

ASX Announcement | 10 January 2024
Althea Group Holdings (ASX:AGH)

Peak Secures Multiyear Agreement with The Boston Beer Company

Highlights:

- Peak Processing Solutions has entered a strengthened multiyear manufacturing agreement with BBCCC, Inc., the cannabis subsidiary of The Boston Beer Company ('BBC')
- The agreement reinforces Peak's position as BBC's exclusive Canadian manufacturing partner for cannabis beverages through 2026
- Enhanced commercial terms improve Peak's cash flow and ensure consistent supply for BBC's cannabis brands, TeaPot and Emerald Hour Cannabis Cocktails
- Under the new agreement Peak has committed capacity to BBC of a minimum in excess of 800,000 units for calendar year 2025

10 January 2024: **Althea Group Holdings Limited (ASX:AGH) ('AGH', or 'the Company')**, a global leader in the manufacturing, sales and distribution of cannabis-based medicines and recreational cannabis products, is pleased to announce that its wholly-owned subsidiary, Peak Processing Solutions ('Peak'), has enhanced its Contract Manufacturing Agreement ('the Agreement') with BBCCC, Inc., a subsidiary of The Boston Beer Company, for the production of their cannabis beverage portfolio in Canada.

The updated terms of the Agreement bolster Peak's financial stability through improved cash flow arrangements, underscoring the Company's focus on long-term partnerships with mainstream, sustainable commercial players. Under the Agreement, Peak has agreed to reserve BBC capacity in its state-of-the-art facility, beginning with a minimum in excess of 800,000 units for the calendar year 2025. This milestone highlights Peak's growing leadership in the cannabis-infused beverage market.

Additionally, under the Agreement Peak will ensure BBC has access to minimum production line time, ensuring they can meet rising consumer demand for their flagship cannabis beverage brands, TeaPot and Emerald Hour Cannabis Cocktails.

The Agreement has an initial term of 1 January 2025 – 31 August 2026 with successive automatic renewal terms of 3 years each unless either party gives written notice 180 days before the end of the then-current term.

BBC Head of Cannabis, Paul Weaver said: "Strengthening our agreement with Peak Processing Solutions ensures continuity of supply for our customers in Canada. Peak Processing makes the highest-quality cannabis beverages in the country, and we're excited to build on our shared success to drive further growth in this dynamic category."

AGH CEO, Joshua Fegan added: "Our renewed contract with Boston Beer reflects a deep



commitment to quality and innovation from both parties. This partnership solidifies Peak's role as a leading global manufacturer in the cannabis beverage space and ensures we can deliver exceptional products that resonate with consumers' sophisticated tastes."

The Agreement includes customary termination provisions including for uncured material breach, violation of law, loss of key licence to perform the Agreement, change of control and change of law.

-ENDS-

Authorised by: the Board of the Company

For further information, please contact:

Althea Group Holdings Ltd

Joshua Fegan

CEO & Managing Director

M: 1300 70 20 20

E: jfegan@altheagroupholdings.com

Media & Investor Enquiries

Media & Investor Relations

P: +613 9650 5096

E: investors@althea.life

Althea Group Holdings Limited (ASX:AGH)

Althea Group Holdings Ltd ('AGH') 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

About The Boston Beer Company

Founded in 1984, The Boston Beer Company is one of the largest and most respected craft brewers in the United States, known for its flagship Samuel Adams brand. Over the years, BBC has expanded its portfolio to include a variety of innovative beverages, such as Truly Hard Seltzer, Twisted Tea, and Angry Orchard Hard Cider.

As of November 2024, BBC has a market capitalization of approximately USD\$3.59 billion, reflecting its significant presence in the beverage industry. For more information on The Boston Beer Company, please visit: www.bostonbeer.com

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