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INTERIM REPORT 1 APRIL 2021 – 30 JUNE 2021



# DanCann Pharma A/S, Q2 2021 Report

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## Disclaimer: forward looking statements

**SOME STATEMENTS** in this release may contain forward-looking information. All statements, other than of historical fact, that address activities, events, or developments that the Company believes, expects, or anticipates will or may occur in the future (including, without limitation, statements regarding potential acquisitions and financings) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology.

Forward-looking statements are subject to several risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, the inability of the Company, to obtain sufficient financing to execute the Company's business plan; competition; regulation and anticipated and unanticipated costs and

delays, the success of the Company's research strategies, the applicability of the discoveries made therein, the successful and timely completion and uncertainties related to the regulatory process, the timing and outcomes of regulatory or intellectual property decisions and other risks disclosed in the Company's public disclosure record on file with the relevant securities regulatory authorities.

Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in forward-looking statements, there may be other factors that cause results or events not to be as anticipated, estimated or intended. Readers should not place undue reliance on forward-looking statements. The forward-looking statements included in this presentation are made as of the date of this presentation and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.





# About DanCann Pharma A/S

**DANCANN PHARMA A/S** (SS: DANCAN), listed on Spotlight Stock Market (Stockholm / Copenhagen), was founded in 2018 and is a Danish biopharmaceutical company powered by cannabinoids, with core focus in the European markets. DanCann Pharma is a vertically integrated, licensed production and distribution company based in Denmark. The company focuses on discovering, developing, manufacturing, and commercializing new therapeutic cannabinoids (both phyto- and synthetic) in a wide range of disease areas. DanCann Pharma handles approved and non-approved drugs - as well as prescription drugs (Rx) and over-the-counter drugs (OTC).

DanCann Pharma was established due to the poor and limited access to cannabinoid-based drugs and pharmaceuticals, where people instead searched for products on the uncontrolled illegal market. For that reason, DanCann Pharma today works with the mission of securing access to treatments with quality assured cannabinoid substances. DanCann Pharma creates and makes solutions for tomorrow's tough challenges using cannabis- and cannabinoids for pharmaceutical purposes.

DanCann Pharma has a differentiated approach to the industry, by targeting supply and research of rare cannabinoids (APIs) for new, unexplored treatment options.

DanCann Pharma is centered around a pharma minded mindset, where the goal is to build a unique position through an IP-based strategy, where the focus is on development through technology, formulation, and delivery systems, through strategic partnerships and acquisitions of licenses and intellectual property rights.

DanCann Pharma is built from a foundation of care, and with a passion to improve health and the quality of life for patients with challenges. As a company, DanCann Pharma wants to offer an alternative to the many patients who have not achieved the required quality of life with conventional medicine, and focuses on, among other things but not limited to, the following patient groups: pain treatment/pain management in a wide range (alternative to treatment with opioids), appetite stimulant (in connection with anorexia and cancer treatment), appetite suppressant (treatment of obesity), skin diseases, sleep problems and mental disorders such as PTSD and anxiety.

By challenging status quo, based on knowledge and innovation, DanCann Pharma innovate life-changing technology. DanCann Pharma is not only limited to treatment with medical cannabis or cannabinoids - but everything that potentially helps the world to become a better place by improving the quality of life for patients.

It is all about the patient:  
Research decides – but – patients inspires

# Highlights during the period

APRIL

## **DanCann Pharma A/S issues warrants to the executive management team**

TUE, APR 06, 2021

COPENHAGEN, Denmark, 06 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby today announces that the Board of Directors has issued 1,017,147 warrants to the executive management team in DanCann Pharma with a subscription rate of DKK 3.3327.

## **DanCann Pharma A/S publishes Annual Report 2020**

WED, APR 07, 2021,

COPENHAGEN, Denmark, 07 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") announce that The Board of Directors and the Chief Executive Officer of DanCann Pharma hereby publishes the annual report of the year 2020. The annual report including the auditor's report is available in this press release and on the website of DanCann Pharma.

## **DanCann Pharma A/S appoints Helle Bjerregaard as Head of Quality**

FRI, APR 16, 2021

COPENHAGEN, Denmark, 16 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") is pleased to announce the employment of Helle Bjerregaard. Helle Bjerregaard has been appointed as Head of Quality (HOQ) at DanCann Pharma A/S.

## **DanCann Pharma A/S: Tetra Bio-Pharma Provides an Update on its U.S. REBORN1 Clinical Trial**

MON, APR 26, 2021

COPENHAGEN, Denmark, 26 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma") hereby on behalf of Tetra Bio-Pharma Inc. ("Tetra"), announce an update on their U.S. REBORN1 Clinical Trial.

## **DanCann Pharma A/S Annual General Meeting 2021 and decisions by the Board of Directors**

WED, APR 28, 2021

MINUTES OF ANNUAL GENERAL MEETING held in DanCann Pharma A/S, business reg. no. 39 42 60 05.

