

# DanCann Pharma™

BETTER THAN YESTERDAY



**INTERIM REPORT**

**1 JANUARY 2021 – 31 DECEMBER 2021**

[www.dancann.com](http://www.dancann.com)





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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.





## Q4 2021 – A revenue for the first time in DanCann Pharma history

**A REMARKABLY BUSY** and eventful 2021 has come to an end. Important milestones have been reached and we are still standing – stronger and more positive than ever. Pressing the start button in Biotech Pharm1 and the first harvest, the signing of the exclusive distribution agreement with Canadian Tetra Bio-Pharma, two capital injections, the acquisition of CannGros and the permanent Danish Pilot Programme for production companies combined with a four-year extension of the programme for patients. Important headlines for us, which I will comment on in detail below.

“The acquisition of CannGros and subsequently the sales of products to Danish pharmacies have furthermore resulted in a revenue for the first time in DanCann Pharma history. We are very proud to have reached this milestone”.

In Q4 2021 we were busy finalizing the details in our EU-GMP application for Biotech Pharm1, which we have sent to the Danish Medicines Agency in January 2022, with an expected approval from the DMA in the first half of 2022. As a company we are facing another major milestone when we will be ready with our first biomaterial. A biomaterial produced under indoor conditions in closed hermetic chambers under best practice GACP- and EU-GMP conditions. Exiting times ahead.

However, we would not be here without the support and trust from our local community, our employees, and our board of directors. They all believe in DanCann Pharma. Believe that we can make a difference for all of those, who need a company just like us.

### **Moving forward in 2022**

Q4 and 2021 have been momentous periods for DanCann Pharma and I am proud of the whole team for the dedication and hard work everyone has shown throughout the year. I am equally excited about what 2022 has in store for us.

Finally, I would like to take this opportunity to express my sincere gratitude to all our shareholders. The interest and support we receive from you cannot be overestimated in our quest to provide better treatments to patients.

Thank You very much.

Jeppe Krog Rasmussen

Founder, CEO and Board Member of DanCann Pharma

“ The acquisition of CannGros and subsequently the sales of products to Danish pharmacies have furthermore resulted in a revenue for the first time in DanCann Pharma history. We are very proud to have reached this milestone”.



# Highlights during the period – regulatory press releases

**MON, OCT 04, 2021**

DanCann Pharma A/S and CannGros ApS has today entered into an Agreement ("the Transaction" or "the Agreement") to which DanCann Pharma will acquire 100% of the shares of CannGros. Through the acquisition, DanCann Pharma obtains all necessary licenses for the import and distribution of medical cannabis, as well as three products (dried flower and granulars) admitted to the list of medical cannabis products under the Danish Pilot Program with medical cannabis. In addition to this, CannGros has a pending application (extracts of cannabis in an oil solution) at the Danish Medicines Agency ("DMA").

**TUE, OCT 05, 2021**

The Board of Directors of DanCann Pharma A/S has resolved to issue 2,207,399 units, based on the authorization granted by DanCann's extra general meeting on 23 July 2021 (the "Directed Issue of Units") and in accordance with the intention to carry out the Directed Issue of Units as communicated by the Company yesterday (04 October 2021). The subscription price in the Directed Issue of Units is 3.664 DKK per unit and has been determined through a 10-day Volume Weighted Average Price ("VWAP") based on a "accelerated book-building" procedure led by Corpura Fondkommission AB. Through the Directed Share Issue, DanCann will receive proceeds amounting to approximately 8 MDKK, before deductions for costs related to the Directed Share Issue.

**WED, OCT 20, 2021**

DanCann Pharma A/S and CannGros ApS has today entered into an Agreement ("the Transaction" or "the Agreement") to which DanCann Pharma will acquire 100% of the shares of CannGros. Through the acquisition, DanCann Pharma obtains all necessary licenses for the import and distribution of medical cannabis, as well as three products (dried flower and granulars) admitted to the list of medical cannabis products under the Danish Pilot Program with medical cannabis. In addition to this, CannGros has a pending application (extracts of cannabis in an oil solution) at the Danish Medicines Agency ("DMA").

