



Interim Report

Q4 2023

**DanCann
Pharma**

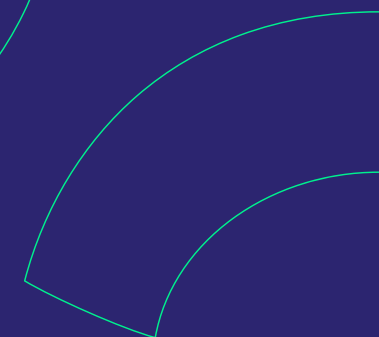


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DISCLAIMER:

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.

An Introduction to DanCann Pharma A/S

DanCann Pharma A/S ("DanCann Pharma" og the "Company") is a Danish biopharmaceutical company powered by cannabinoids.

DanCann Pharma is a fully licensed commercial niche EU-GxP regulatory distribution company focusing on market access, sourcing and distribution, specialized in cannabinoids, with the subsidiary CannGros ApS.

Strategic Focus on Profitability and Capital Efficiency

Markets



Retail revenue of approx. +60 million DKK (2022)

212% growth since 2018.

Over 500 doctors prescribing

Stable market, low competition and solid profitability

Commercial Focus

Business Development and Sales

Supply chain (sourcing and distribution)

Regulatory and Medical Affairs

Market access and data

Activities

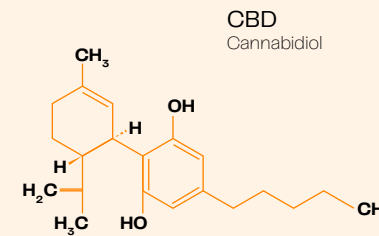
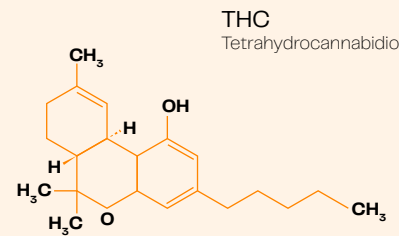
Import of medicinal products and narcotics

Secondary re-packaging

Warehouse, logistics and shipping

Labeling and batch release

Cannabinoids



Medicinal Cannabis



Medical Devices

Under the Danish Pilot Programme with Medicinal Cannabis (Danish Medicines Agency)

Revolutionize health and quality of life for patients with challenges

Our Customer Base:

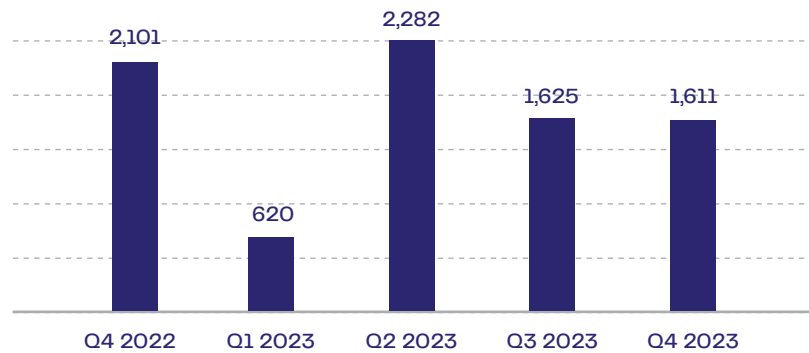
Wholesalers (pharmacies, hospitals/healthcare facilities) and Manufacturers/Intermediate Manufacturers

Financial Performance

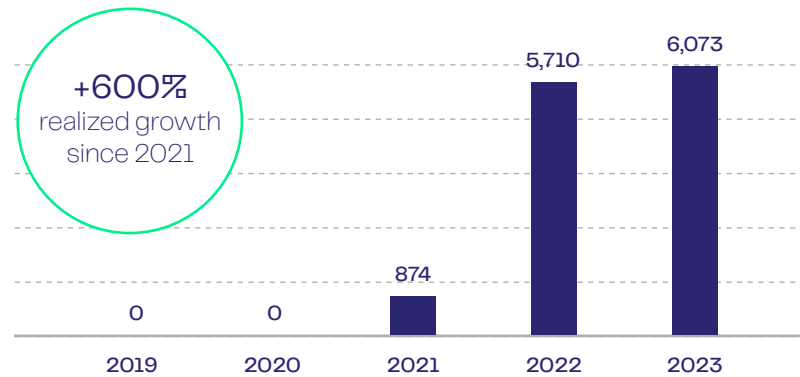
Source: E-sundhed

Reflecting on the period since last year, DanCann Pharma has successfully continued to improve its EBITDA while remaining on course with new product launches planned in 2024 and 2025. These launches are anticipated to be major value drivers for the Company, contributing positively to both the Company's revenue and EBITDA. Additionally, the Company is experiencing positive organic growth of its currently approved prescription (Rx) product portfolio. The initial effects of the revised strategy have already begun to emerge, but the full impact is not expected before the first quarter of 2024 (Q1) and during the 2024 year.

