

UK cannabis investment company sets sights on London Stock Exchange



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Cannabis investment company Botanical Holdings sets out its vision to list on the London Stock Exchange by 2021.

The London-based holdings company welcomed the news that medical cannabis companies would be given the green light to list on the UK stock market.

In September the Financial Conduct Authority (FCA) issued new guidelines for those in the sector, stating that UK-based medical cannabis companies could be admitted to the London Stock Exchange (LSE) pending consultation.

The FCA said it was setting out its approach in response to queries from cannabis-related companies.

“The legal position of purely UK-based medicinal cannabis companies and cannabis oil companies is clear. UK-based medicinal cannabis companies can be admitted to the Official List, if the company has the appropriate Home Office licences for their activities where they are required,” it said in a statement.

Those selling cannabis for recreational use, however – even in countries where it is legal – will still be banned from the Official List, due to the Proceeds of Crime Act (PoCA).

Botanical Holdings, which has investments across the fast-growing medical cannabis sector, is hoping to achieve a public listing on the LSE in 2021 to deliver capital growth for its shareholders.

CEO Carl Esprey (pictured) said the development was a ‘huge credibility boost’ for the industry.

“Cannabis companies can now attract investment on the LSE throughout Europe and with that can expand operations and implement proper boards and governance,” he told Cannabis Health.

“It becomes a grown up industry rather than something that started off initially as a little bit shady. To get to the point where both the NASDAQ and the London Stock Exchange are accepting companies is a big step for the credibility of cannabis within the medical industry.”



Botanical Holdings’ subsidiary, EuroCan will complete the construction of an initial 2,800 square metre greenhouse facility in Lesotho, Southern Africa, in October 2020, with an adjoining 1,000m² facility housing production, drying, processing, packing and office space.

Work is due to begin on a second, 10,000 square metre indoor greenhouse cultivation and processing facility in Portugal by the end of the year, with a view to becoming a leading low-cost, high quality medical cannabis producer.

“The stock exchange is the funding that will build the system,” he continued.

“The UK is at the beginning of its cannabis journey, but we’ve got the roadmap that other countries have set out to help us. If you look at Canadian companies, they raise their money on the stock exchange, there is very little private money going into cannabis.”

Carl said the go-ahead from the FCA, and subsequent investment into the sector, would also help fund much-needed research and allow producers such as EuroCan to grow a consistent and reliable product.

“Research is happening across the world and is becoming more targeted. Companies can now specify what strain they want us to grow, where the cannabinoids are in such a ratio to target a specific ailment – that wasn’t happening two years ago,” he added.

“As the research continues, it will allow us to take almost the same level of rigour that the pharmaceutical industry has, and apply to this brand new industry.”

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