



Interim report

Q3 2022

1 JULY 2022 – 30 SEPTEMBER 2022



**DanCann
Pharma**

www.dancann.com

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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

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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.



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Words from the CEO

MANY OF US KNOW SOMEONE who has hit a brick wall in a system that cannot accommodate him or her. But where is the care and respect for the people who have no other options than the ones the system sets up?

80% of all those who are – or have been – in treatment with medical cannabis continue to get their so-called “medication” from illegal channels. Do you think that is fair?

With caring as the driving force, we work passionately to improve the quality of life for patients with challenges and their relatives – and provide access to quality-assured cannabinoid-based medicine.

We want to revolutionize healthcare and ensure that no one experiencing pain or trauma is left behind. DanCann Pharma intend to democratize the sector and to remove stigma, and we strive to optimize care and well-being for those who have been abandoned.

Our work is about giving new hope to patients and relatives who are left in the lurch by the conventional healthcare industry. We want to make tomorrow: “better than yesterday”, we all have role models, and I ultimately want DanCann Pharma to be one of these.

I hope you feel the same way. Together we can create change, you can keep us going. In very short words: There has never been a better time to invest in DanCann Pharma:

1. Medical cannabis continues to impress in several key areas: strong growth rate, increasing popularity and widespread acceptance – an extremely powerful combination for industry-related companies among the first movers in Europe.
2. We expect our commercial breakthrough for our first plant, Biotech Pharm1. With a certification from the Danish Medicines Agency regarding the production of medical cannabis, produced under recognized EU-GMP standards.
3. The investment case is historically cheap despite the two points above. You now can buy into DanCann Pharma, which has raised growth capital for more than DKK 80 million DKK (approx. 4 DKK per share) as well as the commercial breakthrough, which will come in the near future and result in break-even in 2024. At a price of DKK 17 million in pre-money valuation, equivalent to DKK 0.60 per share.

DanCann Pharma is working hard to meet the increasing interest and demand from potential customers worldwide, and most recently we were able to announce that we had signed our first binding agreement with the German distributor WEECO Pharma GmbH, worth a minimum of DKK 40 million DKK over the next three years.

Furthermore, we were able to communicate its first financial guidance in history, with an expected turnover of DKK 60–100 million in the years 2025 – 2027 based on the manufacture and sale of biomaterials and import of medicinal cannabis products to the Danish market. If the transaction is signed in full, we will achieve our break-even during the year 2024.

Therefore, right now is the time to generate more resources to keep up with the increasing demand, to grow our business and employ further competencies. We have the expertise, the passion and the solutions; you have the possibility to make a difference.

Thank you for your interest in DanCann Pharma A/S – we hope you will use the opportunity to participate in our ongoing rights issue.



All the best,
Jeppe Krog Rasmussen
Founder and CEO

DanCann Pharma towards commercialization with Rights Issue 2022

FOR DANCANN PHARMA, THE AIM IS CLEAR – to give patients who lack treatment options a better life through medicinal cannabis and cannabinoids. After building a solid portfolio of products, the next step for the Danish pharma company is the commercialization. In order to take this step, the company is now conducting a Rights Issue that, if fully subscribed, will add additional 28.5 million DKK.

DanCann Pharma is about to raise capital for a pre-money of approximately 17 million DKK. The company has historically raised more than 80 million DKK and major commercial milestones lies ahead. DanCann Pharma expect to have 60–100 Million DKK in revenue within 3–5 years, and furthermore hit breakeven during 2024. The company will post-transaction have a valuation of approximately 46 MDKK and will at this point have collected approximately total 110 MDKK in growth capital.

The Rights Issue will be conducted from 31 October 2022 to 11 November 2022 and will be a partially (77 per cent) guaranteed Rights Issue of units corresponding to a total of approximately 28.5 million DKK.

Approximately 55% of the net proceed from the Rights Issue will be used for operation costs in order to finalize the EU-GMP approval process and to finalize the development of the inhouse product portfolio. 20% will be used for further development of the product portfolio and 25% of the net proceeds will be used for repayment of loan. Both the DanCann Pharma Board of Directors and parts of the executive management team will participate in the transaction.

– During the last year we have worked intensively to refine and purify our products in our production facilities. We have tested and analyzed to comply with our own – and market – expectations. We will be able to supply the market with stable products with a high content of THC without the use of radiation in the process. Furthermore, we have strengthened our organization with key professionals in key positions in order to be ready for

the forthcoming commercialization of DanCann Pharma, says Jeppe Krog Rasmussen.

The EU-GMP-approval for Biotech Pharm1 from the Danish Medicines Agency is expected before the end of 2022. The importance of the approval can hardly be underestimated.

– The approval is essential for DanCann Pharma. The most important milestone so far. We have had the approval as a (future) goal since our foundation more than four years ago and now we are getting very close to the finish line, which is actually also a start line, as the approval will open a new world of interesting business opportunities for us. This is our licence to operate, and we are transforming from being a development project into actual operations, says Jeppe Krog Rasmussen.

