

ASX ANNOUNCEMENT

MARCH 2024

QUARTERLY ACTIVITIES REPORT *AND APPENDIX 4C*



**RECORD REVENUE AND
CASH RECEIPTS FOR QUARTER
AND FINANCIAL YEAR**

**POSITIVE OPERATING
CASHFLOW FOR FY24
OF \$0.5 MILLION**

HIGHLIGHTS

Record quarterly cash receipts of \$8.1 million, up over 50% on previous quarter and over 20% on previous corresponding period

Record quarterly revenue of \$7.3 million (unaudited), up 34% on previous quarter and over 36% on previous corresponding period

Record revenue of \$25.6 million (unaudited) for FY24, up nearly 30% on previous financial year resulting in positive operating cashflow of \$0.5 million for financial year

Cannabis legalised in Germany with its removal from the Narcotics List

Cash in bank of \$5.0 million at 31 March 2024 up from \$3.7 million at 31 December 2023

Revenue and *cash receipts*

- Record cash receipts of \$8.1 million, up 53% on previous quarter and 21% on previous corresponding period driven by the collection of overdue receivables from 31 December 2023 and the significant increase in sales
- Record quarterly revenue of \$7.3 million (unaudited), up 34% on previous quarter, primarily driven by the introduction of CherryCo flower which contributed nearly \$2.0 million for the quarter

Little Green Pharma Ltd (ASX: LGP, “LGP” or the “Company”) is pleased to provide its activities report and Appendix 4C for the quarter ending 31 March 2024.

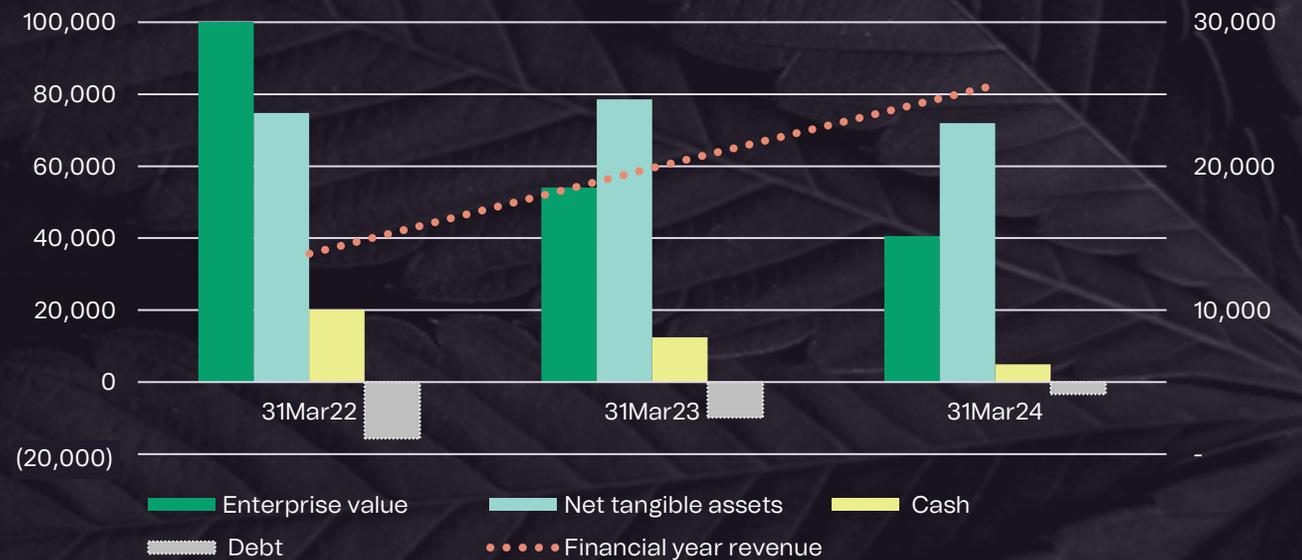
Cash receipts vs Revenue (000's)



EV, NTA, cash, debt *and revenue*

- Net tangible assets continue to be significantly above Company's enterprise value
- Cash in bank of \$4.98 million up from \$3.68 million at 31 December 2023 with the Company continuing to have comparatively minimal debt of \$3.3 million
- Strong growth in revenue from \$13.9 million in FY22 (9 months) to \$25.6 million in FY24

EV, NTA, cash, debt & financial year revenue
(000's)



