



DanCann Pharma™

BETTER THAN YESTERDAY

INTERIM REPORT 1 JULY 2021 – 30 SEPTEMBER 2021

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.



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 prescription drugs (Rx).

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 inspire

Highlights during the period

THU, JUL 08, 2021

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, COPENHAGEN, Denmark 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

MON, JUL 26, 2021

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, 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).

THU, AUG 12, 2021

DanCann Pharma A/S has reached a historic milestone with the first ever cannabis batch in Biotech Pharm1 THU, AUG 12, 2021 COPENHAGEN, Denmark, 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.

FRI, SEP 03, 2021

DanCann Pharma A/S: Tetra Bio-Pharma Receives Positive Scientific Advice Assessment (SAA) Report for QIXLEEF™ FRI, SEP 03, 2021 COPENHAGEN, Denmark, 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 Tetra has received the Scientific Advice Assessment (SAA) Report from the Malta Medicines Authority.

TUE, JUL 27, 2021

DanCann Pharma A/S' CEO and CCO have subscribed for shares and warrants in the directed issue TUE, JUL 27, 2021 COPENHAGEN, Denmark, 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 Frelsen 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.

TUE, JUL 13, 2021

DanCann Pharma A/S: Tetra Bio-Pharma Accelerates REBORN1© Trial TUE, JUL 13, 2021 COPENHAGEN, Denmark, 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.

JULY

AUG

SEP

Highlights after the period

MON, OCT 04, 2021

DanCann Pharma A/S acquires CannGros ApS and becomes market leader in the Danish market under the Pilot Programme with Medical Cannabis MON, OCT 04, 2021 COPENHAGEN, Denmark, DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma"), a Danish company powered by cannabinoids, and CannGros ApS ("CannGros") a national leader in sales of medical cannabis in Denmark through the Pilot Programme, 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").

WED, OCT 20, 2021

DanCann Pharma A/S Announces Closing of the Previously Announced Acquisition of CannGros ApS WED, OCT 20, 2021 COPENHAGEN, Denmark, DanCann Pharma A/S (SS: DANCAN) ("DanCann Pharma"), a Danish company powered by cannabinoids, and CannGros ApS ("CannGros") a national leader in sales of medical cannabis in Denmark through the Pilot Programme, has today closed the Agreement ("the Transaction" or "the Agreement") according to which DanCann Pharma will acquire 100% of the shares of CannGros cf. the press release of 05 October 2021. 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").

OCT

FRI, OCT 08, 2021

DanCann Pharma A/S: Medicinal cannabis bill is an important step in the right direction FRI, OCT 08, 2021 COPENHAGEN, Denmark, DanCann Pharma A/S ("DanCann" or the "Company") 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

DanCann Pharma A/S: Tetra Bio-Pharma Receives Positive Opinion for Orphan Drug Designation for QIXLEEF™ from the European Medicines Agency FRI, OCT 22, 2021 COPENHAGEN, Denmark, DanCann Pharma A/S ("DanCann Pharma"), a Danish company powered by cannabinoids, 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 that the European Medicines Agency (EMA) Committee for Orphan Medicinal Products (COMP) issued a positive opinion on the Company's application for Orphan Drug Designation (ODD) for its investigational medicine QIXLEEF™ as a potential treatment for Complex Regional Pain Syndrome (CRPS), a chronic neuropathic pain condition.

TUE, OCT 05, 2021

DanCann Pharma A/S successfully completes a directed issue of units of approx. 8 MDKK TUE, OCT 05, 2021 COPENHAGEN, Denmark, The Board of Directors of DanCann Pharma A/S ("DanCann" or the "Company") 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.