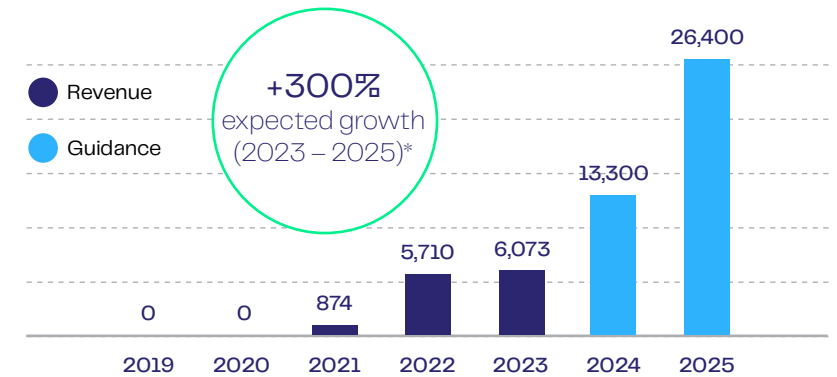
Revenue (QoQ) in 1,000 DKK



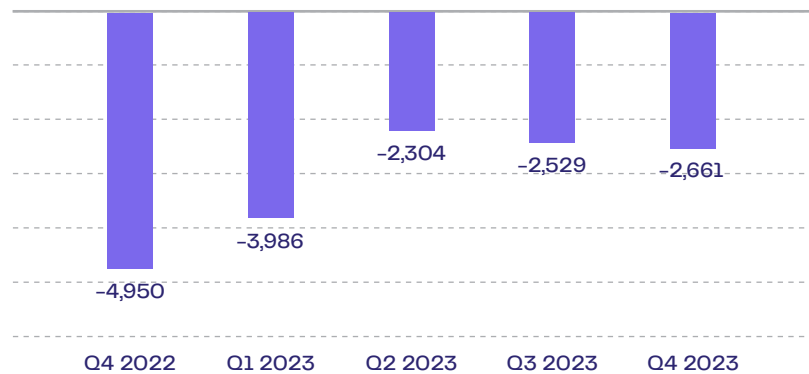
Revenue (YoY) in 1,000 DKK



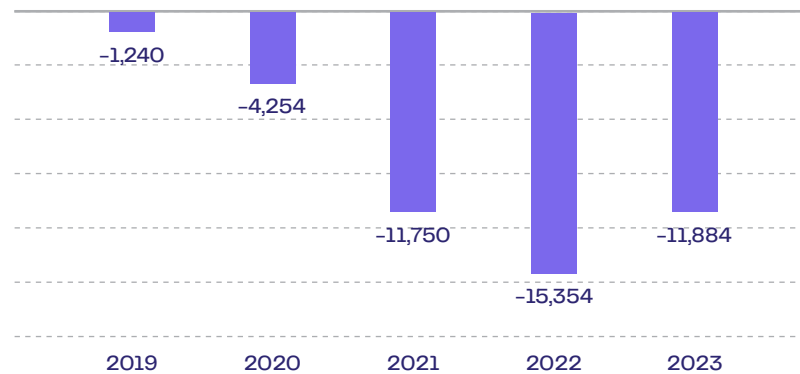
Revenue (YoY) + Guidance in 1,000 DKK



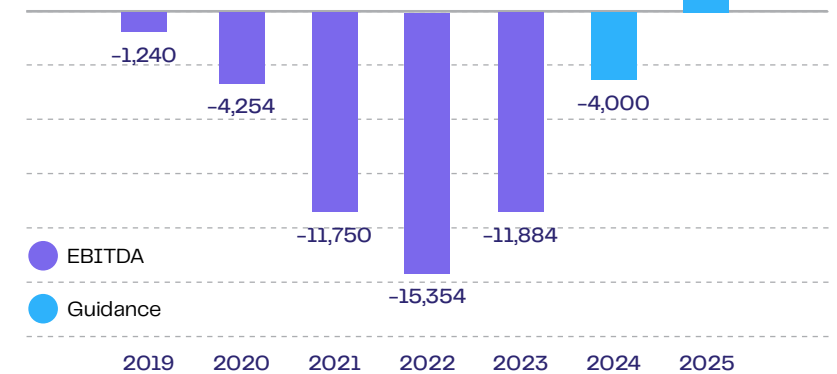
EBITDA (QoQ) in 1,000 DKK



EBITDA (YoY) in 1,000 DKK



EBITDA (YoY) + Guidance in 1,000 DKK



* Based on the organic growth of the Company's existing prescription (Rx) product portfolio and the planned product launches during 2024 and 2025. Hereby, the Company is expected to capture approx. 30% of the total market for cannabinoid treatment by the end of 2025.

