



ASX Announcement | 3 December 2020
Althea Group Holdings (ASX:AGH)

Althea expands into South Africa with new supply agreement

Investment Highlights:

- Althea has signed a wholesale supply agreement to import a range of Althea branded finished products for sale and distribution in South Africa
- Initial term of the agreement represents approximately \$650,000 in forecasted revenue for the Company
- Althea's first shipment of products is expected to be delivered in Q2 2021

3 December 2020: **Australian pharmaceutical company Althea Group Holdings Limited (ASX:AGH) ('Althea', the 'Company')** is pleased to announce that its wholly-owned subsidiary, Althea Company Pty Ltd, has signed a wholesale supply agreement with MG Biotech Ventures (Pty) Ltd and AfriCann (Pty) Ltd (**'Africann'**).

Under the wholesale supply agreement, and following receipt of all required licences and permits, AfriCann will import a range of Althea branded finished products for sale and distribution within South Africa. The agreement represents a revenue forecast amount of approximately \$650,000 for the Company over the initial term of 2.5 years. Althea's first shipment of products is expected to be delivered in Q2 2021.

This is a significant opportunity for Althea given that the South African legal medicinal cannabis industry is estimated to be worth approximately USD\$667 million by 2023.¹

AfriCann Chairman, Matthew Moodley, commented: "We are extremely excited to be working with one of the world's leading medicinal cannabis brands and are proud to be able to bring Althea products to market in South Africa."

Commenting on the agreement, Althea CEO, Josh Fegan, said: "We continue to build the Althea brand in highly regulated medicinal cannabis markets across the globe, with South Africa adding to a growing list of territories including Australia, the United Kingdom, and Germany. The agreement with AfriCann is an exciting development for the Company and reinforces our position as one of the world's leading medicinal cannabis brands."

-ENDS-

Authorised by: Robert Meissner, Company Secretary

¹ Prohibition Partners, The African Cannabis Report, page 42.

Althea Group Holdings Limited | ABN 78 626 966 943

A. Level 37, 360 Elizabeth Street, Melbourne, 3000, Victoria, Australia

E. info@althea.life

P. 1300 70 20 20

W. althea.life



For further information, please contact:

Althea

Josh Fegan

CEO & Managing Director

M: 1300 70 20 20

E: contact@althea.life

Media Enquiries

Dan Francome

Media Relations

P: +613 9650 5096

E: dfrancome@althea.life

Investor Relations

Jane Morgan

Investor Relations Partner

M: +61 405 555 618

E: jm@janemorganmanagement.com.au

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

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