**TUE, NOV 30, 2021**

DanCann Pharma A/S hereby on behalf of Tetra Bio-Pharma Inc. ("Tetra" or the "Company"), announce that Tetra Bio-Pharma – a leader in cannabinoid-derived drug discovery and development – yesterday announced positive initial clinical data from its ongoing Phase 2 clinical trials (REBORN©1 and PLENITUDE©) of QIXLEEF™ for cancer pain. QIXLEEF™ is a botanical inhaled investigational new drug with a fixed ratio of THC and CBD that meets USA cGMP regulatory requirements.

**FRI, DEC 17, 2021**

DanCann Pharma A/S hereby announce that the CEO of DanCann Pharma, Jeppe Krog Rasmussen (indirectly through his holding company: Xignotus Capital ApS ("Jeppe Krog Rasmussen" or "Xignotus Capital")), has chosen to lock his position in talks with the Board of Directors of DanCann Pharma in an Agreement (the "Agreement") which locks Jeppe Krog Rasmussen's position in the company for another 36 months, under the Agreement and agreed Conditions (the "Conditions"), with effect from 1 January 2022 up to and including 31 December 2024 (the "Period"), which today consists of 5,667,023 shares, which constitutes to approx. 21.34% of the total share capital at a fair value as of today (before market open 17 December 2021) of 27,768,412.7 DKK (share price: 4.900).

OCT

NOV

DEC

**FRI, OCT 08, 2021**

DanCann Pharma A/S hereby announces that the Danish Minister of Health, Magnus Heunicke, has submitted a bill to continue the Pilot Programme for medicinal cannabis. In May, the majority of parliamentary parties agreed to extend the Pilot Programme for prescription for Danish patients by four years from 1 January 2022. At the same time, the bill aims to give companies a permanent opportunity to manufacture medicinal cannabis products.

**FRI, OCT 22, 2021**

The Board of Directors of DanCann Pharma A/S has resolved to issue 2,207,399 units, based on the authorization granted by DanCann's extra general meeting on 23 July 2021 (the "Directed Issue of Units") and in accordance with the intention to carry out the Directed Issue of Units as communicated by the Company yesterday (04 October 2021). The subscription price in the Directed Issue of Units is 3.664 DKK per unit and has been determined through a 10-day Volume Weighted Average Price ("VWAP") based on a "accelerated book-building" procedure led by Corpura Fondkommission AB. Through the Directed Share Issue, DanCann will receive proceeds amounting to approximately 8 MDKK, before deductions for costs related to the Directed Share Issue.

**THU, DEC 02, 2021**

DanCann Pharma A/S is hereby proud to announce that that there was broad political support for the proposal to make the current Pilot Programme to a permanent scheme. The scheme was adopted exclusively with yes votes (102-0).

**THU, DEC 30, 2021**

DanCann Pharma A/S hereby communicate and comment on the intention from the new government of Germany to legalize controlled sales of cannabis for adults for recreational purposes. The German government estimates that the state can earn 4.7 billion euros (approximately DKK 35 billion) annually on a legalization.

# Highlights after the period – regulatory press releases

## TUE, JAN 04, 2022

DanCann Pharma A/S hereby announce that Morten Martinsen, COO of DanCann Pharma A/S, has sold 25,690 shares in DanCann Pharma A/S as he wishes to repay a student loan.

## MON, JAN 17, 2022

DanCann Pharma A/S hereby announce that the Company and 18 of its warrant-holders have exercised a total of 1,917,271 warrants issued pursuant to the terms set out in Schedules 6.5.1 and 7.1 of the Articles of Association.

## WED, FEB 09, 2022

DanCann Pharma A/S hereby announce that the Company submitted its application for EU-GMP-approval to the Danish Medicines Agency.

JAN

FEB

## TUE, JAN 04, 2022

DanCann Pharma A/S hereby announce that Morten Martinsen, COO of DanCann Pharma A/S, has sold 25,690 shares in DanCann Pharma A/S as he wishes to repay a student loan.

## MON, JAN 17, 2022

DanCann Pharma A/S hereby announce that the Company has received great support from the Board of Directors in the latest transaction, where the Board of Directors has bought shares for more than DKK +400,000 in DanCann Pharma, equal more than +80,000 shares.

