

ECS Botanics Holdings Ltd (ASX:ECS)



ASX Announcement

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ECS Botanics Advances Preparations for US Medicinal Cannabis Market Entry

Established EU-GMP capability and an export-ready platform provide a credible foundation for future US medicinal market access.

Highlights:

- **Preparations Underway for US Medicinal Market Entry** – Strategic review commenced to assess pathways for future US medicinal market entry, leveraging its EU-GMP accredited production platform and proprietary genetics portfolio to support low-risk, execution-ready optionality.
- **US Reform Momentum Creating Actionable Tailwinds** – Ongoing US medicinal cannabis reform momentum is expected to accelerate global regulatory convergence, increasing the strategic value of export-ready, GMP-manufactured supply and reinforcing ECS's positioning.
- **Established EU-GMP Capability Delivers Execution Advantage** – ECS operates as a fully EU-GMP accredited cultivator and manufacturer, enabling faster regulatory alignment and lower compliance risk relative to many Canadian and US peers that do not operate under full GMP frameworks.
- **Asset-Backed Positioning Enables Rapid Mobilisation** – ECS has already secured California-origin genetics and scalable, export-ready infrastructure, positioning the Company to move decisively should compliant US market pathways emerge.
- **German Regulatory Tightening Reinforces Competitive Position** – Increased enforcement by German regulator BfArM around GMP integrity continues to favour fully compliant suppliers, supporting ECS's access to Europe's largest medicinal cannabis market.
- **Strong Balance Sheet Prepared for US Medicinal Market Entry** – ECS is fully funded, with a robust balance sheet that provides the flexibility to act decisively on regulatory developments and capitalise on emerging US medicinal market opportunities.

ECS Botanics Holdings Ltd (ASX: ECS) ("ECS" or the "Company"), a leading medicinal cannabis company, has commenced a strategic review to assess potential pathways for future entry into the United States medicinal cannabis market.

The review reflects increasing global regulatory convergence in medicinal cannabis and is designed to ensure ECS is strategically and operationally positioned to act should compliant US market access

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pathways emerge. No decision has been made to enter the US market at this stage, and any future action would be contingent on regulatory clarity, compliance requirements and disciplined capital allocation.

Established EU-GMP Platform Provides Structural Advantage

ECS operates as a fully EU-GMP accredited cultivator and manufacturer supplying regulated medicinal cannabis markets, including Europe and Australia.

This capability provides a structural advantage relative to many Canadian and US producers that do not operate under full EU-GMP frameworks, enabling faster regulatory alignment, lower compliance risk and improved access to tightly regulated export markets. ECS's quality-first operating model positions the Company favourably as global regulatory standards continue to converge.

Asset-Backed Optionality and Execution Readiness

The Company has already secured California-origin genetics and operates scalable, export-ready infrastructure, providing asset-backed, execution-ready optionality should compliant US market pathways emerge.

These assets, combined with ECS's established EU-GMP operating platform, position the Company to move efficiently without requiring fundamental changes to production processes, quality systems or regulatory frameworks.

German Regulatory Environment Reinforces Competitive Position

ECS continues to benefit from increased enforcement by German regulator BfArM around GMP integrity and supplier compliance.

This regulatory tightening continues to favour fully compliant suppliers and supports ECS's ongoing access to Europe's largest medicinal cannabis market, reinforcing the Company's export-led, compliance-driven strategy.

Strong Balance Sheet Supports Strategic Flexibility

ECS is fully funded and maintains a robust balance sheet, providing execution-ready flexibility to respond decisively to regulatory developments while maintaining strict capital discipline.

The Company's financial position ensures that any future strategic actions can be pursued from a position of strength, without compromising near-term operational priorities or balance sheet integrity.

ECS Botanics Managing Director, Nan-Maree Schoerie, said:

"ECS has deliberately built its business around quality, regulatory compliance and export readiness. Our EU-GMP accredited platform and established genetics portfolio provide a strong foundation to assess future opportunities in the US medicinal cannabis market in a disciplined and compliant manner."

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"Importantly, ECS is fully funded and operates from a position of balance-sheet strength. This allows us to remain focused on our core Australian and European operations while ensuring we are well positioned to act decisively should compliant US market pathways emerge."

Authorised for release by Nan-Maree Schoerie, Managing Director

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About ECS Botanics Holdings Ltd

ECS Botanics Holdings Ltd (ASX: ECS) 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.