## **DanCann Pharma A/S issues warrants to the Board of Directors**

WED, APR 28, 2021

COPENHAGEN, Denmark, 28 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby today announces that DanCann Pharma has issued 300,000 warrants to the Board of Directors in DanCann Pharma with a subscription rate of DKK 3.8993.

## **DanCann Pharma A/S: Market update for penetration of the Danish market, cf. the Danish Pilot Programme with medical cannabis**

MON, APR 26, 2021

COPENHAGEN, Denmark, 26 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby provides an update on its market penetration of the Danish market, cf. the Danish Pilot Programme with medical cannabis.

## **DanCann Pharma A/S has pressed the start button in BIOTECH PHARM1**

THU, APR 22, 2021

COPENHAGEN, Denmark, 22 April 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby announce that following pre-selective operations around the Company's genetics in BIOTECH PHARM1 ("the Facility"), the Company today begins its first real operations and first cycles in its new Facility.



**DanCann Pharma A/S have signed a definitive distribution agreement with Tetra Bio-Pharma Inc. for the exclusive distribution of Reduvo™ Adversa® and Qixleef™ in Scandinavia and Germany**

WED, MAY 05, 2021

COPENHAGEN, Denmark, 5 May 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma” or the “Company”) is pleased to announce the signing of an agreement with Canadian Tetra Bio-Pharma Inc. (TSX:TBP) (OTCQB:TBPMF) (“Tetra”) concerning the exclusive distribution of the cannabinoid-based medicines Reduvo™ Adversa® and Qixleef™ in Denmark, Norway, Sweden, Finland, and Germany.

**DanCann Pharma A/S: Tetra Bio-Pharma Announces Start of the REBORN1(C) Clinical Trial**

FRI, MAY 07, 2021

COPENHAGEN, Denmark, 7 May 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma”) hereby on behalf of Tetra Bio-Pharma Inc. (“Tetra”), announce the start of the RE-BORN1© clinical trial. This trial is designed to evaluate the effect of the company's inhaled proprietary drug formulation, QIXLEEF™, against immediate release oral morphine sulfate on onset of pain relief in people living with cancer. QIXLEEF™ is a botanical drug product with a “fixed ratio” of THC and CBD and is inhaled through a Class 2 medical device vaporizer.

**DanCann Pharma A/S publishes Q1-2021 report**

FRI, MAY 28, 2021

COPENHAGEN, Denmark, 28 May 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma” or the “Company”) hereby today releases its results for the period 1 January – 31 March 2021 (the “period”). The Q1-2021 report is now available

**Impressive growth rate at DanCann Pharma A/S**

TUE, JUN 15, 2021

COPENHAGEN, Denmark, 15 June 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma” or the “Company”) hereby announce, that the development of the mother plant genetics in BIOTECH-PHARM1, the production facilities inaugurated in April, exceeds the Company's expectations.

MAY

JUNE

**DanCann Pharma A/S: Tetra Bio-Pharma Accelerates PLENITUDE(C) Clinical Trial to Evaluate the Effect of Cannabis for Use in Managing Uncontrolled Cancer Pain**

TUE, MAY 11, 2021

COPENHAGEN, Denmark, 11 May 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma”) hereby on behalf of Tetra Bio-Pharma Inc. (“Tetra” or “the Company”), announce the acceleration of a revolutionary Phase 2 clinical trial, PLENITUDE©, to evaluate the safety and efficacy of the investigational cannabis medicine, QIXLEEF™, for use in managing uncontrolled pain in patients with advanced cancer.

**DanCann Pharma A/S: The future is secured: The Pilot Programme has been made permanent**

WED, MAY 26, 2021

COPENHAGEN, Denmark, 26 May 2021 – DanCann Pharma A/S (SS: DANCAN) (“DanCann Pharma” or the “Company”) hereby happily announce that the Danish government with the support from other political parties have entered into an agreement on 25 May 2021 to continue The Pilot Programme with medical cannabis.

# Highlights after the period

## **The Board of Directors of DanCann Pharma A/S convenes an Extraordinary General Meeting and proposes that the Meeting resolves a directed share issue**

THU, JUL 08, 2021

The Board of Directors of DanCann Pharma A/S (publ) ("DanCann Pharma" or "the Company") has today decided to convene an Extraordinary General Meeting of the Company on 23 July 2021 and proposes that the Board of Directors have the mandate to resolve a directed issue

## **DanCann Pharma A/S has carried out a directed issue of shares of approx. DKK 6.375 million and warrants, in combination with obtaining a loan facility of SEK 13.7 million**

MON, JUL 26, 2021

COPENHAGEN, Denmark, 26 July 2021 - DanCann Pharma A/S (Publ) (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby announces that based on the resolutions to issue shares and warrants on the Extraordinary General Meeting on 23 July 2021, the Company has issued a total of 1,702,339 new shares at price of DKK 3.745 per share (which corresponds to the closing price as of 22 July 2021), where the Board of Directors and Executive Management participate, which adds the Company a total of DKK 6,375,259 and a total of 1,702,339 new warrants, this in combination with obtaining a loan facility of SEK 13,700,000, which secure DanCann Pharma financing a total of approx. DKK 16.326 million (based on current currency exchange rate).