## WED, JAN 19, 2022

DanCann Pharma A/S hereby announce that the ambitions to enter the European market with inhouse-produced bio-material during 2022 has been further supported by the in-house analysis results that the Company has obtained after testing the selected cannabis genetics.



## Summary

### GROUP KEY FIGURES Q4 2021

KDKK	01/10/21 31/12/21	01/10/20 31/12/20	01/01/21 31/12/21	01/01/20 31/12/20
Net sales	874	0	874	0
Operating profit (EBIT)	-4,718	-2,721	-14,509	-5,871
Result per share (DKK)	-0.17	-0.07	-0.52	-0.48
Equity ratio	0.78	0.89	0.78	0.89

Number of shares on 31.12.21: 26,551,018 (20,730,800)

Result per share = Result for the period / weighted average number of shares

Equity ratio = Equity / Total assets





## Other mentions during and after the period

### General media:

Biostock.se: "[DanCann Pharma's CEO on the new acquisition](#)" (UK, 7 October 2021)

Carlsquare.com: "[Research update, DanCann Pharma Q2 2021: Transformative acquisition adds great value](#)" (UK, 12 October 2021)

MMJDaily.com: "[We should focus on contributing to developing relevant EU standards for medical cannabis](#)" (UK, 13 October 2021)

Biostock.se: "[DanCann Pharma on Tetra Bio-Pharma's positive EMA opinion](#)" (UK, 27 October 2021)

Biostock.se: "[DanCann Pharma siktar på kommersiellt genombrott - BioStock](#)" (SE, 1 December 2021)

Biostock.se: "[Brett politiskt stöd gynnar DanCann Pharma - BioStock](#)" (SE, 6 December 2021)

### Via Ritzau - Press Releases: (Pressemeddelelser | Dancann Pharma ([ritzau.dk](http://ritzau.dk))):

DanCann Pharma: "[DanCann Pharma opkøber CannGros og bliver markedsleder på det danske marked for medicinsk cannabis under forsøgsordningen](#)" (Danish, 5 October, 2021)

DanCann Pharma: "[DanCann Pharma: Lovforslag om medicinsk cannabis er et vigtigt skridt i den rigtige retning](#)" (Danish, 8 October, 2021)

DanCann Pharma: "[Besøg fra Folketinget hos DanCann Pharma](#)" (Danish, 3 November, 2021)

[DanCann Pharma kommer stærkt ud af tredje kvartal](#) (Danish, 26 November, 2021)

DanCann Pharma: [102 stemmer mod nul er et stærkt politisk signal til en medicinsk cannabisbranche i vækst](#) (Danish, 2 December, 2021)

DanCann Pharma A/S: [Positive data fra kliniske forsøg med QIXLEEF™ giver håb for kræftpatienter med gennembrudssmerter](#) (Danish, 3 December, 2021)

DanCann Pharma A/S: [Positiva data från kliniska försök med QIXLEEF™ ger hopp till cancerpatienter med genombrottsmärter](#) (Swedish, 3 December, 2021)

[DanCann Pharmas administrerende direktør og stifter, Jeppe Krog Rasmussen, går all-in og freder sin aktiebeholdning i virksomheden de kommende tre år](#) (Danish, 20 December, 2021)

DanCann Pharma A/S: [Tysklands legalisering af cannabis bliver en gamechanger for hele Europa](#) (Danish, 4 January, 2022)

[Særdeles lovende analyseresultater fra DanCann Pharmas produktionsmiljø](#) (Danish, 19 January, 2022)

[Indfrielse af optioner styrker DanCann Pharma med mere end 9,3 millioner kr.](#) (Danish, 21 January, 2022)

[DanCann Pharma har ansøgt Lægemiddelstyrelsen om EU-GMP-godkendelse for Biotech Pharm1](#) (Danish, 9 February, 2022)

[DanCann Pharma A/S: 24-årige Jeppe børsnoterede DanCann Pharma fra drengværelset: Fra ingenting til 175 millioner kr. på under fire år](#) (Danish, 21 February, 2022)





## The acquisition of CannGros

**WE WERE EXTREMELY** proud when we in October were able to announce to the stock exchange and the general public that DanCann Pharma A/S and CannGros ApS had entered into an Agreement to which DanCann Pharma acquired 100% of the shares of CannGros. Through the acquisition, DanCann Pharma has obtained all necessary licenses for the import and distribution of medical cannabis, as well as three products (dried flower and granular) admitted to the list of medical cannabis products under the Danish Pilot Programme with medical cannabis. In addition to this, CannGros has a pending application (extracts of cannabis in an oil solution) at the Danish Medicines Agency.

