

25 November 2022

ANANDA DEVELOPMENTS PLC

("Ananda" or the "Company")

UK Regulatory Progress

Ananda's ambition is to be a leading UK grower and manufacturer of consistent, high-quality, carbon zero, medical cannabis for UK, and later international, patients.

- In a significant step for the UK medical cannabis industry, on 16 November 2022, the Medicines and Healthcare products Regulatory Agency of the UK Government (the MHRA) made an announcement clarifying the process for a company to be authorised to grow and manufacture medical cannabis commercially.
- The MHRA process involves a series of checks, inspections and validations involving both the UK Home Office and the MHRA.
- Previously, there has been no formalised joint approach to medical cannabis cultivation and manufacturing from the Home Office and the MHRA.
- The Directors believe that the proposals announced by the MHRA demonstrate the UK Government's commitment to the development of a UK medical cannabis cultivation and manufacturing industry.
- Ananda has always intended to apply for a commercial medical cannabis growing licence and is well positioned to take advantage of this latest move by the UK government:
 - The MHRA's five step process assumes a company is starting with no Home Office Controlled Drug Licence or operations. Ananda already has a Controlled Drug Licence and has conducted one full season of field trial growing. The Directors expect that this will expedite Ananda's progress through the licensing process.
 - Ananda has already commenced workstreams for the GACP/GMP/GDP* facility within its existing Home Office Licenced Research Facility in Lincolnshire.
- Ananda's field trials of its single crop, natural season growing in Lincolnshire have proven its strategy is the right one. The Directors believe that no artificial light or heat is the best environment in which to grow superior medical cannabis flower and that the low cost of this growing method is key for financial success.

Ananda's CEO Melissa Sturgess commented: *"We see this announcement from the MHRA as the most significant step for the UK medical cannabis industry since legalisation of medical cannabis in 2018. To see a joined-up approach from the Home Office and the MHRA is extremely welcome, and we believe it demonstrates strong acknowledgement and support for this nascent industry. We have been working diligently towards commercial operations since 2019 and are perfectly positioned to act on this announcement from the MHRA. We have already conducted field trials on 13 strains of cannabis, effectively giving us a head start down the regulatory pathway. We have already built a large research facility and are using the learnings from our operational work to inform GMP facility planning. And, most importantly, we have a small, dedicated team of best in class professionals to make it happen."*

*Good Agricultural and Collection Practices/Good Manufacturing Practices/Good Distribution Practices

-Ends-

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

ANANDA DEVELOPMENTS PLC

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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.

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

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.