SPANGEL Healthcare Research

Non-Independent Research
MiFID II Exempt

14 November 2024

**SP Angel acts as Aquis Financial Adviser to Ananda*

Stock Data

Ticker	ANA.AQ
Share Price:	0.315p
Market Cap:	£11.3m

Source: AQUIS Stock Exchange (prior trading day's close)

Company Description

UK-based developer of licenced cannabinoid based medicinal products for humans (CBPMs).

Share Price (p)

Source: Bloomberg

Contacts

Healthcare Research

Liam Gascoigne-Cohen
liam.gascoigne-cohen@spangel.co.uk
+44 20 3470 0530

Vadim Alexandre
vadim.alexandre@spangel.co.uk
+44 20 3470 0532

Sales

Rob Rees
+44 20 3470 0535

Abigail Wayne
+44 20 3470 0534

Richard Parlons
+44 20 3470 0472

Grant Barker
+44 20 3470 0471

Ananda Developments (ANA.AQ*)

MRX formulations selected for four investigator-led clinical trials

Key points

- **MRX2 and MRX2T formulations selected for two 250-patient Phase 3 trials:** Ananda to be paid to supply cannabidiol (CBD) and tetrahydrocannabinol (THC) formulations (MRX2 and MRX2T) to be evaluated as treatments for drug-resistant epilepsy (See note).
- **Preparations ongoing for two University of Edinburgh led Phase 2 studies** to evaluate MRX1 (CBD only) in chemotherapy induced peripheral neuropathy (CIPN) and endometriosis.
- **Phase 1 pharmacokentic (PK) study in 20 healthy volunteers expected to begin next year** providing an opportunity to confirm how MRX1 is absorbed and behaves in the body, giving data to support regulatory and IP filings.
- **Positive preclinical data testing MRX1 in a form of heart failure** (HFpEF) warrants further study
- **Fundraise of £2.2m supporting activities across the business** and the Group capitalised c.£2.0m of unsecured debt to clean up the balance sheet.

Ananda supplying formulations for four mid/late-stage clinical trials

Ananda continues to make significant progress across its operations particularly in terms of its clinical trial activities. Ananda was recently selected to provide cannabinoid formulations for two UK phase 3 clinical trials evaluating CBD only and CBD plus THC as treatments for refractory (drug resistant) epilepsy. These trials will be run by University College London (UCL) and Great Ormond Street Hospital (GOSH) with Ananda paid to supply the formulations. The Group is also continuing preparations with researchers at the University of Edinburgh to evaluate MRX1 in two Phase 2 trials for two underserved disease indications. One trial is investigating the effect of MRX1 on CIPN, funded by National Institute for Health and Care Research (NIHR), and the other is investigating its effect on endometriosis, funded by the Chief Science Office (CSO) Scotland. The lead investigators for these trials are all internationally recognised researchers in their respective fields, highlighting the clinical interest in Ananda's products.

Selection for these clinical trials is a significant validation of the Group's approach

The selection of Ananda to supply formulations for these trials is a significant validation of the Group's science-led approach to therapeutic development. The largest barriers in the adoption of cannabis-based medicines into clinical practice is the lack of consistent pharmaceutical grade products and a lack of evidence from placebo controlled clinical trials. Trial results should provide clinical and patient confidence regarding the safety of MRX formulations and support future regulatory and reimbursement discussions.

Upcoming PK study enables additional data generation on the activity of MRX1

Ananda is also planning a Phase 1 trial in Australia which aims to dose 20 healthy volunteers with MRX1 and evaluate the pharmacokinetic (PK) profile, tolerability and safety of MRX1. The study provides an opportunity to understand how MRX1 is absorbed and eliminated from the body. This data can be used to help confirm the safety profile of the treatment and determine the appropriate dosage. Data from this trial can also support IP filings and regulatory discussions with the US FDA.