DanCann Pharma and CannGros are both operating within the established Danish and European market for medical cannabis and cannabinoids - with different approaches and a different skillset. CannGros is primarily operating as a distributor of sourced products and concepts, whereas DanCann Pharma has its main activities in the production and manufacturing of biomaterials and API's. The two companies bring different assets to the new cooperation.

Together, DanCann Pharma and CannGros will partner to create a market leader in the Danish market under the Pilot Programme with medical cannabis. We believe that the consolidated company can deliver robust revenue and profitable growth going forward - a constellation that compliments rather than cannibalizes. We have taken the necessary time to carefully assess the company's entry into the Danish market and we firmly believe that the combination with CannGros will create significant value as CannGros provides us options to grow in the Danish Market with an accelerated go-to-market penetration and deep knowhow in the field.

The acquisition also creates an ideal framework for DanCann Pharma's future product portfolio - both in terms of imports and own products - and thus has already established channels. The acquisition of CannGros will pave the way for increased focus on consolidation in the industry and growth thereby for DanCann Pharma. I am very honored and satisfied about this transaction.



# A permanent Danish Pilot Programme

**IN MAY, THE DANISH POLITICIANS** made an agreement to prolong the Danish Pilot Programme for Medical Cannabis. There was broad political support for the proposal to make the current Pilot Programme a permanent scheme. In December, the scheme was adopted exclusively with yes votes (102-0).

It has been agreed that the Pilot Programme will be extended by a further four years regarding the possibility for doctors to prescribe medical cannabis to patients. In addition, it has been agreed that the Pilot Programme will be made permanent regarding the companies' ability to manufacture cannabis for medical use. The purpose of making the manufacturing part permanent is to create peace of mind and security for the investments made in the industry.

We are very pleased that the scheme for the manufacturing of medical cannabis has been made permanent, as it is in principle a safeguarding of our business basis and our existence. And then it actually has some significance when a proposal is voted through with 102-0, because it shows us that we are

dealing with an area that politicians, authorities and NGOs really want to be successful.

The new agreement is good news for the entire Danish medical cannabis industry and the ecosystem, as it will probably attract further investments and stimulate the positive wave that is currently going on in the industry and ensure Denmark's position as a leading nation in the medical cannabis field.

Through most of 2021 we have been engaged in a lot of exciting and ambitious activities, and even though we probably expected a positive statement from the politicians, there is of course always a little uncertainty. Now it is official that the industry - and we as a company - can calm down and start creating further investments, development, and earnings.

With the decision to make Danish manufacturing of medical cannabis permanent after the expiry of the current Pilot Programme, Denmark formally continues its ambition to become a leading player in medical cannabis with ambitions to serve both the domestic market and international markets.







## Legalization of cannabis in Germany

**IN THE FINAL DAYS** of 2021 important and exiting news from our southern neighbors reached news desks all over the world. Olaf Scholz, Germany's new chancellor, is leading a coalition of parties, who have agreed to legalize both the sale and use of cannabis. "We will allow controlled sales of cannabis for adults for recreational purposes in approved shops," he said according to a statement from Germany's new government, which consists of the Social Democrats (SPD), the Liberals (FDP) and the Greens.

We genuinely believe that Germany can play a crucial role in starting a domino-effect for the rest of Europe in this regard (legalization of cannabis for use of cannabis in general), and what we might first have thought would become a reality later, now seems likely in the near future.

All kinds of legalization in the direction of facilitating "easier" regulatory conditions for the consumers is a strong incentive for companies in – and close to – the industry (including DanCann Pharma) as it shows a form of acceptance, regardless of whether we are talking biotech, pharma, "medical" or recreational.