## **DanCann Pharma A/S: Tetra Bio-Pharma Accelerates REBORN1© Trial**

TUE, JUL 13, 2021

COPENHAGEN, Denmark, 13 July 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma") hereby on behalf of Tetra Bio-Pharma Inc. ("Tetra"), announce that Tetra Bio-Pharma - a leader in cannabinoid-derived drug discovery and development - yesterday announced that the Central Ethics Committee has approved the proposed protocol modifications allowing additional immediate release oral opioids to be used as comparators in the REBORN1© study.

## **DanCann Pharma A/S' CEO and CCO have subscribed for shares and warrants in the directed issue**

TUE, JUL 27, 2021

COPENHAGEN, Denmark, 27 July 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby announces that Jeppe Krog Rasmussen, Founder, Board Member and CEO at DanCann Pharma A/S has privately through his holding company (Xignotus Capital ApS) subscribed for 267,023 new shares, equivalent to a subscription amount of DKK 1,000,001 and 267,023 warrants in DanCann Pharma A/S and John Morell Frellsen has privately through his holding company (Morellco Holding ApS) subscribed for 25,000 new shares, equivalent to a subscription amount of DKK 93,625, as well as 25,000 warrants.

JUL



## DanCann Pharma A/S has reached a historic milestone with the first ever cannabis batch in BIOTECH PHARM1

THU, AUG 12, 2021

COPENHAGEN, Denmark, 12 August 2021 - DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma" or the "Company") hereby announce, that the ambitious pharma company has just completed its first successful production run of biomaterial a few weeks after the Company carried out a directed issue of shares and at the same time received loan capital of a double-digit DKK million amount.

AUGUST

## Key figures Q2 2021

KDKK	01/04/21 -30/06/21	01/04/20 -30/06/20	01/01/21 -30/06/21	01/01/20 -30/06/20
Net sales	0	0	0	0
Operating profit (EBIT)	-3,771	-1,237	-6,362	-1,499
Result per share (DKK)	-0.14	-1.80	-0.22	-4.47
Equity ratio	0.89	0.96	0.89	-0.42

Number of shares on the 01/01/20: 1

Number of shares on the 08/04/20: 175,760

Number of shares on the 26/06/20: 14,060,800

Number of shares on the 02/10/20: 20,730,800

$$\text{Result per share} = \frac{\text{Result for the period}}{\text{weighted average number of shares}}$$
$$\text{Equity ratio} = \frac{\text{Equity}}{\text{Total assets}}$$



## The Danish parliament ...

has decided to extend the Pilot programme that allow local cultivation and production of medical cannabis. This is good news for the industry and ecosystem as it is likely to attract further investments and stimulate the drive towards making Denmark a leading nation within the field of medical cannabis. Now we must all focus on getting the best out of the prolonged program in terms of new content. We are currently in the process of giving input to the program version 2.0 which our politicians will negotiate in the autumn. We aim to get maximum influence as a company and as part of the industry.

# Other mentions during and after the period

Berlingske, Fremtidens Sundhedssektor: **"Medicinsk cannabis som alternativ til konventionel medicin"** (Danish, 20 April 2021) page 28-29

Jydske Vestkysten: **"Aktiekursen har taget et stort hop opad: Landsby-iværksættere møder stor tillid fra investorer på børs"** (Danish, 26 April 2021)

DanCann Pharma A/S is proud to be underlined by the Ministry of foreign affairs of Denmark in an article by Analytical Cannabis. Thanks to Invest in Denmark. Analytical Cannabis: **"What Makes the Danish Medical Cannabis Sector Unique"** (English, 7 May 2021)

Business Worldwide Magazine: **"Head and Founder of DanCann Pharma Wins 2021 Business Worldwide Magazine CEO Award"** (English, 18 May 2021)

Business Worldwide Magazine: **"Challenging the status quo with patient inspired medical cannabis health treatments"** page 68 – 71 (English, 18 May 2021)

HC Andersen Capital: **"Præsentation af Q1 kvartalsregnskab 2021"** (YouTube video, Danish 28 May 2021)

Jydske Vestkysten: **"Morten bruger alle vågne timer på cannabis-stiklinger: Han skal finde dén sort, som kan blive til medicin"** (Danish, 29 July 2021)

HC Andersen Capital: **"Kapitalforhøjelse"** (YouTube video, Danish 6 August 2021)

## Via Ritzau - Press Releases:

DanCann Pharma: **"DanCann Pharma har trykket på startknappen i BIOTECH PHARM1"** (Danish, 22 April, 2021)  
Swedish version [here](#).