Clinical testing is expected to begin in 2025

The initiation of testing of any of these trials would mark the shift of Ananda into a clinical stage company, a significant value inflection point. With four investigator led studies set to begin across a range of diseases we believe there is an opportunity to invest prior to first dosing of patients and the generation of clinical data which, if positive, should generate significant industry & clinical interest.

Results update

Ananda recently announced results for the six months ended 31 July 2024 (H1-25).

- Administrative expenses were £0.76m (H1-24: £0.84m; FY24: £1.73m).
- Operating losses were £1.2m (H1-24: £0.99m; FY24: £6.9m) reflecting increased spend on clinical trial preparations. FY24 includes £5.1m in non-cash expenses primarily reflecting the decision to pause operations at DJT Plants.
- Cash at period end was £0.05m (H1-24: £0.08m; FY24: £0.01m).

Fundraise and debt capitalisation has strengthened balance sheet

In September, the Group raised £2.2m with the funds intended to support:

- Clinical grade manufacturing of MRX1 for the CIPN and Endometriosis Phase 2 trials;
- Execution of a Phase 1 pharmacokinetic study of MRX1 in healthy volunteers;
- Additional preclinical work evaluating MRX1 in heart failure with preserved ejection (HFpEF);
- UK regulatory and reimbursement, guidance on clinical trial design and commencement of a partnering strategy for further studies;
- General working capital.

The Group also capitalised c.£2.0m of unsecured debt to cleanse the Company's balance sheet of all outstanding debt besides the 2023 Convertible Loan Notes. The fundraise and debt capitalisation has significantly strengthened the Company's balance sheet.

Table 1: September 2024 fundraise

Item	Number
Pre fundraise issued ordinary share capital (# shares)	2,878,027,906
Fundraise shares (0.3p per share)	741,952,200
Proceeds (£)	2,225,857
Post-fundraise issued ordinary share capital (# shares)	**3,619,980,106**

Source: Company announcements

Upcoming News flow

Across the short and medium term, we expect updates from the two Phase 3a epilepsy trials as the sponsors submit the Clinical Trial Applications (CTAs) to conduct the trials and open sites for patient recruitment, expected in H2-25. In terms of the University of Edinburgh Phase 2 trials (CIPN and Endometriosis) we expect the researchers to finalise and submit the CTA next year with a view to beginning enrolling patients.

We expect Ananda to obtain approval from the TGA, the Australian regulator, to conduct a Phase 1 trial evaluating MRX1 in healthy volunteers and begin patient enrolment shortly. We expect this trial to begin recruiting patients in H1-25. Furthermore, the Company is generating preclinical data and actively pursuing opportunities to conduct additional investigator-led clinical studies on its HFpEF programme.

Peer-group review

We have compiled a group of listed companies operating in a similar area as Ananda, either in terms of active ingredient (CBD/THC or other psychoactive, such as psylocibin) or indications (e.g. epilepsy or CIPN). Ananda's £9.1m enterprise value is below the £32.6m median enterprise value for the group. We believe that Ananda's diversified strategy and the progress made to date is not fully captured by its current valuation. Three of the Company's products are to be evaluated in two investigator-led Phase 3a trials (MRX2T or MRX2) or two Phase 2 clinical trials (MRX1) which are expected to be funded by established granting agencies.