Legalization of cannabis in general in Europe's largest country will inevitably have strong and positive impact for other EU countries, including Denmark. Measured by population, Germany will be the largest country in the world to legalize cannabis – but not the first. Canada started a legalization process in 2018, and 18 states in the United States, as well as Uruguay have already legalized the sale and use of cannabis for recreational purposes.

## DanCann Pharma has applied for EU-GMP-approval

**DanCann Pharma A/S** has in January submitted application to the Danish Medicines Agency for EU-GMP-approval for Biotech Pharm1 to the Danish Medicines Agency. In April, DanCann Pharma pressed the start button in the company's first production facility, Biotech Pharm1 in Ansager. Now the Company is ready to be inspected from the Danish Medicines Agency in order to be approved according to EU-GMP standards. The approval is expected to be in place by the half year of 2022.

Biotech Pharm1 is built on best practices from the pharmaceutical industry in combination with advanced environmentally controlled manufacturing technology and vertical cultivation. This means that the selected geneticists are developed in multi-storey systems without the use of soil or other media, but with a specially developed system that adds the required amount of fluid and nutrients.

This is another important milestone on the journey for DanCann Pharma. We have been working intensively towards this for a long time and we are looking

forward to finally having the approval from the Danish Medicines Agency later this year. DanCann Pharma and its first facility, Biotech Pharm1, are currently in the process of transforming from a project to an actual operation, which is very gratifying.

The EU-GMP certification of the facility is a hallmark of our work, and ultimately a hallmark of our processes and systems meeting requirements to produce medical cannabis in Denmark and Europe. This as a step on the way to achieving quality assured products for partners, and ultimately patients, which is essential for the company's legitimacy to the market.

Uniform product content and a focus on delivering the same quality from time to time is a guarantee that DanCann Pharma is obliged to give to patients who can benefit from a treatment with medical cannabis and cannabinoids.

Following the approval of the production conditions, DanCann Pharma faces its biggest milestone to date when the first batch of biomaterial is ready for delivery in the second half of 2022 from Biotech Pharm1.





# About the interim report Q4

**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.

**DANCANN PHARMA A/S**

**CANNGROS APS (100%)**

## Correction of error

In the previous profit & loss statements the company has posted capitalized staff costs as a deduction in staff costs. As from this report and forward the capitalized costs are posted as "own work capitalized" in compliance with the Danish Financial Statements Act. Comparison figures have been changed. The correction has no impact on earnings in the profit & loss statements, the balance sheet statements or the cash flow statements.

## 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

The turnover was 874 (0) in Q4. Own work capitalized was 394 (648). Cost of sales was 616 (0). Other external expenses were 2,888 (2,137). The operating profit (EBIT) for Q4 2021 was -4,718 (-2,721). The primary cost drivers were the development of production facility, testing, compliance cost and cost related to the acquisition of CannGros ApS.

## Balance sheet

The total assets at the end of the period amounted to 68,124 (49,551). Fixed assets amounted to 51,343 (19,984). Current assets were 16,781 (29,567) 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 53,370 (44,325). Provisions amounted to 104 (1,337) and current liabilities amounted to 14,650 (3,865).

## Cash flow

In Q4 the cash flow was -5,180 (9,204). Cash flow from net investments was -17,382 (-11,255).

## 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 "DANCAN" with ISIN code ISIN DK0061410487.

On December 31, 2021 the total number of shares in DanCann Pharma A/S was 26,551,018 (20,730,800).

There are 4,972,598 outstanding warrants, that if exercised will increase the total amount of shares to 31,523,616.

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.

The company has issued 1,702,339 warrants to shareholders that participated in the directed share issue resolved at the extraordinary general meeting on July 23, 2021. The warrants can be exercised until August 4, 2022.

The company has issued 2,207,399 warrants to shareholders that participated in the directed issue on October 5, 2021. The warrants can be exercised until August 4, 2022.

A total of 4,972,598 warrants have been issued.

## Shareholders

Shareholders with more than 5 % of the votes and capital on December 31, 2021.