A significant operational step in the right direction is the agreement with WEECO Pharma. WEECO Pharma GmbH is one of the most important participants on the German Market and the agreement is an acknowledgement of DanCann Pharma's professional approach to the market. The agreement with WEECO will open doors for DanCann Pharma on other European markets, and negotiations with interested parties are already lined up.

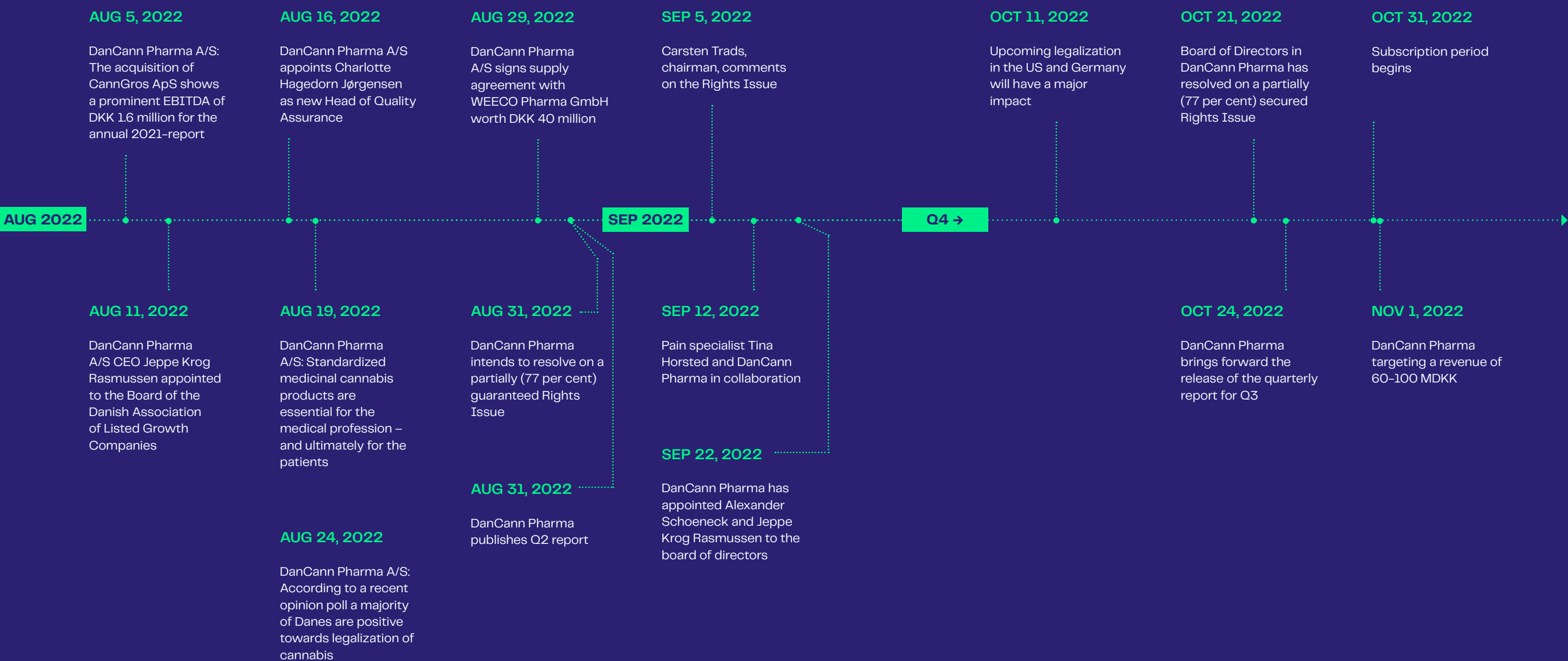
– We set the bar high. We have established high-end facilities which only very few competitors can match. We have eliminated contamination factors in our fully automated facilities, and this enables us to deliver identical products every time. Product uniformity is extremely important for the patients who must be able to fully rely on the contents of their medication. And we have been able to produce biomaterial with high contents of THC without the use of radiation, which makes us quite unique. And hopefully an interesting case for potential investors, Jeppe Krog Rasmussen points out.

Read about the Rights Issue in summary on page 13 or find out more at dancann.com/rights-issue-2022



Highlights during the period – regulatory press releases

Highlights after the period – regulatory press releases



Other mentions

during and after the period

SUMMARY: GROUP KEY FIGURES Q3 2022

DKK 1 000	01/01/22 30/09/22	01/01/21 30/09/21	01/07/22 30/09/22	01/07/21 30/09/21	01/01/21 31/12/21
Net sales	3,606	-	1,569	-	874
OPERATING PROFIT/LOSS (EBIT)	-12,116	-9,791	-2,809	-3,429	-14,508
Result per share (DKK)	-0.37	-0.35	-0.10	-0.12	-0.52
Equity ratio	0.75	0.79	0.75	0.79	0.78

Number of shares on 30.09.2022: 28,468,289 (22,433,139)
 Result per share = Result for the period / weighted average number of shares
 Equity ratio = Equity / Total assets

