



ASX ANNOUNCEMENT

28 May 2021

Cann Group further revises revenue guidance for FY21

28 May 2021 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) today advised that certain delays beyond Cann’s control have necessitated an adjustment of revenue guidance for the current financial year.

Timelines have extended in relation to international regulatory submissions to open pathways for market release, and third-party manufacturing and starting material supplier issues (as announced on 29 April 2021) have both caused delays in shipping product to Cann’s customers. These delays are temporary, and a clearer path to revenue receipts is anticipated following the initial shipments to Cann’s local and export customers.

With revenue of \$3.2m so far this financial year (up to the end of April), the Company is now forecasting total revenue for FY21 of between \$4 million and \$5 million (compared to the previous revised guidance announced 15 February 2021 of between \$8 million and \$10 million). The revenue guidance adjustment reflects an update to the expected timing of revenue only, with the balance of the FY21 original forecast revenue now expected to be received in FY22.

As announced to the market on 30 April 2021, Cann recently dispatched more than 20,000 bottles of cannabis extract to its German customer and partner iuvo Therapeutics. Those products have this week been GMP released for sale in the German market and early indications with respect to sales by iuvo are promising. Cann continues to supply local and UK-based customers, as well as working with its customers to build a pipeline of orders for manufacture and delivery of product in FY22.

The Company continues to work with its customers and relevant authorities to expedite regulatory approvals and clearances as required, both locally and in overseas markets. Having achieved several such approvals and clearances to date, the Company anticipates now moving to a more streamlined order and fulfilment cycle, particularly to Germany.

Cann Group CEO, Peter Crock, commented: “We have continued to make really important headway this year, and while timelines have been frustratingly drawn out, in some part due to COVID, the achievements we have made in securing regulatory pathways, and the foundations we have set for supply to Australian patients and export markets stands us in good stead. We have also strengthened our future revenue base with the recent acquisition of Satipharm and access to an important differentiated technology platform. Further, we have demonstrated an ability to deliver sizable orders to our customers, as shown by our delivery to iuvo last month.”

Authorised for release by the Board, Cann Group Limited.

For all media enquiries please contact:

Matthew Wright
NWR Communications
+61 451 896 420
matt@nwrcommunications.com.au



For all other information please contact:

Peter Crock
CEO
Cann Group Limited
+61 3 9095 7088
contact@canngrouplimited.com

Clive Fanning
Head of Investor Relations
Cann Group Limited
+61 3 9095 7088
contact@canngrouplimited.com

About Cann Group

Cann Group Limited (ABN 25 603 949 739) is building a world-class business focused on breeding, cultivating, manufacturing and supplying medicinal cannabis for sale and use within Australia and for approved overseas export markets. Cann also owns Satipharm, a Europe-based business exclusively licensed to manufacture, develop and market the proprietary Gelpell delivery system for cannabinoids. Cann has established research and cultivation facilities in Melbourne and is developing a state-of-the-art cultivation and manufacturing facility near Mildura, Victoria. Cann Group has established a leading position in plant genetics, breeding, extraction, analysis and production techniques required to facilitate the supply of medicinal cannabis for a range of diseases and medical conditions. The Company is commercialising a range of imported and locally sourced and manufactured medicinal cannabis products.

Learn more about Cann Group at www.canngrouplimited.com