Name	Number of shares	Proportion of votes and capital
JKR Investment Group ApS	5,747,023	21.65%
JJV Invest AB	1,788,018	7.10%
Others	18,918,968	71.25%
<b>Total</b>	<b>26,551,018</b>	<b>100,00%</b>

## 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

Annual report 2021	23/03/22
AGM	07/04/22
Quarterly report Q1 2022	18/05/22
Half year report 2022	25/08/22
Q3 report 2022	23/11/22

## Submission of the interim report

Ansager, February 25, 2022  
DanCann Pharma A/S  
The Board of Directors

## For further information, please contact:

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## Group Income Statement

KDKK	01/10/21 31/12/21	01/10/20 31/12/20	01/01/21 31/12/21	01/01/20 31/12/20
<b>Net sales</b>	<b>874</b>	<b>0</b>	<b>874</b>	<b>0</b>
Own work capitalised	394	648	1,431	1,995
Cost of sales	-616	0	-616	0
Other external expenses	-2,888	-2,137	-8,184	-4,830
<b>Gross profit/loss</b>	<b>-2,236</b>	<b>-1,489</b>	<b>-6,495</b>	<b>-2,835</b>
Staff expenses	-2,024	-1,167	-7,124	-2,942
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>-4,260</b>	<b>-2,656</b>	<b>-13,619</b>	<b>-5,777</b>
Depreciation and amortization	-458	-65	-890	-94
<b>Operating profit(EBIT)</b>	<b>-4,718</b>	<b>-2,721</b>	<b>-14,509</b>	<b>-5,871</b>
Income from investments in subs.	0	0	0	0
Financial income	560	20	578	24
Financial expenses	-1,187	-81	-1,255	-140
<b>Profit before tax</b>	<b>-5,345</b>	<b>-2,782</b>	<b>-15,186</b>	<b>-5,987</b>
Tax on profit/loss for the period	907	1,245	3,436	1,732
<b>Net profit after tax</b>	<b>-4,437</b>	<b>-1,537</b>	<b>-11,750</b>	<b>-4,255</b>

## Group Balance Sheet Statement

KDKK	31/12/21	31/12/20
<b>ASSETS</b>		
Goodwill	12,497	0
Development projects in progress and prepayments	28,954	15,683
<b>Total intangible assets</b>	<b>41,451</b>	<b>15,683</b>
Property, plant and equipment	3,038	1,756
Leasehold improvements	3,210	270
Tangible assets in progress and prepayment	3,322	1,953
<b>Total tangible assets</b>	<b>9,570</b>	<b>3,979</b>
Rent deposit and other receivables	322	322
<b>Total financial assets</b>	<b>322</b>	<b>322</b>
<b>TOTAL FIXED ASSETS</b>	<b>51,343</b>	<b>19,984</b>
Raw materials and consumables	10	10
Finished goods and goods for resale	25	0
Prepayment for goods	236	0
<b>Total inventories</b>	<b>271</b>	<b>10</b>
Trade receivables	530	0
Other receivables	2,475	4,325
Corporation tax receivable	5,291	3,242
Prepayments and accrued income	478	658
<b>Total receivables</b>	<b>8,774</b>	<b>8,225</b>
<b>Total cash and cash equivalents</b>	<b>7,736</b>	<b>21,332</b>
<b>TOTAL CURRENT ASSETS</b>	<b>16,781</b>	<b>29,567</b>
<b>TOTAL ASSETS</b>	<b>68,124</b>	<b>49,551</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	995	777
Reserve for development costs	22,584	12,234
Retained profit	29,791	31,314
<b>TOTAL EQUITY</b>	<b>53,370</b>	<b>44,325</b>
Provisions for deferred tax	104	1,337
<b>TOTAL PROVISIONS</b>	<b>104</b>	<b>1,337</b>
Other liabilities	0	24
<b>Total non-current liabilities</b>	<b>0</b>	<b>24</b>
Leasing liabilities	0	185
Trade payables	2,915	2,821
Corporation tax payable	352	0
Other liabilities	11,383	859
<b>Total current liabilities</b>	<b>14,650</b>	<b>3,865</b>
<b>TOTAL LIABILITIES</b>	<b>14,650</b>	<b>3,889</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,124</b>	<b>49,551</b>