PRESS RELEASES Q3 AND AFTER – VIA RITZAU

DanCann Pharma, August 5, 2022

DanCann Pharma A/S: CannGros ApS leverer et meget tilfredsstillende EBITDA på over 1.6 millioner for regnskabsåret 2021 | Dancann Pharma (ritzau.dk)

DanCann Pharma, August 11, 2022

DanCann Pharma-direktør vil være en inspirationskilde for unge ildsjæle med drømme om børsnotering | Dancann Pharma (ritzau.dk)

DanCann Pharma, August 16, 2022

DanCann Pharma A/S har ansat den erfarne brancheprofil Charlotte Hagedorn Jørgensen som ny Head of Quality Assurance | Dancann Pharma (ritzau.dk)

DanCann Pharma, August 19, 2022

DanCann Pharma: Standardiserede medicinske cannabisprodukter er altafgørende for lægestanden – og i sidste ende for patienterne | Dancann Pharma (ritzau.dk)

DanCann Pharma, August 24, 2022

DanCann Pharma A/S: Ifølge en nylig meningsmåling er et flertal af danskerne positive over for legalisering af cannabis | Dancann Pharma (ritzau.dk)

DanCann Pharma, August 29, 2022

DanCann Pharma A/S underskriver aftale med WEECO Pharma GmbH til en værdi af 40 mio. kr. | Dancann Pharma (ritzau.dk)

DanCann Pharma, September 12, 2022

Smertelæge Tina Horsted og DanCann Pharma i samarbejde om ambitiøst patientprojekt | Dancann Pharma (ritzau.dk)

DanCann Pharma, September 22, 2022

DanCann Pharma A/S har valgt Alexander Schoeneck og Jeppe Krog Rasmussen som nye bestyrelsesmedlemmer | Dancann Pharma (ritzau.dk)

DanCann Pharma, October 11, 2022

DanCann Pharma: En kommende legalisering i USA og Tyskland vil få stor betydning for accept af cannabis i hele verden | Dancann Pharma (ritzau.dk)

DanCann Pharma, November 1, 2022

DanCann Pharma A/S sigter mod en årlig omsætning på 60-100 millioner kr. med nye distributionsaftaler på vej | Dancann Pharma (ritzau.dk)



The Rights Issue 2022

Background and motive

DanCann Pharma expects to achieve its commercial breakthrough, partly through the newly signed binding supply agreement, with a commitment of approx. DKK 40 million, with the German wholesaler WEECO Pharma. The Company expects, among other things, to introduce new products under the Danish Pilot Programme and to achieve sales for in-house produced products. These sales will initially be launched in 2023 and scale during 2023 to bigger volumes for the market in 2024.

DanCann Pharma furthermore aims to accelerate and extend its product portfolio of imported medical cannabis and cannabinoid-based drugs and pharmaceuticals. This by licensing and acquiring exclusive rights to innovative medical cannabis products and clinically de-risked, commercial stage, proprietary drugs, and pharmaceuticals, and hereby building future rapidly and growing revenue stream based on the commercialized product portfolio and pipeline.

Through the Rights Issue DanCann Pharma will receive a minimum of approximately DKK 21.9 million, before costs. The company expects that, together with fully subscribed warrants, the transaction will finance the business until the company reaches break-even during 2024.

The company intends to use the net proceed from the Rights Issue in the manner presented below:

Operational costs: approx. 55%

- Finalizing the EU-GMP approval process
- Finalizing the development of the inhouse product portfolio

Further development of the product portfolio: approx. 20%

Repayment of loan: approx. 25%

During that time, the company will primarily be focusing on getting the EU-GMP approval of Biotech Pharm1 from the Danish Medicines Agency (expected in Q4 2022), achieving approval of oil product for the Danish market, signing additional LOI's and making binding agreements, completing the first sales of cannabis bulk and entering into new partnerships.

The Rights Issue comprises a maximum of 47,447,140 shares, corresponding to an increase in the share capital of a maximum of DKK 1,779,267.75. In the event of full subscription in the Rights Issue, DanCann Pharma will receive approximately DKK 28.5 million before issue costs.

Subscription rights:

Anyone who, on the record date of October 27, 2022, is entered in the share register, maintained by VP Securities A/S has preferential rights to subscribe for new shares in the Rights Issue. One (1) existing share entitles to one (1) unit right. Six (6) unit rights give the right to subscribe for one (1) unit consisting of ten (10) new shares, six (6) warrants of series TO 2.

Subscription price:

The subscription price in the Rights Issue amounts to DKK 0.60 per share.

Enterprise value:

The enterprise value of DanCann Pharma (pre-money) is approximately DKK 17,1 million.

Subscription period:

The subscription period in the Rights Issue runs from October 31 to November 11, 2022.

Trading with unit rights & BTU:

Trading with unit rights will take place on the Spotlight Stock Market during the period 31 October to 9 November 2022. Trading in BTU (paid subscribed units) will take place on the Spotlight Stock Market from 31 October 2022 until the Rights Issue is registered with the Danish Companies Registration Office, something that is expected to take place end of November 2022.

