



ASX Announcement | 30 March 2020  
Althea Group Holdings (ASX:AGH)

## March on track to be highest revenue month in Althea history; with significant progress across Australia, UK and Canada

### Investment Highlights:

- March on track to be highest revenue month in Althea history
- 617 new Australian patients were added in February as total patients surpassed 5,000
- Exports to the UK ramp up on the back of growing Althea patient prescriptions
- Peak Processing Solutions facility construction complete
- COVID-19 update – product supply to patients continues as normal
- Strong balance sheet with approximately \$1.8 million in inventory and over \$15 million cash on hand

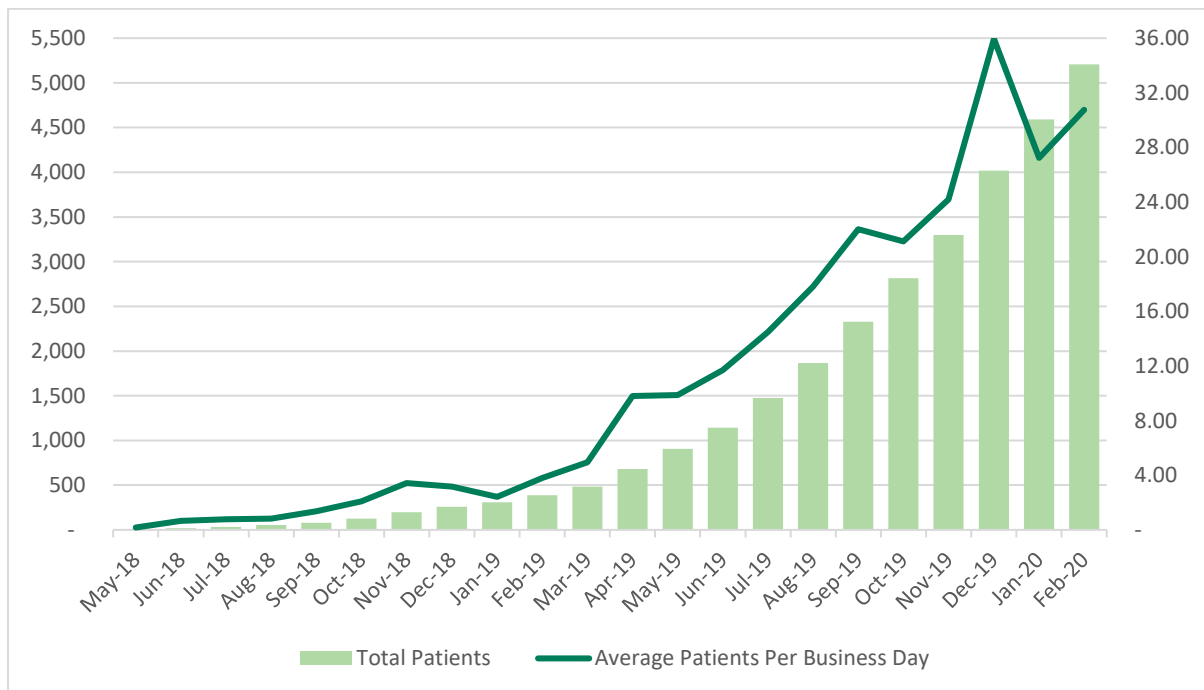
30 March 2020: Australian pharmaceutical company Althea Group Holdings Limited (ASX:AGH) ('Althea' or 'the Company') is pleased to provide the following market update for its businesses across Australia, UK and Canada.

### February continued Althea's great start to 2020 as total patients surpassed 5,000

February bettered January as the second-best month on record for Althea, with 617 new Australian patients added, whilst total Australian patients surpassed 5,000.

As at 28 February 2020, 5,207 Australian patients had been prescribed Althea's medicinal cannabis products by 440 Healthcare Professionals ('HCPs').

Chart 1: Patient growth as at 28 February 2019





### March on track to be highest revenue month in Althea history

Althea's expanding patient base is rewarding the company with increasingly growing 'recurring revenue' from repeat patients continuing to purchase Althea medication after an initial treatment period of approximately 1-3 months. Combined with strong uptake from new patients, March is on track to deliver the most sales in a single month for the Company.