DanCann Pharma: **"DanCann Pharma henter markant brancheprofil til bestyrelsen"** (Danish, 29 April, 2021)

DanCann Pharma: **"DanCann Pharma og canadiske Tetra Bio-Pharma har underskrevet en aftale om eksklusiv distribution af produkter i Skandinavien og Tyskland"** (Danish, 5 May, 2021). Swedish version [here](#).

DanCann Pharma: **"DanCann Pharma viste faciliteterne frem for borgmesteren og kommunaldirektøren"** (Danish, 7 May, 2021)

DanCann Pharma: **"En permanent ordning vil være godt nyt for patienterne"** (Danish, 20 May, 2021)

DanCann Pharma: **"Fremtiden er sikret – den danske forsøgsordning for medicinsk cannabis er gjort permanent"** (Danish, 26 May 2021)

DanCann Pharma: **"Flot vækst hos DanCann Pharma"** (Danish, 15 June 2021)

DanCann Pharma: **"DanCann Pharma forhøjer aktiekapitalen markant med fokus på større produktionskapacitet og eksport til det tyske marked"** (Danish, 27 July 2021)

DanCann Pharma: **"DanCann Pharma runder historisk milepæl: Første træningsbatch gennemført"** (Danish 12 August 2021)





## Investing in the Future

**I AM FULLY AWARE** that I am repeating myself, but this quarter has like Q1 been extremely eventful. Following DanCann Pharma's IPO in November 2020, where we received a capital injection that made it possible to realize our ambitious goals, things have only moved in one direction. Forward. We have strengthened our organization with the right competencies in production, administration, and management. At the same time, we have succeeded in attracting the strong industry personality Christian Carlsen to our Board of Directors.

In our production facilities BIOTECH PHARM1, we pressed the start button in April and started the selection of genetics. After lots of tests, the first batch was put into production, and eight weeks later we were able to celebrate the first of 13 training harvests, which will be completed, dried, and analyzed throughout the rest of 2021. It is very positive that both the consumption of fertilizer, nutrients and water is significantly below expectations.

At our annual general meeting in April, it was decided that later in the year we would have the opportunity to implement another capital increase, this time through a private placement. The decision was confirmed at an extraordinary general meeting at the end of July and immediately afterwards DanCann Pharma realized approx. DKK 16.3 million from a consortium of private investors in combination with a loan option of around DKK 11 million. The capital increase underlines our very strong financial position in our quest to reach our ambitious goals.

Furthermore, we are seeing a huge influx of new retail investors – which is super positive. We are very pleased about that, as well as solid insider purchases from the internal circle of management and board of directors is an expression of great confidence in our project, our company.

The extra capital will be used to significantly expand our production facilities. BIOTECH PHARM1 is our core business, and we will continuously invest in this to fortify our market position. We are currently experiencing a huge demand for cannabis biomaterial, so by investing further, we will be able to hit the market – specifically the German one – both faster and with greater effect.

A significant novelty during this period has been that the Danish pilot programme for medicinal cannabis has been made permanent when it comes to production. It is, of course, essential for us to know that the mere existence of our company is not determined by a temporary arrangement. We expect to be able to give a status on our import activities based on the pilot programme during the month of September.

We are both humbled and proud of the great trust that investors, employees, and the local community show us, and we will continue to do our utmost to live up to it.





## A Historic Milestone

**IN APRIL**, DanCann Pharma's production facilities BIOTECH PHARM1 were fully established and in June, the company activated the first cultivation activities in the new facility following a prior selection of genetics. After eight weeks, the first batch has been harvested and made ready for further processing. The drying phase is followed by a comprehensive analysis of the result as well as tests for various microbiological conditions, including pesticides.

This batch is the first of 13 planned training batches that DanCann Pharma will implement in BIOTECH PHARM1 for the remainder of 2021. The process is a significant milestone towards the final approval of the facilities for production of cannabis biomaterial, also called a bulk product. This and the upcoming training batches are important steps on our way to achieving our production goals. We can now get actual data for validation of processes, equipment, and growth conditions. We also get the opportunity to continuously optimize the process parameters in our advanced production facilities - and we will be able to evaluate the cannabis genetics that the analysis results show us.

**“The whole purpose of the implementation of the many training batches is ultimately to ensure uniformity and consistency in the products, so that we can maximize our output for raw biomaterials”.**

Jeppe Krog Rasmussen, CEO

### Financial and environmental sustainability

Without yet knowing the analysis results, it is fair to assess that the process in connection with the first production has been very close to optimal. In the temperature- and moisture-sensitive development facilities, the cannabis genetics thrive perfectly, and it has been shown that it has only been necessary to use about one-sixth of the expected amount of fertilizer and nutrients. At the same time, water consumption has been significantly lower than anticipated. The high-tech set up in BIOTECH PHARM1 thus works as intended - and more sustainably.

DanCann Pharma's goal is to be able to have a capacity that can annually supply approximately 2.5 tons of dried biomaterial at competitive prices. The company will thus be able to supply more than 25% of the current German market with biomaterial products.

