

Cannaray Limited, a leading European cannabis company, to list its CBD subsidiaries (Cannaray CBD & Love CBD) via public listing. Company will focus on booming medical and recreational cannabis opportunities in Europe through its Medical Cannabis division

Submitted by: Blue Array Ltd
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Cannaray Limited, a leading European medical cannabis and wellness CBD company, is today announcing the signing of an exclusive LOI for the listing of its CBD division (Cannaray Brands Ltd and Love CBD Health Ltd) via a reverse takeover of Cellular Goods PLC (LSE: CBX).

The expected total deal value for Cannaray shareholders is £18.6 million of which £14.2 million of value is payable upon completion and an expected earnout of £4.4 million in twelve months' time. It marks a leap forward for Cannaray Limited, whose ambition to list on the London Stock Exchange has been part of the company's strategy since its founding just three years ago. The reverse-takeover permits Cannaray Limited to facilitate the public listing of its consumer CBD wellness brands on completion of the deal.

The Company will then be exclusively focused on expansive growth plans for its medical cannabis division, Therismos across Europe, particularly the high potential markets of Germany and UK where Therismos already supplies medical cannabis products.

Cannaray Limited will focus on the German market from its Berlin office to capitalise on its recently announced category growth partnership with Walgreens Boots Alliance (WBA) subsidiary, Alliance Healthcare GmbH. The unique partnership for medicinal cannabis supply and pharmacy education provides Therismos with direct access to WBA's 4,000 pharmacy partners in Germany plus 8,000 wholesale pharmacy customers.

Germany is currently the largest medical cannabis market in Europe, with over a million patients on course to access medical cannabis by 2024, in a market estimated to be worth €7.7 billion by 2028. Therismos is also setting its sights on the lucrative recreational market following recent steps by the German Federal Government to legalise recreational cannabis for adult-use. The recreational market is estimated to be worth €8.5 billion.

Therismos Limited already holds a strong presence in the UK, with expertise in supplying orphan medicines, controlled drugs, unlicensed therapies, and medical cannabis products. Therismos is on target to deliver £30 million of revenues in 2022 made up from medical cannabis products sold in the UK and Germany and the distribution of unlicensed medicines.

As the Company enters the next chapter of its growth strategy, Clive Sharpe, one of the founders of Cannaray, has decided to step down from the position of Chairman to spend more time pursuing other opportunities and investments. Clive will remain a significant shareholder in Cannaray Limited. The Cannaray Board of Directors would like to thank Clive for his leadership during the last 3 years and for being instrumental in establishing the Cannaray CBD business in the UK.

Andrew Garden, former Procter & Gamble Europe Managing Director, has been appointed as the new Chairman

of Cannaray Limited. Garden has been supporting Cannaray Limited as a special advisor since 2019 and in his new role he will set up the company for success in the medical and recreational cannabis markets.

Andrew Garden, Chairman of Cannaray Limited, commented: “The intended listing on the LSE of our CBD business is very positive news for our shareholders, as we seek to focus on the major growth opportunities within the European cannabis market.”

“Following this transaction, Cannaray Limited’s strategy will centre on the development of prescription-based cannabis for medicinal use in Europe – on the back of our unique partnership with Walgreens Boots Alliance for cannabis supply and education in Germany. With the German government having announced steps to legalise adult-use cannabis in the near term, we are also well poised to galvanise our capital and human resources to be at the forefront of this multi-billion Euro market as it emerges.”

“It has always been the intention of Cannaray Limited to list the business on a favourable stock exchange. We are excited to list our CBD division on the LSE via this reverse takeover with Cellular Goods, whilst we continue to privately build our medical and recreational cannabis businesses across Europe. Our intention for the future will be to list on a qualified exchange favourable for recreational THC businesses.”

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For further information please contact:

Cannaray Limited
Investor Relations

Joshua Roberts
Chief Business Officer investorrelations@cannaray.co.uk

Public Relations

Lauren Hewitt-Crabb
Digital PR Manager
lauren@bluearray.co.uk

About Cannaray Limited:

Cannaray Limited is a leading European cannabis company spanning both medical cannabis and CBD wellness brands.

Cannaray Limited's CBD division comprises two leading consumer brands (Cannaray CBD and Love CBD) within the UK cannabidiol “CBD” wellness sector. The brands offer a range of high-quality ingestible CBD products (oils, gummies, capsules, tea) published on the UK Novel Foods register and sold through

1,500 retailer outlets and via direct-to-consumer branded websites.

Cannaray CBD is the company's flagship CBD wellness brand, founded to make CBD easy and accessible for millions of new people, with a range of quality CBD products. Cannaray was the first CBD brand to invest in major brand advertising in the UK. In 2021 they began a national television and out of home campaign featuring Brand Ambassador and UK TV and Radio presenter Claudia Winkleman, who encourages people to 'Join the CBD Revolution'. Cannaray CBD's product range includes CBD Oil Drops for day and night, Capsules, Gummies and Muscle Balm. All products are formulated to be effective and enjoyable to use, triple-lab-tested for purity, and are packaged in the modern, bright, and eye-catching Cannaray brand colours.

www.cannaraycbd.com

Love CBD is the company's CBD wellness brand designed for CBD enthusiasts and is one of the original pioneers of the CBD category in the UK. The majority of Love CBD's product range is produced at its own manufacturing site near Cambridge, UK, and includes CBD Oil Sprays, Capsules, and topical Balms.

www.lovecbd.org

Therismos is the company's medical division, which imports and distributes cannabis-based products for medical use (CBPM) across Europe. Its strategy is to become the leading European full-service provider of medicinal cannabis through innovative product solutions, valuable partnerships with strategic allies, and collaboration with world-class scientists and medical practitioners. In May 2022, Therismos GmbH signed a transformational category growth partnership with Walgreens Boots Alliance's subsidiary, Alliance Healthcare GmbH, for medical cannabis supply and pharmacist education in Germany.

<https://therismospharma.com/>