Underwriting obligations and underwriting guarantees:

DanCann Pharma has received pre-subscription commitments and guarantee commitments of approximately DKK 21.9 million, which corresponds to approximately 77 percent of the initial issue volume, of which approximately DKK 2.3 million is made up of pre-subscription commitments and approximately DKK 19.6 million are made up of guaranteed commitments.

Outlook and guidance – extract from the Rights Issue prospectus

IN THE PROSPECTUS FOR THE RIGHTS ISSUE, which is running from 31 October to 11 November 2022, DanCann Pharma have formalized the outlook and guidance for the company's future.

Over the next few years, DanCann Pharma expects to hit its commercial breakthrough. New products under the Danish Pilot Programme for medical cannabis will be introduced, and sales for biomaterial produced in the production facilities at Biotech Pharm1 will be launched in 2023.

The facility (Biotech Pharm1) is built around a proof-of-concept setup, where it will operate during 2022–2023. It is estimated that it will be at a commercial size from the beginning of 2024. The output from the facility is based on biomaterial that will eventually be used in the company's own products and trademarks:

TETRACANOID® (No 018533183)
BIDIOCANOID® (No 018533188)
MIXCANOID® (No 018533189)
VARINCANOID® (No 018533193)
BIGEROLCANOID® (No 018533195)

At first the biomaterial (flowers/granules) are initially sold as bulk (biomaterial or white label) or under the DanCann Pharma brand. And later this in the form of multiple delivery formats. The product portfolio is based on the active substances of Tetrahydrocannabinol ("THC"), Cannabidiol ("CBD"), Tetrahydrocannabivarin ("THCV") and Cannabigerol ("CBG").

Based on its aspiration, DanCann Pharma expects to have revenue in 2025–2027 of DKK 60–100 million, based on its two legs of the business around ingredients

and import/export of medical cannabis products to the European market (read more on page 14), and furthermore to reach breakeven during 2024.

A condition, which must be met, is that the company must obtain the necessary approvals from the Danish Medicines Agency under the Pilot Programme to produce medical cannabis and thereby obtain the expected EU-GMP certification of Biotech Pharm1, as well as the approval of the company's new product type based on extracts of cannabis in an oil solution drop, which was submitted in April 2021.

Furthermore, future expansion will consist of DanCann Pharma broadening the product portfolio with more formulations during 2024 and 2025 in the form of extracts of cannabis in an oil solution drop, as well as the distribution of these in the company's identified future core markets.

In addition, the company will continue to invest in its market development, including its commercial forces in the task of purchasing (in-licensing) new products and rights for the European market, as well as its penetration and its regulatory work.

Upcoming cannabinoid-based drugs and pharmaceuticals from Tetra Bio-Pharma expect its go-to-market during 2026, 2027 and 2028, where this agreement could yield up to accumulated DKK 340–410 million in total sales by 2028, penetrating the market for the very first time during 2025. Due to uncertainties regarding approval, and the still early stage for the development, these should not yet be seen as a part of the guidance for the company.



DanCann Pharma is targeting an annual revenue of 60–100 million DKK

DANCANN PHARMA EXPECTS TO HIT ITS COMMERCIAL BREAKTHROUGH with increased sales activities following the approval of the production facilities in Q4 2022, breakeven in 2024 and an expected revenue in 2025–2027 of 60–100 million DKK annually, all this based on its two legs of the business around biomaterial and import/export of medical cannabis products to the European market with distribution in the company’s identified future core markets.

Partnership agreements are substantial elements in this strategy, and in August DanCann Pharma signed its first binding supply agreement with the German company WEECO Pharma GmbH.

WEECO Pharma is one of the leading importers and distributors of medicinal cannabis in Germany, with a distribution network in the country that includes direct connections to pharmacies, cannabis suppliers, and distributors, as well as several pharmaceutical wholesalers. Over the last five years WEECO Pharma has partnered with most leading cannabis firms and has become one of the key players in the cannabis industry in Germany and Europe.

WEECO Pharma will purchase, import, package, market, and distribute the products from DanCann Pharma to the European medicinal cannabis marketplace. The agreement is non-exclusive for the products with a binding commitment of minimum 40 million DKK for a three-year period.

The two companies expect the first shipment to commence during May-2023, after DanCann Pharma have

obtained all necessary approvals and documentation in the matter of the stability for the products. DanCann Pharma expect to receive the EU-GMP approval from the Danish Medical Agency following a scheduled inspection in Q4 2022.

– This is one of our first major binding deals, but far from the last. We are very pleased with this, and it is something that we have been working on for a long time. DanCann Pharma is now entering the “commercial-phase-change” after having invested significantly in our production facilities Biotech Pharm1. Success in Germany, the largest market for medical cannabis in Europe and globally, is the path to success in Europe, says Jeppe Krog Rasmussen, CEO of DanCann Pharma.

According to the DanCann Pharma CEO, the WEECO-agreement must be seen as a bridgehead towards future supply agreements. And the company is well under way in negotiations with interested parties on various European markets.

