

4 February 2022

## **ANANDA DEVELOPMENTS PLC**

("Ananda" or the "Company")

### **Shareholder Update**

Ananda's ambition is to be a leading UK grower and provider of high quality, consistent, carbon zero medical cannabis for the UK and international markets.

The Directors of Ananda provide the following update to shareholders.

#### **Commencement of medical cannabis cultivation**

The first cannabis seeds were planted yesterday at Ananda's 50% owned company, DJT Plants Limited's ("DJT Plants") medical cannabis research facility. Dr Hadar Less, DJT Plants' Lead Geneticist, and team have now started the first stage of the research programme.

The research programme is designed to create a library of stable cannabis genetics in order to 'match' cannabis plant profiles with clinical indications. The research plan involves self-crossing a selection of cannabis strains for six generations and then conducting field trials in the multi-chapelle structures to determine which stable strains produce chemovars with desired metabolic profiles and which thrive in DJT Plants' growing conditions.

Ananda's ultimate ambition is to be a commercial grower and provider of high quality, consistent cannabis medicines. There are currently around 12,000 medical cannabis patients in the UK (up from around 3,000 when DJT's licence was granted), currently being prescribed a combination of medical cannabis flower and oils. All of these unlicensed cannabis medicines are currently imported. The directors of Ananda believe that there is an unmet need for high quality, consistent medical cannabis grown in the UK, which meets the Medicines and Healthcare products Regulatory Agency (MHRA) Good Manufacturing Practice (GMP) standards.

#### **Acquisition of the 50% of DJT Group Limited not already owned by Ananda ("Acquisition")**

The Acquisition process is largely complete, and the Company expects to post the relevant circular to shareholders shortly.

Since announcing the Acquisition, the parties (Ananda and Anglia Salads Limited) have been working as one team to execute the construction and commissioning of the research facility. Weekly Executive Committee calls take place and more recently Operations calls have also been initiated. As a result of the experience of the past eight or so months it has been decided by DJT Plants and Ananda that Stuart Piccaver and Simon Goddard will take the positions of Chairman of DJT Plants and CFO of DJT Plants, respectively. They will both also join the board of Ananda as executive directors. Initially it was contemplated that Stuart would be appointed as Ananda's Joint CEO and that Simon would be Ananda's CFO. However, it is the view of all parties that this revised structure will allow Stuart to be more focused on DJT Plants, as Ananda's most important operating entity, whilst Melissa Sturgess will maintain responsibility for public company matters. Simon's expertise in financial operations management is crucial and his energy is also agreed to be best focused at the DJT Plants level.

Melissa Sturgess, Ananda's CEO, commented: "Since receiving our licence to grow medical cannabis for research in May 2021, our site team has reviewed and revised the plans which were submitted to the Home Office in October 2019, completed detailed drawings, finalised costings, commenced and completed construction and commissioned our medical cannabis research facility and multi-chapelle growing structures. Credit goes to Stuart Piccaver and his team, in particular Phil Hubbert, who have delivered this result. They have used their 25 plus years' experience in constructing high-care horticultural facilities to ensure execution of this stage of the project. We do not underestimate the

importance of team loyalty, local knowledge and the strength of existing supplier relationships which has seen timely construction during well-known COVID supply chain challenges.

We have all worked very well together as a cohesive and cooperative unit, over the past 8 months in particular. As we continue towards our clear objective of growing and providing high quality, consistent UK grown cannabis medicines to patients in need, we are mindful that we are transitioning from an 'ideas' company to an 'operating' company and that a results oriented, best in class multi-disciplinary team will be one of the keys to our success."

-Ends-

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

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#### **Market Abuse Regulation (MAR) Disclosure**

The information contained within this announcement is deemed by the Company to constitute inside information. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

#### **About Ananda Developments**

Ananda is an AQSE-listed medical cannabis company creating UK-based operations to grow and provide carbon zero, consistent, medical cannabis for the UK and international markets.

The UK medical cannabis market is predicted to be worth £450m by 2025 and the European market is predicted to be worth USD4.2bn by 2027.

Ananda, through its 50% owned subsidiary, DJT Plants Limited, was granted a Home Office licence in May 2021 to grow >0.2% THC cannabis in a new research facility to breed and stabilise 65 strains.

For more information, please visit: <https://anandadevelopments.com/>