

ASX ANNOUNCEMENT

31 January 2022



CEO-MANAGING DIRECTOR'S ADDRESS 2021 ANNUAL GENERAL MEETING

Thank you and good morning to everyone.

It has been a difficult year for many and Cann Global has not been immune to the challenges presented by the COVID-19 pandemic. However, we are proud of the progress we have made in the last financial year. This includes:

- 1) Reduction of our net loss by 42% in what is our second full year of operations since transitioning to a medical cannabis business,
- 2) Readying the premium hemp-based skincare range Fusspot for launch,
- 3) the Australian launch of Canntab Therapeutics medicinal cannabis products, Instacann,
- 4) and adding a highly scalable plant funding operation to our business in Thailand which has already received initial investments.

As I noted previously Cann Global was not immune to the challenges presented by the pandemic and this has unfortunately impacted our export revenue from food sales. That said, we will continue to look at ways to replace this export revenue including continuing to focus on our domestic direct-to-consumer sales through our new range.

The Company continues to have a strong balance sheet and significant cash reserves and management continues to be keenly focused on driving a path to profitability.

We manage our operations along four key business lines which are all revenue generating in FY22.

Our health food division is focused on the production and distribution of healthy and nutritious plant-based food products for discerning Australian and Asian consumers. Along with streamlining the new range a pipeline of new products is under development to meet consumer demand.

The CBD cultivation and processing business is conducted by Cann Global Thailand (CGT). On behalf of its clients CGT cultivates, processes and markets hemp. In addition, Cann Global Thailand operates a capital light, highly scalable plant funding operation which allows international investors to participate in this emerging industry.

The third division is cosmeceuticals where we are focused on the development of unique premium CBD and hemp-based skincare treatment formulations and dermatological and cosmetic beauty products.

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And last but not least, we have a keen focus on medicine where we are making significant inroads in enhancing access to quality medicinal cannabis products.

I'll now spend a few minutes providing you with an update on key operational developments.

During FY21 chia soft-gel oil capsules were released and purchased by major retail chain Costco and an equine food range was developed and sold to wholesalers. In addition, the Company has reviewed the health foods business to identify areas where operating costs can be reduced and profitability can be improved. This has resulted in a streamlined range which will be marketed through more direct-to-consumer channels where higher profit margins can be achieved. A range is also being developed to target international markets.

As noted earlier we faced challenges in driving our export revenue for health food sales, however efforts continue to establish new markets for sale of food products in Asia.

Cann Global Thailand provided services to Thai partners who received licenses to cultivate CBD hemp under new regulations introduced during the financial year. A capital light plant funding program was initiated with initial investment received in Q1 FY22.

Three Canntab cannabinoid hard pill variations are now available to consumers from pharmacies, through the Special Access Scheme B and Authorised Prescriber Schemes: Instacann THC 5mg, Instacann CBD 12.5mg and Instacann 25mg. We continue to focus our efforts on educating medical professionals about the product and bringing awareness of its availability to consumers.

Research into the efficacy of an identified strain of cannabis for the treatment of MS will continue in Australia and a draft protocol has been written to support a human clinical trial of the strain.

Cann Global's premium range of 100% plant-based skincare products, Fusspot launched at an expo in France in October, and in Australia in November. A formal launch with full marketing campaign will commence in Q3 FY22 alongside full scale production of the range. A dedicated website has been launched for online sales. Operating in a complex regulatory environment, Cann Global has positioned the business to adapt and leverage the opportunities presented by regulatory changes in the industry, as demonstrated by being a first mover in Thailand.

Whilst consumer focus on health and well-being will continue to support growth in demand for our plant-based health food products and nutraceuticals, education and awareness are key to growing demand for medicinal cannabis products and cannabis-based cosmeceuticals.

We continue to pay particular attention to product innovation and the pursuit of medical advancement through research into the safe use of cannabis for patients, and this has the potential to deliver significant upside for shareholders.

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We strongly believe in value creation through a focus on strategic priorities. Our strategic priorities are:

1. Cost efficient cultivation and production, through our joint venture in Thailand
2. Innovation in Product Development –developing an adjacent CBD based skincare range to the hemp-based range and new health food products
3. Strengthening distribution channels –engaging marketing and sales specialists to assist our efforts to expand distribution channels in Australia and explore further opportunities to distribute our products throughout Asia
4. Leveraging global partnerships – continuing to work with our global partners to bring new products to market
5. Medical advancement through research – progressing the protocol for the study of the identified cannabis strain in treating MS

Despite the current challenging economic environment, Cann Global operates in the health and wellbeing sectors which continue to experience growth.

The exciting launch of new products into the Australian market after a number of years in the development phase will open up new revenue streams.

Our strengthened sales and marketing team are busy expanding our sales channels, bringing awareness to consumers, and educating prescribers on our products.

Our Board is highly motivated to bring the Cann Global vision to life supported by the efforts and dedication of the Cann Global team and I would now like to take this opportunity to sincerely thank all our people for their continued efforts and in particular Marion Lesaffre our Chief Operating Officer for her passion and leadership in driving our new product initiatives to their successful launch. All of these efforts are paving the way for Cann Global to become a leader in the production and distribution of high-quality medicinal cannabis, health food and cosmeceutical products.

I now hand back to our Chair David Austin to conduct the formal business.

ABOUT CANNGLOBAL

Cann Global Limited (ASX:CGB) is a driving force in the hemp and medical Cannabis industries. Our strength comes from our team's core competencies and expertise, and our solid and strategic partnerships with experts in Australia, USA, Israel, Asia, Africa and Canada. We are working under the relevant legislation to ensure that the future in Medical Cannabis and Natural Foods will allow medical practitioners, patients, and consumers to gain access to the right information, as well as the safest, most effective and sustainable products.

AUTHORITY AND CONTACT DETAILS

This announcement has been authorised for release by Sholom Feldman, Managing Director. For further information please contact Investor Relations on +61 (0)2 8379 1832, or via email at investorrelations@cannglobal.com.au.

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