

Name of entity: Elixinol Global Limited  
 ABN: 34 621 479 794  
 Reporting period: For the year ended 31 December 2020  
 Previous period: For the year ended 31 December 2019

The directors present this Appendix 4E on the consolidated entity (referred to as the 'Group') consisting of Elixinol Global Limited (referred to as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2020.

[illegible]

There were no dividends paid, recommended or declared during the current financial period.

The loss for the Group after providing for income tax and non-controlling interest amounted to \$104,506,000 (31 December 2019: \$82,928,000).

- Global reset initiatives result in strong balance sheet, lower cost with improved operational efficiencies and new growth catalysts through Elixinol brand relaunch and Hemp Foods Australia
- Margin improvement in H2 FY2020 as business mix continues to shift towards retail and e-commerce
- Elixinol Americas business performance down on prior year but repositioned towards higher margin growth channels with a lower cost base
- Elixinol Europe's business improves modestly with new growth catalysts in place
- Hemp Foods Australia breaks even across H2 FY2020, continues to deliver above expectations with revenue of \$4.2m in FY2020 (\$3.5m in FY2019), growth of 20% on PCP
- Improving regulatory outlook in all major markets

- Well-funded with Group net assets of \$35.7m including cash reserves of \$27.7m
- Substantial corporate cost reduction program led to a 45% reduced cost base
- FY2020 audited revenue from continuing operations of \$15.0m, down 51% (\$30.7m in FY2019) due to strategic exit of bulk and private label channels and COVID-19 impacting retail channels in key markets
- Revenue contribution from sales of Elixinol and Hemp Foods branded products in FY2020 was \$13.5m (90% of Group revenue) compared with \$19.6m in FY2019 (64% of Group revenue)
- Adjusted EBITDA <sup>(1)</sup> losses of \$22.9m in FY2020 improved from losses of \$24.6m in FY2019, with significant improvement between H1 FY2020 (\$14.8m loss) and H2 FY2020 (\$8.1m loss), despite lower revenue, with a reduced cost base supporting a more focused strategy

Also refer to ASX market announcement accompanying this Appendix 4E for further commentary.

### 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	11.43	52.07
Calculated as follows:		
	2020 \$'000	Group 2019 \$'000
Net assets	35,651	111,382
Less: Right-of-use assets	(1,412)	(4,323)
Less: Intangibles	(917)	(39,994)
Add: Lease liabilities	2,494	4,665
Net tangible assets	35,816	71,730
Total shares issued	313,227,117	137,761,002

### 4. Control gained over entities

Not applicable.

### 5. Loss of control over entities

Not applicable.

### 6. Dividends

#### Current period

There were no dividends paid, recommended or declared during the current financial period.

#### Previous period

There were no dividends paid, recommended or declared during the previous financial period.

### 7. Dividend reinvestment plans

Not applicable.

## 8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's Contribution to (loss)/profit percentage holding		Contribution to (loss)/profit (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Associates:				
- Elixinol Co. Ltd*	-	-	-	(9)
- H&W Holdings LLC ('H&W Holdings')	19.88%	19.88%	(132)	93
- Altmed Pets LLC ('Pet Releaf')	25.43%	25.43%	(795)	(3)
Joint venture:				
- Northern Colorado High Plains Producers LLC** ('NCHPP')	-	50.00%	(149)	(1,705)
<i>Group's aggregate share of associates and joint venture entities' (loss)/profit (where material)</i>				
(Loss)/profit from ordinary activities before income tax			(1,076)	(1,624)

\* On 2 December 2019, the Company sold its interest in Elixinol Co. Ltd.

\*\* On 31 December 2020, the Company dissolved its interest in NCHPP.

## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements have been audited and an unmodified opinion has been issued.

## 11. Attachments

*Details of attachments (if any):*

The Annual Report of Elixinol Global Limited for the year ended 31 December 2020 is attached.

## 12. Signed

Authorised for release by the Board of Directors

25 February 2021