

TerrAscend Moves to Replenish \$10M Share Repurchase Program

TerrAscend Renews and Replenishes \$10 Million Share Repurchase Program

A Strategic Step to Enhance Shareholder Value

TerrAscend Corp., a leading cannabis company with operations across North America, announced that its board of directors has authorized the renewal and replenishment of its Normal Course Issuer Bid (NCIB). The initiative allows TerrAscend to repurchase up to USD \$10 million worth of its common shares over the course of the next 12 months.

This program reflects the company's broader strategy to deliver long-term value to shareholders by taking advantage of favorable market conditions and carefully allocating capital. The decision follows the successful completion of a prior NCIB that demonstrated TerrAscend's disciplined approach to strengthening investor confidence while maintaining focus on operational performance.

Background on TerrAscend's Previous Repurchase Program

The newly authorized NCIB builds on the foundation of TerrAscend's earlier share repurchase initiative, which commenced in August 2024. Under that program, the company repurchased 1,279,400 shares through facilities of the Toronto Stock Exchange (TSX) and other permitted means.

The aggregate repurchase price for those shares was approximately USD \$616,000 (CAD \$855,000) at an average purchase price of USD \$0.47 (CAD \$0.67) per share. The program had authorized up to 10 million shares for repurchase, but ultimately fewer were purchased due to capital allocation considerations.

With the prior NCIB set to expire on August 21, 2025, the new authorization signals the company's continued interest in pursuing share buybacks as a tool to enhance equity value while balancing other corporate priorities.

The Details of the New 12-Month NCIB

The renewed repurchase program will run from August 22, 2025, through August 21, 2026. During this time, TerrAscend will have the ability to repurchase up to 10 million common shares, representing approximately 4.73% of its public float.

As of August 14, 2025, TerrAscend reported 306 million shares outstanding. Under Canadian securities regulations, the company will be subject to a daily repurchase restriction of 60,255 shares, representing 25%

of the average daily trading volume of 241,023 shares on the TSX.

Shares may be repurchased on the TSX, the OTCQX Best Market, or alternative trading systems, subject to the rules and limitations imposed by both U.S. and Canadian securities regulators. Importantly, all shares acquired under the program will be returned to the treasury and canceled, effectively reducing the number of outstanding shares and potentially boosting earnings per share.

The Rationale for Share Buybacks in Cannabis Markets

The decision to renew the share repurchase program comes at a time of shifting dynamics in the cannabis sector. Federal regulatory progress in the United States and expanding markets in Canada continue to shape growth opportunities, while competition, pricing pressures, and capital constraints challenge operators.

For TerrAscend, buybacks provide capital deployment flexibility. Instead of relying solely on dividends or reinvestment in expansion, the NCIB allows the company to respond quickly to market conditions and take advantage of what it views as undervaluation in its stock price.

This opportunistic approach signals confidence in the company's fundamentals and positions TerrAscend to maximize long-term shareholder value without overextending its balance sheet. The company also emphasized that it does not expect to incur debt to fund repurchases, underscoring a conservative financial approach.

Impact on TerrAscend's Shareholders

Share repurchase programs often attract attention because of their potential to enhance earnings per share and improve stock market performance. By reducing the number of shares outstanding, buybacks can increase the relative ownership stake of remaining shareholders.

In addition, investors may interpret the program as a vote of confidence from management. By committing up to USD \$10 million toward repurchases, TerrAscend's leadership is signaling a belief in the long-term strength of the company's strategy and financial outlook.

For retail investors, the NCIB offers reassurance that management is mindful of shareholder interests. For institutional investors, it highlights TerrAscend's financial discipline and alignment with broader market practices seen in other established industries.

The Broader Context of Federal and State Cannabis Regulations

The timing of TerrAscend's announcement also reflects broader regulatory trends. Momentum at the federal level in the United States toward rescheduling or reforming cannabis laws has created renewed optimism across the industry. Many cannabis operators are positioning themselves for eventual broader legalization, which could unlock access to capital markets, interstate commerce, and new consumer segments.

At the same time, challenges persist in state-level markets, ranging from oversupply issues in mature markets to high taxation and limited retail access in newer programs. Companies like TerrAscend must balance long-term growth strategies with tactical financial decisions that support resilience and adaptability.

By renewing its share repurchase program, TerrAscend is demonstrating that it intends to remain proactive in managing its capital structure while preparing for potential regulatory shifts that could reshape the cannabis landscape.

What Makes This Repurchase Program Different

Unlike some cannabis companies that have suspended or abandoned financial programs due to cash flow constraints, TerrAscend is moving forward with a measured, sustainable approach. The NCIB renewal does not obligate the company to repurchase shares if market conditions or capital priorities change. Management retains the flexibility to suspend or terminate the program at any time, ensuring that resources can be redirected toward expansion, debt reduction, or other strategic investments if necessary.

This measured approach demonstrates prudence and adaptability—qualities that are increasingly important in a cannabis industry marked by volatility and ongoing change.

TerrAscend's Growth Outlook

Beyond share repurchases, TerrAscend continues to focus on operational excellence and revenue growth. The company operates across several key North American markets and has established itself as a vertically integrated operator with a focus on quality, compliance, and market penetration.

The repurchase program complements these priorities by offering a tool for financial optimization, but TerrAscend's broader strategy remains centered on delivering exceptional cannabis products, expanding wholesale and retail reach, and strengthening brand recognition.

With consumer demand evolving and regulatory opportunities on the horizon, TerrAscend's leadership believes that a combination of disciplined financial management and operational execution will position the company for long-term success.

A Balanced Path Forward

TerrAscend's decision to renew and replenish its USD \$10 million share repurchase program represents both confidence and caution. On one hand, it signals faith in the company's intrinsic value and market position. On the other, it reflects a prudent approach to capital allocation that provides flexibility in uncertain times.

As the cannabis industry navigates regulatory changes, shifting consumer behaviors, and ongoing competition, TerrAscend's blend of strategic investment, financial discipline, and shareholder focus may help set it apart. For investors and industry observers alike, the next 12 months will reveal how effectively the company leverages this NCIB as part of its broader growth journey.

Email: info@cannabisriskmanager.com | Phone: +415-226-4060

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