



E D E N  
P H A R M A

020 7458 4933

info@edenpharma.co.uk

www.edenpharma.co.uk

Mr XXXX XXXX  
XX XXXX XXX  
XXXXXXXX  
XXX XXX

Date: 21 July 2023

Dear Shareholders.

I hope this finds you well.

This letter is an important letter and requires your attention. I am writing to you in my capacity as the CEO of, and majority shareholder in, Eden Pharma.

This letter is in relation to the recently received offer to buy all the stock in our company from a large established global cannabis company. After much consultation and deliberation, I have concluded that the current offer to buy all shares in Eden Pharma for £1.10 per share for all assets of the company and is made on a part share, part cash basis does not currently represent fair value for the company. As such, I intend to reject the proposed deal once the full offer has been received. I believe that Eden Pharma Ltd can achieve a much higher valuation by continuing to execute the company's strategic vision or by negotiating this offer up, I think it would be unwise and commercially naive to accept the very first offer in any event.

Based on my ongoing conversations with the offeror, I do not expect shareholders to be approached directly with the current offer at this stage. This would constitute a bear hug and, I think from my interactions with shareholders, would be rejected in any event as I do believe there is a better offer to be received. Furthermore, many options remain open to both parties to progress our talks further. Including, as I stated, the option for Eden Pharma Ltd to make a counteroffer.

Throughout the negotiation period, it has become evident that there are potentially material synergistic benefits available to Eden by working with the offeror. They have a patent protected unique aeroponic grow system which will allow for a considerably improved product, on all metrics, when compared to our competitors. An initial strategic partnership could suit both parties.







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I will update shareholders further as conversations progress. Should you wish to discuss the above in more detail, please contact your point of contact or the investor relations department.

I must say that the above is my opinion, however, the damage to our company caused by the accusations made by the police may ultimately necessitate taking a commercial view on matters in the future, which would ultimately represent some form of loss to all of us.

With the above in mind, I now address recent communication from the police to shareholders. Once again it portrayed a very unfair narrative. In a recent letter the COLP rehash their previous communication almost word for word. This new communication asks that more people fill in questionnaires. It does not at any point say that such questionnaires are completely optional and there is no obligation to do anything. It certainly does not inform you, the shareholder, that even if you fill out the questionnaire favourably, the COLP will then use you as a statistic to point at in any further litigation or communication.

I say this because they (COLP) recently stated in legal papers that circa 300 people filled in a questionnaire, failing to mention that the vast majority of these questionnaires were positive in their outlook towards the company.

Their communication goes on to mention a single arrest, presumably the same arrest they cited in their communication dated 7th February. I must once again reiterate that no director nor shareholder of Eden was arrested and furthermore it is my understanding that almost six months on still no charges have been brought against the person arrested nor has any other person been arrested.

The inclusion of such information by the police seems like a very cheap way of promoting a narrative that they are helping, when in fact during this period all I have seen is a disruption to my business, to the point where we have become vulnerable to takeover offers. Along with the withholding of EIS benefits from our shareholders, this hardly sounds like it is of any benefit to our shareholders.

I did openly muse to a shareholder recently, that if this investigation was started in 2021 and my business had done something wrong, then surely I would have been arrested too, but I haven't been.

On the other hand, in contrast to the ambiguity of police correspondence, I can say that over 450 of our shareholders have now signed paperwork to join a class action lawsuit against the police – this, unlike saying someone has filled in a questionnaire, is unambiguous! These shareholders want to sue the police.







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**PLEASE COMPLETE AND RETURN**

I [please print full name] \_\_\_\_\_

Give permission for my details to be shared with an appropriate solicitors, lawyer or legal professional in respect of a legal claim for damages against the City Of London Police.

I understand that any claim will only be handled on a no win no fee basis and is already supported by a portion of the larger shareholders in the company.

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Contact Number & Email : \_\_\_\_\_

Company number 11861165 • Merit Legal Limited • 10 Water Street • Birmingham • B3 1HL



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