The positive development in DanCann Pharma's activities, both financially and operationally, means that we can start production of the biomaterial to a significantly greater extent than previously expected. In fact, the goal now is to increase capacity by a factor of 10x, which will move the Company to a whole new level in the market.

# Additional financing – shares, warrants and loan

**DANCANN PHARMA A/S** has carried out a directed issue of shares of approx. DKK 6.375 million and warrants, in combination with obtaining a loan facility of SEK 13.7 million. Based on the resolutions to issue shares and warrants on the Extraordinary General Meeting on 23 July 2021, the Company has issued a total of 1,702,339 new shares at a price of DKK 3.745 per share (which corresponds to the closing price as of 22 July 2021). The Board of Directors and the Executive Management has participated, which adds the Company a total of DKK 6,375,259 and a total of 1,702,339 new warrants.

In combination with obtaining a loan facility of SEK 13,700,000, DanCann Pharma secure at total financing of approx. DKK 16.326 million (based on current currency exchange rate) for growth and pace to initiate enhancement of production capacity for commercial size production for export to the German market. The warrants are issued free of charge and each warrant gives the right to subscribe for one share at an exercise price of DKK 4.8685.

The issue was subscribed by a consortium of private investors led by Jinderman & Partners AB ([www.jinderman.se](http://www.jinderman.se)) and Xignotus Capital ApS (owned by Founder, CEO and Board Member Jeppe Krog Rasmussen) who together subscribed for more than DKK 4.5 million in the directed issue of shares. Many of the other members of DanCann Pharma's Board of Directors and Executive Management team also participated in the directed issue of shares, including Carsten Trads (Chairman), Magnus Østergaard Dahlmann (Board of Directors), Per Wester (Board of Directors), Christian Carlsen (Board of Directors) and John Morell Frelsen (CCO).

## Background, value drivers and motive for the directed issue of shares

Based on a strong interest and demand from the German market combined with continuously high prices for the biomaterial, DanCann Pharma continues to invest in its BIOTECH PHARM1 facility.

This means that DanCann Pharma can take BIOTECH PHARM1 from proof of concept to a project in commercial scale, which amounts to a 10x production capacity enhancement. The funds from the directed issue of shares and the loan facility enables DanCann Pharma to expand earlier than expected and prognosed, which will result in a faster go-to-market with larger volumes for DanCann Pharma.

**“The capital injection from our directed issue of shares in combination with the loan facility means a significant strengthening of our financial position, which creates security and focus for the workflow in the company for best performance”.**

Jeppe Krog Rasmussen, CEO

We expect the upgraded and upscaled BIOTECH PHARM1 to contribute as a commercial scale project, which will be operational during the beginning of 2022 and approved in the middle of 2022 for sales to large export markets. During the autumn, DanCann Pharma's Executive Management team and Board of Directors intend to decide on which German partner(s) will be responsible for the purchase and distribution of the biomaterial and substances from BIOTECH PHARM1 to the German market.



# BIOTECH PHARM1

## – Excellence in Technology

**ON 22 APRIL** we proudly announced that following pre-selective operations around the company's genetics in BIOTECH PHARM1, we were able to begin the first real operations and first cycles in the new facility.

The facility is built based on best practice from the pharmaceutical industry in combination with advanced environmentally controlled agricultural technology and vertical agriculture. BIOTECH PHARM1 is designed to supply cannabis bulk to the global market in accordance with EU Good Manufacturing Practice (GMP) standards and is also prepared for future biopharmaceutical downstream production. The facility contains, among other things, a department with a fully automatic vertical cultivation system as well as departments for washing, finishing, inspection, storage, and shipping.

**“DanCann Pharma's cannabis genetics respond extremely well to the unique growth conditions and practices found in the facility. These genetics will be the basis of the entire facility and will ultimately help improve the quality of life for the many patients with challenges”.**

Morten Martinsen, COO

DanCann Pharma has partnered with AessenceGrows and state-of-art high-tech equipment has been installed in BIOTECH PHARM1, making the facilities second to none in the EU.

The AEssenceGrows AETrium system delivers sensor-driven automation to execute the inherent benefits of aeroponics. The company's Guardian Grow Manager central management software monitors grow conditions 24/7 and, if needed, automatically adjusts key variables such as nutrients, pH, temperature, or lighting to maintain optimal conditions.

BIOTECH PHARM1 can copy and control microclimatic conditions very closely and accurately without interference from external environmental factors. This provides complete and specific control over all cultivation cells in the facility and makes it possible to mimic different climates from around the world completely uniquely, if necessary, in relation to the specific plant genetics. This level of control and precision ensures consistent results, yield, and product safety from batch to batch.

### **A significant increase in output**

DanCann Pharma has decided to expand the production with the newest fully automated aeroponic unit from AessenceGrows, the AETrium 4 Double Decker. This will lead to a significant increase in yields and production output per square meter compared to competitors in Europe and is easily integrated in DanCann Pharma's existing modular and flexible production facility.

