry and market publications has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of the included information. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. While such information is believed to be reliable for the purposes used herein, the Company makes no representation or warranty with respect to the accuracy of such information.

PLEASE NOTE: MARIJUANA IS ILLEGAL UNDER U.S. FEDERAL LAW, INCLUDING ITS CONSUMPTION, POSSESSION, CULTIVATION, DISTRIBUTION, MANUFACTURING, DISPENSING, AND POSSESSION WITH INTENT TO DISTRIBUTE.

Forward-looking statements made in this document are made only as of the date of their initial publication, and the Company undertakes no obligation to publicly update any of these forward-looking statements as actual events unfold.



Management's Use of 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 net income (loss), adjusted gross profit, adjusted gross profit margin, adjusted SG&A, adjusted SG&A as % revenue, adjusted earnings per share, EBITDA, adjusted EBITDA, and free cash flow. The Company calculates EBITDA as net income (loss) before net interest expense, income tax expense, depreciation and amortization; adjusted EBITDA as net income (loss) before net interest expense, income tax expense, depreciation and amortization and also excludes certain extraordinary items; adjusted net income (loss) as net income (loss) less certain extraordinary items; adjusted gross profit as gross profit less extraordinary expenses; adjusted gross margin as adjusted gross profit as % of revenue; adjusted SG&A as SG&A less extraordinary expenses; and free cash flow as cash flow from operations less capital expenditures. 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 are not and should not be considered as measures of liquidity. 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 at the end of this presentation on the slides captioned "Reconciliation of Non-GAAP Financial Measures. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with GAAP.



Agenda

- First Quarter 2024 Financial and Operational Highlights
- Retail Highlights
- Recent Developments
- Tax Position
- 2024 Objectives
- Financial Targets
- Financial Highlights



First Quarter 2024 Financial and Operational Highlights*

- Revenue \$298 million, with 96% revenue from retail sales
- GAAP gross profit of \$174 million and 58% gross margin
- Net loss of \$23 million
- Adjusted net loss of \$10 million excludes non-recurring charges, asset impairments, disposals and discontinued operations
- EBITDA of \$85 million or 29% of revenue and Adjusted EBITDA of \$106 million or 36% of revenue
- Cash flow from operations of \$139 million and free cash flow of \$124 million
- Cash as of March 31, 2024 of approximately \$327 million
- Opened three new dispensaries in Cocoa Beach, Palm Bay, and Pinellas Park, Florida

* Adjusted net loss, EBITDA, adjusted EBITDA and free cash flow are non-GAAP financial measures. See slides 15-17 for reconciliation to GAAP for all non-GAAP financial measures. Numbers may not sum perfectly due to rounding.

Retail Highlights

- Retail revenue \$285 million, up 4% sequentially
 - Traffic exceeded fourth quarter by 3%
 - Basket size was 3% higher than q4:23 average
- Sold over 11 million branded products
 - Comparable to q4:23 and up 6% year/year
- Customer retention 65% companywide and 74% medical only
- Exited quarter with 31% of retail locations outside of the state of Florida





Recent Developments

- Smart & Safe Florida initiative for adult use will be included on the ballot for the November 2024 election
 - If passed by voters, sales are anticipated to begin in May 2025
- Department of Justice confirmed progress on federal rescheduling of cannabis to Schedule III, which would allow research and remove 280E tax burden
- Opened one retail location in North Palm Beach, Florida
- Currently operate 196 retail dispensaries and over 4 million square feet of cultivation and processing capacity in the United States



Tax Position

- In Q4 2023, Trulieve filed amended federal tax returns for 2019, 2020, and 2021 claiming \$143 million of refunds and corresponding amended state returns claiming \$31 million of refunds
- Amended returns were supported by legal interpretations that challenge the tax liability under Section 280E of the Internal Revenue Code
 - Refund checks of approximately \$113 million received to date of \$174 million claimed
 - \$62 million in Q4:23 and \$50 million in Q1:24
 - Received one rejection notice for return seeking \$1.2 million refund
- Trulieve continues to make tax payments as a customary U.S. taxpayer without tax payments associated with 280E of the tax code until final resolution is reached
- While challenge is ongoing, taxes are swept into an uncertain tax position
 - Balance sheet includes amended return refund checks received, the amount of tax underpaid if 280E applied, and interest accrued
 - Balance sheet uncertain tax position was \$278 million at March 31, 2024, with \$247 million related to this tax challenge
- If rescheduling were in effect for the first quarter, net income would have been positive without the incremental impact of 280E

Numbers may not sum perfectly due to rounding.