Summary

Key figures Q3 2021

KDKK	01/07/21 30/09/21	01/07/20 30/09/20	01/01/21 30/09/21	01/01/20 30/09/20
Net sales	0	0	0	0
Operating profit (EBIT)	-3,429	-1,650	-9,791	-3,149
Result per share (DKK)	-0.12	-0.07	-0.35	-0.54
Equity ratio	0.79	0.78	0.79	0.78

Number of shares on 30/09/21: 22,433,139 (14,060,800)

Weighted average number of shares Q3 2021: 21,125,092 (5,013,684)

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

Equity ratio = $\frac{\text{Equity}}{\text{Total assets}}$



Other mentions during and after the period

External media:

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

Bio-Stock.se: **"DanCanns vd om förväntningarna för de kommande månaderna"** (Swedish, 04 August 2021)

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

Carlsquare.com: **"Mrkt BUZZ DanCann Pharma: Financing secured"** (UK, 10 August 2021)

Bio-Stock.se: **"DanCann Pharma's CEO on the new milestone"** (UK, 17 August 2021)

HC Andersen Capital: **"DanCann Pharma A/S - Præsentation af Q2 kvartalsregnskabet"** (YouTube video, Danish, 1 September 2021)

Bio-Stock.com: **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)

Bio-Stock.se: **"DanCann Pharma on Tetra Bio-Pharma's positive EMA opinion"** (UK, 27 October 2021)

Via Ritzau - Press Releases:

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)

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)

New possibilities

A BUSY THIRD QUARTER of 2021 has come to an end. During the period we spent a significant number of resources on finalizing the acquisition of CannGros, which was official on 5th October. The commercial activities related to the acquisition mean, that we now have a portfolio of products generating income for the first time in DanCann Pharma's history - and our Q4/year-end report will be a long awaited testament to this.

The fact that Aurora Nordic has withdrawn their product (Sedamen, as of 15th November 2021) from the Danish market means that we - with our three CannGros products - have a market share of 100 per cent in relation to the Danish Pilot Programme for Medical Cannabis. However, we do share a genuine and heart-felt compassion with the many patients who no longer can be treated with Sedamen, and we aim to fill this gap with complementary products as soon as we possibly can. We do have an overall purpose of serving the best interest of the patients.

With the acquisition of CannGros we also bought the pipeline of a pending application at the Danish Medical Agency for an oil product containing extracts of cannabis. We expect the Danish Medicines Agency's ("DMA") next feedback round on the product application before the end of 2021 and expect to have the approval with an expected market launch in the first half of 2022. Furthermore, we are finalizing the details in our EU-GMP application for Biotech Pharm1 and expect to send in our application during end-2021/start 2022, with an expected approval from the DMA in the first half of 2022.

As a company we are facing a major milestone when we will be ready with our first biomaterial. A biomaterial produced under indoor conditions in closed hermetic chambers, produced under best practice GACP- and EU-GMP conditions, with the result of an output of approx. 2,500 kilograms. dried flower/granular (biomaterial) per year.

We have decided to Initially focus on our Tetrahydrocannabinol ("THC") candidate, named Tetracanoïd®, which is expected to deliver solid +25% of the content of THC, and later the emergence of unique geneticists and candidates based on a rather atypical content of novel cannabinoids (CBG, CBN, THCV, etc.). We expect to be able to deliver our first bulk biomaterials for further processing by mid-2022, based on our Tetracanoïd®, and our first intermediate product by the end of 2022 (based on the same, Tetracanoïd®), based on 5-gram cans for patient dosages - and later in additional delivery systems during 2023-2024.

Our ultimate mission is always to ensure that patients have access to various quality-assured treatments with cannabinoid substances - this by delivering a standardized product, repeatedly, every single time, without any supply issues (= quality). We, as a company, are set in the world and in the market to make a difference, a difference for the many who need a company just like us.

“The commercial activities related to the acquisition mean, that we now have a portfolio of products generating income for the first time in DanCann Pharma's history. “





DanCann Pharma and CannGros – the perfect match

ON 5 OCTOBER 2021 we could proudly announce that “DanCann Pharma A/S and CannGros ApS has entered into an 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 granular) 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.

This acquisition is a huge, important, and very relevant step for us. 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 our main activities in the production and manufacturing of biomaterials and API’s. The two companies bring different assets to the new cooperation.

A new market leader

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. Through most of Q3 we have carefully assessed DanCann Pharma’s entry into the Danish market, and we firmly believe that the combination with CannGros will create significant value as CannGros provides us 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.

The acquisition can really boost DanCann Pharma's growth journey. CannGros has a unique and very valuable 'license to operate', which you cannot normally get your hands on. The industry is young, and the industry is fragmented, so it's about bringing the players together early to create value not only in the industry, but also for patients throughout Scandinavia.

