

ASX ANNOUNCEMENT

20 December 2024

LGP to acquire Health House distribution business



Little Green Pharma Ltd (ASX: LGP) ("**LGP**" or the "**Company**") is pleased to announce it has entered into a binding letter of intent ("**LOI**") with Health House Australia Pty Ltd ("**Seller**"), granting LGP exclusive rights to acquire HH (Australia) Pty Ltd ("**Health House**").

Health House operates a nationally focused medicinal cannabis distribution business across Australia¹ and has been a trusted distribution partner of LGP since 2019.

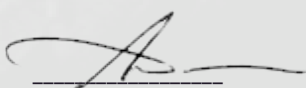
The proposed acquisition aligns with LGP's strategy of capitalising on current market conditions to acquire sustainable medicinal cannabis businesses at attractive valuations. With a purchase price of \$1.25 million for a cashflow breakeven business generating approximately \$7.5 million in annual revenue, the transaction offers the potential to deliver significant operational synergies along with enhanced vertical integration capability while ensuring Health House can continue to operate as one of LGP's key distribution partners.

Terms of the transaction

- The Seller has granted LGP an exclusivity period until 31 January 2025 to complete due diligence and finalise the terms for acquiring 100% of the issued shares in Health House on a fully diluted basis. The purchase price is \$1.25 million in cash, calculated on a cash-free, debt-free basis as at 31 January 2025, with adjustments for net payables and receivables at closing. LGP also retains an option to complete the acquisition on these terms at any point during the exclusivity period.
- LGP will pay the Seller a non-refundable deposit of \$50,000 and a refundable deposit of \$25,000. These deposits will be applied to the final acquisition price at closing.

The Company views this transaction as an exciting opportunity to expand its vertical integration capability, enhance its operational flexibility, and further strengthen its leadership position in the Australian medicinal cannabis sector.

ENDS
BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Alistair Warren".

Alistair Warren
Company Secretary

¹ See <https://healthhouse.com.au/>

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About Little Green Pharma and Reset Mind Sciences

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

The Company has three global production sites for the manufacture of its own-branded and white-label ranges of medicinal cannabis and psychedelic products, being a Danish glasshouse facility, a West Australian indoor craft production facility with a combined nameplate capacity of 30 tonnes of cannabis biomass per annum, and a combined psychedelics clinic, head office and therapeutic goods manufacturing facility located in Western Australia.

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 and delivers psychedelic assisted psychotherapy services via its wholly-owned Reset Mind Sciences business.

The Company has a strong focus on patient access in global medicinal cannabis markets and the Australian psychedelic 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 and Reset Mind Sciences: <https://www.resetmind.com.au/>

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.investorcentre.com/au

LGP's Cannabis Wrap

LGP's Cannabis Wrap offers insights on global cannabis markets with links to key news and developments from around the world

Sign up to LGP's Cannabis Wrap here: <https://investlittlegreenpharma.com/site/contact/newsletter-sign-up>