Importantly, the better observation a doctor has over their patient's initial treatment with medicinal cannabis, the more likely they are to repeat the patient and prescribe it to others. *Althea Concierge* provides gold standard clinical support for HCPs, supporting doctors with optimal prescribing protocols and allowing them to analyse their patient outcomes utilising validated assessment tools.

### Exports to the UK ramp up on the back of a growing number of patient prescriptions

Following a press release by the Company on 3 March 2020 titled '*UK Government announces faster access to cannabis-based medicines in watershed moment for Althea UK*', the Company is pleased to announce that it is now shipping more Althea product to the UK than ever before.

The above follows the UK Home Office advising earlier this month that: "Import restrictions have been changed to help ensure people with prescriptions for cannabis-based products for medicinal use do not have their treatment delayed or interrupted<sup>1</sup>."

Althea is now able to import larger quantities of cannabis-based products to the UK and hold enough supplies for future use by existing and new patients with prescriptions. Althea recently shipped hundreds of units from Australia to the UK and has import licences already submitted in order to dispatch hundreds more.

The announced changes are expected to improve lead times so that patients receive their medication within a matter of days, as opposed to weeks, and that consistent supply of Althea products will provide much needed confidence to both HCPs and patients in the UK.

### Peak Processing Solutions facility construction complete

The Company is proud to announce that practical completion of the Peak Processing Solutions ('Peak') facility, in Ontario, Canada, has been delivered, on budget, and with only a slight delay to the intended timeline.

Practical completion allows Peak to shortly submit the remaining documentation to Health Canada which is the final prerequisite to being granted its Health Canada licence.

Following the granting of the Health Canada licence, Peak will have one of the first licensed cannabis processing facilities in Canada capable of contract manufacturing cannabis infused products for consumer-packaged goods companies, closing a huge gap in the Canadian recreational cannabis market.

### COVID-19 update

Althea continues to monitor the COVID-19 situation carefully in terms of its impact on the Company, the ability for HCPs to continue to service patients, and patients' access to its medicinal cannabis products.

The supply of Althea's medication is continuing as normal and the Company is working closely with HCPs and pharmacies to minimise any disruption to patients, by:

- promoting telehealth services
- fast tracking use of electronic prescriptions
- launching e-commerce (online) sales via *Althea Concierge* platform

<sup>1</sup> <https://www.gov.uk/government/news/faster-access-to-cannabis-based-medicines-as-import-restrictions-are-changed>



- shipping products directly to patients' homes

**Althea CEO Joshua Fegan said:** “Althea provides an essential service to the community and we will continue to work with our many stakeholders to ensure our patients can access their medications in a safe and efficient way. These are certainly challenging times and the Company understands we have a great responsibility not just to patients, but also to our shareholders. The board, myself and the executive team are monitoring the COVID-19 crisis very closely and, notwithstanding current conditions, we aim to deliver on all our objectives, whilst maintaining our strong balance sheet. The Company has zero debt, approximately \$1.8 million in inventory and over \$15 million cash on hand, to support our growing sales.”

-ENDS-

*Authorised by: Robert Meissner, Company Secretary*

**For further information, please contact:**

**Althea**

**Joshua Fegan**

CEO & Managing Director

**M:** 1300 70 20 20

**E:** [contact@althea.life](mailto:contact@althea.life)

**Media Enquiries**

**Dan Francome**

Media Relations

**P:** +613 9650 5096

**E:** [dfrancome@althea.life](mailto:dfrancome@althea.life)

**Althea Group Holdings Limited (ASX:AGH)**

Althea is an Australian licensed producer, supplier and exporter of pharmaceutical grade medicinal cannabis and is listed publicly on the Australian Securities Exchange (ASX:AGH). Althea also offers a range of products, 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 and the United Kingdom, with plans to expand into Germany, emerging markets throughout Asia and other parts of Europe.

To learn more, please visit: [www.althea.life](http://www.althea.life)