



HALF YEARLY REPORT

COMPANY UPDATE
24 FEBRUARY 2021



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Financial Performance

Half yearly – 31 December 2020

REVENUE

31 Dec 2019

\$716,046

31 Dec 2020

\$3,771,237

PROFIT/(LOSS) AFTER TAX

31 Dec 2019

(\$5,505,023)

31 Dec 2020

\$484,329

GROSS PROFIT MARGIN¹

31 Dec 2019

56.2%

31 Dec 2020

55.7%

CASH AT BANK²

\$4.3m

4.4m

31 DEC 19

31 DEC 20

UNITS SOLD AUSTRALIA



21,000+

4,850+

31 DEC 19

31 DEC 20

NEW PATIENTS



4,900+

1,380+

31 DEC 19

31 DEC 20

1. Excludes changes in fair value of biological assets (if included the gross profit margin is 67.1% in comparison to 71.5% at 31 Dec 2019)
2. Subsequent to 31 December 2020, the Company completed a \$22.1 million capital raising and is offering a \$5 million SPP to eligible shareholders

Capital Placement

Funding strategic growth

Placement Proceeds

- ✓ \$22.1 million institutional placement to new and existing institutional and high net worth investors
- ✓ Currently offering a \$5 million SPP to eligible shareholders
- ✓ Proceeds of the Placement and SPP enables execution of next growth phase:
 - Sales, education and marketing
 - R&D
 - Production expansion
 - Working capital
- ✓ Fiscal discipline is engrained in culture
- ✓ Same strategic plan – ready for scale and critical mass

Corporate Overview

Little Green Pharma Overview

- Vertically integrated medicinal cannabis business with operations from cultivation and production through to manufacturing and distribution
- Indoor ~3 tonne flower / ~300,000 bottles p.a. cultivation facility and GMP-licensed manufacturing facility in Western Australia
- Supplies medical-grade cannabis products to Australian and overseas markets

Capital structure

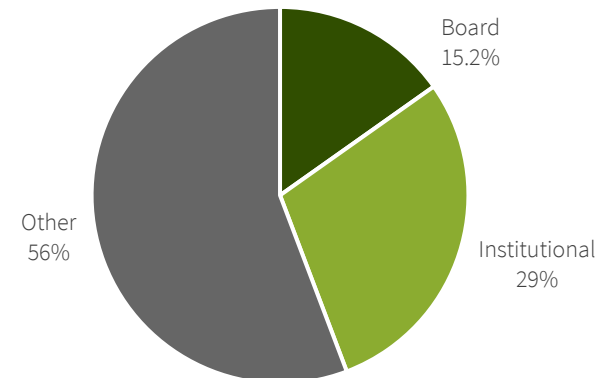
Current Share Price ¹	\$0.69
Shares Outstanding ^{2,3}	176,309,418
Options and Performance Rights on Issue	14,533,916
Market Capitalisation (undiluted) ¹	~\$121.7 million
Cash Reserves (22 February 2021) ⁴	~\$24.23 million
Enterprise Value	~\$97.4 million

1. Source: IRESS - As at 23 February 2021
2. 54,034,703 shares are escrowed 24 months from date of listing (20 February 2020)
3. 1,000,000 shares are escrowed until 31 March 2021
4. Subsequent to 31 December 2020, the Company completed a \$22.1 million capital raising and is offering a \$5 million SPP to eligible shareholders
5. As at 23 February 2021

Shareholders⁵

Shareholder	Shareholding	Ownership
Elixer Ltd	28.1m	16.0%
Fleta Solomon	19.6m	11.1%
TIGA Trading Pty Ltd	7.7m	4.3%
Angus Caithness	5.7m	3.2%
Top 20 shareholders	92.1m	52.2%
Board ownership	26.8m	15.2%

