

ECS Botanics Holdings Ltd (ASX:ECS)



ASX Announcement

8 July 2024

ECS Botanics receives additional finance to support growth

ECS Botanics Ltd (ASX:ECS) (**ECS** or **Company**) advises that it has received a Victoria Government manufacturing grant of \$118k, and secured an extension of its Asset Finance facility with National Australia Bank (**NAB**), increasing the facility limit by an additional \$3.4 million.

Government grant

ECS has received a \$118,000 grant from the 'Made in Victoria – Manufacturing Growth Program Round 2' initiative. ECS will use the funding as part of its expansion into production of live rosin cartridges for both our own-brand and white label products. Plans are being finalised with procurement forecast to commence in the coming quarter. Live rosin production has multiple user benefits including allowing the cannabis plant to retain certain valued qualities such as its terpene profile. The production of live rosin cartridges continues the Company's expansion into selected opportunities within the downstream medicinal cannabis sector.

Asset Finance facility extended

ECS has secured an additional \$3.4 million in its Asset Finance Facility with NAB, increasing the total facility to \$4.4 million. The asset finance facility provides ECS with greater flexibility to expand its growing and production facilities without equity dilution, and to boost cannabis production and drive increased sales. The facility is in addition to the existing \$2 million working capital loan from NAB which remains undrawn.

Commenting on these updates, ECS Botanics Managing Director, Nan-Maree Schoerie, said:

"The Victoria Government grant together with the NAB financing will help ECS expand our product range into manufacturing and supplying rosin cartridges as well as funding other growth initiatives. In mature markets vaping medicinal cannabis cartridges has become increasingly popular. Cartridges reduce the exposure to harmful toxins, have less odour, are less irritating to the throat and are more discreet when compared to inhaling dried flower. As a result, vape cartridge, as opposed to dried flower, are more convenient, healthier and socially acceptable for patients seeking immediate therapeutic benefits."

Authorised for release 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.