## Group Cash Flow Statement

KDKK	01/10/21 31/12/21	01/10/20 31/12/20	01/01/21 31/12/21	01/01/20 31/12/20
Profit/Loss for the year	-4,436	-1,538	-11,750	-4,255
Depreciation and amortisation, reversed	458	65	890	94
Cash from purchase, CannGros ApS	277	0	277	0
Net Equity purchase, CannGros ApS	-237	0	-237	0
Tax on profit/loss, reversed	-908	-1,245	-3,436	-1,732
Corporation tax received	207	0	206	0
Change in inventories	-36	-10	-36	-10
Change in receivables	-1,919	-3,445	1,780	-4,866
Change in current liabilities	640	-789	345	3,083
Change in non-current liabilities	0	0	-24	24
<b>CASH FLOW FROM OPERATING ACTIVITY</b>	<b>-5,954</b>	<b>-6,961</b>	<b>-11,985</b>	<b>-7,662</b>
Purchase of intangible assets	-16,052	-8,849	-26,033	-14,735
Purchase of property, plant and equipment	-618	-1,544	-1,828	-4,015
Sold property, plant and equipment	0	0	155	0
Purchase of leaseholds improvements	-385	-247	-3,174	0
Purchase of tangible fixed assets in progress and prep.	-2,280	-642	-3,321	0
Sold tangible fixed assets and prepayments	1,953	0	1,953	0
Purchase of financial assets	0	-72	0	-322
<b>CASH FLOW FROM INVESTING ACTIVITY</b>	<b>-17,382</b>	<b>-11,355</b>	<b>-32,248</b>	<b>-19,072</b>
Loan from majority owner	0	0	0	-549
Increase loans	3,370	0	10,027	-955
Increase leasing debt	0	-11	-185	185
Other capital items - capital raising costs	-302	-2,484	-668	-4,669
Sharecapital payments	15,088	30,015	21,463	53,875
<b>CASH FLOW FROM FINANCING ACTIVITY</b>	<b>18,156</b>	<b>27,520</b>	<b>30,637</b>	<b>47,887</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-5,180</b>	<b>9,204</b>	<b>-13,596</b>	<b>21,153</b>
Cash and cash equiv. at the beginning of the period	12,916	12,127	21,332	179
<b>CASH AND CASH EQ. AT THE END OF THE PERIOD</b>	<b>7,736</b>	<b>21,332</b>	<b>7,736</b>	<b>21,332</b>

## Group Equity Statement

KDKK	Share capital	Share premium account	Reserve for development costs	Retained profit	Total
Equity at 1 January 2021	777	0	12,233	31,315	44,325
Proposed profit allocation				-11,750	-11,750
<b>Transactions with owners</b>					
Capital increase	218	21,245			21,463
Cost of capital increase		-668			-668
<b>Other legal bindings</b>					
Capitalized development costs			13,270	-13,270	0
<b>Transfer</b>					
Transfer to/from other items		-20,577		20,577	0
<b>Tax on changes in equity</b>					
			-2,919	2,919	0
<b>Equity at December 31, 2021</b>	<b>995</b>	<b>0</b>	<b>22,584</b>	<b>29,791</b>	<b>53,370</b>

During the financial year, 5,820,218 new shares were subscribed with a nominal value of DKK 0.0375 and a total share capital of DKK 218,258.



## Parent Income Statement

KDKK	01/10/21 31/12/21	01/10/20 31/12/20	01/01/21 31/12/21	01/01/20 31/12/20
<b>Net sales</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Own work capitalised	394	648	1,431	1,995
Cost of sales	-179	0	-179	0
Other external expenses	-2,730	-2,137	-8,026	-4,830
<b>Gross profit/loss</b>	<b>-2,515</b>	<b>-1,489</b>	<b>-6,774</b>	<b>-2,835</b>
Staff expenses	-1,991	-1,167	-7,091	-2,941
<b>Operating profit before depreciation and amortization (EBITDA)</b>	<b>-4,506</b>	<b>-2,656</b>	<b>-13,865</b>	<b>-5,776</b>
Depreciation and amortization	-192	-65	-624	-94
<b>Operating profit(EBIT)</b>	<b>-4,698</b>	<b>-2,721</b>	<b>-14,489</b>	<b>-5,870</b>
Income from investments in subsidiaries	-76	0	-76	0
Financial income	560	20	578	24
Financial expenses	-1,185	-81	-1,253	-140
<b>Profit before tax</b>	<b>-5,398</b>	<b>-2,782</b>	<b>-15,240</b>	<b>-5,986</b>
Tax on profit/loss for the period	961	1,245	3,490	1,732
<b>Net profit after tax</b>	<b>-4,437</b>	<b>-1,537</b>	<b>-11,750</b>	<b>-4,254</b>