Our co-operation with AessenceGrows is fully aligned with our visions for producing medical cannabis. The newest technology, product uniformity, fewer resources, and optimal use of the growth areas. Vertical instead of horizontal.

We look forward to our next step and the process around the GMP-certification, so that we can start our exports and meet the global demand in the coming year.









## Focusing on investor relations

**AT DANCANN PHARMA**, we want to appear as an open and transparent company. Our investors must be up to date on activities, milestones and strategies that may impact both the current and potential value of the company. We have strengthened this openness through collaborations with BioStock and HC Andersen Capital.

**BioStock** is the Nordic region's leading digital news and analytics service focusing exclusively on the life science sector. BioStock's headquarters and editorial team is located at Medicon Village in Lund, one of Sweden's foremost life science clusters.

BioStock's daily news briefings are closely monitored by most life science executives in the Nordic region. By documenting the BioStock Live meetings and distributing them via our multi-channel media platform and extensive media partner network, the presentations, panel discussions and industry insights will be reaching a broad base of C-level industry executives and investors, in Sweden as well as internationally.

LEARN MORE ABOUT BIOSTOCK AT [WWW.BIOSTOCK.SE](http://WWW.BIOSTOCK.SE)

**HC ANDERSEN CAPITAL** digitizes the relationship between listed companies and investors. The company works long-term for companies that want more visibility in the market among both private and institutional investors.

The development of technology and the massive use of social media have created opportunities to reach more investor groups. HC Andersen Capital is ambitious to democratize information, research, and access to the companies' management through #DemocraticIR. The starting point is that listed companies must be visible continuously to private and institutional investors as well as the media.

#DigitalIR provides the opportunity to work in a structured way with Data and Analytics for Investor Relations. On social media, HC Andersen Capital analyze data for the benefit of the company and to optimize impact and structure.

HC Andersen Capital platforms cover: LinkedIn, Facebook, Instagram & YouTube. The ambition is, through partnerships, own social media, web, emails etc. to maximize the spread of the message and thereby democratize access to information.

FIND OUT MORE AT [WWW.HCANDERSENCAPITAL.DK](http://WWW.HCANDERSENCAPITAL.DK)



# Share and shareholders

## Shares and share capital

The shares of DanCann Pharma A/S were listed on Spotlight Stock Market on November 12, 2020. DanCann Pharma A/S' shares are traded under the ticker "DANCAN" with ISIN code ISIN DK0061410487.

On June 30, 2021, the total number of shares in DanCann Pharma A/S was 20,730,800 (after the period, as of 19 August 2021: shares to a total of 22,433,139 shares).

There are 3,985,147 outstanding warrants, that if exercised will increase the total amount of shares to 24,715,947. After the period the company has granted further warrants for the subscribers in the directed issue of shares as of 26 July 2021. A total of 1,702,339 warrants were issued. If all exercised the total amount of shares increase to 26,418,286.

All shares carry the same rights. The nominal value is DKK 0.0375 per share. DanCann Pharma's share capital was DKK 777,405 as of the end of the period (after the period, as of 19 August 2021: DKK 841,242). The number of shares remained intact during the period.

## Share price and trading

During the period the DanCann Pharma share price started at DKK 3.245 (closing price, 31 Marts 2021) and ended at DKK 4.200 at the end of the period, an increase of approx. 30 percent during the period, and as well all time high during the period. At the end of the period, market capitalization was approx. DKK 87.0m (at the beginning of the period: approx. DKK 67.3m).

## Shareholders

The shareholder base increased in the Q2 2021, based on numbers from VP Securities, from 895 shareholders at the beginning of the period, to 1,413 at the end of the period. An increase of approx. 63 percent (previous period (Q4 2020 to Q1 2021) was approx. 70 percent, from 525 shareholders to 895 shareholders), and today the company holds 1,463 shareholders as of 19 August 2021, which since the beginning of the year is an increase of approx. 180 percent of shareholders. The largest shareholder as of the end of the period was Xignotus Capital ApS (former JKR INVESTMENT GROUP ApS), led by founder and CEO, Jeppe Krog Rasmussen, with 26.43 percent.

The company has registered 1,656 shareholders on Nordnet AB, and 894 shareholders on Avanza AB as of 19 August 2021, as the two main brokers of the share (these two accumulate to make up approx. 80-90% of the total group calculated on owner numbers), which in total accounts to 2,550 shareholders besides other brokers of the share in the market.

As of the end of the period, internal shareholders (the members of the Board of Directors and executive management team) hold a total of 29.67 percent of the shares (3.24 percent ex. Xignotus Capital ApS). However, the internal circle of owners has been greatly strengthened after the period.