Name	Ticker	Mkt Cap (£m)	Enterprise Value (£m)	Indication	Clinical stage	Asset
Median		**36.9**	**32.6**			
Ananda Developments Plc	**ANA PZ**	**11.3**	**9.1**	**Epilepsy**	**Phase 3a ready**	**MRX2 (CBD) MRX2T (CBD + THC)**
Celadon Pharmaceuticals Plc	CEL LN	18.6	18.6	Non-cancer chronic pain	Phase 3	Whole flower cannabis
Argent Biopharma Ltd	RGT AU	7.6	7.4	Acute Lung injury	Phase 2b	CimetrA (natural compounds)
Botanix Pharmaceuticals Ltd	BOT AU	297.1	255.2	Acne	Phase 2b	BTX1503 (5% CBD topical solution)
Little Green Pharma Ltd	LGP AU	20.1	20.2	Palliative care and advanced cancer	Phase 3	THC/CBD (1:20)
Cardiol Therapeutics Inc-A	CRDL CN	119.8	106.0	Recurrent Pericarditis	Phase 2/3 ready	CardiolRx - (cannabidiol) oral solution
Compass Pathways Plc	CMPS US	269.1	86.8	Treatment-resistant depression	Phase 3	COMP360 psilocybin treatment
Stoke Therapeutics Inc	STOK US	581.5	361.3	Dravet's Syndrome	Phase 1/2a	zorevunersen (STK-001)
Sonnet Biotherapeutics	SONN US	4.4	1.7	CIPN	Phase 1	SON-080 (Low-dose IL-6)
Incannex Healthcare Inc	IXHL US	36.9	32.6	Obstructive Sleep Apnea	Phase 2/3	IHL-42X (dronabinol + acetazolamide)
Medicinova Inc	MNOV US	77.5	42.8	CIPN	Phase 2	MN-166 (ibudilast)
Artelo Biosciences Inc	ARTL US	2.8	(1.5)	CIPN	Phase 1	ART26.12 (FABP inhibitor)

Source: Bloomberg, Company websites, Company presentations; Aquis exchange

Significant industry interest in new epilepsy treatments

There remains industry interest in acquiring new epilepsy treatments, highlighting the commercial opportunity for Ananda should it receive positive clinical data or licensing approval for one of its treatments. In October, Lundbeck (HLUN.CSE) acquired Longboard Pharmaceuticals (LBPH.NQ) for c.$2.6bn. Longboard's lead asset bexicaserin is undergoing Phase 3 trials for the treatment of seizures associated with Dravet syndrome, a rare form of epilepsy. Lundbeck expects the drug to launch in Q4-28 with an estimated global peak sales potential between $1.5 – 2bn. In August, Harmony Biosciences (HRMY.NQ) acquired Epygenix Therapeutics for $35m in cash and up to $650m in conditional milestone payments. The acquisition includes clemizole hydrochloride (EPX-100), a 5HT2 agonist in a pivotal registrational clinical trial for the treatment of Dravet syndrome.

In 2021, Jazz Pharmaceuticals (JAZZ.NQ) acquired GW Pharmaceuticals, the developer of Epidyolex, for a total consideration of $7.2b. In its latest quarter (Q2-24) Epidyolex generated revenues of $247.1m, a 22% y/y increase. Epidyolex is approved for three rare forms of epilepsy. Finally, we note that Avata Biosciences (Private), is developing AVAT-021, an orally administered form of CBD. Avata has now begun the next phase of fundraising of $110m to initiate a single pivotal Phase 3 study by Q4 2025 and aims to achieve FDA approval in 2028.

Clinical progress

Formulations selected for four investigator led clinical trials

Ananda's formulations have been selected to be used in four investigator-led clinical trials. The trials aim to investigate the effectiveness of cannabidiol in patients in two forms of epilepsy and two complex chronic pain conditions (Table 3). The selection of Ananda's products for these trials is a significant validation of the Group's science-led approach to product development.

Investigator led trials to be funded by granting agencies

The trials will be conducted by academic and clinical researchers and are funded by grant awards, predominantly from the NIHR. This not only provides non-dilutive funding but also external validation for Ananda's approach as the grant applications were peer reviewed and evaluated by leading granting agencies.

Principal investigators are internationally recognised researchers

The trials are being conducted by internationally recognised clinical experts. Professors Finbar O'Callaghan and Helen Cross from UCL/GOSH are leading the epilepsy trials. Professor Callaghan was recently President of the British Paediatric Neurology Association. The CIPN study is led by Professor Marie Fallon, Professor of Palliative Medicine at the University of Edinburgh who has conducted several clinical trials in pain conditions. In terms of the endometriosis trial, Dr Lucy Whitaker, a researcher at the MRC Centre for Reproductive Health at the University of Edinburgh, is leading the trial. She is supported by Professor Andrew Horne and Professor Phillipa Saunders who are both on the Board of the World Endometriosis Association as president-elect and treasurer, respectively. Dr Whitaker & Prof. Horne also recently served as co-Chairs of the World Endometriosis Congress.