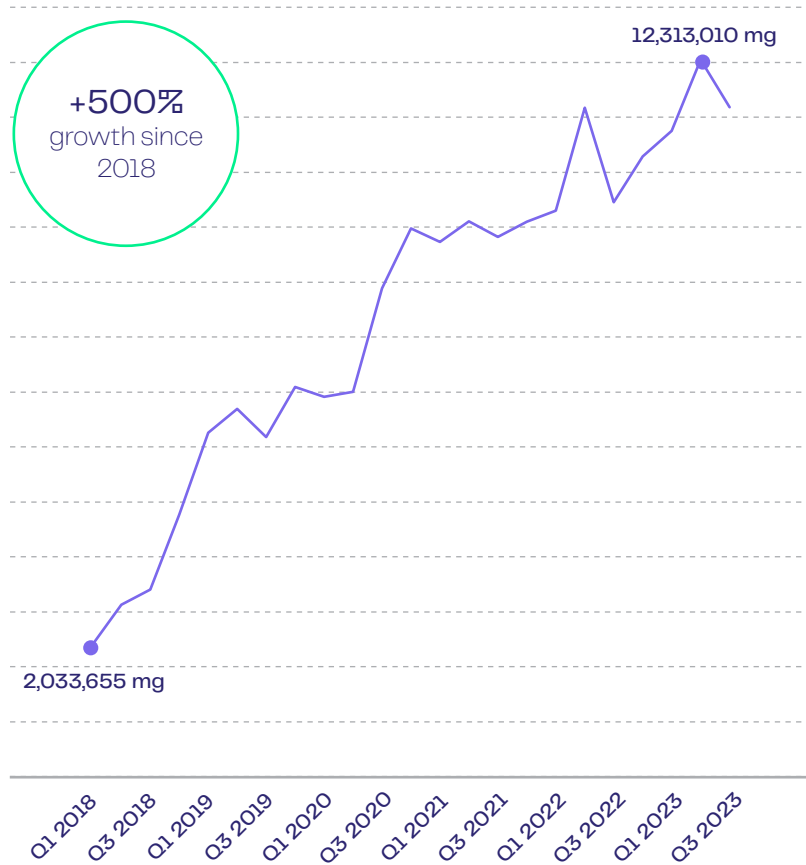
Market Development

Source: E-sundhed

Cannabinoid Consumption

Since the initiation of the Pilot Programme in 2018, there has been a significant increase in the consumption of cannabinoids in Denmark. From the first quarter of 2018 to the third quarter of 2023, the number has risen by more than 500%.

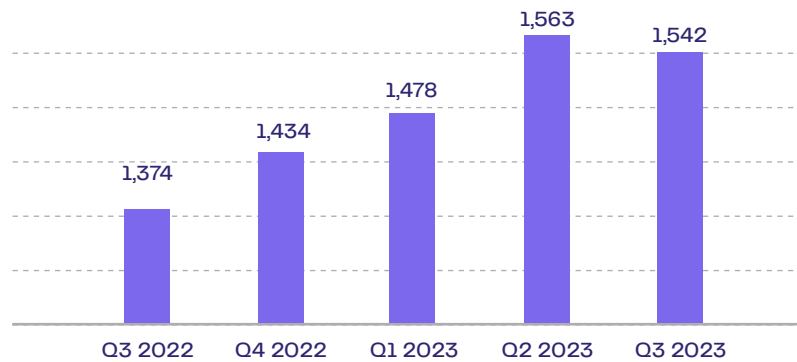
Sales of mg active substance (THC and CBD) (QoQ)



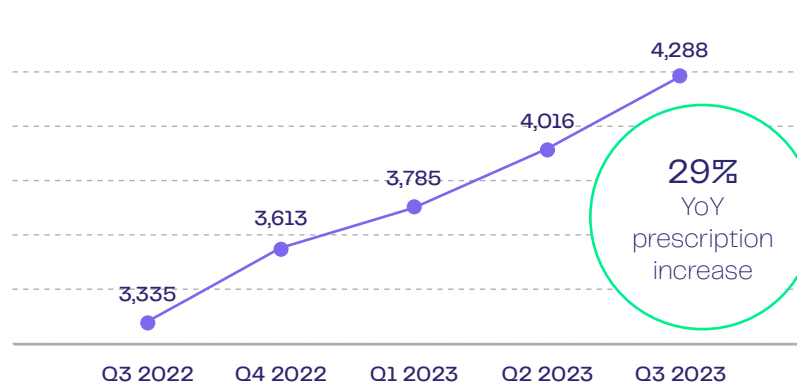
Market Development Data

Year on year we have seen a 12% increase in the number of unique patients being treated with cannabinoids from Q3 2022 to Q3 2023. During the same period, prescriptions have gone up 29%.