– Showing the DanCann Pharma flag through WEECO Pharma’s strong distribution network and medicinal cannabis sales team will ensure that we become a significant supplier to the German market. Our production for 2023 will solely be distributed to Germany with this arrangement (WEECO), but with that said, it is important to emphasize that this agreement is just one of many, and constitutes what corresponds to approximately 1/3 of the production capacity in Biotech Pharm1 in 2024/2025.

– Our shareholders can expect similar initiatives and news about partnerships in the near future, when we strive to fill the book with strong partners for the European medicinal cannabis market, Jeppe Krog Rasmussen concludes.



WEECO Pharma is one of the key players in the cannabis industry in Germany and Europe



DanCann Pharma in collaboration with Horsted Institute

A MAJOR ISSUE WITH MEDICAL CANNABIS is still the lack of documentation for effects and side effects. Horsted Institute aim to show how treatment with medical cannabis can replace treatment with traditional medicines. A variety of patients suffering from different diseases have been selected and are carefully monitored through their own registrations on their smartwatches. The monitoring gives real time responses to developments in the patient's possible improvement.

MD and pain specialist Tina Horsted from Horsted Institute and DanCann Pharma have started an ambitious observational study, which aims to raise awareness of the potentially beneficial effects of treatment with medical cannabis. Hopefully a positive outcome will help opening more people's eyes for possible treatment with medical cannabis in Denmark and Scandinavia.

The study aims to supply further knowledge among general practitioners, who hesitate to prescribe medical cannabis to their patients and to adequately equip the medical profession in relation to knowledge of treatment, effect, and side effects. One of the challenges in this context is the still missing documentation of the impact of medical cannabis, and the Horsted Institute project must help to provide this.

The Horsted Institute contacted several associations to find a number of candidates who were willing to participate in a course of treatment with medical cannabis. The interest was overwhelming, and 30 patients are now in treatment. The patients are all troubled by pain of varying intensity, and for the most part, are already being treated with painkillers. The goal of the study is to investigate whether medical cannabis can fully or partially help patients to a life, where severe pain is not the limiting factor.

All the participants in the observation study are equipped with an Apple Watch, on which they enter their level of pain, nausea, and headache when they feel one or more of the symptoms into an app developed by Shape A/S, which is also a partner in the project. The data is registered directly in the patient record at The Horsted Institute, and Tina Horsted is the only person with access to the sensitive personal information for GDPR reasons. For everyone else, the information is anonymized.

It is very important to show that medical cannabis can have a positive influence on "secondary effects" – usually defined as "quality of life". That is why the study also place great emphasis on data such as sleep patterns, level of activity, level of training and ECG, all of which are data points that the watches send automatically. The aim is to show that, although medical cannabis may not have a direct healing effect on the indication itself, in most cases it helps to relieve the patient's pain, so that he/she sleeps better, moves more and generally gets an increased quality of life.

CEO of DanCann Pharma Jeppe Krog Rasmussen is looking forward to following the patient project, which runs from now until end-November, with the opportunity to continuously follow positive or negative trends in the process.

– In the industry, we have continuously neglected measures that can help shed light on and inform about the effects of treatment with medical cannabis. Through Project Horsted Digital, we get access to validated data, and we hope to be able to enlighten the fact that medical cannabis can help a large number of patients as an alternative for the many who have been given up on by the system when it comes to conventional treatment methods. 80% of the people who are treated with medical cannabis obtain the products on the illegal market, where there is no guarantee for product and contents. The industry, together with politicians and NGOs, needs to change this, and an important step on the way is more and better documentation. And hopefully more doctors will be willing to give medical cannabis a chance based on this. That is the goal, the CEO points out.

Tina Horsted has over 30 years of experience in treating patients and The Horsted Institute was created with a vision to give people suffering from chronic pain and cancer, with accompanying symptoms in the form of sleep disorders, depression, PTSD, nausea, lack of appetite and/or weight loss, a better everyday life, and a higher quality of life through symptom-relieving treatment. Tina Horsted strongly believes that medical cannabis and cannabis-based medicine can be one of the best alternative forms of treatment.





DanCann Pharma A/S: Exciting developments in Germany regarding legalization of cannabis

ON THE 26TH OF OCTOBER THE GERMAN MINISTER OF HEALTH KARL LAUTERBACH presented a bill concerning the future legalization of cannabis under controlled conditions. The bill intends to put an end to the extensive illegal market. The German legislation deals exclusively with cannabis for recreational use but is expected to have a knock-on effect on all branches of the cannabis sector in Europe.

According to an immediate assessment by Fortune Business, the value of the global illegal cannabis market is the equivalent of DKK 130 billion. The German government estimates that the state can earn EUR 4.7 billion (approximately DKK 35 billion) annually from legalization, and the combination of financial gain and the fight against crime are, according to the proponents of legalization, the most important parameters.

The German bill contains proposals for the decriminalization of cannabis and its use, and it will be permitted for anyone over the age of 18 to possess 20–30 grams of cannabis for personal use. A ceiling on the content of THC, which was in the first draft of the bill, has been deleted in the current proposal, as the German health authorities considered that this would be difficult to administer.

