

ASX Announcement | 31 January 2025
Althea Group Holdings (ASX:AGH)

Chair's Address

Althea Group Holdings Limited (ASX:AGH) (AGH, or the Company) attaches the Chair's Address to be delivered at its 2024 Annual General Meeting (Meeting) at 5:00pm AEDT today.

To view the live webcast and ask questions at the Meeting, please visit:

<https://us06web.zoom.us/j/86386636565?pwd=KSjwcFKjjJEP9qq1EWj5rV0pbW7j.1>

To vote online during the meeting, please visit <https://meetnow.global/MK4TKWK>

The results of the Meeting will be released to the ASX after the conclusion of the Meeting.

Authorised by: the Board of the Company

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Althea Group Holdings Limited (ASX:AGH)

Althea Group Holdings Ltd is a global leader in the manufacturing, sales and distribution of cannabis-based medicines and recreational cannabis products. AGH services these sectors via two distinct business units. Peak Processing Solutions, AGH's recreational cannabis business, produces legal cannabis products purchased by adult consumers in retail stores. Althea, the company's pharmaceutical business, offers a comprehensive range of cannabis-based medicines which are made available to patients via prescription.

AGH operates in highly regulated and legal cannabis markets across the world, with burgeoning operations in North America, Europe and Australia.

To learn more about Althea Group Holdings, please visit: www.altheagroupholdings.com

For more information on Peak, please visit: www.peakprocessing.com

For more information on Althea, please visit: www.althea.life

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Althea™

Chair's Address for the 2024 Annual General Meeting of Althea Group Holdings Limited

Good afternoon, and thank you for joining us today for the 2024 Annual General Meeting of Althea Group Holdings Limited.

As we begin this meeting, it's important to address the challenges we've faced over the past year. The most significant of these is our current voluntary suspension from the Australian Securities Exchange (ASX), which stemmed from historical failures to lodge cleansing notices under the *Corporations Act 2001* (Cth). We deeply regret the impact it has had on our shareholders, as well as the trust that has been affected.

I want to reassure you that the current Board and management team are fully committed to resolving these issues and implementing a stronger, more robust governance framework. We have made significant changes to our internal processes and controls, and we are actively working with the ASX to resolve the suspension and return to full trading as soon as possible. We understand the importance of compliance and governance, and we are determined to ensure this does not happen again.

We are pleased to have received a favourable outcome in the Federal Court Hearing as announced earlier today, and we will work with the ASX to do what is needed with a view to the reinstatement of our shares to quotation.

While we have faced these challenges, it is also important to highlight the exciting progress we have made, particularly with regard to our strategy in North America. One of the most significant developments for Althea this year was our recent announcement of a strategic partnership with the cannabis subsidiary of Boston Beer Company and our wholly owned Canadian subsidiary, Peak Processing Solutions. This partnership with an important customer is an important validator for Peak Processing Solutions as a producer of quality beverage products in the Canadian beverage market. Additionally, our US JV with Flora Growth Corp. is our real proof of concept of potential in the USA – with the successful launch of two brands (Melo and Cloud Cola) – produced in the USA using Peak Processing Solutions' own patent pending emulsion.

We are confident of Althea's position in the new but rapidly growing cannabis-infused beverage market in Canada and North America in the coming years. As the industry continues to expand, Althea is strategically positioned to take full advantage of this trend, and we are excited about the potential this market holds for our future and will be a key driver of value for our shareholders.

Whilst we are well positioned in North America, as outlined in our Appendix 4C lodged this morning on the ASX platform, we are undertaking operational changes in our Althea pharmaceutical business to adapt and respond to a rapidly changing global marketplace. We will continue to be vigilant on



cost control and be focused on outcomes across the business. Following our rightsizing of our business in Australia and the United Kingdom and continued momentum and refinement in our North American operations, our guidance is currently under review.

We are deeply appreciative of the continued support of our long-term shareholders, who have stood by us during this period of challenge and transition. We also welcome new investors who have joined our register in the past twelve months and the support of our larger holders. Your trust in our vision and strategy is vital as we move forward.

Finally, I would like to take this opportunity to acknowledge Penny Dobson, who will be retiring from the Board at this meeting. We are grateful for her service, and we wish her all the best in her future endeavours.

Looking ahead, while we remain focused on resolving our compliance challenges, we are also optimistic about the commercial and potential corporate opportunities that lie ahead. The combination of our strengthened governance and our forward-looking strategy positions Althea for a brighter and more sustainable future.

Thank you once again for your ongoing support. We look forward to delivering value to our shareholders by advancing our plans in the rapidly evolving cannabis industry.