Revenue by *product*

- Overall LGP sales were up 34% on the previous quarter
- Flower sales were up 57% on the previous quarter predominately due to the introduction of the CherryCo brand at the end of December which contributed nearly \$2.0 million
- Oils sales were up 2% on the previous quarter while vaporizers were up 7%

Sales by category (000's)



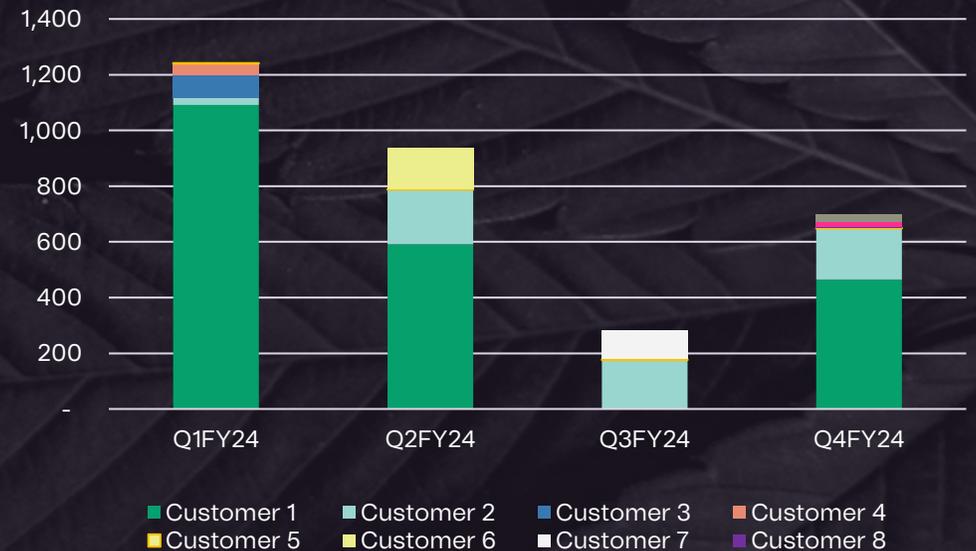
Revenue by *segment*

- LGP saw growth in both Australia and Europe from the prior quarter
- Australian sales were up 27% from the prior quarter predominately due to the introduction of CherryCo flower
- European sales were up 150% but off a low base with the Company delivering to six customers, three of which were new
- Two new countries were opened up being Poland and Switzerland
- Early signs of strong patient uptake in Germany now that cannabis has been legalised

Revenue by segment (000's)



Revenue by EU customer – quarterly (000's)



Net cashflows from operations

- Net operating cash inflows were \$4.1 million for the quarter up from a net operating cash outflow of \$1.8 million in the prior quarter
- Cash receipts shows marked upward trajectory through March quarter with little change in costs given LGP's relatively fixed cost base. LGP also received its \$5.0 million R&D rebate at the end of January
- LGP finished FY24 with a positive operating cashflow of \$0.5 million with the month of March being operating cashflow positive in its own right

Cashflow from operating activities (000's)



* The R&D rebates have been averaged over the financial year to which they relate. The Company did not have a Q4 FY2022 due to the change in financial year.

Products *updates*

cherryco™ brand

- LGP introduced its CherryCo brand in late December 2023
- The CherryCo *Little Buddies* range currently comprises six flowers, being THC 18%, THC 22% and THC 26% in both Indica and Sativa ranges that feature smaller flowers from high-quality batches but a lower price point and in a larger (15g) bag
- The CherryCo *Signature* range currently comprises a premium high THC Indica dominant flower (THC 26%) focusing on terpenes, flower size, appearance, and THC content



Summer Sun

LGP launched its high THC Sativa dominant *Summer Sun* flower (THC 27%) into the Australian market late March



European *update*

France

- The French medicinal cannabis Pilot ended on 27 March 2024, with LGP and one other cannabis company now the sole suppliers to French patients during the nine-month transitional period
- In advance of the post-transitional Supply Authorisation Period, LGP is preparing marketing authorisation applications for a range of cannabis products
- French cannabis marketing authorisations are akin to marketing authorisations for registered pharmaceutical products and impose rigorous pharmaceutical and manufacturing standards well in excess of those required for the manufacture and supply of unapproved medicinal cannabis products in any other territory
- France remains a significant EU opportunity for LGP given population size, LGP's first mover advantage, and the Company's material contribution to the trial. See ASX releases dated 7 December 2023 and 8 February 2024 for further information



European *update*

(continued)