Number of unique patients



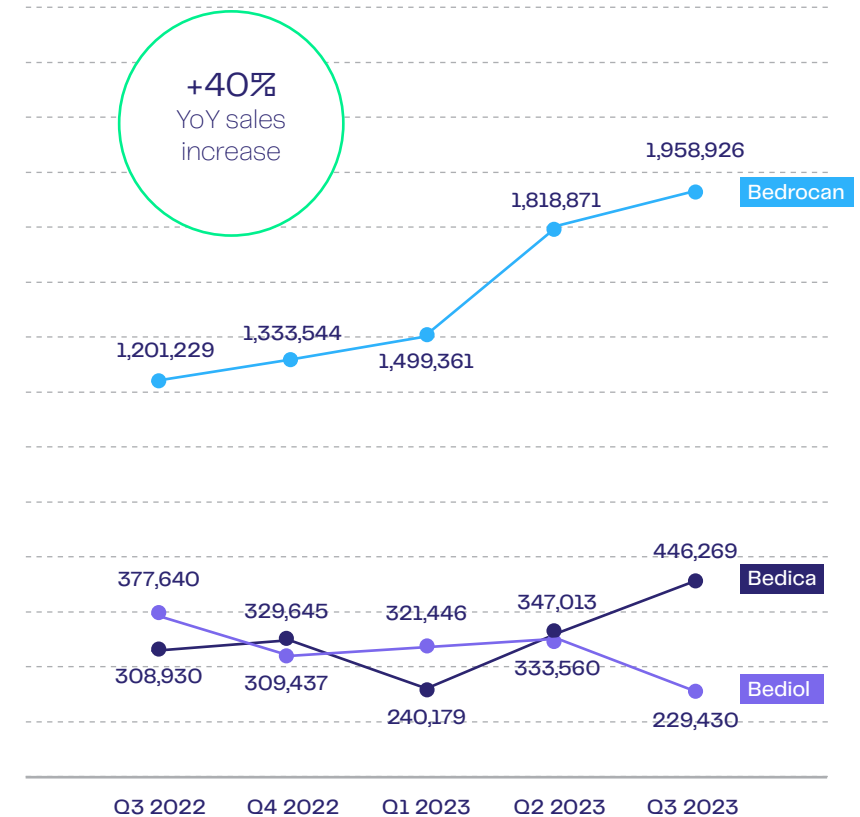
Number of prescriptions



DanCann Pharma Product Sales

Comparing year on year numbers from Danish pharmacies, DanCann Pharma products have seen 33% sales growth from Q3 2022 to Q3 2023.

DCP Sales in Danish Pharmacies in DKK



Note: Q4 2023 numbers on unique patients and prescriptions are not included in Q4 report as official numbers are not available until after publication.

Product portfolio and pipeline (2024):



Development (2)

EXT03 CannGros
 Oral extract based on Bediol®.
 Dronabinol (THC) and Cannabidiol (CBD)
 10, 20 and 30 mL.



EXT04 CannGros
 Oral extract based on Bedrolite®.
 Mainly Cannabidiol (CBD)
 10, 20 and 30 mL

Registration (1)

EXT02 CannGros
 Oral extract based on Bedrocan®.
 Mainly Dronabinol (THC)
 10, 20 and 30 mL

Approval

Launched (3)

