

ASX ANNOUNCEMENT

10 January 2023

Cann Group appoints Peter Koetsier as new CEO

- Senior pharma executive, with broad international experience
- Established track record of achieving revenue growth
- Appointment to take effect from January 16, 2023

10 January 2023 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) announced today that Peter Koetsier has been appointed to the role of Chief Executive Officer (CEO) and will commence in the role on January 16, 2023. Mr Koetsier will replace Peter Crock, who was appointed on April 19, 2016 and announced on October 24, 2022 that he would be stepping down as CEO of the Company.

Mr Koetsier brings to Cann more than 30 years of general management, marketing and commercial leadership roles within global pharmaceutical companies. He has most recently been Head of Asia Pacific for French biopharmaceutical company, Ipsen, where he developed and led the implementation of a successful growth strategy which included the commercial launch of new brands.

Previous roles include General Manager of Australia/New Zealand (Ipsen) and senior management positions with Astra/Zeneca, UK, and Bristol-Myers Squibb in Europe.

Mr Koetsier has a bachelor's degree in science (pharmacology, immunology) and a diploma in education (science, biology) from Monash University and is a graduate of the INSEAD CEDEP General Management Program.

Cann Chairman, Allan McCallum AO, said Mr Koetsier's appointment followed an extensive search process which identified a number of very strong candidates for the Cann CEO role.

"Peter is an experienced pharma industry executive with an established track record of driving strong revenue growth in complex and changing environments. His experience and skills are ideally suited to the needs of Cann and to meeting the opportunities that continue to develop within the medicinal cannabis industry."

Mr Koetsier said he is looking forward to commencing in his new role. "I have a strong interest in new therapeutic areas and see tremendous potential for medicinal cannabis. Cann has established a genetics and production/manufacturing base that is world class. The opportunity, now, is to capitalise on those assets and drive profitable growth."

Peter Crock also welcomed Mr Koetsier's appointment and as previously announced, will be available to assist in a smooth transition.



Summary of Mr Koetsier's appointment

Commencement date

16 January 2023

Fixed remuneration

Gross base salary: \$350,000 per annum plus superannuation.

Short term incentive

At the discretion of the Board, Mr Koetsier is entitled to participate in the Cann Group short term incentive plan (STI). The STI award will be up to 40% of fixed remuneration excluding superannuation. Payment of the STI is subject to attainment of both financial and non-financial performance measures as set by the Board each financial year including gross margin, regulatory and risk management, successful completion and confirmation of a positive S3 trial result, ongoing positive engagement with key customers and achievement of agreed revenue targets

Long term incentive

At the discretion of the Board, Mr Koetsier is entitled to participate in the Cann Group long term incentive plan (LTI). Satisfaction of the LTI is subject to attainment of performance hurdles as set by the Board relating to share price growth, cashflow generation and product line growth.

Options grant

Mr Koetsier will be granted 4.5 million Options under the Cann Group Limited Employee Option Scheme (**Option Scheme**). The details of the scheme are being finalised and are expected to be completed by the end of January 2023. The Options will be granted on the following terms:

- The Options will be issued on finalisation of the Option Scheme which is expected to be no later than 31 January 2023 (**Initial Issue Date**) and they will vest over three (3) years in equal tranches of 1.5 million Options with the first tranche vesting 12 months after the Initial Issue Date and the following tranches on the second and third anniversary of the Initial Issue Date.
- The Options will vest and are capable of exercise if Mr Koetsier remains employed at the vesting date.
- Each Option expires 5 years after the date of issue.
- The Options are to be issued for no consideration.
- The Exercise Price for each tranche is as follows:
 - o 500,000 exercisable at \$0.45 per option
 - o 500,000 exercisable at \$0.60 per option
 - o 500,000 exercisable at \$0.75 per option



- Each Option converts to one (1) fully paid ordinary share in Cann Group Limited subject to payment of exercise price and usual adjustments for reconstructions.
- The Options are non-transferable.

Termination notice

After the expiry of the initial 6 months' probation period, termination can be made by either party at any time for any reason upon four (4) months' notice, other than termination for cause. During the probation period, either party may terminate the employment on one week's notice.

Authorised for release by the Board of Directors, Cann Group Limited.

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is enhancing patients' lives by developing, producing, and supplying innovative cannabis medicines. The Company has built world-class research, cultivation and GMP manufacturing facilities in Melbourne, and a state-of-the-art large-scale cultivation and GMP manufacturing facility near Mildura, Victoria. Cann Group supplies a range of dried flower and oil products, as well as active pharmaceutical ingredients and extracts, to customers in Australia and around the world. Cann Group also owns Satipharm and its patent-protected capsule technology. Learn more at: www.canngrouplimited.com