

Red Light Holland Appoints Keith Li as Chief Financial Officer and Provides Corporate Updates

Toronto, Ontario--(Newsfile Corp. - January 22, 2025) - *Red Light Holland Corp.* (CSE: TRIP) (FSE: 4YX) (OTCQB: TRUFF) ("**Red Light Holland**" or the "**Company**"), an Ontario-based corporation engaged in the production, growth, and sale of functional mushrooms and mushroom home grow kits in North America and Europe, as well as a premium brand of psilocybin truffles in the legal, recreational market within the Netherlands, in compliance with all applicable laws, is pleased to announce the appointment of Keith Li as its new Chief Financial Officer ("**CFO**"), effective today.

The Company expresses its appreciation to Jon Szczur, who has amicably resigned as interim CFO, allowing for a seamless transition to a permanent leadership role.

About Keith Li

Keith Li brings more than 15 years of experience in corporate accounting, finance, equity markets, financial reporting, and public company administration. Specializing in management advisory services, regulatory compliance, and financial strategy, he has served as CFO for multiple TSXV and CSE-listed companies, including in the junior mining, cannabis, health & wellness, and merchant banking sectors. Keith is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce from McGill University.

"Red Light Holland continues to exhibit vision and aggressive execution," said Todd Shapiro, CEO & Director. "Our core focus remains on advancing psilocybin access in emerging markets, including our success in the Netherlands. As an 'Everything Mushroom Company' - generating revenue, making acquisitions, and strategically deploying capital - strong financial leadership is essential. After interviewing multiple candidates, our team was particularly impressed by Keith's expertise in regulatory compliance, budgeting, and operational efficiency."

Keith Li, incoming CFO, added: "Red Light Holland is at the forefront of a transformative industry. With its strong leadership, financial health, and mission-driven approach, I am excited to contribute to its continued growth. My focus will be on reporting, revenue expansion, M&A opportunities, and enhancing financial efficiencies to build a world-class brand and distribution network."

Todd Shapiro emphasized Red Light Holland's continued commitment to its motto: 'Mind, Body, Gain - Grow your health, Build your wealth.'

"We look forward to what the future holds and are closely monitoring the potential appointment of Robert F. Kennedy Jr. as Secretary of the Department of Health and Human Services, which could bring significant positive momentum to our entire sector. Natural plant and fungi medicines are becoming increasingly accepted, and we are excited to lead in this space," added Shapiro.

Corporate Updates

Red Light Holland is pleased to provide key updates on its ongoing growth initiatives and upcoming projects:

- **Partnership with Irvine Labs:** Red Light Holland expects to release imminent updates regarding its collaboration with Irvine Labs in California. Irvine Labs' FDA-compliant and DEA-registered facility enables psilocybin production and psilocybin exports and imports to and from legal jurisdictions worldwide. The Company believes this is a significant partner for R&D and potential future commercialization of psilocybin to emerging markets.

