

**Celadon Pharmaceuticals Plc**  
**("Celadon", the "Group" or the "Company")**

**Update on Financial Position**

**London, 23 August 2024** - Celadon Pharmaceuticals Plc (AIM: CEL), a UK-based pharmaceutical company focused on the development, production and sale of breakthrough cannabis-based medicines, wishes to provide an update on its financial position.

On 12 August 2024, the Company provided an update on its operations and financial position. In that update the Company advised that it had experienced delays in expected funding from an equity fundraising round, announced on 10 May 2024, and following the submission of a draw down request on its Committed Credit Facility.

**Equity Fundraise**

On 10 May 2024, the Company announced an equity fundraise to raise £2.1m at a price of 105 pence per ordinary share. It was agreed with one investor that his new ordinary shares subscribed in the equity fundraise would be issued in four tranches, namely 238,095 on 10 May 2024 (£250k), and a further 714,286 ordinary shares being admitted in three subsequent instalments on 10 June ("Second Admission"), 15 July ("Third Admission") and 12 August 2024 ("Fourth Admission"), equating to £750k.

The investor subscribed for a total of £1m of new shares under the equity fundraising, of which £600k has been received to date, including £100k from the Third Admission. As a result of the delay in receipt of funds from the Third Admission, the Company has agreed with the investor that it will delay the Fourth Admission of 238,096 ordinary shares (equating to £250k) until such time that all monies due have been received under the Third Admission. The Company and the investor continue to maintain positive dialogue and the investor has re-confirmed his intention to pay the balance due for the Third Admission (as is legally required under a subscription agreement), and in due course the full amount due for the Fourth Admission.

The Company will make a further announcement, as appropriate, when all funds under the Third Admission are received and to provide timing on the Fourth Admission of 238,096 shares.

**Committed Credit Facility**

On 27 June 2024, the Company submitted a draw down request for an initial £1m under the terms of the Committed Credit Facility. As advised in the announcement of 12 August 2024, at close of business on 9th August 2024, the Company had received £100k from this draw down request. By close of business on 22 August 2024, a further £200k has been received and the Company has been advised that the balance of £700k will continue to be paid in instalments or in full following completion of a property transaction. The Company has had consistent positive dialogue with the lender since the draw down and the directors of the Company continue to be confident of receiving the remaining draw down proceeds.

The Board also wishes to advise that the Group continues to be in discussion with a small number of potential institutional lenders about entering into substantial longer term debt facilities that would allow the Committed Credit Facility to be refinanced.

**Current Cash Position**

The Company continues to manage its cash position and creditors tightly, and this has been exacerbated by the delay in receipt of monies from the Third Admission of equity proceeds and the £1m draw down from the Committed Credit Facility.

The Company's cash position as at 22 August 2024 is currently £210k. This sum is expected to increase once the remaining proceeds of the subscription and the funds due under the draw down are received. The Group's going concern is dependent on timely receipt of funds under the equity fundraise and the committed credit facility or alternative financing (which as yet have not been secured).

**James Short, Chief Executive Officer of Celadon, commented:**

*"Celadon is grateful to the investor and lender for their re-confirmed commitments to the Company and for the additional funds received from the lender."*

*"The Group's ongoing conversations with alternative potential lenders continue to progress positively with a view to securing the long-term future for the business."*

**Enquiries:**

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**About Celadon Pharmaceuticals Plc**

Celadon Pharmaceuticals Plc is a UK-based pharmaceutical company focused on the development, production 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 an analytical and R&D laboratory. Celadon's Home Office licence allows for the commercial supply of its pharmaceutical-grade 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.com](http://www.celadonpharma.com)

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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