



17 September 2021

Creso Pharma expands its global operations following the launch of new e-commerce channels and securing maiden purchase order for Polish market

Launch of new e-commerce channels and campaign:

- **New e-commerce site launched with innovative cannaDOL® product range under ‘Born to move’ sub brand**
- **Initial launch to focus on Swiss consumer sport market with expansion into other countries pending**
- **Creso Pharma’s ‘Born to move’ range comprises:**
 - **cannaDOL® booster for use before sports activity**
 - **cannaDOL® revitalize topical gel**
 - **cannaDOL® recovery for after physical activity to help to manage recovery**
- **Creso Pharma is concurrently pursuing Swiss pharmacies, drugstores and other specialist retailers through established distribution footprint**
- **Development allows Creso Pharma to broaden market presence – direct to consumer sales intended to unlock another near term revenue stream**
- **Creso Pharma continues to build a strong footprint across traditional retail outlets with online sales anticipated to strengthen top line growth**

Expansion into Poland commence with maiden purchase order (“PO”) secured:

- **PO valued at CHF54,120 (A\$80,141ⁱ) secured from Polvet Healthcare Teodorowski Spółka Jawna Clinic (“Polvet”) for anibidiol® granule animal health product**
- **anibidiol® granule product designed to be used as a feed supplement and to support the management of stress and wellbeing in animals**
- **Polvet will use anibidiol® on animals being treated in its clinics, as well as to sell and distribute through its established channels**
- **Polvet clinics treat ~10,000 animals per year, highlighting an immediate opportunity for Creso Pharma**
- **International expansion set to continue – Creso Pharma is exploring multiple opportunities to broaden online and traditional sales footprints**

Creso Pharma Limited (ASX: CPH, OTC: COPHF FRA:1X8) (‘Creso Pharma’ or ‘the Company’) is pleased to advise that it has increased its European market presence following the launch of a new e-commerce channel and marketing campaign, as well as securing a maiden purchase order for the Polish animal health product through established Polish partner Polvet Healthcare Teodorowski Spółka Jawna (“Polvet”).



Launch of e-commerce channel and new 'Born to move' product range:

Creso Pharma is pleased to advise that it has launched a new e-commerce channel (www.cannadol.ch), which is now operational and will host a range of the Company's new human health products, designed for the sports, health and wellness markets. The products include Creso Pharma's **cannaDOL®** range, which will be classified under new sub brand, 'Born to move'.

The 'Born to move' portfolio includes three products:

- **cannaDOL® booster:** for use before sport and recreational activity
- **cannaDOL® revitalize gel:** which provides an immediate cooling effect, a long-lasting soothing and relaxing heat on skin and can be used before and after physical activity
- **cannaDOL® recovery:** to aid in recovery from sport and other physical activities

The new **cannaDOL® revitalize** products are based on the recently developed and innovative hemp CBD tea-based technology. **cannaDOL® booster** ingredients are included through a unique formula of caffeine, taurine, vitamins and minerals providing consumers with a significant energy boost and **cannaDOL® recovery** is based on a unique formula containing lemon balm, green tea and curcumine in addition to vitamins and minerals.

This development marks the first time Creso Pharma has utilised e-commerce platforms and unlocks a new potential revenue channel for the Company. The development of the platform follows considerable due diligence and consultation with potential customers, suppliers and consumers.

Initially, the platform will target Swiss consumers. Switzerland presents a large addressable market for the Company with annual per capita expenditure totaling CHF2,500ⁱⁱ.in the country's CHF21Bn market for sports related activitiesⁱⁱⁱ. Creso Pharma will also explore the opportunity of extending its revenue channel across Europe more broadly, as part of its direct to consumer approach to sales.

The Company will now progress an active marketing campaign, utilising direct mail outs and social media to target consumers. The Company will also enter into discussions with Swiss pharmacies, other retailers and sporting clubs to build awareness and broaden distribution of the new 'Born to move' product ranges.

The launch of the Company's e-commerce channel marks a strategic milestone and will complement initiatives being undertaken targeting traditional retail sales. The Company is confident that the new initiative will provide access to a range of new consumers and assist the Company to broaden its footprint in Switzerland and eventually Europe.