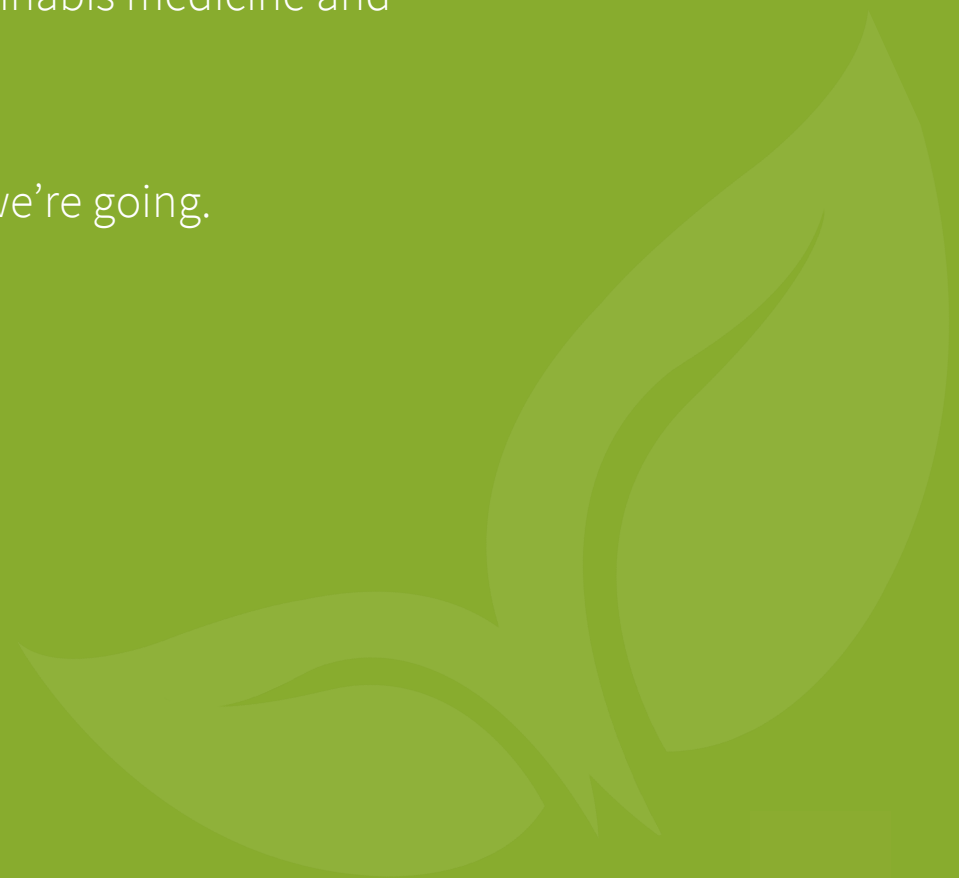
Register Breakdown⁵



We are passionate about transforming lives. This drives our desire to grow and produce quality cannabis medicines that are safe, effective and affordable. It's the heart of everything we do and defines our culture. This is our purpose – to reimagine cannabis medicine and do extraordinary things for our patients.

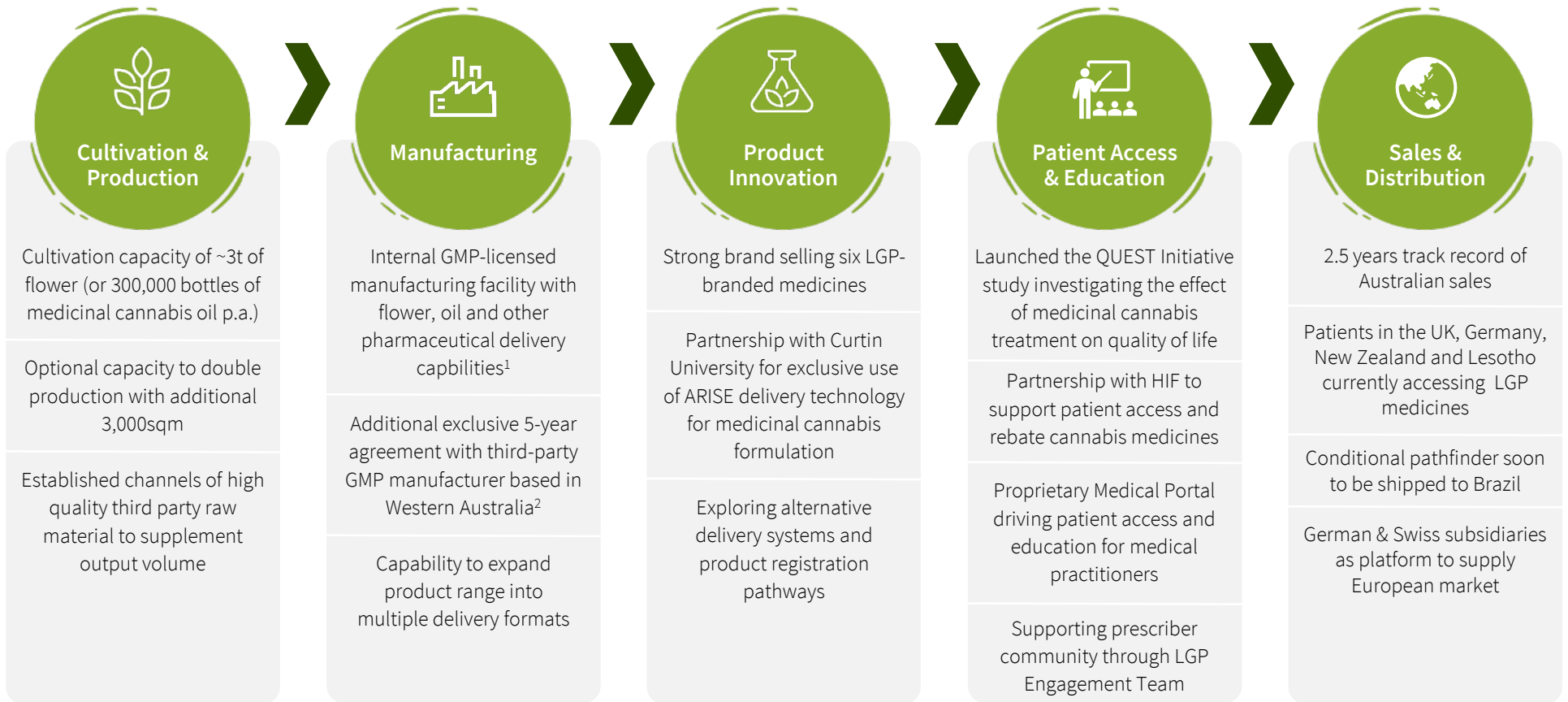
We are proud of what we've done and where we're going.

