Red Light Holland rides the wave of growth in the relatively new psychedelics industry

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The psychedelics industry is just starting to grow now from a small base and looks quite likely to follow in the footsteps of the cannabis industry's recent success story. Data Bridge Market Research forecasts that the global psychedelics market will grow **from USD 2.077B in 2019 to USD 6.859B by 2027**. Looking at these numbers that's a 3.3 times increase in just 7 years. Growing acceptance of psychedelic drugs for treating depression and mental disorders are key factors for the forecast growth.

Psychedelics are the class of hallucinogenic drugs that may be used recreationally or for medical purposes. Their main benefits are in enhancing the sensory perception, elevating mood, and promoting spiritual experiences. Psychedelic drugs can be used in a medical setting to help depression, psychological treatments, palliative care and as an aid to help control the mind to be calm and peaceful.

Psychedelics are legal in the Netherlands, where there an estimated 100 Smart Shops operating, generating over US$100 million in sales annually. The price for 10 grams of truffles (the maximum amount for a beginner) is between 10 to 15 Euros in Amsterdam. Just recently Canada approved 17 healthcare professionals to possess and use the psychedelic active ingredient psilocybin to conduct professional training in psilocybin therapy. The focus is mainly for patients dealing with end-of-life distress, but marks the first step towards

legal medicinal psychedelics use in Canada.

Red Light Holland Corp. (CSE: TRIP) is a leader in this market and is well advanced to benefit from the forecast very strong growth. They recently began selling their premium 'magic truffles' products (psychedelics) in the Netherlands. The Netherlands has a long-standing, established legal magic truffles market. Red Light Holland is currently setting up to further grow, distribute and market a premium brand of magic truffles to the legal recreational market within the Netherlands. They are also focusing on the medicinal side of the psychedelics industry as well as expanding their global sales to legal destinations.

Red Light Holland's business plan is to produce and sell recreational and medical grade truffle products (psychedelics) in legal markets starting in the Netherlands

Source: Company website

Red Light Holland has recently raised over C$20M, providing the Company with over C$30M in the bank, this includes the latest C$11.6M bought deal financing. The funds intend to be used for working capital and general corporate purposes, essentially to grow the business. Red Light Holland has already grown and pre-sold their first batch of magic truffles from their production facility in Horst, Netherlands. They are now growing a further 1,000,000 grams of magic truffles. CEO Todd Shapiro stated: "Red Light Holland is ecstatic to announce that we have started to grow our second batch of magic truffles, expected to be 10X the original batch's size."

Global and product expansion potential for Red Light Holland

On February 25, 2021, Red Light Holland announced: “iMicrodose pack receives authorization for the first legal import and sale of psilocybin truffles to Brazil…..for prescribed medical patient use.” The iMicrodose pack contains 15g of psilocybin truffles made by Red Light Holland. This marks a significant milestone for Red Light Holland with their “first prescribed by a physician for medical use” of their truffles product, as well as an advancement in opening up the legal and medically approved market for psilocybin in Brazil.

On December 30, 2020, Red Light Holland announced they intend to make a groundbreaking investment in the St. Vincent and the Grenadines’ plant-based wellness and psychedelics industry, via a purchase of 100% of Mera Life Sciences LLC (‘Mera’). St. Vincent and the Grenadines are islands in the Caribbean Sea. Mera is developing a modern medicinal industry in St Vincent and the Grenadines with their issued psychedelic licenses. Todd Shapiro, CEO and Director of Red Light Holland, stated: “The acquisition of Mera and its coveted licenses would allow Red Light Holland to perform high quality psychedelic product research and development, cultivate, extract and process, and export, not just Psilocybin, but with compounds such as Ayahuasca, MDMA, DMT, Peyote, Ketamine and many other natural based plants as well…..”

On December 20, 2020, Red Light Holland announced it has entered into a non-binding letter of intent to acquire 51% of Psychedelic Insights in Amsterdam, the Netherlands. Psychedelic Insights currently provides psychedelic assistance to clients from all over the world, who are in need and want to try a safe and psychological guided experience. This includes psychedelic palliative care, re-connecting veterans and global mental health screening. A condition in the agreement includes an exclusive supply agreement with Red Light Holland’s truffles, grown from Red Light Holland’s facility in Horst, Netherlands.

Closing remarks

Red Light Holland continues to ride a wave of success with their magic truffles psychedelics. A 10x increase in their truffle production following the first batch being 100% pre-sold in advance, an overseas expansion potential via 100% acquisition with Mera, a potential 51% Psychedelic Insights acquisition (global client base), and finally, some initial success selling into Brazil. Added to all this it appears the medicinal use of psychedelics is making progress in Canada.

It certainly looks like Red Light Holland will continue to rapidly grow, especially after their successful capital raises and now C$30M in the bank. Red Light Holland’s market cap has dramatically increased as a result of all this good news and now sits at C$134M. Exciting times ahead, both for the Company and the industry.