

# ECS Botanics Holdings Ltd (ASX:ECS)



## ASX Announcement

17 May 2024

### ECS Botanics launches direct-to-consumer sales

- **ECS secures its first direct-to-consumer (B2C) medicinal cannabis contract for a minimum of \$380,000 annually under the 'RAP' brand in the form of soft gel capsules and oral liquids**
- **Experienced B2C sales team recruited to capitalise on market opportunities**
- **ECS broadens its GMP license scope to encompass packaging, labelling, storage, and supply of pastilles (gummies) and soft gel capsules**
- **Commercial B2B shipments of ECS flower to Germany commenced following positive feedback on initial trial shipments and regulatory compliance**

**ECS Botanics Holdings Ltd (ASX: ECS) ("ECS" or the "Company")** has commenced direct-to-consumer (B2C) medicinal cannabis sales following an agreement with Elite Medical Solutions to retail ECS medicinal cannabis soft gel capsules and oral liquids, under the 'RAP' brand.

The one-year agreement has an automatic renewal for up to two further terms. Elite Medical Solutions will sell a minimum annual order quantity of \$380,000, with a substantial increase in supply forecast based on Elite's existing demand trends.

This agreement also marks the launch of ECS soft gel capsules into Australia and complements its recent release of white label pastilles (gummies) products. The Company remains on track to launch the first of its AVANI Rapid range of VESIsorb higher bioavailability capsules as part of its B2C offer in Q1 FY25.

To support the B2C launch and its broadened downstream product base, ECS has employed a small, but highly experienced, sales team of dedicated medical sales liaison staff to sell into consumer channels. In addition to utilising distributors, products will be directly marketed to medical professionals outlining the therapeutic benefits of ECS products. The team will be fully onboarded in early June 2024 and ECS expects to start generating some revenue in the last quarter of 2024 with margins expected to expand in calendar year 2025.

Following a successful TGA audit, ECS' GMP license has been expanded to include the packaging, labelling, storage, and release for supply of pastilles (gummies) and soft gel capsules. ECS will improve supply times by packing to order at its Victorian site.

In addition, a first commercial B2B shipment of Medicinal Cannabis dried flower to Ilios Santé in Germany has commenced following the positive feedback received from trial shipments and a successful site visit by Ilios Sante's product manager in early May.

#### **Commenting on the B2C launch, ECS Managing Director, Nan-Maree Schoerie said:**

"We are excited to launch our own brand of medicinal cannabis products directly to patients. There is a growing trend where patients are seeking quality Australian produced product. Our offering of sun grown organic medicinal cannabis, produced in Northwest Victoria, is attractive to both doctors and



patients. In June we will begin to introduce products under the Avani brand as well as launching the Avani Rapid higher bioavailability and faster acting products later in the first quarter of 2025.

"We have expanded our B2C team with three new experienced pharmaceutical sales professionals, based in New South Wales, Western Australia, and Queensland, to inform medical doctors of the therapeutic benefits, and strengthen our direct-to-consumer business and ensure that Avani products become widely available.

"We are also witnessing strong B2B demand for our dried flower products from our UK and German clients. A recent visit by Ilios Santé product manager reinforced the attractiveness of our products in the global market, and we are excited to begin the onsite construction of an additional 9 new protective cropping enclosures at our Victorian facility to meet the forecast demand for exports."

### **Investor webinar to take place on 28 May 2024**

Managing Director, Nan-Maree Schoerie will deliver a webinar to investors at **3:00pm (AEST) on Thursday, 28 May 2024**, followed by Q&A.

To pre-register for the webinar please use the link below:

[https://us02web.zoom.us/webinar/register/WN\\_mLnZtWkDQUmQgeMc4PXi1g](https://us02web.zoom.us/webinar/register/WN_mLnZtWkDQUmQgeMc4PXi1g)

Investors may wish to view the recently released corporate video ahead of the webinar.

<https://vimeo.com/946813200>.

Authorised on behalf of ECS Botanic Holding Ltd by Nan-Maree Schoerie, Managing Director.

**-ENDS-**

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### **About ECS Botanic Holdings Ltd**

**ECS Botanic Holdings Ltd** is an Australian medicinal cannabis cultivator and manufacturer located in Northwest Victoria. ECS utilises progressive and innovative cultivation methodologies to produce quality medicine in a sustainable way, adopting regenerative and organic horticultural practices and renewable energy sources. Licenced by the Australian Therapeutic Goods Administration to manufacture GMP (equivalent to PIC/S, EU agencies are all PIC/S members) certified products, ECS has become a leading provider of high quality, affordable medicinal cannabis.