We are Little Green Pharma.



Our Business Model Captures Value

LGP operates across the medicinal cannabis supply chain



1. GMP is Good Manufacturing Practice (GMP) licensed by Australia's Therapeutic Goods Administration (TGA). Australia has a Mutual Recognition Agreement (MRA) with the EU
2. LGP has an exclusive agreement with a GMP licensed medicinal cannabis manufacturer who may only terminate the agreement after 22 November 2023 on 12 months' notice.

Growth Strategy

Little Green Pharma has a track record of sales growth with a clear pathway to increasing margins and driving significant revenue growth in Australia and offshore markets



1

Established sales platform in Australia

Currently selling six LGP-branded THC and CBD cannabis medicines including oils and flower products
Driving patient access through education platforms



2

Clear pathway to international sales

Sales agreements with distributors in the UK and Germany for the sale, export and distribution of LGP's cannabis medicines



3

Product innovation

Clinical investigations & research projects underway to develop innovative new delivery systems
Product line expansion



Why these are strategically important:

Sales in Australia demonstrate market validity and generate immediate cash flow to support development of international pathways



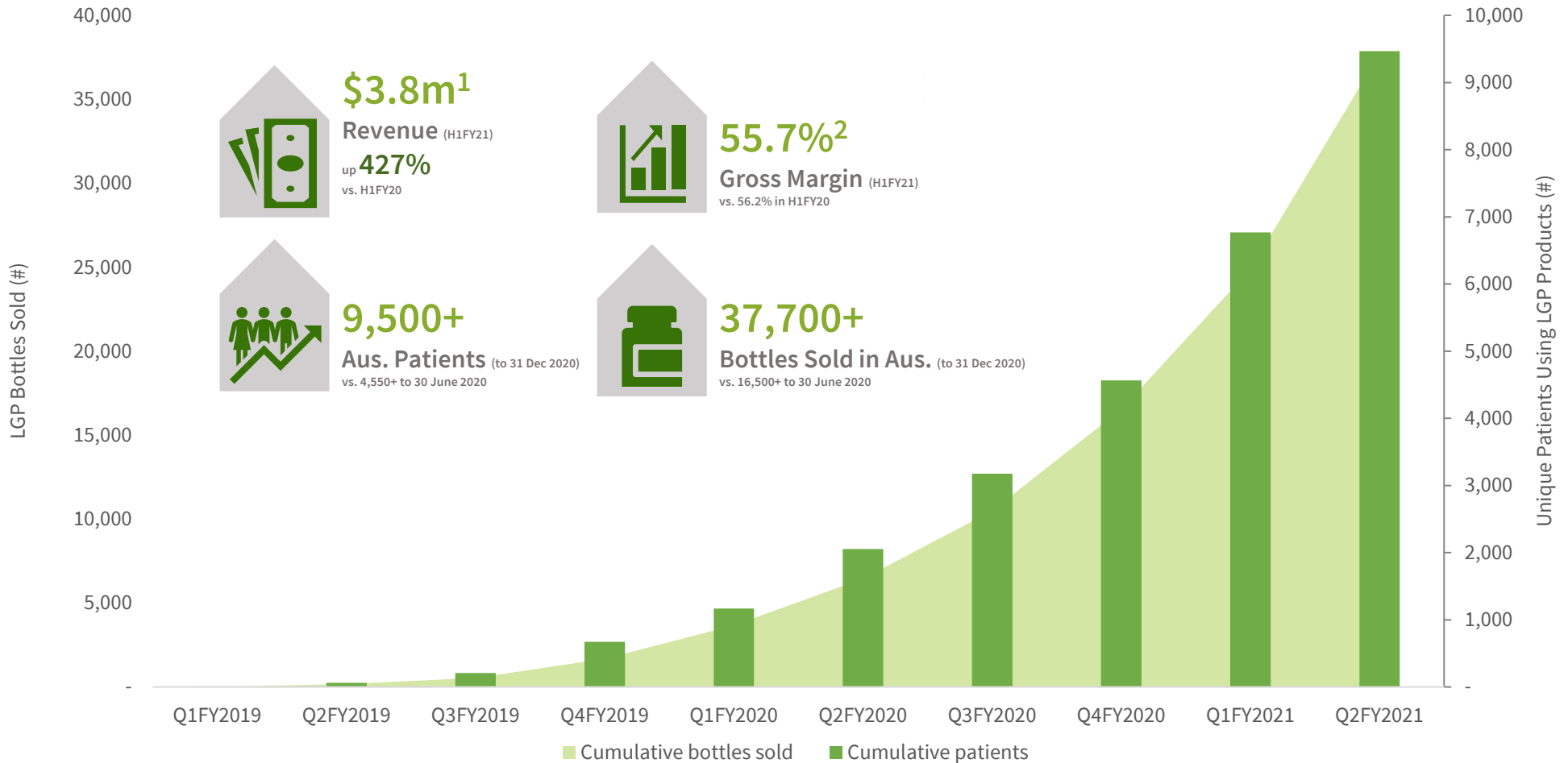
Early-mover commercial volumes in international markets the primary mechanism to secure and grow offshore market share



