



CLS Holdings plc

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12 September 2024

Dear Shareholder,

RESIGNATION OF ERNST AND YOUNG LLP AS EXTERNAL AUDITOR AND APPOINTMENT OF BDO LLP AS NEW EXTERNAL AUDITOR

In accordance with section 520 of the Companies Act 2006¹, I enclose a copy of the statement of circumstances from the outgoing auditor, Ernst & Young LLP ("EY"), in connection with it ceasing to hold office, which was deposited with the Company on 4 September 2024.

I also include the text of a Regulatory News Service announcement released on 6 September 2024 in relation to EY's resignation and the appointment of BDO LLP as external auditor of the Company with immediate effect.

These documents can also be found on the shareholder documents page of our website www.clsholdings.com.

Yours faithfully,

DAVID FULLER
Company Secretary

RNS Number : 2861D
CLS Holdings PLC
06 September 2024

CLS Holdings plc ("CLS") Change of Auditor

CLS Holdings plc has completed a formal tender process to appoint a new external audit firm. As a result of that process, the Board has today accepted the resignation of its current auditor, Ernst & Young LLP ("EY"), and approved the appointment of BDO LLP ("BDO") as its new external auditor for the year ending 31 December 2024, with immediate effect.

The statement as required by s.519 of the Companies Act 2006 that confirms there are no reasons for and no matters connected with them ceasing to hold office as auditors that they consider need to be brought to the attention of the Company's creditors or members will shortly be available for inspection on the National Storage Mechanism website at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

Shareholder approval to confirm the appointment of BDO as its external auditor will be sought at the 2025 Annual General Meeting in mid-April 2025.

Bill Holland, Chair of the CLS's Audit Committee, commented:

"The Board would like to thank EY for their work as auditor over the last 3 years and we look forward to working with BDO."

-ends-

¹ Section 520 of the Companies Act states that when an auditor of a quoted company who has deposited with the company a statement of the circumstances connected with its ceasing to hold office, the company is required to send a copy of that statement to its shareholders and other persons who are entitled to receive copies of the company's annual report and accounts, within 14 days of receipt.





CLS



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The Directors
CLS Holdings plc
16 Tinworth Street
London
SE11 5AL

4 September 2024

Dear Sirs

**Re: CLS Holdings plc (the “Company”)
Company Registered Number 02714781**

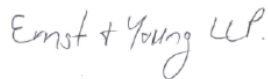
In accordance with section 516 of the Companies Act 2006 (the “Act”), we write to notify you that we are ceasing to hold office as auditor of the Company. This takes effect immediately from the date on which you receive this letter.

In accordance with section 519(1) of the Act, we are ceasing to hold office following a competitive tender, as a result of which another firm of auditors has been appointed. We declined to participate in the tender given management’s expectation of the audit effort relative to the work we expected was required to deliver the audit.

We are required to send a copy of this statement to the appropriate audit authority in accordance with section 522 of the Act and send a copy to the registrar in accordance with section 521 of the Act. We draw your attention to the fact that the Company has its own statutory obligations where an auditor has ceased to hold office (as detailed, in particular, in sections 520 and 523 of the Act).

If you have any questions in respect of your legal obligations, we recommend that you seek independent legal advice.

Yours faithfully



Ernst & Young LLP.

Ernst & Young LLP
ICAEW Registration Number – C009126168