Bedrocan® CannGros Flos
 Dronabinol ("THC") 22%
 Cannabidiol ("CBD") <1.0%



Bediol® CannGros Granulate
 Dronabinol ("THC") 6.3%
 Cannabidiol ("CBD") 8.0%



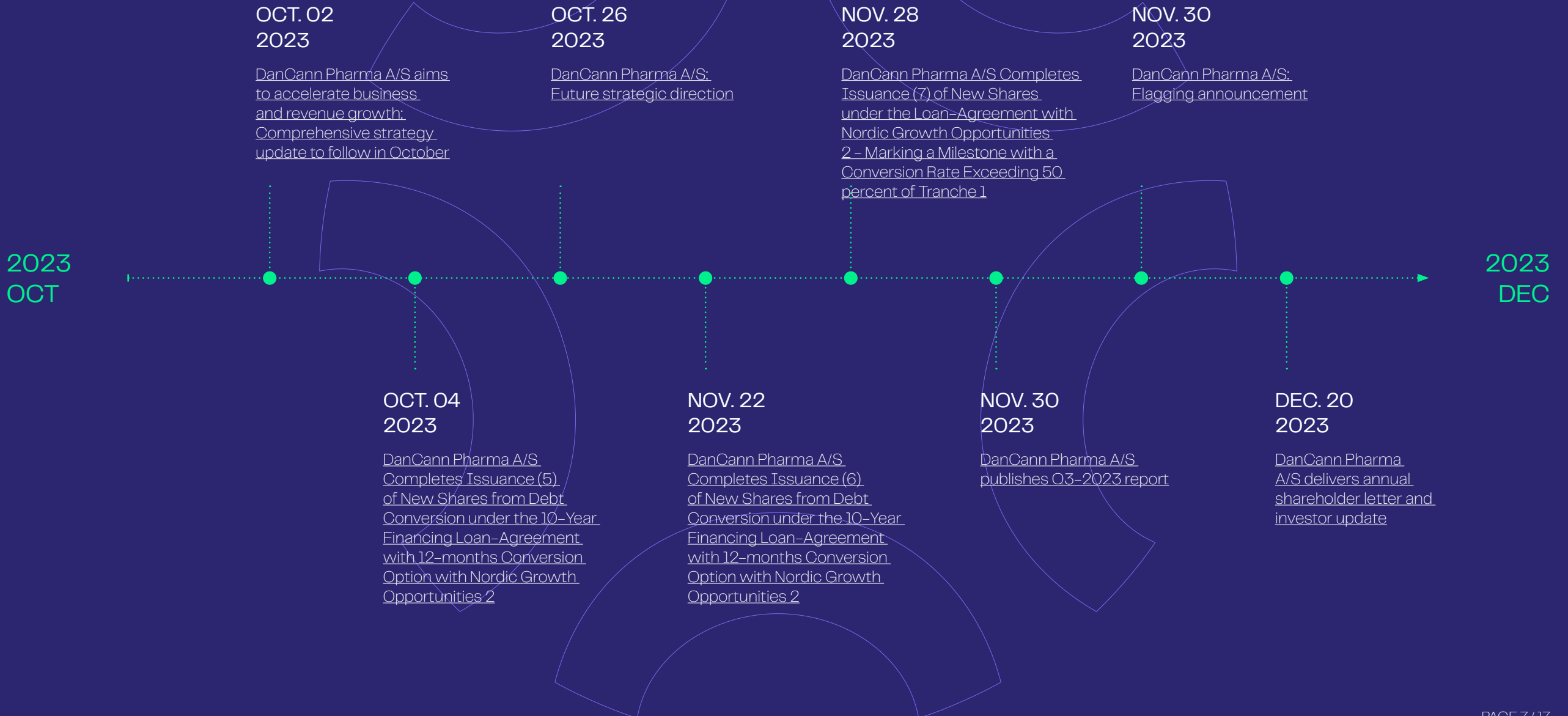
Bedica® CannGros Granulate
 Dronabinol ("THC") 14%
 Cannabidiol ("CBD") <1.0%



● Exclusive product offerings developed in collaboration with partners

● Partner-created products incorporating DanCann Pharma's commercial assests

Regulatory highlights from the quarter





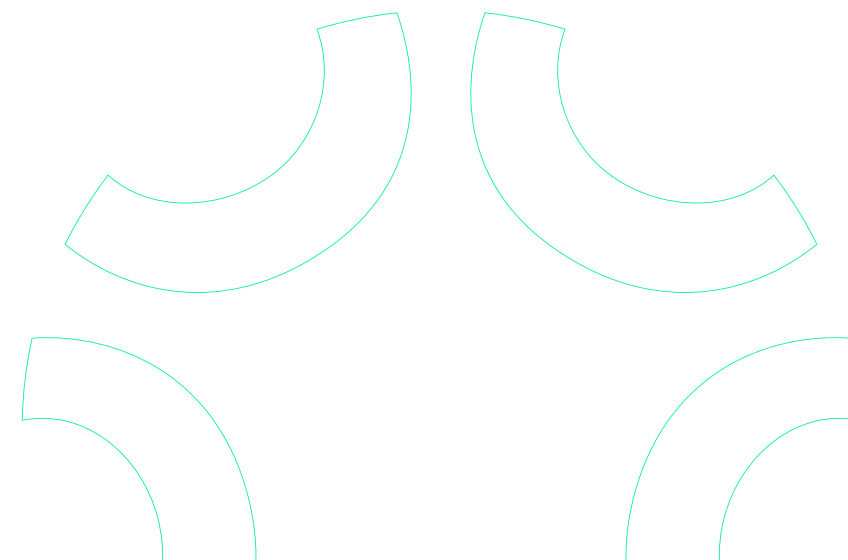
Summary: Group key figures Q4 2023

DKK 1 000	01/01/23 - 31/12/23	01/01/22 - 31/12/22	01/10/23 - 31/12/23	01/10/22 - 31/12/22	01/01/22 - 31/12/22
Net sales	6,073	5,707	1,611	2,101	5,707
Operating profit/loss (EBIT)	-14,124	-17,586	-3,219	-4,343	-17,586
Result per share (DKK)	-0.09	-0.58	-0.02	-0.20	-0.52
Equity ratio	0.94	0.80	0.86	0.80	0.78