– Germany is often a pioneer country for new initiatives, which are subsequently widely spread to the rest of

the continent. It is also a clear expectation that this will happen in the cannabis area, and that Germany can play a decisive role and start a domino effect for the rest of Europe in connection with the legalization of cannabis. We are convinced that the general focus on cannabis will also have a knock-on effect on the demand for medical cannabis, says Jeppe Krog Rasmussen.

– During the last year, both we and other manufacturers have noticed a significantly greater interest among the many patients who hope for easier and cheaper access to the products. We therefore need to have trained many more of the general practitioners, so that they become more confident in offering patients treatment with medical cannabis. We must be better at informing about forms of treatment, effects and side effects, and we must put a lot of effort into this for the sake of the patients.

Medical cannabis is produced according to standards known from the production of conventional medicines and subject to extensive quality control at the Danish Medicines Agency, although not clinically developed. And for the same reason, medical cannabis in Denmark is referred to as prescription-only, non-registered medicine, which doctors must prescribe in accordance with the Danish Pilot Programme for Medical Cannabis to treat, for example, pain or discomfort in connection with chemotherapy, multiple sclerosis, or other diseases.

The DanCann Pharma CEO hopes that the increased focus and acceptance of cannabis can contribute to even greater research and demand for treatment options where cannabis can be part of the solution. However, there are still several problems that need to be dealt with. For instance, the widespread stigmatization, which for many years has been a heavy burden on the shoulders of the cannabis industry.

– The stigma is still a big challenge, but as more and more studies document the positive effects of the substances, there is a clear movement towards general acceptance by patients, professionals, and NGO's, who increasingly recognize medical cannabis as a real alternative to traditional and conventional treatment options. We still have a way to go to separate cannabis from abuse, but in that respect, we are assisted by statements from some of the world's most important influencers, including leading politicians from the German government, Jeppe Krog Rasmussen emphasizes.



More people recognize the positive effects that the ingredients in cannabis can have on various diseases

ABOUT THE INTERIM REPORT Q3

DANCANN PHARMA A/S was formed in March 2018. The fiscal year is 1st of January to 31st of December. DanCann Pharma A/S acquired CannGros ApS on October 18, 2021. This interim report deals with the consolidated financials for the group DanCann Pharma A/S, company reg. no. 39 42 60 05 and CannGros ApS, company reg. no. 39 03 94 51. Financial statements for DanCann Pharma A/S as parent company are included.

Auditor's 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.

Revenue and results

The consolidated revenue was 1,569 (0) in Q3 2022. As well in Q3 2022 the consolidated own work capitalized was 1.105 (389), cost of sales was 779 (0) and other external expenses were 2,386 (1,739). The consolidated operating profit (EBIT) for Q3 2022 was -2,809 (-3,429). The primary cost drivers were the development of production facility, operation activities, business development, testing and compliance cost.

Balance sheet

The consolidated total assets at the end of the period amounted to 69,330 (54,200). Consolidated fixed assets amounted to 56,428 (34,419). Consolidated current assets were 12,902 (19,781) 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 51,667 (43,023). Provisions amounted to 0 (1,005) and current liabilities amounted to 17,663 (10,172).

Cash flow

In Q3 2022 the consolidated cash flow was -1,038 (7.119). Cash flow from net investments was -2,035 (-2,643).

Shares

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 "DAN-CAN" with ISIN code ISIN DK0061410487.

On September 30, 2022 the total number of shares in DanCann Pharma A/S was 28,468,289 (28,468,289). There are 1,062,860 outstanding warrants, that if exercised will increase the total amount of shares to 29,531,149.

All shares carry the same rights. The nominal value is DKK 0.0375 per share.

Warrants

The Board of Directors have granted warrants for the management team. 762,860 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. 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.

A total of 1,062,860* warrants have been issued.

Shareholders

Shareholders with more than 5 % of the votes and capital on September 30, 2022.

Name	Number of shares	Proportion of votes and capital
Xignotus Capital ApS*	5,747,023	20.19%
Others	22,721,266	79.81%
Total	28,468,289	100.00%

* Founder and CEO, Jeppe Krog Rasmussen

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

Q4-2022 report	To be updated soon
Annual report 2022	To be updated soon

Submission of the interim report

Ansager, November 4, 2022
DanCann Pharma A/S
The Board of Directors

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Web: www.dancann.com



GROUP INCOME STATEMENT

DKK 1 000	01/01/22 30/09/22	01/01/21 30/09/21	01/07/22 30/09/22	01/07/21 30/09/21	01/01/21 31/12/21
Net sales	3,606	-	1,569	-	874
Own work capitalised	1,803	1,037	1,105	389	1,431
Cost of sales	-2,433	-	-779	-	-616
Other external expenses	-7,489	-5,295	-2,386	-1,739	-8,183
GROSS PROFIT/LOSS	-4,513	-4,258	-491	-1,350	-6,494
Staff expenses	-5,935	-5,100	-1,758	-1,877	-7,124
OPERATING PROFIT/LOSS BEFORE DEPR. AND AMORT. (EBITDA)	-10,448	-9,359	-2,249	-3,227	-13,618
Depreciation and amortisation	-1,668	-432	-560	-202	-890
OPERATING PROFIT/LOSS (EBIT)	-12,116	-9,791	-2,809	-3,429	-14,508
Income from investments in subsidiaries	-	-	-	-	-
Financial income	1,006	18	185	7	578
Financial expenses	-2,353	-68	-724	-20	-1,255
PROFIT/LOSS BEFORE TAX	-13,463	-9,841	-3,348	-3,442	-15,185
Tax on profit/loss for the period	2,924	2,528	629	715	3,435
NET PROFIT/LOSS AFTER TAX	-10,539	-7,313	-2,719	-2,727	-11,750