Focus on high-quality cannabis medicines now and developing unique delivery systems for patients in the future to further grow and maintain market share

Track Record of Growing Patient Access

Strong growth in sales and patients using LGP products in Australia



1. Includes contribution from offshore sales
 2. Excludes changes in fair value of biological assets (if included the gross profit margin is 67.1% in comparison to 71.5% at 31 Dec 2019)

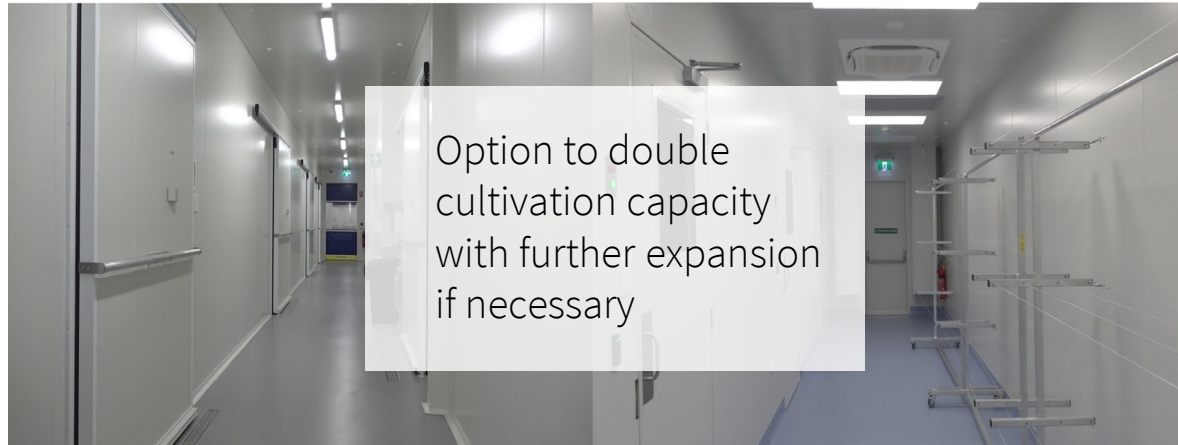
Capability



Cultivation and Raw Biomass



Indoor GACP cultivation facility capacity re-rated from 1.75t of flower p/a to ~3t of flower p/a (300,000 bottles equivalent of cannabis oil medicines)



Option to double cultivation capacity with further expansion if necessary



Existing supply lines with multiple suppliers of high-quality third-party raw material to supplement production capacity

Manufacturing



TGA-GMP licensed in-house manufacturing facility capable of producing:

- flower
- extracts (oils)
- tinctures
- APIs

EU-GMP recognition allows LGP to deliver products to countries in Europe and the Americas



Additional high-volume manufacturing and R&D capability with exclusive third party GMP licensed partner¹

1. LGP has an exclusive agreement with a TGA-GMP certified medicinal cannabis manufacturer who may only terminate the agreement after 22 November 2023 on 12 months' notice.