In addition to the supply chain, under the current Pilot Programme in Denmark, CannGros has built up a significant distribution network for pharmacies and other licensed dealers and have acquired a solid and widely respected market position. All of which are elements that can help accelerate growth and in the long run make a significant difference for patients.

An accelerated go-to-market strategy

CannGros currently imports and distributes three medical cannabis products (dried flower and granulars for inhalation and tea), manufactured by the Dutch company Bedrocan – with an option to expand the product portfolio with another two dried flower products, as well as a pending product application at the Danish Medical Agency for an oil product containing extracts of cannabis.

CannGros have signed distribution agreements with leading international medical cannabis companies, for import and distribution of their medical cannabis products, and especially with focus on cannabis extracts diluted in oil. The company has

imported and distributed medical cannabis products since 1 January 2018, covering all pharmacies in Denmark, through agreements with the pharmaceutical wholesale and access to two main distributors that fully cover the market in Denmark.

Combined, DanCann Pharma and CannGros will create significant improved capabilities within time to market, growth, strategic partnerships, and own development of a unique value proposition in the Danish and European medical cannabis industry. With the acquisition of CannGros, and by obtaining necessary licenses and permits for import and distribution from the Danish Medical Authorities in combination with CannGros established distribution structure, we can accelerate and move forward our business areas for import and distribution by an estimated 6-12 months earlier than expected.

Additional financing

On 26 July 2021 DanCann Pharma A/S could inform, that based on the resolutions to issue shares and warrants on the extraordinary general meeting on 23 July 2021, the Company had 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). The issue of shares and warrants add the Company a total of DKK 6,375,259.555, and a total of 1,702,339 new warrants. At the same time DanCann Pharma obtained a loan facility of SEK 13,700,000, which secured DanCann Pharma financing in total of approximately DKK 16.326 million (based on current currency exchange rate).

The issue was subscribed by a consortium of private investors led by Jinderman & Partners AB (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 (in addition to CEO Jeppe Krog Rasmussen) also participated in the directed issue of shares, including Carsten Trads (Chairman), Magnus Østergaard Dahlmann (Board of Directors), Per Wester (Board of Directors) and Christian Carlsen (Board of Directors).

Background 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 first facility, Biotech Pharm1. Thus, the company can take Biotech Pharm1 from proof of concept to a project in commercial scale, which amounts to a 10x production capacity. 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. The financing will largely be used to invest in our first facility (Biotech Pharm1) and take it from the current setup (proof of concept, expected approved by end-2021) to a commercial scale project, which is expected to be operational during the beginning-2022 and approved in the mid of 2022 for sales to large export markets.

Preparing for new market adventures

The progress of our facility (Biotech Pharm1) is steadily moving forward, and in Q4-2021/Q1-2022 DanCann Pharma's Executive Management team and Board of Directors will decide on behalf of DanCann Pharma which partner(s) will be responsible for the purchase and distribution of the biomaterial and substances (output from Biotech Pharm1) to the relevant market(s).

With this investment we consider our target to be a well-proportioned size of capacity. We expect to be able to supply approximately 2,500 kilograms of dried biomaterial - at extremely competitive prices due to our heavy investments in engineering and automation - which in comparison can supply more than 25% of the current German market for this segment.

We are truly overwhelmed by the interest and trust in DanCann Pharma. With a very exciting pipeline, we are humble for the future and welcome it. We are very honored by the trust and belief in the project from both lenders and investors, new and old.



Biotech Pharm1 – the next step

IN APRIL 2021, we were able to complete a more than three-year project when we pressed the "Start" button in Biotech Pharm1 and were able to power up the activities in the high-tech growth environments in the rebuilt furniture factory in Ansager. The first major and important step on the road to in-house production of medical cannabis had been taken.

For the rest of 2021, we will carry out several training harvests, which will be analyzed to find exactly the growth conditions that are the most optimal to ensure a uniform output in relation to the content of the product. There must be a maximum fluctuation of +/- 10% of the ingredients, because we must ensure that the patients who buy and use our products get the same quality and the same content every time.

The perfect climate for genetics and investments

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 - which has helped give the management an incentive and indication for further acceleration of the development of DanCann Pharma.