## Parent Balance Sheet Statement

KDKK	31/12/21	31/12/20
<b>ASSETS</b>		
Development projects in progress and prepayments	28,954	15,683
<b>Total intangible assets</b>	<b>28,954</b>	<b>15,683</b>
Property, plant and equipment	3,038	1,756
Leasehold improvements	3,210	270
Tangible assets in progress and prepayment	3,322	1,953
<b>Total tangible assets</b>	<b>9,570</b>	<b>3,979</b>
Investments in subsidiaries	12,924	0
Rent deposit and other receivables	322	322
<b>Total financial assets</b>	<b>13,246</b>	<b>322</b>
<b>TOTAL FIXED ASSETS</b>	<b>51,770</b>	<b>19,984</b>
Raw materials and consumables	10	10
<b>Total inventories</b>	<b>10</b>	<b>10</b>
Other receivables	2,475	4,325
Corporation tax receivable	5,237	3,242
Joint tax contribution receivable	54	0
Prepayments and accrued income	479	658
<b>Total receivables</b>	<b>8,245</b>	<b>8,225</b>
<b>Total cash and cash equivalents</b>	<b>7,208</b>	<b>21,332</b>
<b>TOTAL CURRENT ASSETS</b>	<b>15,463</b>	<b>29,567</b>
<b>TOTAL ASSETS</b>	<b>67,233</b>	<b>49,551</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	996	777
Reserve for development costs	22,584	12,234
Retained profit	29,792	31,314
<b>TOTAL EQUITY</b>	<b>53,371</b>	<b>44,325</b>
Provisions for deferred tax	104	1,337
<b>TOTAL PROVISIONS</b>	<b>104</b>	<b>1,337</b>
Other liabilities	0	24
<b>Total non-current liabilities</b>	<b>0</b>	<b>24</b>
Loan	10,028	0
Leasing liabilities	0	185
Trade payables	2,581	2,821
Other liabilities	1,150	859
<b>Total current liabilities</b>	<b>13,758</b>	<b>3,865</b>
<b>TOTAL LIABILITIES</b>	<b>13,758</b>	<b>3,889</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>67,233</b>	<b>49,551</b>



## Parent Cash Flow Statement

KDKK	01/10/21 31/12/21	01/10/20 31/12/20	01/01/21 31/12/21	01/01/20 31/12/20
Profit/Loss for the year	-4,437	-1,538	-11,750	-4,255
Depreciation and amortisation, reversed	192	65	624	94
Profit/loss from subsidiaries	76	0	76	0
Tax on profit/loss, reversed	-961	-1,245	-3,490	-1,732
Corporation tax received	207	0	207	0
Change in inventories	0	-10	0	-10
Change in receivables	-1,670	-3,445	2,028	-4,866
Change in current liabilities	348	-789	52	3,083
Change in non-current liabilities	0	0	-24	24
<b>CASH FLOW FROM OPERATING ACTIVITY</b>	<b>-6,245</b>	<b>-6,961</b>	<b>-12,277</b>	<b>-7,662</b>
Purchase of intangible assets	-3,289	-8,849	-13,270	-14,735
Purchase of property, plant and equipment	-618	-1,544	-1,827	-4,015
Sold property, plant and equipment	0	0	155	0
Purchase of leaseholds improvements	-385	-247	-3,174	0
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Sold tangible fixed assets and prepayments	1,953	0	1,953	0
Purchase of financial assets	-13,000	-72	-13,000	-322
<b>CASH FLOW FROM INVESTING ACTIVITY</b>	<b>-17,619</b>	<b>-11,355</b>	<b>-32,484</b>	<b>-19,072</b>
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<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-5,708</b>	<b>9,204</b>	<b>-14,124</b>	<b>21,153</b>
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# DanCann Pharma™

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