Number of shares on 31.12.2023 = 141,627,990 (28,468,289)

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

Equity ratio = Equity / Total assets



About the Q4 interim report

DANCANN PHARMA A/S was formed in March 2018. The fiscal year is 1st of January to December 31. 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 1,611 (2,101) in Q4 2023. As well, in Q4 2023, the own consolidated work capitalized was 0 (321), the cost of sales was 1,352 (864), and other external expenses were 1,416 (1,444). The consolidated operating profit (EBIT) for Q4 2023 was -3,219 (-4,343). The primary cost drivers were the development of the production facility, operation activities, business development, testing, and compliance cost.

Balance sheet

The consolidated total assets at the end of the period amounted to 64,614 (67,103). Consolidated fixed assets amounted to 59,881 (57,378). Consolidated current assets were 4,733 (9,725) 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 60,479 (62,792). Provisions amounted to 0 (0), and current liabilities amounted to 4,135 (10,295).

Cash flow

In Q4 2023 the consolidated cash flow was -1,693 (5,998). Cash flow from net investments was -6 (-1,516).

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, 2023, the total number of shares in DanCann Pharma A/S was 141,627,990 (28,468,289).

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

Warrants for the Executive Management team and Board of Directors

The Board of Directors has granted warrants for the management team. 762,861 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 to the Board of Directors. 90,000 warrants have been issued and can be exercised until 2025. The warrants are vesting in three equal stages over the next three years. Each warrant grants the right to subscribe for one share.

Shareholders

Shareholders with more than 5% of the votes and capital on December 31, 2023.

Name	Number of Shares	Proportion of votes and capital
Nordic Growth Opportunities 2	26,022,548	18.4%
Others	115,605,442	81.6%
	141,627,990	100.00%

Operational risks and uncertainties

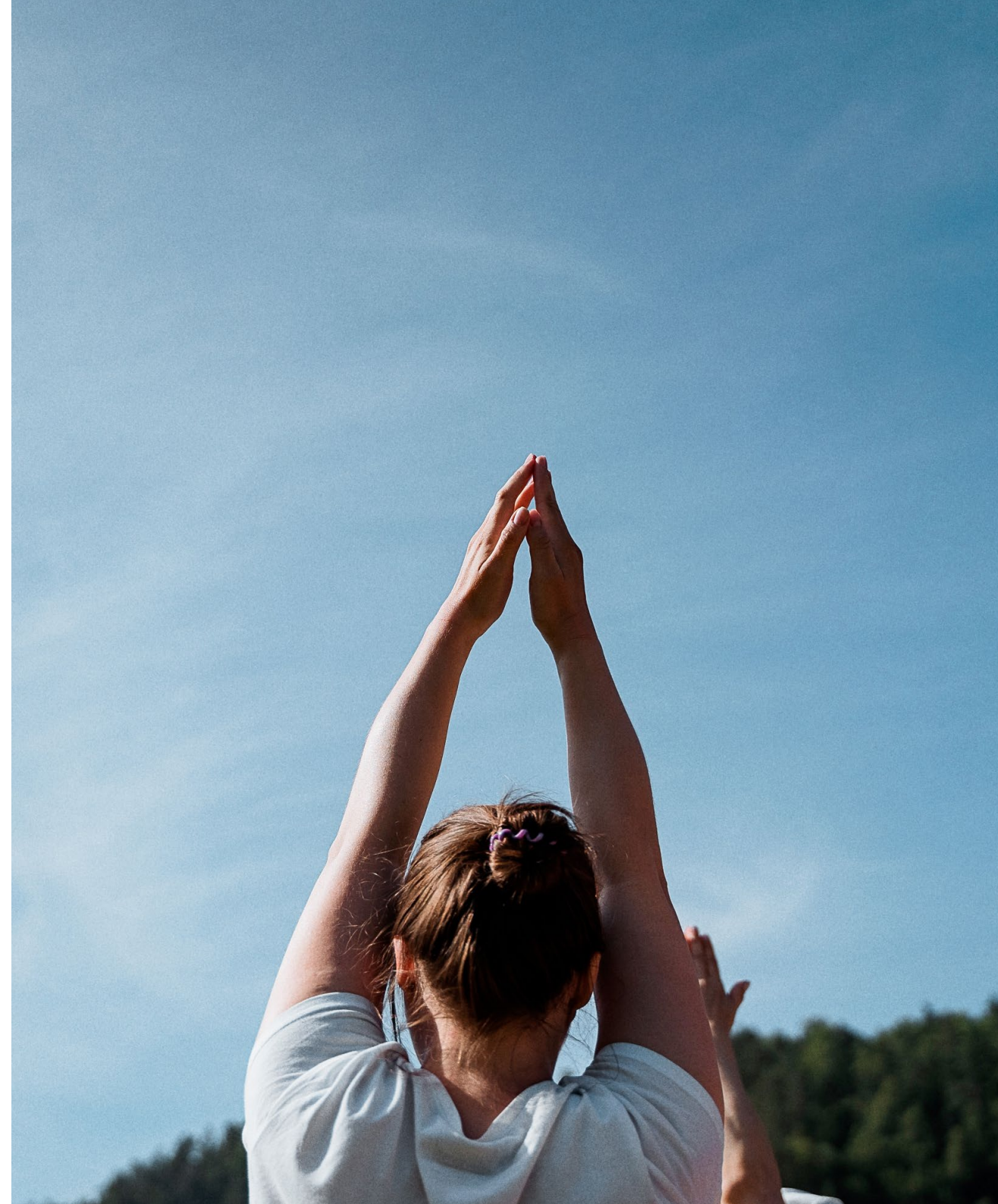
The risks and uncertainties that DanCann Pharma operations are exposed to are related to factors such as development, competition, permissions, capital requirements, customers, suppliers/manufacturers, currencies, and interest rates. During the current period, no significant changes in the risk factors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

