

AMP German Cannabis Group provides growth strategy update

ERFURT and BERLIN, Germany, Sept. 10, 2020 /CNW/ - AMP German Cannabis Group Inc. ("AMP" or the "Company") (CSE: XCX) (FSE: C4T) (ISIN: CA00176G1028), a licenced importer of medical cannabis into Germany, provides a strategy update on how it plans to supply Germany with EU-GMP medical cannabis products continuously.

AMP purchases EU-GMP medical cannabis and imports it through its supply chain management system to Germany and sells directly to pharmacists, the only point of sale to German patients with a physician's prescription or pharmaceutical distributors who supply pharmacists.

Growth Strategy Highlights:

- the only publicly listed company committed to supplying Germany with medical cannabis without direct involvement in the cultivation process,
- fully licenced to import medical cannabis into Germany from Europe and elsewhere as of June 2020,
- established a country-wide distribution network for the sale of medical cannabis products,
- generated first revenue from the import and sale of medical cannabis from the Netherlands in July 2020, and
- entered into large volume supply agreements with Canadian suppliers in August 2020, with first shipments to beginning in September 2020.

Since legalization in 2017, medical cannabis sold to German patients has been imported by foreign companies that are licenced to cultivate cannabis in their home country and export to Germany. To date, only Canada and the Netherlands have consistently supplied Germany with medical cannabis.

AMP was one of the first companies in Germany to develop the strategy to purchase and import medical cannabis without direct involvement in the cultivation process, allowing AMP to develop diverse independent supply sources. In June 2020, AMP achieved a major milestone by obtaining all the required licences and permits required to import and wholesale medical cannabis into Germany from within Europe and elsewhere.

Supply Strategy

AMP's strategy is to build a consistent, large volume supply of medical cannabis from multiple suppliers, predominately from Europe and Canada, under the AMP medical cannabis brand.

To qualify its suppliers for the German market, AMP engaged one of Germany's leading pharmaceutical consulting companies, to conduct EU-GMP audits of its suppliers. Qualified suppliers are then inspected by the Thuringian State Office for Consumer Protection (Thüringer Landesamt fuer Verbraucherschutz) ("TLV") and are certified if they pass the EU-GMP inspection. The TLV deals with economic consumer protection and policy matters for the Free State of Thuringia in Germany, where AMP's German headquarters is located.

AMP's short to medium term supply strategy is to import from Canada, which has become the leading supplier to Germany because it has the most advanced and sophisticated cannabis cultivation industry in the world and it does not restrict the export of medical cannabis outside the country, resulting in over 94% of Canada's EU-GMP cannabis being exported to Germany.

AMP has signed a definitive supply agreement with Eve & Co. Inc. and ordered a further 50 kilograms of medical cannabis from another Canadian licenced producer for shipments to begin this Fall. AMP will add further Canadian suppliers this year and going forward.

AMP's long-term strategy is to develop supply contracts with other European countries, initially Denmark and Portugal. AMP began importing small volumes of medical cannabis per month in July 2020 from the Netherlands (see July 6th, 2020 news release) and plans to announce additional European supply agreements this Fall.

Sales Strategy

AMP's sales strategy is to build a distribution network covering Germany by selling to national distributors, mid-sized distributors and directly to large pharmacists. This strategy ensures that AMP medical cannabis products will be available for prescription fulfillment across Germany.

AMP has begun developing its own medical cannabis brand for cannabis flower for the German market and will begin branding imported cannabis products during Q4, 2020. AMP will be announcing further details about the progress of the development of AMP's medical brand strategy during Q4, 2020.

Of the approximately sixty pharmaceutical distributors in Germany that sell medical cannabis products only a few have the required licenses to import cannabis flowers from outside Europe and rely exclusively on the Netherlands' very limited imports. AMP will be fulfilling this supply niche to mid-sized distributors and pharmacists by importing medical cannabis from Canada and other countries.

AMP has entered into a long-term sales agreement with CC Pharma GmbH, a national pharmaceutical distributor supplying to 13,000 German pharmacies. AMP plans to further deepen its coverage across Germany by adding an additional national pharmaceutical distributor in early Fall.

AMP has begun building a national sales team that will sell to mid-sized distributors of pharmaceutical products that cannot import medical cannabis products by themselves and directly to pharmacies that fulfill large volume of medical cannabis prescriptions. AMP will be entering into sales agreements with mid-sized distributors and pharmacies during Q4, 2020.

To increase medical professionals' knowledge about medical cannabis, AMP will begin holding information events for pharmacists, doctors and specialist staff to provide medical cannabis in conjunction with large national pharmaceutical distributors beginning in Q4, 2020.

To further educate the general public about medical cannabis, AMP has sponsored roundtable discussions with cannabis industry experts comprising six episodes. In the first episode, released on August 4th, 2020, Dr. Frank Grotenhermen, Dr. Feuerstein of AMP and moderator, Mr. Holger Scholze, discussed the new developments regarding medical cannabis in Germany. The second episode will be released in Q4, 2020 and will discuss the political issues around medical cannabis in Germany. Please visit AMP's Roundtable Series Website: www.amp-eu.de/roundtable.

About AMP German Cannabis Group

AMP German Cannabis Group is licensed to import European Union - Good Manufacturing Practice (EU-GMP) medical cannabis from Europe and elsewhere into Germany. AMP sources, stores, transports, delivers, and sells medical cannabis products to pharmaceutical distributors or pharmacists directly, the only point-of-sale for medical cannabis to German patients with a physician's prescription.

AMP has entered into a non-exclusive distribution agreement for medical cannabis with a leading

distributor of pharmaceuticals products to more than 13,000 pharmacies throughout Germany. AMP imports medical cannabis from the Netherlands and Canada.

For more information, please visit: www.amp-eu.com

AMP social media links:


- Twitter: https://twitter.com/AMP_Cannabis
- LinkedIn: www.linkedin.com/company/ampgermancannabisgroup
- Facebook: www.facebook.com/AMPGCG/
- Instagram: www.instagram.com/ampgcg/

Media Kit: www.amp-eu.com/media-kit

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