

## STENOCARE to establish the world's first hybrid, in-door cultivation facility for production of premium medical cannabis at scale

**Today, STENOCARE has signed a significant contract to establish a large scale, state-of-the-art medical cannabis cultivation facility in Denmark. At the same time, STENOCARE has secured 15mDKK in debt financing which in combination with cash at hand will finance the contract.**

**Raising the bar:** For more than a year, STENOCARE has been pursuing innovative ways to combine the benefits of scale from green-house cultivation of medical cannabis with the advantages of highly controlled production. In pursuit of this, STENOCARE has selected a global leader in its field, *Havecon Horticultural Projects* (Netherlands) to co-develop a unique technology/facility that meets extreme demands for control of light, climate and 100% pesticide free in-door cultivation, at scale. This includes 24/7 environmental control through application of "pharma-standard" technology involving air filtration, active climate control with positive pressurized rooms, water treatment and continuous monitoring of all relevant quality parameters and processes.

**Ready in Q1-2020:** The project is now ready to commence. Therefore, STENOCARE has today entered into a turnkey construction contract with Havecon to build the first such facility in the world. The commercial terms and technical specifications remain undisclosed for competitive reasons, yet the parties announce that the construction will commence shortly, and the facility is expected to be ready for cultivation in Q1-2020. In the meantime, STENOCARE will continue its already initiated initial cultivation in order to secure the ability to produce with consistency. Cultivation is developed in close cooperation with and based upon intense tech-/knowledge transfer from our partner and shareholder, CannTrust in order to set new standards for best-of-breed cultivation.

**Independent Premium Brand:** The decision to establish premium manufacturing at scale is a natural consequence of STENOCARE's recent announcement that it has commenced its cultivation of medical cannabis on Danish grounds and marks the next step towards establishing STENOCARE as a frontrunner and global premium brand in medical cannabis.

**Funding:** STENOCARE has decided to establish a 15mDKK unsecured debt facility with 1,5% in monthly interest (accrued, no compound interest) which along with cash at hand will finance the contract. The loan is provided by a consortium of not closely related private individuals and can be repaid or converted, depending upon STENOCARE's future decisions in relation to funding of its further growth and expansion.

**Thomas Schnegelsberg, CEO of STENOCARE, comments:** *"Our Production Director, Søren Kjær, has been working intensively with the specialists at our partner, Havecon Horticultural Projects to arrive at today's important announcement that we will establish a highly innovative and industry leading cultivation facility. This will play an important role in establishing STENOCARE as a leader in premium medical cannabis".*

**Henk Verbakel, CEO of Havecon, comments:** *"We were impressed and excited from our first contact with STENOCARE. We have established over 10 projects for medicinal/medical cannabis cultivation worldwide but have never before seen such ambition to create a hybrid that lives up to the benefits of scale from traditional greenhouses while maintaining the benefits of quality from cleanroom type manufacturing. Together with STENOCARE, we have developed just that. I am very proud".*

**For additional information regarding STENOCARE, please contact:**

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*This information is information that STENOCARE A/S is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact person above for publication on July 16, 2019.*

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**About STENOCARE A/S**

*STENOCARE A/S (the Company) was founded in 2017 with the purpose of being an active participant in the Danish medical cannabis Program. The company was the first to receive the Danish Medicines Agency's permission to import, distribute as well as cultivate and produce medical cannabis under the Program. The Company offers medical cannabis oils that comply with the strict Danish regulatory requirements and has developed a separate production facility for the cultivation and production of medical cannabis at the Company's premises in Jutland, Denmark.*

**About Havecon B.V. :**

*Havecon Horticultural Projects ([www.havecon.com](http://www.havecon.com)) is based in the Netherlands, Havecon is a leading supplier of Turnkey solutions for medical cannabis vendors and other horticultural projects. Havecon is a flexible and customer-minded organization with a lot of experience in the field of development, construction and the complete realization of horticultural projects including cannabis cultivation.*