Strategic Growth



Patient Acquisition in Australia

Demonstrating market validity

HIF Partnership

- ✓ Entered into strategic partnership with Health Insurance Fund of Australia (HIF)
- ✓ HIF the first private health insurance fund to publicly support and rebate cannabis medicines
- ✓ HIF to support large scale QUEST Initiative study and further research



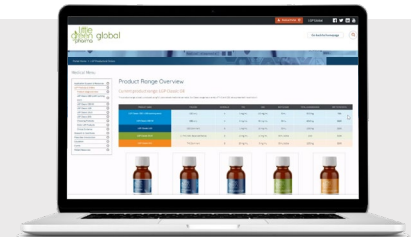
The QUEST Initiative

- ✓ The QUEST Initiative aims to be one of the world's largest longitudinal studies investigating the quality of life and health economics of prescribed medicinal cannabis on patients with chronic disease
- ✓ LGP to exclusively supply cannabis medicines for the study
- ✓ Conducted by researchers at the University of Sydney, The QUEST Initiative is for a two-year period and has the potential to be extended internationally



Medical Portal

- ✓ Drives patient access and education for medical professionals
- ✓ The Medical Portal includes the latest regulatory framework, prescriber access information, the LGP product catalogue, and exclusive educational resources and insights on medicinal cannabis



Clear Pathways to International Sales

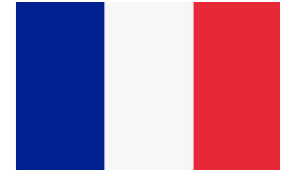
Primary target of international brand equity and growth

France

Awarded a primary medicinal cannabis oil supplier role in French government 2-year medicinal cannabis trial in partnership with local distributor Intsel Chimos.

Significant because:

- First mover advantage and brand equity in new market
- The trial is anticipated to catalyse the legalisation of medicinal cannabis
- French medicinal cannabis industry estimated at €4b
- Supports long term strategy



Germany

Medicinal cannabis oils and flower now shipped to Germany for patient use

Third company to export medicinal cannabis extract oils

Second company to export non-irradiated flower

Working with local distributors to educate health care professionals and distribute medicines to pharmacy

Building out support team and functionality including staff, medical portal and education training capabilities



Clear Pathways to International Sales

Primary target of international brand equity and growth

UK

Medicinal cannabis oils now shipped to the UK for patient use

Cannabis flower to be shipped to UK in near term

Working with local distributors to distribute medicines

Building out support team and functionality including staff, medical portal and education training capabilities



Pathfinder Shipments

Pathfinder shipments of cannabis medicines sent to New Zealand and Lesotho

Significant in gaining intelligence of new market regulatory frameworks and establishing presence and distribution network growth



Product Innovation

Solving real patient problems

ARISE Technology

The Company has now successfully applied medicinal cannabis to its licensed, patented ARISE delivery technology and is currently undertaking yield optimisation activities before progressing to upscaling and pre-clinical testing to determine optimal formulation before moving towards human testing and TGA registration



Product Line Expansion

New product releases include LGP Classic 1:100 CBD medicine and a high THC Flower formulation



News Flow – making solid progress

Significant commercial progress as LGP executes growth strategy



- ✓ Grant of TGA GMP manufacturing licence and commissioning of facility
- ✓ Successful first harvest and capacity increase in expanded facility
- ✓ Partnership with national health insurer
- ✓ Fulfilment of CC Pharma order into Germany
- ✓ Commencement of first ethics approved large scale study
- ✓ Delivery of first flower products to Germany and oil medicines to New Zealand
- ✓ Expansion of product line with *LGP Classic 1:100* and high THC flower medicine
-  Delivery of first products to South America
-  Delivery of first shipment to French trial patients
-  New distribution agreements in Europe
-  Successful application of cannabis API to ARISE technology

Facility Tour



Australian cannabis medicines





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