Germany

- On 1 April 2024, Germany removed cannabis from the Narcotics List
- This change represents probably the single biggest cannabis industry development since legalisation in Canada in 2018, and could catalyse a trend towards legalisation across Europe
- Under the new laws, limited home cultivation and personal use possession is allowed, with not-for-profit 'cannabis clubs' permitted from 1 July 2024
- The change is likely to improve the medicinal cannabis access pathways across Germany, from importation through to prescription, clinic appointments and direct-to-patient delivery

Poland

- LGP supplied its first shipment of Desert Flame flower to its Polish distribution partner, Medezin, with the product being well received in market

The UK and Switzerland

- Encouraging patient demand for LGP flower products in the UK and Switzerland resulting in further orders from LGP distributors

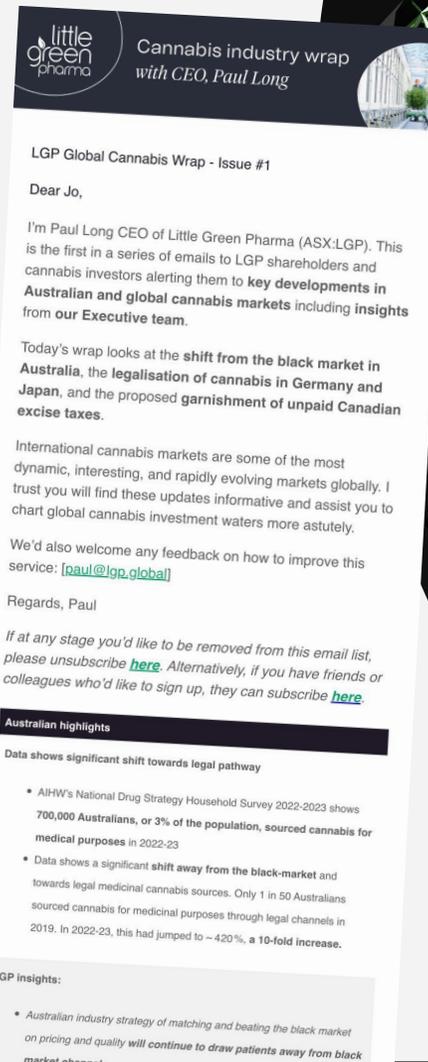


- In February, Reset Mind Sciences withdrew its offer under its Prospectus following the AIM stock exchange's decision that as Psychedelic Assisted Psychotherapy (**PAP**) is not currently permitted in the United Kingdom, UK funds cannot invest in Reset and Reset is not currently capable of listing on a UK stock exchange. The withdrawal means Reset Mind Sciences will remain part of the LGP Group with the Company continuing to progress this globally leading psychedelics business
- Clinical trial recruitment progressing well with 10 participants enrolled and two dosing sessions conducted giving Reset a significant first mover advantage given the limited number of trials currently underway
- Fit-out of Reset mental health clinic completed with clinic ready to commence operations



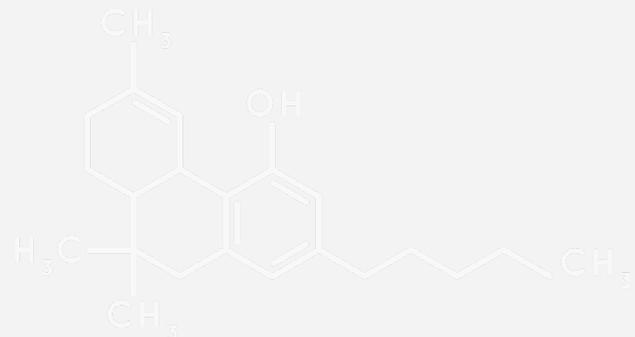
LGP Global Cannabis *Wrap*

- In early April, LGP released its inaugural *LGP Global Cannabis Wrap*, designed to provide LGP shareholders and investors with insights on regulatory and other key developments in global cannabis markets
- Investors interested in receiving the inaugural *LGP Global Cannabis Wrap* can contact LGP's Company Secretary at Cosec@lgp.global and subscribe for future Wraps here: <https://investlittlegreenpharma.com/site/contact/newsletter-sign-up>



Quarterly financial *highlights*

- During the quarter, the Company generated revenue of \$7.3 million (unaudited) and cash receipts of \$8.1 million
- The key cash flows during the quarter included:
 - Customer cash receipts of \$8.1 million
 - Receipt of a net \$4.97 million R&D tax incentive rebate of which \$2.2 million was repaid to Radium Capital
- Related party transactions during the quarter comprised \$0.2 million in remuneration and allowances paid to the directors of the Company
- Cash in bank of \$4.98 million at 31 March 2024 up from \$3.68 million at 31 December 2023



ENDS
BY ORDER OF THE BOARD



Alistair Warren
Company Secretary

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About Little Green Pharma

Little Green Pharma is a global, vertically integrated and geographically diverse medicinal cannabis business with operations from cultivation and production through to manufacturing and distribution.