Image: Creso Pharma's new e-commerce channel and 'Born to move' range'



Expansion into Poland underway with first PO secured:

Creso Pharma has furthered its European expansion initiatives and entered into the Polish animal health market following the receipt of a purchase order from Polvet valued at CHF54,120.- (A\$80,141i). The PO is for Creso Pharma’s hemp flour based, anibidiol® granule product for pets, large companion animals and livestock and follows an LOI with Polvet, secured in H1 CY2021 (refer ASX announcement: 21 May 2021).

Polvet is a medical and pharmaceutical company that provides human and veterinary services across the country. The group operates three animal clinics across the country which will utilise the product. Polvet will also distribute the granules through its established e-commerce channels and progress sales through its distribution footprint of over 5,000 points of sale.

Creso Pharma’s anibidiol® granule product is designed to be used on pets and livestock before and after surgery. It can also be used for all pets as a feed supplement as the nutritional value supports the management of stress in animals and also improves wellbeing.

Creso Pharma will continue to work with Polvet and other parties to generate sales. Poland represents a large addressable opportunity, with a population of 38m domestic consumers and as one of the largest pet markets in the Central-Eastern European region^{iv}. The Company is also pursuing potential additional distribution partnerships and licensing agreements to broaden its European footprint.

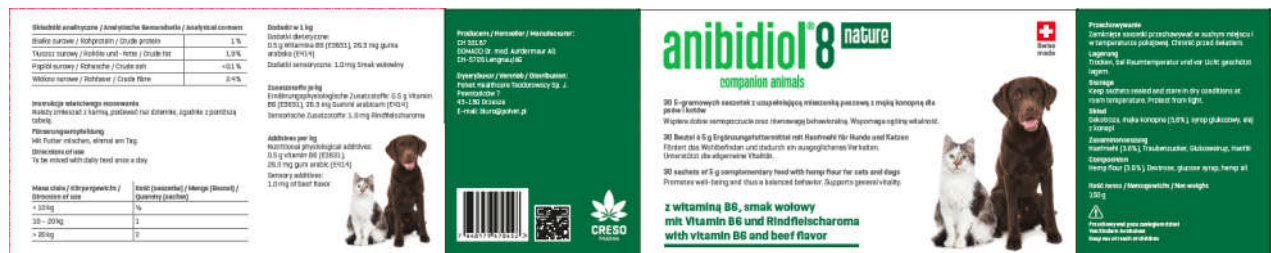


Image: Creso Pharma’s anibidiol® products

Management commentary:

Polvet Clinics CEO, Dr Oliwier Theodorowski said: “At Polvet, we are keen on working with companies developing, producing and marketing innovative products such as the hemp flour based anibidiol®. anibidiol® is unique and we are looking forward to build up this success with Creso Pharma.”

Creso Head of International Operations Director Jorge Wernli said: “Creso Pharma’s European operations continue to grow. Following the launch of our new e-commerce platform with the revitalised cannaDOL® product range, we can now directly target consumers and unlock another potential revenue stream and addressable market. This represents a key strategic milestone in broadening our global footprint, as well as our presence in sports and recreational markets.

“We will continue to pursue growth opportunities across Europe and can now focus on both business to business and direct to consumer paths. The Company will continue to update shareholders on progress in the coming months.”

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Authority and Contact Details

This announcement has been authorised for release by the Board of Creso Pharma Limited.



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About Creso Pharma

Creso Pharma Limited (ASX: CPH) brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health.

Creso Pharma uses GMP (Good Manufacturing Practice) development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids. To learn more please visit:

www.cresopharma.com

About Polvet

Polvet Healthcare Teodorowski Spółka Jawna is a medical and pharmaceutical company with human and veterinary products & services in Poland with the main office in Orzesze established in 2008.

It distributes medical products for human and veterinary medicine all over Poland via their online shop (<https://teomed.pl/>) also directly to hospitals, clinics and veterinarians. www.polvet.ch

Forward Looking statements

This announcement contains forward-looking statements with respect to Creso and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Creso could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation.

The cautionary statements qualify all forward-looking statements attributable to Creso and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and Creso has no obligation to up-date such statements, except to the extent required by applicable laws.

ⁱ CHF to AUD exchange rate of \$1.48

ⁱⁱ https://www.sportobs.ch/inhalte/Downloads/sport_schweiz_2014_sportkonsum_schlussbericht_d.pdf

ⁱⁱⁱ https://www.swissinfo.ch/eng/in-good-financial-shape_sport-generates-billions-for-swiss-economy--study-finds/45523216

^{iv} <https://globalpets.community/article/polish-pet-market-2020>