Financial calendar:

Q4-2023	February 29 2024
Annual Report 2023	May 15 2024
AGM 2024	May 30 2024
Q1-2024	May 31 2024
Q2-2024	August 30 2024
Q3-2024	November 29 2024

Group income statement

DKK 1 000	01/01/23 – 31/12/23	01/01/22 – 31/12/22	01/10/23 – 31/12/23	01/10/22 – 31/12/22	01/01/22 – 31/12/22
Net sales	6,073	5,707	1,611	2,101	5,707
Own work capitalised	1,079	2,975	-	-321	2,975
Cost of sales	-3,309	-3,722	-864	-1,352	-3,722
Other external expenses	-7,299	-11,838	-1,416	-1,444	-11,838
GROSS PROFIT/LOSS	-3,456	-6,878	-669	-1,016	-6,878
Staff expenses	-8,428	-8,476	-1,992	-2,764	-8,476
OPERATING PROFIT/LOSS BEFORE DEPR. AND AMORT. (EBITDA)	-11,884	-15,354	-2,661	-3,780	-15,354
Depreciation and amortisation	-2,240	-2,232	-558	-563	-2,232
OPERATING PROFIT/LOSS (EBIT)	-14,124	-17,586	-3,219	-4,343	-17,586
Income from investments in subsid- iaries	-	-	-	-	-
Financial income	245	1,189	-19	184	1,189
Financial expenses	-1,448	-3,018	-215	-666	-3,018
PROFIT/LOSS BEFORE TAX	-15,327	-19,415	-3,453	-4,825	-19,415
Tax on profit/loss for the period	2,988	2,880	535	-798	2,880
NET PROFIT/LOSS AFTER TAX	-12,339	-16,535	-2,918	-5,623	-16,535



Group balance sheet

DKK 1 000	AT 31/12/23	AT 31/12/22
Goodwill	10,285	11,217
Distribution rights	821	821
Development projects in progress and prepayments	39,835	35,735
Intangible assets	50,941	47,773
Other plant, machinery, tools and equipment	2,512	2,714
Leasehold improvements	2,760	3,222
Tangible fixed assets in progress and prepay.	3,346	3,347
Property, plant and equipment	8,618	9,283
Investments in subsidiaries	-	-
Rent deposit and other receivables	322	322
Financial non-current assets	322	322
NON-CURRENT ASSETS	59,881	57,378
Raw materials and consumables	-	10
Finished goods and goods for resale	-	339
Prepayments	-	-
Inventories	-	349