- **Happy Caps Mushroom Home Grow Kits Expansion with Costco Canada:** The Company is preparing to fulfill Costco Canada's planned 20,000+ unit order for April 2025, in collaboration with Holburne Mushroom Farm in Canada.
- **Happy Caps Mushroom Home Grow Kits U.S. Retail Growth:** The Company has received a formal commitment to expand Happy Caps Home Grow Kits into a major U.S. retailer in Spring 2025. Preparation work is already underway with Trailbridge Farms in Oregon, with more details to be announced soon.
- **Happy Caps Functional Gummies Launch:** The Company is on track for the beta launch of its "Functional Lion's Mane and Shiitake Gummies" in April 2025, with more details to be announced soon.
- **M&A Activity:** The Company is actively engaged in four NDA-protected discussions with potential acquisition targets. A non-binding offer will be presented to one of these companies in the coming days.
- **CEO Todd Shapiro & Senior Advisor Tony Clement's High-Level Government Meeting:** CEO Todd Shapiro and Senior Advisor Tony Clement have secured a meeting with a senior politician on Wednesday, January 22, 2025. The Company looks forward to updating shareholders on the outcome of this meeting, which could have important implications for the Company's FarmCare Health initiative. Please see www.FarmCareHealth.com for more information.
- **Banking Challenges & Financial Strategy:** After 4.5 years of maintaining its banking operations with a Tier 1 Canadian bank, the Company was recently informed of it being debanked. The Company is actively exploring new banking relationships with other Tier 1 institutions. In the interim, the finance team has successfully implemented alternative online banking solutions, ensuring zero impact on daily operations. The Company's banking operations remains strong in the Netherlands.
- **AEM Peterborough Farm Build Update:** The Company is still exploring lending options for its farm expansion, but Tier 1 banks have denied loans due to reputational risk, and not commercial viability. Despite approved budgets and forecasts, compliance concerns over psilocybin's legal status in the Netherlands have made traditional financing difficult, especially given Tier 1 banks recent fines and scrutiny in the Canadian banking sector.
- **Shiitake Mushroom Sales Update:** Sales at AEM New Brunswick have experienced fluctuations due to inflation and decrease in consumer spending habits, but are currently trending up again. The Company remains committed to optimizing production and distribution to ensure continued growth in this segment.
- **Leading Legal Psilocybin Sales:** As a publicly traded company, Red Light Holland believes it has sold the highest volume of legal psilocybin globally in 2024 for adult, responsible, educational, and informational use. In the 2024 calendar year, the Company sold approximately 1,350,000 grams of magic truffles through SR Wholesale. Despite anecdotal reports from employees in the Netherlands suggesting retail shops sales have slowed due to a decline in tourism and local consumer spending, the Company remains confident in projecting higher sales of magic truffles for the longer term outlook.
- **Cash Management & Alternative Investments:** On top of its day-to-day cash flow, the Company maintains a majority of its cash safely invested in a guaranteed investment certificate (GIC). The Company is actively exploring alternative investment opportunities, including strategic private investments or potentially in cryptocurrency (Bitcoin). In the interim, the Company continues to focus on prudent cash management, always aiming to reduce the Company's cash burn, reinforcing its focus on financial stability and long-term profitability.

- **Operational Efficiency:** As reported on November 29, 2024, nearly all of the Company's portfolio-generating companies over the last four quarters have been operating in the black, with positive operating cash flow-excluding depreciation, corporate costs, and other non-operational expenses, demonstrating our effective management and execution. Unfortunately, Q3 2025 had minor challenges due to tightening consumer spending habits. The Company continues to focus on innovation and growth and is excited for the commitments of major retailers to grow the Happy Caps Brand in both Canada and the United States. The Company is also pleased about the uptrend in Shiitake mushroom sales out of AEM New Brunswick.
- **Veteran Support & Psilocybin Access:** The Company is actively exploring a partnership to collaborate with respected veterans to help facilitate legal access to psilocybin for PTSD treatment. Red Light Holland strongly believes in the therapeutic potential of psilocybin and is committed to working with veterans' organizations and advocacy groups to advance responsible access and research efforts.
- **CEO Todd Shapiro's Shareholder Engagement:** Todd Shapiro looks forward to hosting more live SPACES on X (Twitter) and encourages shareholders to join in discussions about the Company and the broader psychedelics sector and their view on the future of psilocybin!

Grants of Stock Options and RSUs

The Company also announces the grant of:

- 9,200,000 common shares of the Company (the "**Stock Options**") to certain directors, officers, employees, and consultants of the Company. The Stock Options are exercisable at a price of \$0.05 per share until January 21, 2030. Upon issuance:
 - 3,066,662 Stock Options vested immediately;
 - 3,066,662 Stock Options will vest on January 21, 2026; and
 - 3,066,676 Stock Options will vest on January 21, 2027.
- 5,750,000 restricted stock units (the "**RSUs**") to certain directors, officers, employees, and consultants of the Company. Upon issuance:
 - 1,916,665 of the RSUs vested immediately;
 - 1,916,665 of the RSUs will vest on January 21, 2026; and
 - 1,916,670 of the RSUs vest on January 21, 2027.

All Stock Options and RSUs were granted in accordance with the Company's equity incentive plan approved at the Company's annual, general and special meeting held on October 31, 2024.

The common shares underlying the Stock Options and RSUs set out above are subject to a statutory four month and one day hold period expiring on May 22, 2025, and such further restrictions as may apply under foreign securities laws.