GROUP BALANCE SHEET STATEMENT

DKK 1 000	AT 30/09/22	AT 30/09/21	AT 31/12/21
Goodwill	11,540	-	12,497
Distribution rights	821	-	-
Development projects in progress and prepayments	34,261	25,665	28,954
Intangible assets	46,622	25,665	41,451
Other plant, machinery, tools and equipment	2,815	2,516	3,038
Leasehold improvements	3,322	2,921	3,210
Tangible fixed assets in progress and prepay,	3,347	2,995	3,322
Property, plant and equipment	9,484	8,432	9,570
Investments in subsidiaries	-	-	-
Rent deposit and other receivables	322	322	322
Financial non-current assets	322	322	322
NON-CURRENT ASSETS	56,428	34,419	51,343
Raw materials and consumables	10	10	10
Finished goods and goods for resale	236	-	25
Prepayments	-	-	236
Inventories	246	10	271
Trade receivables	487	-	530
Other receivables	1,401	969	2,475
Corporation tax receivables	4,473	5,438	6,161
Deferred tax	946	-	-
Joint tax contribution receivable	-	-	-
Prepayments an accrued income	584	448	478
Receivables	7,891	6,855	9,644
Cash and cash equivalents	4,765	12,916	7,736
CURRENT ASSETS	12,902	19,781	17,651
ASSETS	69,330	54,200	68,994
Share capital	1,068	841	995
Reserve for development costs	33,127	20,019	22,584
Retained profit	17,472	22,163	29,791
EQUITY	51,667	43,023	53,370
Provision for deferred tax	-	1,005	974
PROVISION	-	1,005	974
Lease liabilities	-	-	0
Trade payables	1,638	1,673	2,915
Corporation tax payable	462	-	352
Other liabilities	15,563	8,499	11,383
Current liabilities	17,663	10,172	14,650
LIABILITIES	17,663	10,172	14,650
EQUITY AND LIABILITIES	69,330	54,200	68,994

GROUP CASH FLOW STATEMENT

DKK 1 000	01/01/22 30/09/22	01/01/21 30/09/21	01/07/22 30/09/22	01/07/21 30/09/21	01/01/21 31/12/21
Profit/loss for the year	-10,539	-7,313	-2,719	-2,727	-11,750
Depreciation and amortisation, reversed	1,668	432	560	202	890
Profit/loss from subsidiaries	-	-	-	-	-
Cash from purchase, Canngros ApS					277
Net equity purchase, Canngros ApS					-237
Tax profit/loss, reversed	-2,924	-2,528	-629	-715	-3,435
Corporation tax received	2,801			-	206
Change in inventories	25		-244	-	-36
Change in receivables	1,012	3,699	96	577	1,780
Change in current liabilities	-1,612	-320	605	-81	344
Other cash flows from operating activities	-	-	-	-	-24
CASH FLOWS FROM OPERATING ACTIVITY	-9,569	-6,030	-2,331	-2,744	-11,985
Purchase of intangible assets	-6,128	-9,981	-1,941	-1,670	-26,033
Purchase of property, plant and equipment	-149	-1,208	-	-405	-6,370
Sale of property, plant and equipment		155	-	155	155
Purchase of leaseholds improvements		-2,789	-94	-	-
Purchase of tangible fixed assets in progress and prep		-1,042	-	-723	-
Purchase of financial assets		-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITY	-6,277	-14,866	-2,035	-2,643	-32,248
Increase loans	4,041	6,658	3,328	6,658	10,027
Increase leasing debt		-185		-163	-185
Other capital items – capital raising costs	-465	-365	-	-365	-668
Share capital payments	9,299	6,375	-	6,375	21,463
CASH FLOWS FROM FINANCING ACTIVITIES	12,875	12,483	3,328	12,505	30,637
CHANGE IN CASH AND CASH EQUIVALENTS	-2,971	-8,414	-1,038	7,119	-13,596
Cash and cash equivalents at beginning	7,736	21,330	5,803	5,797	21,332
CASH AND CASH EQUIVALENTS AT END	4,765	12,916	4,765	12,916	7,736