Tax Position

- Uncertain Tax Position
 - \$278 million at March 31, 2024
 - \$31 million unrelated to the challenge of the applicability of 280E to Trulieve
 - \$247 million related to the challenge of the applicability of 280E to Trulieve
 - \$62 million cash refunds received in Q4:2023
 - \$50 million cash refunds received in Q1:2024
 - \$49 million net Q3:2023 280E tax liability accrual
 - \$40 million net Q4:2023 280E tax liability accrual
 - \$46 million net Q1:2024 280E tax liability accrual
- Not included in Uncertain Tax Position at March 31, 2024
 - \$60 million remaining refund claims from amended returns 2019-2021 (no guarantee of receipt)

Numbers may not sum perfectly due to rounding.



2024 Objectives

Deliver Exceptional Customer Experiences and Build Brand Loyalty

- Provide superb service, expedient transactions, and frictionless returns
- Innovate across product and consumer categories

Expand Distribution of Branded Products Through Branded Retail Locations

- Invest in cornerstone markets: Florida, Pennsylvania, and Arizona
- Expand retail and wholesale distribution networks

Maintain disciplined approach to cash generation and preservation

Invest in infrastructure, technology, and talent to support long term growth

- Prepare for potential growth catalysts
- Invest for cannabis 2.0 future



Financials



Financial Targets

Financial Targets:

- Anticipate second quarter revenue will be flat to down low single digits compared to the first quarter
 - Strong 4/20 results balanced by seasonality in Arizona and deferred revenue impact from refreshed loyalty program
- Anticipate gross margin will be at least in the mid-50s range for the remainder of the year
- 2024 cash flow from operations of at least \$225 million
 - Q1:2024 cash flow from operations of \$139 million includes \$50 million in cash tax refunds received in Q1:2024
 - Note cash interest payments on private placement notes are paid in June and December
- 2024 capital expenditures expected to be approximately \$70 million

Financial Position as of March 31, 2024:

- \$327 million in cash
- \$482 million of debt at 7.9% interest

Financial Highlights*

INCOME STATEMENT HIGHLIGHTS

(USD millions, except per share data)