Table 3 : Ananda's products have been selected for four investigator led clinical trials

Indication	Trial Stage	Formulation (s)	Expected trial size	Sponsor	Granting agency
Refractory Early Onset Epilepsy	Phase 3a	MRX2; MRX2T; placebo	250	GOSH and UCL	NIHR and NHS
Refractory Genetic Generalised Epilepsy	Phase 3a	MRX2; MRX2T; placebo	250	GOSH and UCL	NIHR and NHS
Endometriosis	Phase 2	MRX1, placebo	100	University of Edinburgh	Scottish Government Health Directorate
Chemotherapy-Induced Peripheral Neuropathy (CIPN)	Phase 2	MRX1	90	University of Edinburgh	NIHR

Source: Company announcements

Trials supporting clinical adoption and reimbursement

One of the key barriers for adoption of CBPMs and cannabinoid-based medicines in the NHS is the lack of data from randomised, placebo controlled clinical trials. Results from these trials should provide clinical and patient confidence regarding the safety of the formulation as well as supporting future regulatory and reimbursement discussions. This need was emphasised by a report from a House of Commons Home Affairs Committee report which called for further government support for clinical trials into cannabinoids (link to report).

Phase 3 epilepsy trial programme

In October, Ananda announced that it has been selected to provide formulations for two placebo-controlled UK Phase 3 trials run by University College London (UCL) and Great Ormond Street Hospital (GOSH). The trials aim to evaluate the safety and efficacy of CBD or CBD + THC in two forms of refractory (treatment resistant) epilepsy. Refractory epilepsy is thought to affect c.30% of individuals with epilepsy and is underserved by current treatments.

Provides pivotal clinical stage data with first patient dosing in H2-2025

The first patient is expected to be dosed in H2-25 with recruitment expected to last c.18 months. The trials are funded by the NHS and NIHR and will be led by Professors Finbar O'Callaghan and Helen Cross at UCL and GOSH. Each trial is expected to recruit c.250 participants who will be randomised into one of three treatment arms:

- **Cohort 1**: Individuals receive MRX2 formulation (CBD only).
- **Cohort 2:** Individuals receive MRX2T formulation (CBD + THC).
- **Cohort 3:** Individuals receive the placebo formulation (no CBD or THC).

Participants are expected to be dosed twice daily across a 24-week period, with monthly reviews of treatment response, side-effects, and tolerability of the dose.

Outcome measures focus on the reduction of seizures and cognition

In both trials, the primary endpoint will evaluate if treatment with MRX2 and/or MRX2T results in a significant difference in the frequency of seizures. Other secondary endpoints include safety & tolerability and improvements in quality of life, such as sleep. There is expected to be a health economics report on the value of the treatment. This is important for supporting NICE approval of a new treatment. This is necessary before adoption and reimbursement within the NHS.

Positive trial results could provide data for UK regulatory approval

The trials will be conducted to international standards using recognised clinical endpoints and provide an excellent opportunity to generate safety and efficacy data on the Group's products and support future regulatory and reimbursement discussions. Ananda has a licensing option over any arising IP from the trials. Should the trials generate positive data regarding the use of MRX2 and/or MRX2T, Ananda intends to progress the assets towards a UK regulatory approval as licenced therapies and receive reimbursement for its products for use within the NHS.

Epilepsy represents a large market with unmet need for new treatments

Epilepsy affects c.625,800 people in the UK, leading to c.1,000 deaths per year, and is estimated to cost the NHS approximately £2bn per year (Epilepsy Action). There is growing clinical evidence that CBPMs are promising treatments for difficult to treat epilepsies. However, there is only one CBD medicine available, Epidyolex, approved to treat three rare forms of drug-resistant epilepsy. Data from the UCL/GOSH trial could allow MRX to progress its cannabinoid formulations to marketing authorisation for a broad range of drug-resistant epilepsies.