PARENT INCOME STATEMENT

DKK 1 000	01/01/22 30/09/22	01/01/21 30/09/21	01/07/22 30/09/22	01/07/21 30/09/21	01/01/21 31/12/21
Net sales	-	-	-	-	-
Own work capitalised	1,803	1,037	1,105	389	1,431
Cost of sales	-132	-	-54	-	-179
Other external expenses	-7,345	-5,295	-2,308	-1,739	-8,025
GROSS LOSS	-5,674	-4,258	-1,257	-1,350	-6,773
Staff expenses	-5,523	-5,100	-1,555	-1,877	-7,091
OPERATING LOSS BEFORE DEPR. AND AMORT.	-11,197	-9,359	-2,812	-3,227	-13,864
Depreciation, amortisation and impairment losses	-711	-432	-241	-202	-624
OPERATING LOSS	-11,908	-9,791	-3,053	-3,429	-14,488
Income from investments in subsidiaries	-377	-	120	-	-76
Other financial income	1,006	18	185	7	578
Other financial expenses	-2,347	-68	-723	-20	-1,253
LOSS BEFORE TAX	-13,626	-9,841	-3,471	-3,442	-15,239
Tax on profit/loss for the year	3,087	2,528	752	715	3,489
LOSS FOR THE YEAR	-10,539	-7,313	-2,719	-2,727	-11,750

PARENT BALANCE SHEET STATEMENT

DKK 1 000	AT 30/09/22	AT 30/09/21	AT 31/12/21
Distribution rights	821		-
Development projects in progress and prepayments	34,261	25,665	28,954
Intangible assets	35,082	25,665	28,954
Other plant, machinery, tools and equipment	2,815	2,516	3,038
Leasehold improvements	3,322	2,921	3,210
Tangible fixed assets in progress and prepay.	3,347	2,995	3,322
Tangible fixed assets	9,484	8,432	9,570
Investments in subsidiaries	12,547		12,924
Rent deposit and other receivables	322	322	322
Financial non-current assets	12,869	322	13,246
NON-CURRENT ASSETS	57,435	34,419	51,770
Raw materials and consumables	10	10	10
Inventories	10	10	10
Other receivables	1,400	969	2,475
Corporation tax receivables	4,473	5,438	6,107
Deferred tax	946	-	-
Joint tax contribution receivable	54	-	54
Prepayments	584	448	478
Receivables	7,457	6,855	9,114
Cash and cash equivalents	3,435	12,916	7,208
CURRENT ASSETS	10,902	19,781	16,332
ASSETS	68,337	54,200	68,102
Share capital	1,068	841	995
Reserve for development costs	33,127	20,019	22,584
Retained profit	17,472	22,163	29,791
EQUITY	51,667	43,023	53,370
Provision for deferred tax	-	1,005	974
PROVISION	-	1,005	974
Lease liabilities	-	-	-
Trade payables	1,550	1,673	2,804
Other liabilities	15,120	8,499	10,954
Current liabilities	16,670	10,172	13,758
LIABILITIES	16,670	10,172	13,758
EQUITY AND LIABILITIES	68,337	54,200	68,102

PARENT CASH FLOW STATEMENT

DKK 1 000	01/01/22 30/09/22	01/01/21 30/09/21	01/07/22 30/09/22	01/07/21 30/09/21	01/01/21 31/12/21
Profit/loss for the year	-10,539	-7,313	-2,719	-2,727	-11,750
Depreciation and amortisation, reversed	711	432	241	202	624
Profit/loss from subsidiaries	377	-	-120	-	76
Cash from purchase, Canngros ApS					-
Net equity purchase, Canngros ApS					-
Tax profit/loss, reversed	-3,087	-2,528	-752	-715	-3,489
Corporation tax received	2,801		0	-	206
Change in inventories	-		-	-	-
Change in receivables	969	3,699	305	577	2,028
Change in current liabilities	-1,128	-320	725	-81	53
Other cash flows from operating activities	-		-	-	-24
CASH FLOWS FROM OPERATING ACTIVITY	-9,896	-6,030	-2,320	-2,744	-12,276
Purchase of intangible assets	-6,128	-9,981	-1,941	-1,670	-13,270
Purchase of property, plant and equipment	-149	-1,208	-	-405	-6,370
Sale of property, plant and equipment	-	155	-	155	155
Purchase of leaseholds improvements	-451	-2,789	-94	-	-
Purchase of tangible fixed assets in progress and prep	-24	-1,042	-	-723	-
Purchase of financial assets	-	-	-	-	-13,000
CASH FLOWS FROM INVESTING ACTIVITY	-6,752	-14,866	-2,035	-2,643	-32,485
Loan from majority owner	-	-	-	-	-
Increase loans	4,041	6,658	3,328	6,658	10,027
Increase leasing debt	-	-185	-	-163	-185
Other capital items – capital raising costs	-465	-365	-	-365	-668
Share capital payments	9,299	6,375	-	6,375	21,463
CASH FLOWS FROM FINANCING ACTIVITIES	12,875	12,483	3,328	12,505	30,637
CHANGE IN CASH AND CASH EQUIVALENTS	-3,773	-8,414	-1,027	7,119	-14,124
Cash and cash equivalents at beginning	7,208	21,330	4,462	5,797	21,332
CASH AND CASH EQUIVALENTS AT END	3,435	12,916	3,435	12,916	7,208



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