

Botanical Holdings

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Botanical Holdings awarded grant of up to €4.3 million for Portuguese operation

Grant from the Portugal 2020 fund awarded for construction of Botanical Holdings' medicinal cannabis cultivation and processing facilities in Portugal

London, UK, May 4, 2021 - [Botanical Holdings](#), the investment holding company focusing on the legal medicinal cannabis industry, today announces that its Portuguese subsidiary, CECO Wellness (part of the [EuroCan](#) division) will receive grant funding of up to €4.3 million (\$5.2 million) from the Portugal 2020 Fund. This fund is a partnership between the Portuguese government and the European Commission.

This latest funding follows Botanical Holdings' recent £4.5 million (\$6.25 million) equity fundraising, in a London Stock Exchange pre-listing round.

The Portugal 2020 grant funding will be used towards establishing medicinal cannabis cultivation and processing facilities in Portugal. The funding represents over a third of the overall construction budget for the first phase of the Portuguese project to build a 5,000m² greenhouse and 3,600m² ancillary/support building, for operations including GMP manufacturing, processing, cultivation support services and warehousing. CECO Wellness has already completed pre-construction activities and expects to complete construction of the facilities by the end of 2021. The development is planned, in a second phase, to further expand the greenhouse footprint to 20,000m² in total.

"Demand for medicinal cannabis continues to increase globally. This is due to changes in regulations in the major global markets, which is in turn resulting in increases in clinical research and approvals for therapeutic development of medicinal cannabis. Industry forecasts suggest Europe could surpass the US and Canada to become the largest medicinal cannabis market in the next five years," said Carl Esprey, CEO, Botanical Holdings. "As a result, it is vital that we operate cultivation, manufacturing and processing operations in both the northern and southern hemispheres to operate a year-round supply as soon as possible to service this growing demand. Receiving a grant of €4.3 million from the Portugal 2020 Fund will make a major contribution to our achieving completion of our facilities in Portugal."

In addition to the development of its Portuguese cannabis growing site, in Lesotho, EuroCan is also continuing test growing cycles at its 2,800m² greenhouse and adjoining 800m² facility (housing production, drying, processing, packing and office space). These test growing cycles will be used to develop valuable research and refine expertise in the cultivation of cannabis for medicinal purposes and will enable EuroCan to achieve good agricultural and collection practices (GACP) accreditation.

About Botanical Holdings

Botanical Holdings is an investment holding company focusing on the legal medicinal cannabis industry. Botanical Holdings has established a diversified and risk adjusted portfolio of subsidiaries across the medicinal cannabis sector and value chain. These subsidiaries include 1) EuroCan, which has established operations for cultivation of cannabis for medicinal purposes in Lesotho and Portugal, 2) Southern African Hemp, which will cultivate hemp for CBD from a 400 hectare site in Zimbabwe, and 3) Unearthed Brands, a CBD consumer products business that has developed and will market tinctures, skincare products and other consumer goods, under the product lines 'Unearthed' and 'Le'Sutu'. EuroCan has completed construction of a 2,800m² greenhouse facility in Lesotho (targeted to increase to 10,000m²), with an adjoining 800m² facility housing production, drying, processing,

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packing and office space. Following receipt of initial regulatory approval in May 2020, it has completed pre-construction work for a 5,000m² greenhouse cannabis cultivation and processing facility in Portugal with completion targeted by the end of 2021. These facilities have been designed to conform to GACP and EU GMP standards in order to develop wholesale products for the international pharmaceutical markets. Botanical Holdings has a management team that is highly experienced in pharmaceuticals, investment, corporate development, finance, law, research, agronomy and agriculture.

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