Preparations continue for two Phase 2 trials evaluating MRX1

Alongside the MRX2 and MRX2T trials, Ananda is providing MRX1 for two investigator-led Phase 2 placebo controlled clinical trials. The trials will be conducted by researchers at the University of Edinburgh and are expected to be funded by grant awards. The trials aim to investigate the effectiveness of CBD in patients in two complex chronic pain conditions: Chemotherapy-induced peripheral neuropathy (CIPN) and endometriosis. Results from these trials should provide clinical and patient confidence regarding the safety of MRX1 as well as supporting future regulatory and reimbursement discussions. Ananda has been working on ensuring the supply chain for the clinical supply of MRX1 is robust as well as finalising the Investigator Brochure (IB). The IB is a comprehensive document summarising the body of information about an investigational product, such as MRX1, to support healthcare professionals involved in conducting a clinical trial.

Drug Supply Agreement in place for ENDOCAN-1 study

Ananda Developments has signed a Drug Supply Agreement with the University of Edinburgh and the NHS Lothian Health Board. The agreement provides the legal framework for the provision of MRX1 to be used as part of ENDOCAN-1, an investigator led clinical trial in endometriosis.

MRX Medical is supplying both MRX1 and the placebo and has been granted a licence over any IP generated from the trial to be used for internal R&D purposes as well as an option to licence the IP for commercial purposes.

ENDOCAN-1 is being supported by £300k of non-dilutive funding from the Scottish Government Health Directorate and will be conducted by researchers at the University of Edinburgh. The randomised, double-blind, placebo-controlled trial aims to investigate if cannabinoid oil can reduce endometriosis-associated pain.

The trial is to be led by Dr Lucy Whitaker, a researcher at the MRC Centre for Reproductive Health at the University of Edinburgh and is supported by Professor Andrew Horne and Professor Phillipa Saunders. Researchers plan to recruit 100 patients with pelvic pain due to endometriosis who will receive either MRX1 or placebo with patient responses to be evaluated via questionnaires. This data will be used to assess the safety and efficacy of MRX1 compared to placebo. Positive responses from this trial could be incorporated into clinical guidelines for managing endometriosis-associated pain. Subject to final approvals, the pilot trial will also assess the feasibility of running a further nation-wide trial on the use of cannabinoid oil versus placebo in the treatment of endometriosis-associated pain.

Drug Supply Agreement for CIPN study

Ananda has also signed a Drug Supply Agreement with the University of Edinburgh and the NHS Lothian Health Board for the provision of MRX1 cannabidiol oil to be used in an investigator led trial in CIPN patients. MRX Medical is supplying both MRX1 and the placebo and has been granted a licence over any IP generated from the trial to be used for internal R&D purposes as well as an option to licence the IP for commercial purposes.

This trial aims to evaluate the safety and efficacy of MRX1 as a treatment for CIPN patients. 92 patients with stable CIPN (three months after completion of chemotherapy) and no active cancer are expected to be recruited. The trial is a double blinded crossover trial, meaning both patient and clinician do not know if the patient received MRX1 or

placebo and all participants will receive both the active and placebo over the course of the trial.

To assess patient responses, researchers will conduct nerve pain assessments, questionnaires, and functional MRI (fMRI) imaging. fMRI can help obtain objective measures of brain activity associated with pain perception. The study also aims to assess certain inflammatory biomarkers in the blood. These biomarkers could also help identify subgroups of patients which respond to MRX treatment. The study is led by Professor Marie Fallon, Professor of Palliative Medicine at the University of Edinburgh. Professor Fallon is an internationally recognised experienced researcher who has conducted several clinical trials in pain conditions.

