



15 December 2021

CanPharma to supply cannabis flower and extracts to German statutory health insurance funds

Highlights

- **Health House International's German subsidiary, CanPharma, is one of few cannabis companies eligible to join a framework agreement for supply of cannabis flowers and extracts**
- **The agreement with GWQ, a company representing 47 statutory health insurance funds, means that selected CanPharma products will be included on a short-list of cannabis products that doctors will be required to prescribe to new medicinal cannabis patients if they are affiliated with one of the over 30 insurers that are signed up to this agreement.**

Health House International Limited (ASX:HHI) (Health House or the Company, together with the entities it controls the Group) is pleased to announce its wholly-owned subsidiary CanPharma GmbH ("CanPharma") has entered into an agreement with GWQ Service Plus AG ("GWQ"), a company that represents 47 German public health insurance funds.

CanPharma will be a preferred supplier more than 30 of the 47 insurance companies that are shareholders in GWQ for a selection of its own-branded flowers and extracts. When doctors prescribe medicinal cannabis products for new patients that are insured with one of the GWQ affiliated insurance funds, the doctors are required to choose a product from a shortlist if the patients are to be reimbursed. CanPharma is one of the few German cannabis companies eligible for the scheme due to its GMP manufacturing licence and is one of only a handful of cannabis companies that are members of the GWQ scheme.

In Germany public Healthcare is provided through a Statutory Health Insurance (SHI) that covers 90% of the population: GWQ is a service provider for public insurance funds that cover approximately 10% of the SHI market.

CanPharma Chief Executive Officer, and Health House Executive Director, Dr Henrik Sprengel, said *"Following our decision to register a selection of our extracts and strains in the contract we hope it will increase the acceptance of cannabis as medicine by German prescribers particularly once they see that the insurance companies endorse a reimbursement scheme. In general, over one third of applications for reimbursement of medicinal cannabis are rejected and we hope that this new approach increases both the number of new prescriptions as well as the percentage reimbursed"*

Health House Chief Executive Officer, David Attwood said: *"We are delighted to see that CanPharma's manufacturing licence and its pharma-focussed approach to the market are bearing fruit: this contract will serve as a solid reference in our ongoing discussions with other insurance companies throughout Germany."*

Key Terms:

Commencement Date and Agreement Term: 1st of January 2022 to 30 November 2023, although it can be cancelled at the option of either party with four weeks' notice

Reimbursement of products under the arrangement will bear a discount of 20-30%

DISCLOSURES:

This announcement has been approved and authorised for release by the board of Health House International Limited.

David Attwood
Chief Executive Officer

About Health House (www.healthhouse.com.au)

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

The Group is a fully licenced and regulated specialised importer, exporter and distributor currently distributing medicinal cannabis products from 14 producers to pharmacies, prescribers, specialist medicinal cannabis clinics and researchers across Australasia. In the UK and Germany, the Group holds all relevant licences (including GMP manufacturing), Wholesale Dealers and Controlled Drugs licences the Company supplies pharmacies, hospitals, government departments and other wholesalers with medicinal cannabis and general pharmaceutical products in the UK and Europe. The Group also integrates education of patients and healthcare professionals in the use of medicinal cannabis as a core part of its activities and is developing digital tools to enable a holistic understanding of usage.

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