Certain directors of the Company received 5,000,000 Stock Options and 4,000,000 RSUs representing a related-party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), however the transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the transaction, nor the consideration, exceed 25% of the Company's market capitalization.

Issuance of Shares for Debt Settlement

The Company also announces that its board of directors has approved the issuance of 1,000,000 common shares in the capital of the Company to an arm's length party at the deemed price of \$0.05 per share.

Furthermore, the Company's board of directors has approved the settlement of amounts owing to arm's

length creditors through the issuance of common shares in the capital of the Company at the deemed price per share to be determined at time of settlement.

About Red Light Holland

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For additional information on the Company:

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events.

The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the Company's core focus, performance, business objectives and milestones and the anticipated timing thereof; the Company's ongoing efforts to expand its partnerships, increasing its revenues, production capabilities, and distribution networks; the Company's commitment to innovation and launch of new products, including beta testing and collaborations with major retailers; the Company's strategic initiatives, including potential acquisitions, regulatory advancements, and advocacy efforts with key stakeholders; the Company's dedication to driving growth across core product segments while maintaining engagement with shareholders; the Company and the Company's partners to maintain its stated licenses and obtain all necessary additional licenses and regulatory approval required for the Company to carry out its plans as described; the appointment of Keith Li as it relates to advancing the Company's growth initiatives, revenue expansion, and M&A strategies; the potential appointment of Robert F. Kennedy Jr. as secretary of the Department of Health and Human Services; Robert F. Kennedy Jr.'s appointment bringing positive momentum and acceptance to the psilocybin industry; naturally occurring plant and fungi medicine becoming accepted and needed by the masses; the Company's granted Stock Options and RSUs vesting in the future; and the approval of future debt settlements to arm's length creditors.

Forward-Looking information in this press release are based on certain assumptions and expected future events, namely: the Company's ability to maintain its core focus or maintain or exceed its current performance, and carry out its business objectives and milestones and under the anticipated timing and costs in connection with, the execution or achievement of such objectives and milestones; the Company's ability to expand its partnerships, increase its revenues, production capabilities, and distribution networks; the Company's ability to innovate and launch of new products, including conducting beta testing and collaborations with major retailers; the Company's ability to execute strategic initiatives, including potential acquisitions, regulatory advancements, and advocacy efforts with key stakeholders; the Company's ability to driving growth across core product segments while

maintaining engagement with shareholders; the Company will maintain its stated licenses and obtain all necessary additional licenses and regulatory approval required for the Company to carry out its plans as described; the ability of Keith Li to advance the Company's growth initiatives, revenue expansion, and M&A strategies; Robert F. Kennedy Jr. will be appointed as secretary of the Department of Health and Human Services; Robert F. Kennedy Jr.'s appointment bringing positive momentum and acceptance to the psilocybin industry; naturally occurring plant and fungi medicines will be accepted and needed by the masses; granted Stock Options and RSUs future vesting; and the Company's future debt settlements being carried out.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company's inability to maintain or exceed its core focus, or maintain or exceed its current performance, and carry out its business objectives and milestones and under the anticipated timing and costs in connection with, the execution or achievement of such objectives and milestones; the Company's inability to expand its partnerships, increase its revenues, production capabilities, or distribution networks; the Company's inability to innovate and launch new products, conduct beta testing or collaborate with major retailers; the Company's inability to execute its strategic initiatives, including potential acquisitions, regulatory advancements, and advocacy efforts with key stakeholders; the Company's inability to drive growth across core product segments while maintaining engagement with shareholders; the Company's inability to maintain its stated licenses and obtain all necessary additional licenses and regulatory approval required for the Company to carry out its plans as described; the inability of Keith Li to advance the Company's growth initiatives, revenue expansion, and/or M&A strategies; Robert F. Kennedy Jr. not being appointed as secretary of the Department of Health and Human Services; Robert F. Kennedy Jr.'s appointment not resulting in positive momentum or acceptance to the psilocybin industry; naturally occurring plant and fungi medicines not becoming accepted and needed by the masses; granted Stock Options and RSUs not vesting in the future; and the Company's inability to complete future debt settlements.

Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-Looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.



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