Appointment of CRO for Phase 1 Study

In October 2024, Ananda signed a contract with Southern Star Research Pty Ltd, a leading Australian Contract Research Organisation (CRO), to carry out a Phase 1 clinical trial. Southern Star Research will help run a trial which aims to dose 20 healthy volunteers with MRX1, the Company's lead asset, and evaluate the pharmacokinetic (PK) profile, tolerability and safety of MRX1. The trial is expected to be conducted in Australia via Ananda's wholly owned Australian subsidiary, Tiamat Australia Pty Ltd.

This is a positive step towards the initiation of a Phase 1 trial on MRX1. The study provides an opportunity to understand how MRX1 is metabolised in the body. This data can be used to help confirm the safety profile of the treatment and determine the appropriate dosage. Data from this trial can also support IP filings and regulatory discussions with the US FDA.

Southern Star Research is a full-service CRO specialised in running early clinical stage trials in Australia. Australia is a cost-effective jurisdiction to run clinical trials in, with a streamlined approval process and generous tax incentives in place. Companies are eligible for a 43.5% cash rebate on R&D work undertaken in the country. Ananda is now looking to complete the clinical trial protocol, finalise agreements with a trial site and submit a Clinical Trial Notification with the Therapeutic Goods Administration, the Australian drug regulator.

Encouraging *in vivo* data from MRX1 studies in heart disease

In June 2024, Ananda announced results from *in vivo* tests evaluating MRX1 as a treatment for a form of heart failure known as HFpEF (heart failure with preserved ejection fraction). Studies were conducted by researchers at Robert Gordon University, Scotland, under the guidance of Professor Cherry Wainwright, a member of Ananda's Scientific Advisory Board. The study aimed to evaluate the cardioprotective effects of MRX1 in a HFpEF animal model and to explore whether the addition of terpenes could enhance these properties. MRX1 was tested in a mouse model which replicates the effects of HFpEF as well as a healthy control group. Key findings were:

- HFpEF mice treated with MRX1 saw heart and lung weights returning to a baseline "healthy" weight.
- HFpEF mice treated with MRX1 were observed to have a significant reduction in molecular biomarkers related to cardiac fibrosis (COL1 and COL3) and heart failure (BNP).
- The addition of terpenes to MRX1 did not significantly enhance cardioprotective effects.

The findings, whilst early stage, indicates the potential cardioprotective effects of MRX1 in a disease indication with a large addressable population. HFpEF is a chronic condition whereby the heart pumps normally but does not fill with blood properly due to thickening (fibrosis) of tissue. This leads to heart failure symptoms such as shortness of breath, fatigue and cardiac arrest. HFpEF is thought to account for approximately 50% of heart failure cases and is linked to obesity, diabetes and high blood pressure. The findings warrant further investigation. Ananda is currently evaluating options to undertake additional studies to generate further data in this indication.

Evaluation of other potential disease indications continuing

The Company is also in discussions with researchers for further investigator-led clinical trials using its formulations for the treatment of other diseases, such as fibromyalgia. Fibromyalgia is a complex inflammatory pain condition with a large addressable population underserved by current treatments.

General Update

Formation of scientific advisory board

Ananda has formed Scientific Advisory Board (SAB) chaired by Professor Clive Page (Non-Executive Director of Ananda) with support Professor Trevor Jones, Professor Marie Fallon, Professor Cherry Wainwright and Charles Morgan (Chairman of Ananda). The establishment of the SAB brings a wealth of experience across academic, clinical, regulatory and commercial activities. The expertise within the SAB should help guide Ananda as it progresses it formulations through the clinic for various diseases.

Founder of the Cannabinoid Research and Development Group

Ananda is also a founding member of the Cannabinoid Research and Development Group (CRDG). The CRDG aims to develop and execute a strategy to establish the UK as a global leader in R&D in cannabinoid sciences. The CRDG is co-chaired by George Freeman MP and Professor Trevor Jones. The inclusion of Ananda in the CRDG is a validation of the Group's leading position within the UK cannabinoid space. The establishment of the CRDG should help establish the UK as a global leader in R&D in the cannabinoid science and support the development of a robust ecosystem across universities, industry, and the NHS.

