

4 October 2024

**Northern Leaf Plc  
("Northern Leaf" or the "Company")  
Company number 128967**

**Business Update**

We trust this message finds you well. We are excited to provide you with an update on Northern Leaf's transformation and its strategic path forward.

As many of you are aware, earlier this year, Northern Leaf faced substantial challenges, ultimately leading to the appointment of Grant Thornton as pending Administrators in March. However, in a critical moment for the company, a dedicated rescue team came together, negotiating a last-minute deal to save the business. This agreement, approved during an Extraordinary General Meeting on July 29, 2024, gave creditors an opportunity to recoup their debts and avoid the alternative of serious financial losses. This overwhelming support from creditors will allow the new management team the time and space to rebuild, as the company will still need this support while the new team sees the revenue come to fruition and the company stabilises from previous failings.

Our new CEO, Steven Tan, brings with him 25 years of expertise in the medicinal cannabis industry and an expansive global network. Steven's leadership is nothing short of transformational for Northern Leaf, as his insight and industry connections are accelerating our operational and commercial goals. His appointment signals a renewed focus on operational efficiency and sales expansion, something the company lacked in the past. With his leadership, we are positioned to capitalise on the growing medicinal cannabis market.

Since the transition, our production has increased by 25% in just the last few months, thanks to sector expertise, improved management practices, and a more cohesive team effort. We currently have one of our four production bays operational, but we are preparing to bring the second bay online this month, effectively doubling our capacity. This is only the beginning, as we aim to open the third bay next year, well ahead of schedule, driven by the strong demand Steven has already secured through meaningful sales contracts.

The marketplace for medicinal cannabis is expanding rapidly, and we are confident Northern Leaf will become a leading force, putting Jersey on the map as a premier producer of high-quality medical cannabis products. With support from the Government and our renewed approach to the Planning Department and neighbours further cements our path to success. Our commitment to building a profitable, scalable business remains unwavering.

While the challenges of inherited debt have been considerable, we have successfully restructured most of these obligations and established sensible repayment plans. The continued backing from creditors has been vital, and as we begin to execute on our ambitious plans, we are optimistic about clearing these liabilities over a reasonable amount of time while generating significant value for our stakeholders.

In the coming months, we will keep you informed of our progress as we finalise more sales contracts and further increase our production capabilities. The entire team's contribution has been invaluable to achieving these milestones, and with everyone's continued support, we are on course to build a thriving business that benefits our employees, creditors, shareholders, and the Island.

Thank you for your dedication and belief in Northern Leaf. We are excited about the journey ahead and the many milestones we will reach together.

Warm regards,

Northern Leaf Plc

For further information contact:

Frank Walker OBE	Chairman	<a href="mailto:frankwalkerjsy@gmail.com">frankwalkerjsy@gmail.com</a>
Steven Tan	Incoming CEO	<a href="mailto:steven.tan@northern-leaf.com">steven.tan@northern-leaf.com</a>
Ed Douglas	Head of Administration	<a href="mailto:edward.douglas@northern-leaf.com">edward.douglas@northern-leaf.com</a>

\*\*\*ENDS\*\*\*