Health House International Limited closes CanPharma acquisition, expanding footprint in high potential European medicinal cannabis market

- **Immediate exposure to Europe´s largest medicinal cannabis market: Germany**
- **Strategically positioned in nascent European market for continued future opportunities, through organic entry or other potential value accretive acquisitions**
- **Improving education for patients and healthcare professionals and providing access to an increasing range of medicinal cannabis products across Australia and Europe**
- **Key CanPharma personnel assume management positions, expanding Health House International global footprint**

Health House International Limited (ASX:HHI) (Health House or the Company) announced today it has closed the acquisition of CanPharma GmbH (CanPharma), a privately held German medicinal cannabis sales and distribution company that holds the highest level of pharmaceutical licences; and also owns Kalapa Clinic (Barcelona), Europe's first medicinal cannabis consultancy. The all-script transaction is accretive to revenue and will allow the Health House consolidated group to fully exploit one of the world's fastest growing pharmaceutical sectors.

As part of the transaction, CanPharma co-founder Dr Henrik Sprengel will remain as CEO of CanPharma and will be appointed as Executive Director of Health House, and CanPharma CFO David Attwood will be appointed Group CEO of Health House.

"We are delighted to officially welcome the CanPharma team to the Health House group where they will take a leading role in its future growth. By leveraging the licences, product offering and expertise of CanPharma, we expand our market reach and strengthen our position as a global leader in the distribution of medicinal cannabis products." said Health House Director, David Wheeler.

In Germany, CanPharma imports and distributes third party medicinal cannabis products as well as a number of CanPharma-branded products; it holds a pharmaceutical manufacturing (GMP) licence. CanPharma will now be able to leverage HHI´s supplier network and offer producers enhanced access to this key European market.

"Partnering with Health House is a very exciting opportunity that has the potential to position us as a market leader in Europe, a fast-growing medicinal cannabis market with the largest global potential. We believe that CanPharma has the capability to access the continually growing number of patients throughout Germany, offering a wider range of products from the HHI portfolio and expanding medical education from Kalapa" said CanPharma co-founder and CEO, Dr Henrik Sprengel. "This model coupled with the expertise, global networks and reputation of Health House International, will take us to the next level and position us to expand the Company's footprint throughout Europe."

Europe is potentially the world´s largest regional medicinal cannabis market, expected to grow at a compound annual growth rate (CAGR) of 67.4% from 2021 to reach €3.2 billion by 2025. It is anticipated that Germany will constitute over half of the European market until 2024 and will be worth over €840 million by 2025.[1]

Health House supplies multiple medicinal cannabis product lines, targeting various medical conditions, with revenue streams from Australia, UK and now Germany. The Company will continue to seek new opportunities to increase its global footprint, in line with its vision to be a significant global distributor, providing patients and health care professionals wider access to medicinal cannabis products.

For more information on the transaction details please refer to the ASX Announcement (https://wcsecure.weblink.com.au/pdf/HHI/02405562.pdf)

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ABOUT HEALTH HOUSE (www.healthhouse.com.au)

Health House International is an international pharmaceutical distributor specialising in, but not limited to, the distribution of medicinal cannabis products across Australasia, United Kingdom and Europe.

The Company is a fully licenced and regulated specialised importer, exporter, consolidator and distributor of medicinal cannabis products currently distributing 11+ medicinal cannabis products to pharmacies, prescribers, specialist medicinal cannabis clinics and researchers across Australasia. With its Wholesale Dealers and Controlled Drugs licences the Company supplies pharmacies, hospital, government departments, veterinarians and other wholesalers with medicinal cannabis and general pharmaceutical products in the UK and Europe.

ABOUT CANPHARMA (www.canpharma.eu)

CanPharma is a fully-licensed medical cannabis distributor with unique product portfolio, with the goal of becoming a leading European pharmaceutical company, and to improve quality of life by providing advanced cannabinoid-based products.

CanPharma supplies pharmacies throughout Germany with high quality products; it educates patients, doctors and pharmacies about the professional use of medicinal cannabis.

(1) Conor O'Brien, Prohibition Partners, Key Insights from the European Cannabis Report: 6th Edition, 9th April 2021, https://prohibitionpartners.com/2021/04/09/key-insights-from-the-european-cannabis-report-6th-edition/