



ASX Announcement | 01 May 2020
Althea Group Holdings (ASX:AGH)

Althea executes Germany supply and distribution agreement

Investment Highlights:

- Althea has executed a three-year Supply and Distribution Agreement with Nimbus Health GmbH, a pharmaceutical wholesaler with approx. 25% market share of medicinal cannabis sales in Germany
- Nimbus will sell and distribute Althea's full suite of medicinal cannabis products under the Althea brand name in Germany commencing in the second half of CY2020
- Public health insurers typically cover the entire fee for medicinal cannabis in Germany

01 May 2020: **Australian pharmaceutical company Althea Group Holdings Limited (ASX:AGH) ('Althea' or 'the Company')** is pleased to announce that following on from the Memorandum of Understanding previously announced, it has executed a Supply and Distribution Agreement with Nimbus Health GmbH (**'Nimbus'**) for the sale and distribution of Althea's medicinal cannabis products in Germany.

Supply and Distribution Agreement with Nimbus

Following approval by the German regulatory authorities, under the Supply and Distribution Agreement, Nimbus will sell and distribute Althea's full suite of medicinal cannabis products under the Althea brand name in Germany. Althea and Nimbus will jointly establish yearly sales targets, marketing and commercial strategies.

Althea will receive payment for products supplied to Nimbus, along with 50% of the net profit on sales. In addition, it will retain ownership of all real-world anonymized patient data collected through *Althea Concierge™*.

The Company anticipates the first shipment of Althea's medicinal cannabis products to arrive in Germany in the second half of CY2020.

Nimbus is a German pharmaceutical wholesaler specialising in the import and distribution of medicinal cannabis products and estimates that it has an approximate 25% market share of medicinal cannabis sales in Germany.

Proven Sales Strategy

Nimbus will adopt the same Althea sales strategy that has been successfully implemented in Australia and the UK, including a high-performance infield sales team, to support the product launch in Germany. A localised version of *Althea Concierge™* and education platform *Medicinal Education in Cannabinoids* (MEDIC), will also be available for the German market.

Through these initiatives and with Nimbus' local expertise, Althea believes that it is ideally positioned to become the market leading medicinal cannabis brand in Germany.

Germany a leading market in Europe

With a population of 82.3 million and a favourable regulatory environment, Germany's medicinal cannabis market is one of the largest in Europe. Rapid patient growth is expected in the country due to both public and private health insurers typically covering the entire fee for medicinal cannabis, with current approval rates from health insurance providers upwards of 70%¹.

¹ Arcview Market Research & BDS Analytics: *The State of Legal Marijuana Markets*, 6th edition, 2019



-ENDS-

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Althea Group Holdings Limited (ASX:AGH)

Althea Group Holdings Ltd (ASX:AGH) is a global pharmaceutical company and supplier of medicinal cannabis. Althea also offers a range of education, access and management services to support eligible patients and healthcare professionals in navigating medicinal cannabis treatment pathways.

Althea currently operates within highly regulated medicinal cannabis markets including Australia, United Kingdom and Germany, with plans to expand into emerging markets throughout Asia and Europe.

To learn more, please visit: www.althea.life