	Q1:24	Q4:23	Q3:23	Q2:23	Q1:23	Q4:22	Q3:22	Q2:22	Q1:22	2023	2022
Revenue	297.6	287.0	275.2	281.8	285.2	298.5	295.4	313.8	310.6	1,129.2	1,218.2
Gross Profit	173.8	153.9	142.9	141.6	150.2	157.1	168.7	183.4	179.9	588.6	689.1
Gross Margin	58.4 %	53.6 %	51.9 %	50.3 %	52.6 %	52.6 %	57.1 %	58.4 %	57.9 %	52.1 %	56.6 %
Adjusted Gross Profit	173.8	153.9	143.1	143.4	150.2	161.1	172.5	183.2	184.6	590.6	701.4
Adjusted Gross Margin	58.4 %	53.6 %	52.0 %	50.9 %	52.7 %	54.0 %	58.4 %	58.4 %	59.5 %	52.3 %	57.6 %
SG&A	101.3	96.3	93.9	96.0	100.0	122.8	111.9	107.5	104.9	386.2	447.0
SG&A as % Revenue	34.0 %	33.6 %	34.1 %	34.1 %	35.1 %	41.1 %	37.9 %	34.2 %	33.8 %	34.2 %	36.7 %
Adjusted SG&A	86.6	83.7	84.6	81.1	86.7	96.0	90.4	90.5	93.5	336.1	370.4
Adjusted SG&A as % Revenue	29.1 %	29.2 %	30.7 %	28.8 %	30.4 %	32.2 %	30.6 %	28.8 %	30.1 %	29.8 %	30.4 %
Depreciation and Amortization	27.8	27.2	27.0	26.1	29.6	29.8	29.5	29.4	27.8	109.8	116.4
Net (Loss) Income**	(23.1)	(33.4)	(25.4)	(403.8)	(64.1)	(77.0)	(114.6)	(22.5)	(32.0)	(526.8)	(246.1)
Net (Loss) Income Continuing Operations	(23.5)	(36.6)	(22.9)	(342.1)	(34.3)	(64.2)	(72.6)	(18.7)	(27.0)	(435.9)	(182.6)
Adjusted Net (Loss) Income	(10.2)	(22.8)	(14.7)	(14.6)	(17.7)	(34.0)	7.9	2.8	4.7	(69.8)	(18.7)
EPS**	(0.17)	(0.18)	(0.13)	(2.14)	(0.34)	(0.41)	(0.61)	(0.12)	(0.17)	(2.79)	(1.31)
EPS Continuing Operations	(0.16)	(0.19)	(0.12)	(1.80)	(0.18)	(0.33)	(0.38)	(0.09)	(0.14)	(2.28)	(0.95)
Adjusted EPS	(0.05)	(0.12)	(0.08)	(0.08)	(0.09)	(0.18)	0.04	0.01	0.03	(0.37)	(0.10)
Adjusted EBITDA	105.8	87.8	77.7	78.7	78.1	82.8	99.6	110.9	105.0	322.3	398.1
Adjusted EBITDA Margin	35.5 %	30.6 %	28.2 %	27.9 %	27.4 %	27.7 %	33.7 %	35.3 %	33.8 %	28.5 %	32.7 %

*Adjusted gross profit, adjusted gross profit margin, adjusted SG&A, adjusted SG&A as % revenue, adjusted net (loss) income, adjusted EPS, adjusted EBITDA and adjusted EBITDA Margin are Non-GAAP financial measures. See slides 15-17 for reconciliation to GAAP for all non-GAAP financial measures.

**Includes discontinued operations.

Financial Highlights

SHARE COUNT ESTIMATE

(millions as of March 31, 2024 on as if converted basis)

Subordinate Voting Shares	164.0
Multiple Voting Shares*	0.2
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Total Shares Outstanding	187.3

*converted at 100 subordinate shares per 1 multiple voting share

Employee Stock Options/RSUs	6.3
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excludes 1.76 million unexercisable options

excludes 4.77 million nonvested RSUs

Pro Forma Estimated Shares	193.6
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Reconciliation of Non-GAAP Financial Measures

(Amounts expressed in millions of United States dollars; unaudited)	For the Three Months Ended		
	March 31, 2024	March 31, 2023	December 31, 2023
Net loss attributable to common shareholders	\$ (23.1)	\$ (64.1)	\$ (33.4)
Add (deduct) impact of:			
Interest expense, net	\$ 14.7	\$ 21.2	\$ 20.6
Interest income	\$ (3.3)	\$ (1.1)	\$ (1.8)
Provision for income taxes	\$ 55.4	\$ 35.5	\$ 45.4
Depreciation and amortization	\$ 27.8	\$ 29.6	\$ 27.2
Depreciation included in cost of goods sold	\$ 13.5	\$ 12.1	\$ 14.5
EBITDA (Non-GAAP)	\$ 85.0	\$ 33.2	\$ 72.5
EBITDA Margin % (Non-GAAP)	29 %	12 %	25 %
Impairment and disposal of long-lived assets, net of (recoveries)	\$ (1.4)	\$ 3.4	\$ 1.2
Legislative campaign contributions	\$ 9.2	\$ 10.5	\$ 0.5
Acquisition, transaction, and other non-recurring costs	\$ 3.7	\$ 1.9	\$ 10.7
Share-based compensation	\$ 5.2	\$ 2.4	\$ 3.2
Other expense (income), net	\$ 2.7	\$ (4.1)	\$ (0.7)
Discontinued operations, net of tax, attributable to common shareholders	\$ 1.4	\$ 30.8	\$ (1.8)
Gain on debt extinguishment, net	\$ —	\$ —	\$ 2.2
Adjusted EBITDA (Non-GAAP)	\$ 105.8	\$ 78.1	\$ 87.8
Adjusted EBITDA Margin % (Non-GAAP)	36 %	27 %	31 %

