

# Corporate Update

7 January 2019

## ANANDA DEVELOPMENTS PLC (“Ananda” or the “Company”)

### Corporate Update

The directors of Ananda Developments PLC (NEX: ANA), are pleased to provide shareholders with the following update on Ananda’s investee company, Liberty Herbal Technologies Limited (“LHT”).

#### **hapac®**

Ananda owns 15% of LHT, the 100% owner of hapac®, a technology for inhaling medicinal cannabis. Ananda has the right of first refusal to finance the growth of LHT for the next two years, potentially increasing Ananda’s stake. Following the investment, Melissa Sturgess, Executive Director of Ananda, was appointed a director of LHT.

Since Ananda made its investment in LHT in September 2018, the global medical cannabis market has continued to expand both geographically and in size. Significantly, since 1 November 2018, doctors have been able to prescribe medical cannabis in the UK for the first time. In addition, there have been a number of investments by global tobacco and beverage companies into the cannabis sector, including Altria’s acquisition of 45% of Cronos Group.

The LHT team consists of senior executives previously employed at British American Tobacco, one of the world’s big five tobacco companies. The team is highly experienced in product innovation and marketing and has developed hapac® from its understanding of the key consumer, technology and regulatory trends in the tobacco industry and their relevance to the nascent cannabis sector.

A recent report by BDS Analytics says that 69% of cannabis consumers in the US and Canada prefer inhaling to other cannabis consumption methods and 66% of medical/health consumers are doing so for pain management. hapac® is designed to target consumers who are using cannabis for medical and health reasons and the benefits of hapac® over other inhalable methods, such as vaping cannabis oil, include

- Its pre-packed sachets deliver a measured dose of medicinal cannabis to the user
- The manufacture of hapac® does not require the use of potentially toxic solvents or synthetic additives
- hapac® offers a more authentic experience, close to smoking but without the toxic effects of combustion
- hapac®’s patent pending sachets can be safely composted after use, making them more environmentally friendly.

The first hapac® making machine has been installed at LHT’s Italian commercial partner’s manufacturing facility and the first production 0.25g hapac® sachets containing CBD rich hemp have been delivered to their stores. In Italy, hapac® sachets will be sold under LHT’s hap® brand, alongside specially designed hap® vaporisers. A limited roll-out has already started in Milan, with broader distribution beginning in January 2019. Feedback from initial customers is very positive and the LHT team is on site to ensure the product rollout goes smoothly and to glean additional insights that can be used to further improve the marketing mix. Please see [www.anandadevelopments.com](http://www.anandadevelopments.com) or [www.hapac.tech](http://www.hapac.tech) for images of the hap® vaporiser, consumable packs and point of sale materials.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

The directors of the Company accept responsibility for the contents of this announcement.

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**Ananda Developments PLC**

+44 (0)739 269 6517  
ir@anandadevelopments.com

**Executive Director**

Melissa Sturgess

**Investor Relations**

Jeremy Sturgess-Smith

**Peterhouse Capital Limited**

+44 (0)20 7469 0930

**Corporate Adviser**

Fungai Ndoro

Mark Anwyl

**Corporate Broker**

Lucy Williams

Duncan Vasey

**Notes to editors**

**About Ananda Developments PLC**

Ananda Developments has been established as a company to invest in the developing market for medical or therapeutic Cannabis derivatives, or related products, including but not limited to nutraceuticals, dietary supplements and cosmetic products which contain Cannabis or hemp derived cannabinoids. The Directors believe that this market is growing due to an increasing number of states in the USA, as well as other countries around the world, changing their laws to allow for products containing constituents of Medical Cannabis to be developed, approved and sold.

A copy of the Company's Admission Document is available at [www.anandadevelopments.com](http://www.anandadevelopments.com) and at [www.nexexchange.com](http://www.nexexchange.com).

Ananda's investment strategy is to invest in companies, projects or products that are either progressing medical or therapeutic Cannabis research and development, or are developing or have already developed, products that contain Cannabis derived cannabinoids and require funding to progress work plans or commercialise products.

<http://www.anandadevelopments.com>