IP Update

Ananda continues to build a robust IP estate around the MRX platform. While CBD and THC are known molecules, specific formulations, such as MRX1, MRX2 and MRX2T, and the associated manufacturing methods can be protected through patents. Filed patent applications surrounding the constituents, characterisation, and target indications should provide adequate protection if these assets receive regulatory approval and NICE recommendation for reimbursement on the NHS. Clinicians would want to prescribe licensed products which have an associated marketing authorisation for the indication they are looking to treat. This should provide a significant barrier to entry for other CBPMs which do not have licensed approval or clinical data generated from Phase 3 trials.

Graduation to senior segment of AQSE

Ananda's ordinary shares have been moved to the Apex segment of the Aquis Stock Exchange Growth Market. The Apex segment is reserved for larger, more established businesses which meet higher standards of corporate governance and have a proven growth strategy. The move to the senior segment of AQSE provides further visibility for investors. The Apex segment has stricter eligibility criteria including having at least 25% of shares in public hands; a minimum of two Independent Non-executive directors; a minimum of two market makers; a two-year consolidated trading history; and maintaining compliance with the QCA Code or the FRC's UK Corporate Governance Code.

Launch of cannabinoid medicines via the specials route

Ananda has launched two cannabinoid-oil medicines (MRX1 and MRX2) as unlicenced medicinal products (specials), the standard route for cannabinoid products in the UK. The products are listed on the formularies of three UK private pain clinics. Specials are medicinal products that have not been granted marketing authorisation by the regulator to treat a certain patient group. However, these products can be prescribed by a specialist doctor when there are no licensed alternatives available, or when the licensed product is not suitable for a particular patient's needs.

Whilst the Specials route provides access to Ananda's products the Company is now focused on progressing its assets through the licenced route. Whilst achieving licensed approval is a longer pathway, clinicians are more likely to prescribe licensed therapies, and the treatments are more likely to be adopted within the NHS. This is due to the availability of clinical data and the evaluation of quality, safety and efficacy data by a regulator such as the MHRA.

Financials

Income Statement (£)

Fiscal Year	FY23	FY24	H1-25
Fiscal year end date	31/01/2023	31/01/2024	31/07/2024
Revenue		-	764
Gross profit	**-**	**-**	**764**
Admin. Expenditure	(880,758)	(1,729,317)	(756,938)
Other expenses	(172,284)	(5,063,971)	(315,808)
Total overheads	**(1,053,042)**	**(6,793,288)**	**(1,072,746)**
Operating profit (loss)	**(1,053,042)**	**(6,793,288)**	**(1,071,982)**
Interest income	(247,983)	27	167
Interest expense	-	(138,806)	(144,129)
Pre-tax profit (loss)	**(1,301,025)**	**(6,932,067)**	**(1,215,944)**
Taxation	-	781,280	2,697
Post-tax profit (loss)	**(1,301,025)**	**(6,150,787)**	**(1,213,247)**
Other comprehensive income / (expenses)	161,385	6,624	(23)
Total comprehensive profit (loss)	**(1,139,640)**	**(6,144,163)**	**(1,213,270)**
Weighted average number of ordinary shares	850,999,271	2,631,069,313	2,878,027,906
Basic and diluted loss per share	(0.13p)	(0.23)	(0.04)

Source: Ananda Developments financial reports and SP Angel estimates

Balance Sheet (£)