Reconciliation of Non-GAAP Financial Measures

(Amounts expressed in millions of United States dollars; unaudited)	For the Three Months Ended		
	March 31, 2024	March 31, 2023	December 31, 2023
Net loss attributable to common shareholders	\$ (23.1)	\$ (64.1)	\$ (33.4)
Net loss (income) from discontinued operations	\$ 1.4	\$ 30.8	\$ (1.8)
Adjustment of redeemable non-controlling interest to maximum redemption value	\$ (8.8)	\$ —	\$ —
Net loss from continuing operations available to common shareholders	\$ (30.6)	\$ (33.3)	\$ (35.2)
Add (deduct) impact of:			
Adjustment of redeemable non-controlling interest to maximum redemption value	\$ 8.8	\$ —	\$ —
Fair value of derivative liabilities - warrants	\$ —	\$ (0.3)	\$ —
Acquisition, transaction, and other non-recurring costs	\$ 3.7	\$ 1.9	\$ 10.7
Legislative campaign contributions	\$ 9.2	\$ 10.5	\$ 0.5
Impairment and disposal of long-lived assets, net of (recoveries)	\$ (1.4)	\$ 3.4	\$ 1.2
Adjusted net loss (Non-GAAP)	\$ (10.2)	\$ (17.7)	\$ (22.8)

(Amounts expressed are per share except for shares which are in millions; unaudited)	For the Three Months Ended		
	March 31, 2024	March 31, 2023	December 31, 2023
Net loss attributable to common shareholders	\$ (0.12)	\$ (0.34)	\$ (0.18)
Net loss (income) from discontinued operations	\$ 0.01	\$ 0.16	\$ (0.01)
Adjustment of redeemable non-controlling interest to maximum redemption value	\$ (0.05)	\$ —	\$ —
Net loss from continuing operations available to common shareholders	\$ (0.16)	\$ (0.18)	\$ (0.19)
Add (deduct) impact of:			
Adjustment of redeemable non-controlling interest to maximum redemption value	\$ 0.05	\$ —	\$ —
Fair value of derivative liabilities - warrants	\$ —	\$ (0.00)	\$ —
Acquisition, transaction, and other non-recurring costs	\$ 0.02	\$ 0.01	\$ 0.06
Legislative campaign contributions	\$ 0.05	\$ 0.06	\$ 0.00
Impairment and disposal of long-lived assets, net of (recoveries)	\$ (0.01)	\$ 0.02	\$ 0.01
Adjusted net loss per share (Non-GAAP)	\$ (0.05)	\$ (0.09)	\$ (0.12)
Basic and diluted shares outstanding	189.5	188.9	189.0

Reconciliation of Non-GAAP Financial Measures

	For the Three Months Ended		
	March 31, 2024	March 31, 2023	December 31, 2023
(Amounts expressed in millions of United States dollars; unaudited)			
Cash flow from operating activities	\$ 139.2	\$ 0.4	\$ 131.5
Payments for property and equipment	\$ (15.6)	\$ (13.7)	\$ (9.4)
Free cash flow	\$ 123.6	\$ (13.3)	\$ 122.1

House of Brands

Trulieve Brands

Partner Brands

PREMIUM

CULTIVAR
Collection

AVENUE™



Muse



DeSisioso



MID

A Alchemy®

**MODERN
FLOWER**



MOMENTA

*Sweet
TALK*



Alien Labs

**SUNSHINE
CANNABIS**

VALUE

Roll One
ALL THE WEED YOU NEED

colors

loveli

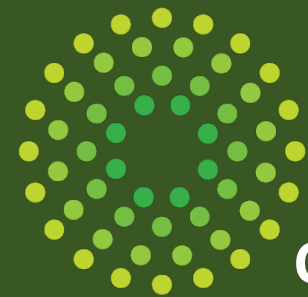
*Seed
Junky*



El Blunto
THE WORLD'S FINEST CANNABIS EXPERIENCE

*Khalifa
Kush*

THANK YOU



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