The Company has two global production sites for the manufacture of its own-branded and white-label ranges of GMP-grade medicinal cannabis products, being a Danish production facility with a potential nameplate capacity of over 30 tonnes of cannabis biomass per annum and a West Australia premium indoor GMP production facility specialising in premium hand-crafted cannabis strains.

Little Green Pharma products comply with all required Danish Medicines Agency and Therapeutic Goods Administration regulations and testing requirements. With a growing range of products containing differing ratios of active ingredients, Little Green Pharma supplies medical-grade cannabis products to Australian, European and overseas markets.

The Company has a strong focus on patient access in the emerging global medicinal cannabis market and is actively engaged in promoting education and outreach programs, as well as participating in clinical investigations and research projects to develop innovative new delivery systems.

For more information about Little Green Pharma go to: www.littlegreenpharma.com

Help us be Green

LGP investors are encouraged to go paperless and receive Company communications, notices and reports by email. This will ensure efficient communication during COVID-19 while also helping to reduce our costs and environmental footprint

To easily update your communication preferences, visit: www.computershare.com.au/easyupdate/lgp

Appendix 4C
Quarterly cash flow report for entities
subject to Listing Rule 4.7B



Name of entity

Little Green Pharma Ltd

ABN

44 615 586 215

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	8,100	26,878
1.2 Payments for		
(a) research and development	(164)	(572)
(b) product manufacturing and operating costs	(4,417)	(16,116)
(c) advertising and marketing	(385)	(1,054)
(d) leased assets	(172)	(525)
(e) staff costs	(3,463)	(12,123)
(f) administration and corporate costs	(434)	(2,634)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	78	100
1.5 Interest and other costs of finance paid	(23)	(271)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	4,967	7,123
1.8 Other (provide details if material)	-	(311)
1.9 Net cash from / (used in) operating activities	4,087	495
2 Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	(4,121)
(c) property, plant and equipment	(156)	(1,284)
(d) investments	-	-
(e) intellectual property	(10)	(134)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	2,696
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(166)	(2,843)
3 Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	50
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	3
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(2,606)	(4,955)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	(68)
3.1 Net cash from / (used in) financing activities	(2,606)	(4,970)
4 Net increase/(decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,684	12,400
4.2 Net cash from/(used in) operating activities (item 1.9 above)	4,087	495
4.3 Net cash from/(used in) investing activities (item 2.6 above)	(166)	(2,843)
4.4 Net cash from/(used in) financing activities (item 3.10 above)	(2,606)	(4,970)
4.5 Effect of movement in exchange rates on cash held	(25)	(108)
4.6 Cash and cash equivalents at end of period	4,974	4,974

5 Reconciliation of cash and cash equivalents		Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts			
5.1	Bank balances	4,974	3,684
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,974	3,684

6 Payments to related parties of the entity and their associates		Current quarter \$A'000	Previous quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	196	250
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	-

Payments to related parties solely represents remuneration and allowances paid to Directors of the Company.

7 Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	3,324	3,324
7.2	Credit standby arrangements	60	11
7.3	Other (please specify)	-	-
7.4	Total financing facilities	3,384	3,335
7.5	Unused financing facilities available at quarter end		49
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

The following financing facilities are held with National Australia Bank Ltd:

- a loan facility of \$1.86 million with a current weighted average interest rate of 7.28% and a three-year term secured by registered first mortgage on the Company's south-west property complex;
- equipment finance of \$1.46 million with a fixed interest rate of 7.68% secured by a chattel mortgage over the underlying equipment;
- a credit standby arrangement relating to the Company's credit card facility which has a variable interest rate and an unspecified term. NAB holds a \$60,000 term deposit as security.

8 Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	4,087
8.2	Cash and cash equivalents at quarter end (Item 4.6)	4,974
8.3	Unused finance facilities available at quarter end (Item 7.5)	49
8.4	Total available funding (Item 8.2 + Item 8.3)	5,023
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A
8.6	If Item 8.5 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	N/A	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	N/A	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	N/A	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 17 April 2024

Sign here



Alistair Warren
(Company Secretary)

Authorised by: The Board