

International Distributor of Medicinal Cannabis

ASX ANNOUNCEMENT ASX CODE: HHI 16 March 2022

CanPharma consolidates medicinal cannabis supply agreements with German statutory health insurance funds

Highlights

- Health House International´s German subsidiary, CanPharma, has signed framework agreements to be preferred supplier to 5 German statutory health insurance (SHI) funds
- A number of selected CanPharma products will be included on a short-list of products that doctors will be required to prescribe to new medicinal cannabis patients affiliated with the funds
- The number of patients that are covered by SHI funds with framework agreements with CanPharma is now in excess 35 million which represents almost 50% of the total number of insured Germans

Health House International Limited's (ASX:HHI) (Health House or the Company, together with the entities it controls the Group) wholly-owned subsidiary CanPharma GmbH ("CanPharma") over the past 3 months has continued to execute on its strategy by entering in to agreements with a number of other German statutory health insurance funds in consistent with the GWQ Service Plus AG agreement announced in December 2021.

CanPharma is pleased to announce it has now entered into an agreement with Techniker Krankenkasse ("TKK"), the largest German statutory health insurance fund that represents more than 10 million insured individuals ("Agreement"). This brings the total number of patients that are covered by statutory insurance (**SHI**) funds with framework agreements with CanPharma to over 35 million, which represents almost 50% of the total number of insured Germans.

CanPharma is one of the few German cannabis companies eligible for the schemes due to its GMP manufacturing licence. Under the agreements, CanPharma will be a preferred supplier to the funds for a selection of its CanPharma branded flowers and extracts.

When doctors prescribe medicinal cannabis products for new patients that are insured with one of the affiliated insurance funds, the doctors are required to choose a product from a shortlist if the patients are to be reimbursed.

In Germany public Healthcare is provided through a Statutory Health Insurance (SHI), such as the TKK, that cover 90% of the population, with the remainder being covered by private health insurance companies.

CanPharma now has agreements with the following companies and funds:

- GWQ Service Plus AG, a company that represents 47 German statutory health insurance funds covering approximately 8 million individuals, commenced January 2022;
- IKK Classic, a German SHI fund covering more than 3 million individuals, commenced February 2022;
- Kaufmänische Krankenkasse, a German SHI fund covering 1.6 million individuals, commenced February 2022;
- SPECTRUM K Service Plus AG, a company that represents 22 German public health insurance funds that cover around 10 million individuals, commenced February 2022; and
- Techniker Krankenkasse, a German SHI fund that represents more than 10 million insured individuals commencing April 2022.

CanPharma Chief Executive Officer, and Health House Executive Director, Dr Henrik Sprengel, said "We continue to be encouraged by the continually positively changing perception of medicinal cannabis. Having public insurance companies endorse the medicinal cannabis as a valid treatment option keeps this progress going and we therefore are optimistic that this will lead to a higher reimbursements quota and increase in the number of patients treated with medicinal cannabis."

Health House Chief Executive Officer, David Attwood said: "We are delighted to see that CanPharma is showing its leadership on relationships with insurers, key stakeholders in the German market. We see this as cementing our position for the future where medicinal cannabis becomes mainstream and insurers give it more focus. The requirement for GMP manufacturing licence gives us an advantage compared to most players.

DISCLOSURES:

<u>Techniker Krankenkasse Key Terms:</u>

Commencement Date and Agreements Terms: 1st of April 2022 to 31 March 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 25-29%.

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.

For more information, please visit <u>www.healthhouse.com.au</u>

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