The initial reports of positive results left no room for hesitation in relation to advancing phase two and seeking to establish the maximum capacity of the facilities as soon as possible. Therefore, the Board of Directors and the General Meeting nodded to the plans to raise additional capital from investors, so that we could already in Q3 2021 begin the expansion.

State-of-the-art facilities

Biotech Pharm1 is built on the best practices of the pharmaceutical industry in combination with advanced environmentally controlled cultivation technology and vertical cultivation. This means that the plants are cultivated in boxes on several floors without the use of soil or other media, but with a specially developed system that adds the necessary fertilizers and nutrients. We have succeeded in establishing ultimate cultivation conditions for cannabis and have created state-of-the-art facilities that no one else in the industry can match.

In Biotech Pharm1 we 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.

Room for expansion

When we entered into an agreement with our local municipality on the acquisition of our production facilities, we had ensured that we would be able to expand the facilities. Phase 2 of the establishment of Biotech Pharm1 is a direct extension of phase 1. We are arranging four new growth spaces and increasing the total production area by 150%. We still have a collaboration with Aessense Grows, who provides us with the very latest technology in connection with the expansion.





Digital IR with HC ANDERSEN CAPITAL

DURING Q3 WE HAVE intensified our co-operation with HC Andersen Capital. Through #DigitalIR HC ANDERSEN CAPITAL 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 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 #DemocratIR. The starting point is that listed companies must be visible continuously to private and institutional investors as well as the media.

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.

As a part of our co-operation, we have made a joint production of four videos, which present DanCann Pharma, our production facilities, our present and future possibilities, and our products.

The videos can be found on YouTube and can be accessed from the links below:

[#1 – Company presentation](#)

[#2 – Medical cannabis in Denmark](#)

[#3 – The product portfolio](#)

[#4 – Introducing the facilities](#)

HC ANDERSEN CAPITAL calendar:

Presentation of DanCann Pharma's Q3 report

29 November 2021 11:00 – 11:30 (online event)

Virtual Growth Days seminar

8–9 December 2021 09:00 – 15.30 (online event)

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 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 Q3 2021 was -3,429 (-1,650). The primary cost drivers were the development of production facility, testing, compliance costs and cost related to the acquisition of CannGros ApS.

Balance sheet

The total assets at the end of the period amounted to 54,200 (23,655). Fixed assets amounted to 34,418 (8,695). Current assets was 19,781 (14,960) 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 43,023 (18,333). Provisions amounted to 1,005 (635) and current liabilities amounted to 10,172 (4,687).

Cash flow

In Q3 the cash flow was 7,119 (-8,414). Net investments in fixed assets amounted to 2,643 (6,089).

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 September 30, 2021 the total number of shares in DanCann Pharma A/S was 22,433,139 (14,060,800).

There are 2,765,199 outstanding warrants, that if exercised will increase the total amount of shares to 25,198,338.

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.

A total of 2,765,199 warrants have been issued.

Shareholders with more than 5 % of the votes and capital on the 30 September 2021

Name	Number of shares	Proportion of votes and capital
Xignotus Capital ApS	5,747,023	25.62%
JJV Invest AB	1,885,027	8.40%
Others	14,801,089	65.98%
Total	22,433,139	100,00%

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 Q4 2021	25/02/22
Annual report 2021	23/03/22
AGM	07/04/22

Submission of the interim report

Ansager, November 26, 2021
DanCann Pharma A/S
The Board of Directors

For further information, please contact:

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Income statement

KDKK	01/07/21 30/09/21	01/07/20 30/09/20	01/01/21 30/09/21	01/01/20 30/09/20	01/01/20 31/12/20
Net sales	0	0	0	0	0
Other external expenses	-1,739	-1,576	-5,295	-2,693	-4,830
Staff expenses	-1,488	-50	-4,063	-427	-946
Operating profit before depreciation and amortization (EBITDA)	-3,227	-1,626	-9,359	-3,120	-5,776
Depreciation of tangible assets	-202	-24	-432	-29	-94
Operating profit (EBIT)	-3,429	-1,650	-9,791	-3,149	-5,870
Financial income	7	4	18	4	24
Financial expenses	-20	-5	-68	-59	-140
Profit before tax	-3,442	-1,650	-9,841	-3,204	-5,986
Tax on profit/loss for the period	715	675	2,528	487	1,732
Net profit after tax	-2,727	-975	-7,313	-2,717	-4,254

