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FOR PUBLIC RELEASE

Rua Bioscience accelerates its goal to achieve sustainable revenue

Tairawhiti, New Zealand – Rua Bioscience Limited (NZX:RUA) is pleased to provide a progress update to shareholders regarding its key global markets and distribution partnerships, taking the business a step forward in its goal to achieve sustainable revenue.

Last year, in response to the constraints of New Zealand’s medical cannabis regulations, Rua pivoted its business strategy. As previously announced, this differentiated strategy focuses on the high-value, low-cost ends of the value chain: developing unique cannabis-based genetics, and international distribution.

As a result, Rua has been working closely with its partners around the world, including the high-value growth markets of Germany, the United Kingdom and Australia, to build out its product portfolio using its legacy genetics.

Rua CEO, Paul Naske, has recently returned from Europe and the United Kingdom where he visited distribution partners and was able to view Rua’s products in the markets where they will soon be available to patients.

In speaking about the trip, Mr Naske said, “Having been on the ground with our partners, I saw first-hand that the German demand exceeds our forecast expectations. This has given us huge confidence and we have put in place further production orders. Rua’s significant experience and relationships in these high-value markets has been critical in progressing several upcoming milestones.”

Market updates

Germany

“Our top-tier distribution partner in Germany, Nimbus Health, expects the first sales of our new high-quality product this month. This timing positions us to capitalise on recent changes to regulation of medicinal cannabis in Germany, as it is now removed from the list of controlled drugs. This change has significantly increased demand in the market since it was introduced in April this year, and we are confident our product will be well-received.”

United Kingdom

“The medicinal cannabis market in the UK is quickly growing with approximately 40,000 patients currently using products. I met with several cannabis clinics while in the UK, and Rua is looking forward to having a portfolio of products available to this emerging market from October this year, via our partner distributor Target Healthcare.”

Australia

“Rua has made significant progress in Australia in the last six months. We are now on the formulary of several clinics, meaning that Rua products are now readily available to be prescribed to patients across Australia. In September we will also be launching a new range of products using New Zealand genetics – early market feedback for this has been positive.”

New Zealand

“Here at home, we have received approval from Medsafe for two new dried flower products. The first product is expected to be available in the coming weeks.

“We are also pleased to see the recent changes to regulation here in New Zealand, which will make it easier for medicinal cannabis products to move in and out of the country. This change is great news for our local industry and will provide additional opportunities for Rua to explore, aligned with our strategy.”

“Rua is entering a new revenue growth phase as we leverage our expertise and partnerships to benefit patients around the world and deliver value to our shareholders,” concluded Mr Naske.

Rua is doing medicinal cannabis differently, and with the right capital-light model and differentiated strategy, focused on genetics and distribution it is cementing its place as a sustainable business in the global medicinal cannabis industry.

ENDS

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