

25 October 2019

Ananda Developments Plc

(“Ananda”, the “Company” and, together with its subsidiaries, the “Group”)

Unaudited Interim Results for the six months ended 31 July 2019

The Directors present the interim results of Ananda Developments Plc for the period from 1 February 2019 to 31 July 2019.

UPDATE ON INVESTMENTS AND ACTIVITIES

Ananda's vision is to become a significant player in the nascent medicinal and wellness cannabis sector. In the period under review, the Company has continued to proceed with caution, given the continued uncertainty around the legislative and regulatory environment for medicinal cannabis and CBD in the UK.

iCAN Israel Cannabis Limited (“iCAN”)

iCAN has continued to expand its footprint with its CannaTech conferences, Incubator and consulting businesses. In March 2019, iCAN raised a further CAD\$4,000,000 from a group of Canadian investors via a loan note that is convertible into shares at a valuation of USD\$20,000,000.

Ananda holds USD\$200,000 of loan notes convertible at a maximum valuation of USD\$12,000,000.

Liberty Herbal Technologies Limited (“LHT”)

LHT launched hapac[®] in Italy in late 2018. LHT was founded by ex-British American Tobacco executives who have developed hapac[®], a novel system for the inhalation of medicinal cannabis. Sales of hapac[®] commenced over the 2018/2019 New Year period and, after customer feedback, the company made some changes to the product offering and the inhalation device. In May and June 2019, sales of devices and sachets had responded well to the changes and sales also commenced online. In July 2019, however, a review of the packaging of cannabis-based products initiated by the Italian government resulted in all CBD products being removed from shelves and warehouses whilst a legal hearing is held in the Parma Court. LHT maintains that its products comply with all relevant laws in Italy and that sales will recommence when the hearings are complete. Since the end of the period LHT has progressed its plans to enter the Canadian and North American markets.

Tiamat Agriculture Limited (“Tiamat”) and DJT Group Limited (“DJT”)

Shareholders supported a series of resolutions at a General Meeting in June 2019, to increase the reach of the Company through the acquisition of Tiamat, which enables Ananda to pursue a strategy to seek the grant of a Home Office Licence for the cultivation of >0.2% THC cannabis. Tiamat subsequently created DJT Group Limited as a joint venture company with Anglia Salads Limited, a previous holder of a licence to grow >0.2% THC cannabis and an experienced medicinal cannabis grower. DJT made good progress in preparing for the formal licence application during the period. There were no monetary transactions in the reporting period. Subsequent to the period end, on 14 October 2019, DJT Plants Limited, a wholly owned subsidiary of DJT, submitted a formal application for a licence to the Drugs and Firearms Licencing Unit of the Home Office.

Capital raising and other corporate information

During the period the Company raised £400,000 of new capital. Most of the proceeds of this fundraising were advanced by the Company to Tiamat to fund the Home Office Licence application process, with the balance being used by Ananda for general working capital purposes. During the

period, 70% of the Group's expenses were directly related to the application for the Home Office Licence.

During the period, Tiamat Agriculture Limited and Tiamat Australia Pty were incorporated. They became wholly owned subsidiaries of Ananda and no monetary values, apart from £1 of consideration, changed hands.

Results

The statement of consolidated comprehensive income shows the loss for six-month period to 31 July 2019 of £435,859. The Group is in an early stage of development and the directors consider the loss for the period to be line with expectations. The directors do not recommend the payment of a dividend.

This report was approved by the Board and signed on its behalf.

Melissa Sturgess, Director

25 October 2019

Consolidated Interim Statement of Comprehensive Income

Period Ended 31 July 2019

	Note	6 months to 31 July 2019 Unaudited £	Period ended 31 January 2019 Audited £	Period ended 31 July 2018 Unaudited £
Administrative expenses		(439,881)	(368,299)	(199,520)
Interest received		4,627	4,061	-
Loss from operations		(435,254)	(364,238)	(199,520)
Taxation		-	-	-
Foreign Exchange Translation Gain / (Loss)	1	(605)	-	(5)
Total loss for the period		(435,859)	(364,238)	(199,525)

Earnings per share

Basic and diluted earnings per share (pence)	2	(0.10p)	(0.11p)	(0.06p)
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There was no other comprehensive income in the period.