Balance sheet

KDKK	30/09/21	30/09/20	31/12/20
ASSETS			
Development projects in progress and prepayments	25,665	6,835	15,684
Total intangible assets	25,665	6,835	15,684
Other plant, machinery, tools and equipment	2,516	271	1,756
Leasehold improvements	2,921	29	270
Tangible fixed assets in progress and prepayment	2,995	1,311	1,953
Total tangible assets	8,432	1,611	3,979
Rent deposit and other receivables	322	250	322
Total financial assets	322	250	322
TOTAL FIXED ASSETS	34,418	8,695	19,985
Raw materials and consumables	10	0	10
Total inventories	10	0	10
Provision for deferred tax	0	0	0
Other receivables	969	1,262	4,325
Corporation tax receivable	5,438	1,295	3,242
Prepayments and accrued income	448	275	658
Total receivables	6,855	2,832	8,225
Total cash and cash equivalents	12,916	12,127	21,329
TOTAL CURRENT ASSETS	19,781	14,960	29,564
TOTAL ASSETS	54,200	23,655	49,549
EQUITY AND LIABILITIES			
Share capital	841	527	777
Reserve for development costs	20,019	5,331	14,925
Retained profit	22,163	12,475	28,624
TOTAL EQUITY	43,023	18,333	44,326
Provisions for deferred tax	1,005	635	1,337
TOTAL PROVISIONS	1,005	635	1,337
Other liabilities	0	0	24
Total non-current liabilities	0	0	24
Loan	6,658	0	0
Leasing liabilities	0	197	185
Trade payables	1,673	4,182	2,820
Other liabilities	1,841	308	857
Total current liabilities	10,172	4,687	3,862
TOTAL LIABILITIES	10,172	4,687	3,862
TOTAL EQUITY AND LIABILITIES	54,200	23,655	49,549

Cash flow statement

KDKK	01/07/21 30/09/21	01/07/20 30/09/20	01/01/21 30/09/21	01/01/20 30/09/20	01/01/20 31/12/20
Profit/Loss for the year	-3,442	-975	-7,313	-2,717	-4,255
Depreciation and amortisation, reversed	202	24	432	29	94
Tax on profit/loss, reversed	0	-675	-2,528	-487	-1,731
Change in inventories	0	0	0	0	-10
Change in receivables	577	-1,094	3,699	-1,426	-4,869
Change in current liabilities	-81	3,923	-320	3,896	3,083
Change in non-current liabilities	0	0	0	0	24
CASH FLOW FROM OPERATING ACTIVITY	-2,744	1,203	-6,030	-705	-7,664
Purchase of intangible assets	-1,670	-4,962	-9,981	-5,886	-14,736
Purchase of property, plant and equipment	-405	-259	-1,208	-271	-4,015
Sold property, plant and equipment	155	0	155	0	0
Purchase of leaseholds improvements	0	0	-2,789	0	0
Purchase of tangible fixed assets in progress and prep.	-723	-618	-1,042	-1,311	0
Purchase of financial assets	0	-250	0	-250	-322
CASH FLOW FROM INVESTING ACTIVITY	-2,643	-6,089	-14,866	-7,718	-19,073
Loan from majority owner	0	0	0	-549	-549
Increase loans	6,658	0	6,658	-955	-955
Increase leasing debt	-163	197	-185	197	185
Other capital items - capital raising costs	-365	0	-365	-2,183	-4,669
Sharecapital payments	6,375	0	6,375	23,859	53,875
CASH FLOW FROM FINANCING ACTIVITY	12,505	197	12,483	20,369	47,887
CHANGE IN CASH AND CASH EQUIVALENTS	7,119	-4,689	-8,414	11,946	21,150
Cash and cash equiv. at the beginning of the period	5,797	16,814	21,329	179	179
CASH AND CASH EQ. AT THE END OF THE PERIOD	12,916	12,125	12,916	12,125	21,329

**DanCann
Pharma™**

BETTER THAN YESTERDAY

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