Name	Number of shares
Xignotus Capital ApS (Jeppe Krog Rasmussen, Founder, Board Member and CEO)	5,480,000
Morten Martinsen (COO)	400,000
Per Wester (Board Member)	112,950
John Morell Frellsen (CCO)	108,890
Magnus Østergaard Dahlmann (Board Member)	22,500
C-Plus Consult (Carsten Trads, Chairman)	22,225
Mads Møller Kristensen (CFO)	5,000
<b>Total</b>	<b>6,151,565</b>

## Shareholders with more than 5 % of the votes and capital at the end of the period:

Name	Number of shares	Proportion of votes and capital
Xignotus Capital ApS	5,480,000	26.43%
JJV Invest AB	1,885,027	9.00%
Others	13,365,773	64.47%
<b>Total</b>	<b>20,730,800</b>	<b>100.00%</b>

## Lockup and free float

During the period, in total, the lock-up from the board, management, and shareholders amount to 8,221,565 shares, corresponding to approx. 39,66%, and are distributed according to the table below, which mean, that DanCann Pharma's free float of shares corresponds to 12,509,235 shares and approx. 60 percent of the total share capital.

Name	Number of shares
Xignotus Capital ApS	5,280,000
JJV Invest AB	1,600,000
Morten Martinsen (COO)	400,000
Hansen & Nytoft Invest ApS	300,000
VaVi Invest ApS	198,000
JBJensen ApS	120,000
Per Wester (Board Member)	112,950
HeRoed ApS	102,000
John Morell Frellsen (CCO)	58,890
Magnus Østergaard Dahlmann (Board Member)	22,500
C-Plus Consult (Carsten Trads, Chairman)	22,225
Mads Møller Kristensen (CFO)	5,000
<b>Total</b>	<b>8,221,565</b>



## Share issues and loan facilities

DanCann Pharma have not conducted any rights issues or loan facilities during the period.

After the period DanCann Pharma has carried out a directed issue of shares and warrants in combination with a loan facility. The shares were issued at a price of DKK 3.745 per share (which corresponds to the closing market price as of 22 July 2021).

The new directed issue of shares entails a share dilution of approx. 7.59 percent in relation to the total number of shares after the issue. The issue of shares entails that the number of shares in DanCann Pharma increases by 1,702,339 from 20,730,800 shares to a total of 22,433,139 shares, and the share capital increases by nominally DKK 63,638 from nominally DKK 777,405 to a total of nominally DKK 841,242.

## Warrants

At the listing date 2,668,000 warrants were issued. The warrants are traded under "DANCAN TO 1" with ISIN DK0061410560. Each warrant gives the right to subscribe for 1 share at a price of DKK 6.0 and can be exercised in the period from September 1, 2021, to September 17, 2021.

The Board of Directors have granted warrants for the management team. A total of 1,017,147 warrants have been issued and can be exercised until 2025. The warrants are vesting in three equal stages over the next three years.

The company has granted warrants for the Board of Directors. A total of 300,000 warrants have been issued and can be exercised until 2025. The warrants are vesting in three equal stages over the next three years.

After the period the company has granted further warrants for the subscribers in the directed issue of shares as of 26 July 2021. A total of 1,702,339 warrants were issued, each giving the right to subscribe for 1 share of nominally DKK 0.0375 at an exercise price of DKK 4.8685.



# About the Q2 2021 report

**DANCANN PHARMA A/S** was formed in March 2018. The fiscal year is 1st of January to 31st of December. DanCann Pharma A/S does not have any subsidiaries, nor is it part of a group. Therefore this interim report exclusively deals with the financials of DanCann Pharma A/S, company reg. no. 39 42 60 05.

## Auditors review

This interim report has not been audited.

## Accounting policy

The interim report has been prepared in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium sized enterprises.

## Turnover and results

DanCann Pharma A/S did not record any net sales in the reporting period. Other external expenses consisted of selling and distribution costs, expenses related to real property and administrative expenses. The operating profit (EBIT) for Q2 2021 was -3,771 (-1,237). The primary cost drivers were the development of production facility, testing, commercial activities, and the securing of compliance within the regulatory framework of pharmaceuticals.

## Balance sheet

The total assets at the end of the period amounted to 44,877 (20,094). Fixed assets amounted to 31,978 (2,630) of which development projects comprised of 23,995 (1,873). Current assets was 12,899 (17,463) and consisted of cash and cash equivalents and receivables from corporation tax and refundable VAT.

At the end of the period the equity amounted to 39,740 (19,308). The development is influenced by the issuing of new shares during 2020. Provisions amounted to 1,352 (219) and current liabilities amounted to 3,786 (567).

## Cash flow

In the first six months the cash flow was -15,532 (16,634). Investments in fixed assets amounted to 12,223 (1,629).

## Operational risks and uncertainties

The risks and uncertainties that DanCann Pharma operations are exposed to are related to factors such as development, competition, permissions, capital requirements, customers, suppliers/manufacturers, currencies, and interest rates. During the current period, no significant changes in the risk factors or any uncertainties have occurred.

