

Celadon Pharmaceuticals Plc

("Celadon" or the "Company" or the "Group")

Fundraise, Revolving Credit Facility Extension, Termination of Convertible Loan Note Financing and Total Voting Rights

London, 10 May 2024 - Celadon Pharmaceuticals Plc (AIM: CEL), a UK-based pharmaceutical company focused on the development, production and sale of breakthrough cannabis-based medicines, is pleased to announce that it has raised £2.1m (the "**Fundraise**") through a placing and subscription of 2,000,000 new ordinary shares of 1 pence each in the Company ("**New Ordinary Shares**"). The New Ordinary Shares will be issued at a price of 105 pence per share (the "**Fundraise Price**"), which represents a premium of approximately 3.4 per cent to the previous day closing share price of 101.50 pence per share on 9 May 2024, being the last practicable date prior to the publication of this announcement. 714,286 of the shares are to be issued in monthly instalments until August 2024.

Application will be made for admission of the New Ordinary Shares to trading on AIM, with 1,285,714 of the New Ordinary Shares to be admitted initially (the "**First Admission**"). It is expected that First Admission will occur on or around 15 May 2024, with the remaining 714,286 shares being admitted in three instalments on 10 June, 15 July and 12 August 2024. Further updates will be provided following the admission of the 714,286 New Ordinary Shares to trading on AIM.

The Company's pre-existing authority to allot ordinary shares, granted at the 2023 AGM, is sufficient to allot the New Ordinary Shares.

Global Investment Strategy UK Limited assisted in the placing.

Extension of Committed Credit Facility

The Company is pleased to confirm that it has extended the expiry date of its £7m Committed Credit Facility, entered into in May 2023, from 30 May 2025 to 30 November 2025, on the same terms as announced on 30 May 2023.

Use of Proceeds

The proceeds of the Fundraise, will provide the Company with additional working capital. The Directors can confirm that having regard to the proceeds of the Fundraise and the £7m Committed Credit Facility available to the Group, the working capital available to the Company will be sufficient for its present requirements, that is for at least 12 months from the date of First Admission.

Update on Convertible Loan Note Financing

The Company previously announced on 13 October 2023 that it was seeking to raise further funding through the issuance of Convertible Loan Notes ("**CLN Financing**"). Given that product supply to customers has commenced, the recent extension of the £7m Committed Credit Facility, and funds raised from the issue of equity by the Company, as detailed in this announcement and on 12 December 2023, the Celadon Directors have decided not to pursue the CLN Financing despite interest from potential investors.

Total Voting Rights

The Company advises that on First Admission the Company's issued share capital will consist of 65,494,617 Ordinary Shares, with one voting right each. The Company does not hold any shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 65,494,617. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

James Short, CEO of Celadon, commented:

"Following the first shipments to our UK customers in December 2023 and £3.0m of fundraising at the end of 2023, we have taken the opportunity to secure £2.1m of additional working capital at an attractive issue price compared to the current share price. Raising £5.1m of equity in the current environment demonstrates the confidence investors have in Celadon's strategy and the prospects for the developing pharmaceutical-cannabis industry."

"Celadon has featured extensively in recent mainstream UK broadcast news coverage of the impact medical cannabis has had on a handful of selected patients' lives. These stories, and those of many others that have benefitted from medical cannabis, continually reaffirm Celadon's belief in the potential power of medical cannabis to improve the quality of life for so many more, with millions in the UK alone suffering from chronic pain and other conditions."

"I am grateful for the support shown by our new and existing shareholders as we pursue our primary mission of improving the quality of life for patients most in need."

Enquiries:

Celadon Pharmaceuticals Plc

James Short
Jonathan Turner

Via Powerscourt

Canaccord Genuity Limited (Nominated Adviser and Broker)

Bobbie Hilliam / Andrew Potts

+44 (0)20 7523 8000

Global Investment Strategy UK Limited (Joint Broker)
James Sheehan

+44 (0)20 7048 9400

Powerscourt Group
Sarah MacLeod / Nick Johnson / Sam Austrums

+44 (0)20 7250 1446

About Celadon Pharmaceuticals Plc

Celadon Pharmaceuticals Plc is a UK based pharmaceutical company focused on the research, cultivation, manufacturing, and sale of breakthrough cannabis-based medicines. Its primary focus is on improving quality of life for chronic pain sufferers, as well as exploring the potential of cannabis-based medicines for other conditions such as autism. Its 100,000 sq. ft UK facility is EU-GMP approved and comprises indoor hydroponic cultivation, proprietary GMP extraction and manufacturing and an analytical and R&D laboratory. Celadon's Home Office licence allows for the commercial supply of its GMP pharmaceutical cannabis product. The Group owns an approved clinical trial using cannabis based medicinal products to treat chronic pain in the UK. Celadon also has a minority interest in early-stage biopharma Kingdom Therapeutics which is developing a licensed cannabinoid medicine to treat children with Autism Spectrum Disorder.

For further information please visit our website www.celadonpharma.co.uk

This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement, this information is now considered to be in the public domain.

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