Fiscal Year	FY23	FY24	H1-25
Fiscal year end date	31/01/2023	31/01/2024	31/07/2024
Assets			
Intangible assets	3,204,000	1,874,839	1,675,182
Property, plant and equipment	1,762,468	1,566,303	1,466,641
Other non-current assets	1,266,376		
Non–current assets	**6,232,844**	**3,441,142**	**3,141,823**
Trade and other receivables	210,144	77,380	69,724
Other current assets	47,080	-	-
Cash and cash equivalents and short-term investments	18,837	84,431	48,017
Current assets	**276,061**	**161,811**	**117,741**
Total assets	**6,508,905**	**3,602,953**	**3,259,564**
Liabilities			
Trade and other payables	1,586,484	2,565,666	3,388,129
Convertible loan notes	2,924,812	636,507	685,005
Current liabilities	**4,511,296**	**3,202,173**	**4,073,134**
Deferred tax liability	793,000	49,436	46,739
Non-current liabilities	793,000	49,436	46,739
Total liabilities	**5,304,296**	**3,251,609**	**4,119,873**
Equity			
Share capital	2,341,110	5,756,057	5,756,057
Share premium	3,468,944	5,328,996	5,328,996
Share Option Reserve	32,499	48,398	50,015
Retained earnings	(4,637,944)	(10,782,107)	(11,995,377)
Total equity	**1,204,609**	**351,344**	**(860,309)**

Source: Ananda Developments financial reports and SP Angel estimates

Disclaimers

This note has been issued by SP Angel Corporate Finance LLP ("SP Angel") in order to promote its investment services and is a marketing communication for the purposes of the European Markets in Financial Instruments Directive (MiFID) and FCA's Rules. It has not been prepared in accordance with the legal requirements designed to promote the independence or objectivity of investment research and is not subject to any prohibition on dealing ahead of its dissemination.

SP Angel considers this note to be an acceptable minor non-monetary benefit as defined by the FCA which may be received without charge. In summary, this is because the content is either considered to be commissioned by SP Angel's clients as part our advisory services to them or is short-term market commentary. Commissioned research may from time to time include thematic and macro pieces. For further information on this and other important disclosures please the Legal and Regulatory Notices section of our website Legal and Regulatory Notices.

While prepared in good faith and based upon sources believed to be reliable SP Angel does not make any guarantee, representation or warranty, (either express or implied), as to the factual accuracy, completeness, or sufficiency of information contained herein.

The value of investments referenced herein may go up or down and past performance is not necessarily a guide to future performance. Where investment is made in currencies other than the base currency of the investment, movements in exchange rates will have an effect on the value, either favourable or unfavourable. Securities issued in emerging markets are typically subject to greater volatility and risk of loss.

The investments discussed in this note may not be suitable for all investors and the note does not take into account the investment objectives and policies, financial position or portfolio composition of any recipient. Investors must make their own investment decisions based upon their own financial objectives, resources and appetite for risk.

This note is confidential and is being supplied to you solely for your information. It may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published in whole or in part, for any purpose. If this note has been sent to you by a party other than SPA the original contents may have been altered or comments may have been added. SP Angel is not responsible for any such amendments.

Neither the information nor the opinions expressed herein constitute, or are to be construed as, an offer or invitation or other solicitation or recommendation to buy or sell investments. Opinions and estimates included in this note are subject to change without notice. This information is for the sole use of Eligible Counterparties and Professional Customers and is not intended for Retail Clients, as defined by the rules of the Financial Conduct Authority ("FCA"). SP Angel does not provide broking or investment advisory or management services to retail clients

Publication of this note does not imply future production of notes covering the same issuer(s) or subject matter.

SP Angel, its partners, officers and or employees may own or have positions in any investment(s) mentioned herein or related thereto and may, from time to time add to, or dispose of, any such investment(s).

SPA has put in place a number of measures to avoid or manage conflicts of interest with regard to the preparation and distribution of research. These include (i) physical, virtual and procedural information barriers (ii) a prohibition on personal account dealing by analysts and (iii) measures to ensure that recipients and persons wishing to access the research receive/are able to access the research at the same time.

SP Angel Corporate Finance LLP is a company registered in England and Wales with company number OC317049 and whose registered office address is Prince Frederick House, 35-39 Maddox Street, London W1S 2PP. SP Angel Corporate Finance LLP is authorised and regulated by the Financial Conduct Authority whose address is 12 Endeavour Square, London E20 1JN.

SP Angel acts as AQUIS Financial Adviser to Ananda Developments

Recommendations are based on a 12-month time horizon as follows:

Buy - Expected return >15%
Hold - Expected return range -15% to +15%
Sell - Expected return < 15%