## Financial calendar

Quarterly report Q3 2021	26.11.21
Quarterly report Q4 2021	25.02.22
Annual report 2021	23.03.22

## Submission of the interim report

Ansager, august 27, 2021  
DanCann Pharma A/S  
The Board of Directors

## For further information, please contact:

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## Income statement

KDKK	01/04/21 30/06/21	01/04/20 30/06/20	01/01/21 30/06/21	01/01/20 30/06/20	01/01/20 31/12/20
<b>Net sales</b>	0	0	0	0	0
Other external expenses	-1,954	-967	-3,557	-1,117	-4,830
Staff expenses	-1,689	-265	-2,575	-377	-946
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>-3,644</b>	<b>-1,232</b>	<b>-6,132</b>	<b>-1,494</b>	<b>-5,776</b>
Depreciation of tangible assets	-127	-5	-230	-5	-94
<b>Operating profit (EBIT)</b>	<b>-3,771</b>	<b>-1,237</b>	<b>-6,362</b>	<b>-1,499</b>	<b>-5,870</b>
Financial income	11	0	11	0	24
Financial expenses	-18	-44	-48	-54	-140
<b>Profit before tax</b>	<b>-3,779</b>	<b>-1,281</b>	<b>-6,399</b>	<b>-1,554</b>	<b>-5,986</b>
Tax on profit/loss for the period	973	-120	1,813	-189	1,732
<b>Net profit after tax</b>	<b>-2,806</b>	<b>-1,401</b>	<b>-4,586</b>	<b>-1,742</b>	<b>-4,254</b>



## Balance sheet

KDKK	30/06/21	30/06/20	31/12/20
<b>ASSETS</b>			
Development projects in progress and prepayments	23,995	1,873	15,684
<b>Intangible assets</b>	<b>23,995</b>	<b>1,873</b>	<b>15,684</b>
Other plant, machinery, tools and equipment	2,377	32	1,756
Leasehold improvements	3,012	32	270
Tangible fixed assets in progress and prepayment	2,272	693	1,953
<b>Property, plant and equipment</b>	<b>7,660</b>	<b>757</b>	<b>3,979</b>
Rent deposit and other receivables	322	0	322
<b>Financial fixed assets</b>	<b>322</b>	<b>0</b>	<b>322</b>
<b>FIXED ASSETS</b>	<b>31,978</b>	<b>2,630</b>	<b>19,985</b>
Raw materials and consumables	10	0	10
<b>Inventories</b>	<b>10</b>	<b>0</b>	<b>10</b>
Other receivables	1,558	443	4,325
Corporation tax receivable	5,070	206	3,242
Prepayments and accrued income	464	0	658
<b>Receivables</b>	<b>7,092</b>	<b>649</b>	<b>8,225</b>
Cash and cash equivalents	5,798	16,814	21,329
<b>CURRENT ASSETS</b>	<b>12,899</b>	<b>17,463</b>	<b>29,564</b>
<b>ASSETS</b>	<b>44,877</b>	<b>20,094</b>	<b>49,549</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	777	527	777
Reserve for development costs	18,716	1,461	14,925
Retained profit	20,246	17,320	28,624
<b>EQUITY</b>	<b>39,740</b>	<b>19,308</b>	<b>44,326</b>
Provisions for deferred tax	1,352	219	1,337
<b>PROVISIONS</b>	<b>1,352</b>	<b>219</b>	<b>1,337</b>
Other liabilities	0	0	24
<b>Non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>24</b>
Leasing liabilities	163	0	185
Trade payables	2,044	0	2,820
Other liabilities	1,579	567	857
<b>Current liabilities</b>	<b>3,786</b>	<b>567</b>	<b>3,862</b>
<b>LIABILITIES</b>	<b>3,786</b>	<b>567</b>	<b>3,886</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>44,877</b>	<b>20,094</b>	<b>49,549</b>

## Cash flow statement

KDKK	01/01/21 30/06/21	01/01/20 30/06/20
Profit/Loss for the year	-4,586	-1,742
Depreciation and amortisation, reversed	230	5
Tax on profit/loss, reversed	-1,813	189
Change in inventories	0	0
Change in receivables	3,122	-332
Change in current liabilities	-240	-27
<b>CASH FLOW FROM OPERATING ACTIVITY</b>	<b>-3,286</b>	<b>-1,908</b>
Purchase of intangible assets	-8,312	-925
Purchase of property, plant and equipment	-3,911	-705
<b>CASH FLOW FROM INVESTING ACTIVITY</b>	<b>-12,223</b>	<b>-1,629</b>
Loan from majority owner	0	-549
Increase loans	0	-955
Increase leasing debt	-23	0
Other capital items – capital raising costs	0	-2,184
Sharecapital payments	0	23,859
<b>CASH FLOW FROM FINANCING ACTIVITY</b>	<b>-23</b>	<b>20,171</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-15,532</b>	<b>16,634</b>
Cash and cash equivalents at 1. january	21,329	179
<b>CASH AND CASH EQUIVALENTS AT 31. DECEMBER</b>	<b>5,797</b>	<b>16,814</b>

BETTER THAN YESTERDAY  
| BETTER THAN YESTERDAY |

**DanCann  
Pharma™**

BETTER THAN YESTERDAY

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