

## ASX ANNOUNCEMENT

2 December 2022

# Second exclusive supply agreement with Cannamedical

### Highlights:

- LGP Denmark places a second exclusive medicinal cannabis flower cultivar under a supply agreement with Cannamedical
- Subject to Cannamedical purchasing minimum exclusivity volumes, agreement has a minimum value of \$4.5 million (€3 million<sup>1</sup>) over two years
- Company targeting delivery of first shipment of non-irradiated SMS Product in first quarter of CY2023
- The agreement facilitates LGP's prompt replacement of SMS strain into German market following termination of Four 20 Pharma supply agreement and demonstrates the desirability of the SMS strain and benefits of LGP's broad distribution partner base in Europe



Little Green Pharma Ltd (ASX: LGP, "LGP" or the "Company") is pleased to announce its wholly owned subsidiary, Little Green Pharma Denmark ApS ("LGP Denmark"), has entered into a second agreement ("Agreement") with Cannamedical® Pharma GmbH ("Cannamedical") for the exclusive supply of LGP's medicinal cannabis cultivar SMS ("SMS Product")

Under the Agreement, LGP may deliver non-irradiated SMS Product as an alternative to irradiated SMS Product, with the Company targeting its first shipment of non-irradiated SMS Product to Cannamedical in the first quarter of calendar year 2023.

<sup>1</sup> EU:AUD 0.6474 as at 2 December 2022



The Agreement enables the supply of the LGP's SMS Product into the German market in lieu of supply under the terminated Four 20 Pharma supply agreement, with the speed of substitution demonstrating the desirability of the SMS strain and benefit of LGP's broad distribution partner base in Europe.

Under the Agreement, LGP will exclusively supply the Product to Cannamedical for sale in Germany subject to Cannamedical ordering specified minimum quantities every six months to maintain exclusivity. In addition, the Product pricing contemplates a THC adjustment for every percentage point the THC content is above or below 22%, and with the payment terms requiring the upfront payment of a portion of the purchase price upon delivery. Subject to Cannamedical purchasing its minimum exclusivity volumes, the Agreement has potential value of over \$4.5 million (€3 million) over its two-year term.

### *Cannamedical*

Cannamedical is a German-based pharmaceutical pioneer with licenses to import medicinal cannabis into Germany and distribute and export it within the European Union. Established in 2016, the company received the research seal "Innovative through Research" from the Federal Ministry of Education and Research (BMBF) and the International Life Science Award 2022 in the category "Best Medical Cannabis Products Supplier 2022 – Germany" in Q3 2022. Cannamedical are a market leader in the German medical cannabis market, with the company's exponential year-over-year growth underpinned by a unique boutique product portfolio, long-term partnerships with innovative and carefully selected manufacturers, and the ability to leverage in-house manufacturing infrastructure. Since 2021, the company has been part of the Semdor Pharma Group – one of the leading specialty pharmaceutical groups in Europe specializing in narcotic and medicinal cannabis development, manufacturing, warehousing, and distribution.

### *Material terms*

The Agreement is on materially identical terms to LGP's first exclusive supply agreement signed with Cannamedical on 4 October 2022, save that:

- the SMS Product has already been fully developed
- the majority of the conditions precedent, including Cannamedical's vendor qualification of LGP's Danish Facilities, have been satisfied, save that the Parties are to finalise the terms of the Quality Assurance Agreement for the non-irradiated SMS Product option and Cannamedical will continue to progress the relevant irradiation certifications for the SMS Product
- the Company has no liability including for delay where LGP is unable to release a particular batch of SMS Product due to non-compliance with the agreed non-irradiated product microbiological specifications prior to Cannamedical obtaining the relevant irradiation certifications.

As with the first exclusive supply agreement:

- all shipments are on FCA Incoterms from LGP's Danish facilities, with Cannamedical to arrange shipping and release in Germany
- the Agreement is a fixed priced contract with LGP entitled to refuse purchase orders for breach of payment terms or where otherwise reasonable
- LGP's sole liability for failure to achieve microbiological levels, late delivery, or failure to deliver, is re-delivery of the relevant shipment

**ENDS**  
**BY ORDER OF THE BOARD**



**Alistair Warren**  
Company Secretary

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## About Little Green Pharma

Little Green Pharma is a global, vertically integrated and geographically diverse medicinal cannabis business with operations from cultivation and production through to manufacturing and distribution.

The Company has two global production sites for the manufacture of its own-branded and white-label ranges of GMP-grade medicinal cannabis products, being a 21,500m<sup>2</sup> cultivation and 4,000m<sup>2</sup> GMP manufacturing facility capable of producing over 30 tonnes of medicinal cannabis biomass per annum located in Denmark (EU) and an indoor cultivation and manufacturing facility located in Western Australia capable of producing ~3 tonnes of medicinal cannabis biomass per annum.

Little Green Pharma products comply with all required Danish Medicines Agency and Therapeutic Goods Administration regulations and testing requirements. With a growing range of products containing differing ratios of active ingredients, Little Green Pharma supplies medical-grade cannabis products to Australian, European and overseas markets.

The Company has a strong focus on patient access in the emerging global medicinal cannabis market and is actively engaged in promoting education and outreach programs, as well as participating in clinical investigations and research projects to develop innovative new delivery systems.

For more information about Little Green Pharma go to: [www.littlegreenpharma.com](http://www.littlegreenpharma.com)

## Help us be Green

LGP investors are encouraged to go paperless and receive Company communications, notices and reports by email. This will ensure efficient communication during COVID-19 while also helping to reduce our costs and environmental footprint.

To easily update your communication preferences, visit: [www.computershare.com.au/easyupdate/lgp](http://www.computershare.com.au/easyupdate/lgp)