

ECS Botanics Holdings Ltd (ASX:ECS)



ASX Announcement

14 April 2025

ECS Botanics increases non-dilutive growth funding by \$2.4m

ECS Botanics Ltd (ASX: ECS) ("ECS" or "the Company") is pleased to announce a \$2 million increase in its loan facility with the National Australia Bank (**NAB**), bringing the total facility to \$5.2 million. This additional funding will significantly bolster ECS's working capital, providing the necessary resources to support the international launch of the Terphogz product line. NAB has also increased ECS' revolving leasing facility by \$0.4 million.

Highlights

- **ECS increases NAB loan facility to \$5.2 million.**
- **Additional working capital to support international launches of Terphogz cannabis products.**
- **Revolving leasing facility increased by \$0.4 million to cover the power upgrade associated with additional Protective Cropping Enclosures (PCE's).**
- **ECS secures a UK marketing and distribution agreement for Terphogz, with further deals in progress for Germany and New Zealand.**
- **Australian Terphogz B2C launch planned for the current quarter.**

Facility Increase to Support Terphogz Launch

ECS has successfully increased its corporate loan facility with NAB from \$3.2 million to \$5.2 million. This boost in funding strengthens ECS's working capital position, offering greater flexibility to support the launch of the Terphogz product line.

In September 2024, ECS entered an eight-year licensing and marketing agreement with Terphogz to expand its exceptional genetics, product portfolio, and brand beyond the Californian market. Terphogz, a renowned cannabis breeding group from Mendocino County, California, is best known for creating the iconic Original Z variety, which features a unique terpene profile and remains one of the most highly sought-after strains.

ECS has also finalised an agreement with a UK partner to market and distribute Terphogz, with supply expected to commence mid-year. Additionally, late-stage negotiations are underway in Germany and New Zealand, with agreements anticipated to be executed in April following the finalisation of supply contracts. ECS aims to launch Terphogz in Australia via a B2C platform this quarter.

The existing \$3.2 million facility remains undrawn, ensuring that the additional funding will provide ECS with the necessary balance sheet strength to build out this new initiative effectively.



Strategic Vision

ECS Managing Director, Nan-Maree Schoerie, said:

"Expanding our banking facilities with our existing bank, NAB, demonstrates confidence in ECS's competitive advantage as a leading Australian cultivator and manufacturer of certified organic medicinal cannabis dried flower and related products."

"We sincerely appreciate NAB's support in providing ECS with additional funding to internationally launch Terphogz, one of the world's most iconic cannabis brands. We have established a strong foundation for this project, and we anticipate initially launching in Australia this quarter, followed by the United Kingdom and, subsequently, Germany and New Zealand, based on regulatory timelines for product registrations."

"We look forward to delivering this next phase of growth, supported by our partners."

Authorised for release by Nan-Maree Schoerie, Managing Director

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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 sustainably, 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.