

## Ananda Developments - Issue of Convertible Loan Notes

RNS Number : 4828L

Ananda Developments PLC

06 September 2023

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### **ANANDA DEVELOPMENTS PLC**

("Ananda" or the "Company")

#### **Issue of Convertible Loan Notes**

Ananda Developments plc (AQSE: ANA), a company developing cannabinoid medicines for the treatment of chronic inflammatory pain conditions, is pleased to announce that it has issued 600,000 of £1 each denomination unsecured, interest-bearing convertible loan notes (the "CLNs").

The issue consists of a total cash investment of £300,000 raised from two existing shareholders in the Company and debt capitalisation of £300,000 owed to Charles Morgan, Chairman of Ananda, pursuant to existing loan agreements (the "Loan Agreements"). Following the debt capitalisation, the outstanding unsecured debt owed by Ananda pursuant to the Loan Agreements is £709,000. Charles Morgan has agreed not to call the loans until after 31 January 2023.

The funding will be used for general working capital purposes and to pursue further clinical trials into inflammatory pain conditions.

The key terms of the CLNs are:

- Interest rate of 15 per cent. per annum, which will accrue for the term of the CLNs
- The conversion price is the lower of a 20% discount to the price at which shares are issued in the next capital raising of £1,000,000 or more or 0.4 pence, with a minimum conversion price of 0.2 pence
- Conversion of all CLNs will occur automatically upon the earlier of 30 November 2025, the listing of the Company on a different exchange or change of control.

A maximum of 396,750,000 ordinary shares in the Company will be issued pursuant to the CLNs which would represent 12.12 per cent of the enlarged issued share capital, assuming no other issue of shares.

#### **Related Party Transaction**

Charles Morgan's subscription of £300,000 CLNs is deemed to constitute a related party transaction for the purposes of the AQSE Rules (the "Related Party Transaction").

The Directors of the Company who are independent of the transaction, namely John Treacy, Clive Page, Inbar Pomeranchik and Stuart Piccaver (the "Independent Directors"), having exercised reasonable care, skill, and diligence, consider that Related Party Transaction is fair and reasonable as far as the shareholders of Ananda are concerned. Melissa Sturgess and Jeremy Sturgess-Smith recused themselves from the deliberations of the Independent Directors by virtue of being deemed members of a concert party which also includes Charles Morgan.

Melissa Sturgess commented: “We are grateful for the support of the additional funding from existing shareholders which will allow us to progress our strategy to pursue further clinical trials into inflammatory pain conditions. The House of Commons Home Affairs Committee report on Drugs, which was released last week, called for further government support for clinical trials into cannabinoids which aligns directly with Ananda’s strategy of providing randomised controlled trial evidence for the use of our MRX1 cannabidiol medicine in the treatment of chronic pain.”

To stay abreast of the latest developments at Ananda, we encourage you to follow our social media channels which are:

- Instagram: <https://instagram.com/anandadevelopments?igshid=YmMyMTA2M2Y=>
- LinkedIn: <https://www.linkedin.com/company/anadevelopments/>
- Twitter: [https://twitter.com/anandaplcs?s=21&t=9yelC\\_xYCfzgDn7j26sfuA](https://twitter.com/anandaplcs?s=21&t=9yelC_xYCfzgDn7j26sfuA)

-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 company whose ambition is to be a leading provider of cannabinoid-based medicines for the treatment of complex, chronic inflammatory pain conditions.

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.

<b>Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.</b>		
<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	Charles Morgan
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	Chairman
b)	Initial notification /Amendment	Initial
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer, or auction monitor</b>	
a)	Name	Ananda Developments plc
b)	LEI	894500DFM8VOC5FW4X47
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument	Unsecured Convertible Loan Notes

	Identification code	
b)	Nature of the transaction	Purchase of Convertible Loan Notes
c)	Price(s) and volume(s)	Purchase of 300,000 £1 Convertible Loan Notes
d)	Aggregated information - Aggregated volume - Price	N/A
e)	Date of the transaction	05 September 2023
f)	Place of the transaction	Off Market