Consolidated Interim Statement of Financial Position

Period Ended 31 July 2019

	Group 6 months to 31 July 2019 Unaudited £	Company Period ended 31 January 2019 Audited £	Company Period ended 31 July 2018 Unaudited £
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Fixed assets			
Investments	460,000	460,000	-
	460,000	460,000	-
Current assets			
Loan Notes	159,185	159,185	-
Debtors	31,234	18,191	43,644
Cash at bank and in hand	162,418	141,254	983,760
	352,837	318,630	1,027,404
Creditors: amounts falling due within one year.	87,594	17,528	51,929
Net current assets	265,243	301,102	975,475
Total assets less current liabilities	725,243	761,102	975,475
Capital and reserves			
Share capital	836,111	658,333	658,333
Share premium	689,229	467,007	516,667
Retained earnings	(800,097)	(364,238)	(199,525)
Total equity and liabilities	725,243	761,102	975,475

The consolidated interim financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Melissa Sturgess

Director

25 October 2019

Consolidated Interim Statement of Changes in Equity

Period Ended 31 July 2019

GROUP	Share Capital	Share Premium	Retained Earnings	Total
	£	£	£	£
As at 1 February 2019	658,333	467,007	(364,238)	761,102
Total comprehensive loss for the period	-	-	(435,859)	(435,859)
Proceeds from share Issue	177,778	222,222	-	400,000
Transactions with owners	177,778	222,222	-	400,000
Balance at 31 July 2019	836,111	689,229	(800,097)	725,243

GROUP	Share Capital £	Share Premium £	Retained Earnings £	Total £
On incorporation as at 19 January 2018	100,000	-	-	100,000
Total comprehensive loss for the period	-	-	(364,238)	(364,238)
Proceeds from share Issue	558,333	467,007	-	1,025,340
Transactions with owners	558,333	467,007	-	1,025,340
Balance at 31 January 2019	658,333	467,007	(364,238)	761,102

GROUP	Share Capital £	Share Premium £	Retained Earnings £	Total £
On incorporation as at 19 January 2018	100,000	-	-	100,000
Total comprehensive loss for the period	-	-	(199,525)	(199,525)
Proceeds from share Issue	558,333	516,667	-	1,075,000
Transactions with owners	558,333	516,667	-	1,075,000
Balance at 31 July 2018	658,333	516,667	(199,525)	975,475

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Share capital	This represents the nominal value of shares issued.
Share premium	Amount subscribed for share capital in excess of nominal value.
Retained earnings	Cumulative net gains and losses recognised in the statement of comprehensive income.

Consolidated Interim Statement of Cash Flows

Period Ended 31 July 2019

	6 months to 31 July 2019 Unaudited £	Period ended 31 January 2019 Audited £	Period ended 31 July 2018 Unaudited £
Cash flows from operating activities			
Cash outflow from operating activities	(378,836)	(364,900)	(91,240)
Net cash outflow from operating activities	(378,836)	(364,900)	(91,240)
Cash flows from investing activities			

Purchase of convertible loan notes	-	(159,186)	-
Purchase of investments	-	(460,000)	-
Net cash used in investing activities	-	(619,186)	-
Cash flows from financing activities			
Proceeds from issue of shares	400,000	1,125,340	1,075,000
Net increase in cash and cash equivalents	21,164	141,254	91,240
Cash and cash equivalents at the beginning of the period	141,254	-	-
Cash and cash equivalents at the end of the period	162,418	141,254	983,760

Notes to the Consolidated Interim Financial Statements

Period Ended 31 July 2019

ACCOUNTING POLICIES

General information

Ananda Developments Plc's consolidated interim financial statements are presented in British Pound Sterling (GBP) which is the functional currency of the parent company. These interim financial statements were approved for issue by the Board of Directors on 25 October 2019.

The financial information set out in these interim financial statements does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 January 2019 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) of the Companies Act 2006.

These consolidated interim results have not been audited nor have they been reviewed by the Group's auditors under ISRE 2410 of the Auditing Practices Board.

Basis of preparation

These interim financial statements are for the six-month period ended 31 July 2019. They have been prepared following the recognition and measurement principles of FRS 102. They do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the period ended 31 January 2019.

These interim financial statements have been prepared on a going concern basis which the Directors believe to be appropriate.

These interim financial statements have been prepared in accordance with the accounting policies adopted in the financial statements for the period ended 31 January 2019.

Business Combinations

These group financial statements consolidate those of the Company and its subsidiaries, Tiamat Agriculture Ltd and Tiamat Australia Pty. The subsidiaries are fully consolidated from the date on which control is transferred to the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidated. Uniform accounting policies are applied by the Group companies to ensure consistency.

1. Foreign currency transactions

Transactions in foreign currencies are translated to GBP at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to GBP at the exchange rate on that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

2. Earnings per share

The calculation of earnings per share is based on the loss attributable to ordinary shareholders divided by the average number of shares in issue during the period.

-END-

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.