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Clever Leaves to Take Advantage of the Approval to Export Medical Cannabis Flower from Colombia

- *Export of dry cannabis flower from Colombia has been authorized by a new decree that was signed on July 23rd, 2021, at Clever Leaves' cultivation facility by President Ivan Duque and his ministers.*
- *With flower representing an estimated 50% of global medical cannabis markets, this decree doubles the total addressable market for Clever Leaves' Colombian operations.¹*
- *Clever Leaves' Colombian operation is well-positioned to take advantage of this change, given its 1.8 million square feet of cultivation, CUMCS GACP and Latin America's only EUGMP certifications for the production of dried flower.*
- *Clever Leaves will now be able to offer its clients a comprehensive portfolio of cannabinoid options with its extract, isolate, and flower products from Colombia and its flower product from Portugal.*
- *As a trusted B2B partner, Clever Leaves can now leverage its global partnerships to bring high quality innovative flower product to benefit patients around the world.*

NEW YORK, July 23, 2021 (GLOBE NEWSWIRE) -- Clever Leaves Holdings Inc. (Nasdaq: CLVR) ("Clever Leaves" or the "Company"), a multinational operator and licensed producer of pharmaceutical-grade cannabinoids, hosted Colombian President Duque at its cultivation facility in Colombia for the signing of a new decree that allows Colombian licensed cannabis companies such as Clever Leaves to participate in the commercial production and export of medical cannabis flower. With flower representing an estimated 50% of the global medical cannabis markets, this decree doubles the total addressable market for Colombian cannabis producers.

Clever Leaves is well-positioned to take advantage of this opportunity to export dried cannabis flower, leveraging its 1.8 million sq. ft. CUMCS GACP certified cultivation facility, its EUGMP Part II certification covering the production of dry flower, and its 30-plus cannabinoid genetics registered in the country. Colombia's environmental conditions, coupled with Clever Leaves' experience in sustainable cannabis growing, will allow the company to bring to market unique products with pharmaceutical quality. Colombian flower complements Clever Leaves' already strong Portuguese flower production, allowing the company to present a comprehensive portfolio, covering different strains and growing

conditions, that will suit ever-evolving patient needs.

Having shipped cannabis products to over 15 countries in five continents, Clever Leaves has a strong network of partners globally, who will benefit from its broader flower offering. Clever Leaves will leverage its position as a trusted B2B partner to develop and produce high quality and innovative products for medical cannabis patients around the world.

This change in regulation, allowing for the export of dried flower, will catalyze the continued development of the Colombian medical cannabis industry by eliminating the restriction that blocked access to 50% of the global medical cannabis market. In addition, the decree includes features that will help Clever Leaves to drive additional growth, including streamlined processes in quota management systems, which enable efficiencies and improve Clever Leaves' ability to serve clients faster. The bill also includes access to medical cannabis for patients in Colombia.

During the visit to Clever Leaves' facilities, President Duque, who was accompanied by several of his ministers, regional and local authorities, highlighted the expected impact of this to the country: "This new decree represents an important milestone for Colombia, enabling us to compete in international markets. Furthermore, the decree raises the standards of our products and adds significant value, particularly in the medicinal sector. Clever Leaves has served as a benchmark for the Colombian cannabis industry, generating 17 employments per hectare at its cultivation facility. I encourage our government representatives across various entities to unite and further support the development of the industry."

Kyle Detwiler, CEO at Clever Leaves said: "The change in policy by the Colombian government could double our addressable market from Colombia, a region where Clever Leaves has made a substantial capacity investment but where we have been limited in only selling processed or extracted products up to this point in time. Nevertheless, since 2016, we have been building the capabilities required to produce a pharmaceutical-grade product.

"This regulatory evolution will enable us to better serve our customers around the world by capitalizing on Latin America's only EU GMP certified cannabis operation, which, much to many peoples' surprise, already includes EU GMP certified dry flower production. In hopeful anticipation of this moment, our team has spent the past several years developing commercial relationships, market insights and supply partnerships globally, and this catalyst will hopefully unlock significant potential of our gradually expanding customer base. Through our Portuguese dry flower production facility, we have learned and successfully navigated the different challenges facing a flower operation, including quality requirements, GACP and EU GMP certifications, sterility protocols, import/export logistics of psychoactive product, and cannabinoid potency requirements, many of which are different from that of processed or extracted products. We hope these lessons and relationships allow Clever Leaves to capitalize on Colombia's new cannabis regulations."

¹ Market size estimates calculated from data reported in:

1. Grandview Industry Analysis, Legal Marijuana Market Size, Share & Trends Analysis Report By Marijuana Type (Medical, Adult Use), By Product Type (Flower, Oil), By Medical Application (Chronic Pain, Mental Disorders), And Segment Forecasts, 2021 –

2028. May 2021

2. BDS Analytics, Arcview Market Research, The State of Legal Cannabis Markets, 7th Edition, 2020 Update.

About Clever Leaves Holdings Inc.

Clever Leaves is a multinational cannabis company with an emphasis on ecologically sustainable, large-scale cultivation and pharmaceutical-grade processing as the cornerstones of its global cannabis business. With operations and investments in the United States, Canada, Colombia, Germany and Portugal, Clever Leaves has created an effective distribution network and global footprint, with a foundation built upon capital efficiency and rapid growth. Clever Leaves aims to be one of the industry's leading global cannabis companies recognized for its principles, people, and performance while fostering a healthier global community. Clever Leaves has received multiple international certifications that have enabled it to increase its export and sales capacity from its Colombian operations, including European Union Good Manufacturing Practices (EU GMP) Certification, a Good Manufacturing Practices (GMP) Certification by Colombia National Food and Drug Surveillance Institute - Invima, and Good Agricultural and Collecting Practices (GACP) Certification. Clever Leaves was granted a license in Portugal from Infarmed – the Portuguese health authority – which allows Clever Leaves to cultivate, import and export dry flower for medicinal and research purposes. In addition, the Portuguese operation was granted certification of compliance with GACP and IMC-GAP.

For more information, please visit <https://cleverleaves.com/en/home/> and follow us on LinkedIn.

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