DKK 1 000	AT 31/12/23	AT 31/12/22
Trade receivables	995	1,614
Other receivables	924	730
Corporation tax receivables	-	1,653
Deferred tax	-	193
Joint tax contribution receivable	-	-54
Prepayments and accrued income	804	475
Receivables	2,723	4,611
Cash and cash equivalents	2,010	4,765
CURRENT ASSETS	4,733	9,725
ASSETS	64,614	67,103
Share capital	5,311	2,438
Reserve for development costs	33,614	44,290
Retained profit	21,554	16,064
EQUITY	60,479	62,792
Provision for deferred tax	-	-
PROVISION	-	-
Lease liabilities	-	-
Trade payables	604	2,306
Corporation tax payable	-	252
Other liabilities	3,531	7,737
Current liabilities	4,135	10,295
LIABILITIES	4,135	10,295
EQUITY AND LIABILITIES	64,614	73,087

Group cash flow statement

DKK 1 000	01/01/23 – 31/12/23	01/01/22 – 31/12/22	01/10/23 – 31/12/23	01/10/22 – 31/12/22
Profit/loss for the year	-11,627	-15,879	-2,661	-6,028
Depreciation and amortisation, reversed	2,240	965	558	244
Profit/loss from subsidiaries	-712	621	-423	249
Cash from purchase, Canngros ApS	-	-	-	-
Net equity purchase, Canngros ApS	-	-	-	-
Tax profit/loss, reversed	-3,188	-2,880	-535	105
Corporation tax received	-	4,697	-	2,608
Change in inventories	338	-154	-	-11
Change in receivables	-1,632	-1,932	-220	-1,955
Change in current liabilities	5,185	-648	1,567	1,091
Other cash flows from operating activities	-	-	-	-
CASH FLOWS FROM OPERATING ACTIVITY	-9,396	-7,602	-	-1,474
Purchase of intangible assets	-4,100	-264	13	-25
Purchase of property, plant and equipment	-294	340	-	-
Sale of property, plant and equipment	-	-468	-7	-17
Purchase of leaseholds improvements	-7	-24	-	-
Purchase of tangible fixed assets in progress and prep	-	-	-	-
Purchase of financial assets	-	-8,018	6	-1,516
CASH FLOWS FROM INVESTING ACTIVITY	-4,401	-6,277	-1,448	-8,018

DKK 1 000	01/01/23 – 31/12/23	01/01/22 – 31/12/22	01/10/23 – 31/12/23	01/10/22 – 31/12/22
Increase loans	5,889	-2,471	-	-6,512
Increase leasing debt	-	-	-	-
Other capital items – capital raising costs	-840	-4,671	15	-4,205
Share capital payments	-	31,227	-	21,928
CASH FLOWS FROM FINANCING ACTIVITIES	5,049	24,085	15	11,211
CHANGE IN CASH AND CASH EQUIVALENTS	-8,748	857	-1,693	5,998
Cash and cash equivalents at beginning	10,758	9,906	3,703	4,765
CASH AND CASH EQUIVALENTS AT END*	2,010	10,763	2,010	10,763

Parent income statement

DKK 1 000	01/01/23 - 31/12/23	01/01/22 - 31/12/22	01/10/23 - 31/12/23	01/10/22 - 31/12/22
Net sales	-	-	-	-
Own work capitalised	1,079	2,975	-	1,173
Cost of sales	-	-198	-	-163
Other external expenses	-6,214	-11,563	-831	-4,219
GROSS LOSS	-5,135	-8,786	-831	-3,209
Staff expenses	-7,339	-7,455	-2,037	-1,933
OPERATING LOSS BEFORE DEPR. AND AMORT.	-12,474	-16,241	-2,868	-5,142
Depreciation, amortisation and impairment losses	-2,240	-955	-558	-244
OPERATING LOSS	-14,714	-17,196	-3,426	-5,386
Income from investments in subsidiaries	712	-621	423	-249
Other financial income	244	1,189	-20	183
Other financial expenses	-1,429	-2,994	-209	-646
LOSS BEFORE TAX	-15,187	-19,622	-3,232	-6,098
Tax on profit/loss for the year	3,188	3,087	654	
LOSS FOR THE YEAR	-11,999	-16,535	-2,578	-6,098



Parent balance sheet

DKK 1 000	AT 31/12/23	AT 31/12/22
Distribution rights	821	821
Development projects in progress and prepayments	39,835	35,735
Intangible assets	40,656	36,556
Other plant, machinery, tools and equipment	2,512	2,714
Leasehold improvements	2,760	3,222
Tangible fixed assets in progress and prepay.	3,346	3,347
Tangible fixed assets	8,618	9,283
Investments in subsidiaries	11,753	12,303
Rent deposit and other receivables	322	322
Financial non-current assets	12,075	12,625
NON-CURRENT ASSETS	61,349	58,464
Raw materials and consumables	-	10
Inventories	-	10
Other receivables	924	2,350
Corporation tax receivables	-	1,542
Deferred tax	-	946
Joint tax contribution receivable	-	54
Prepayments	466	370
Receivables	1,390	5,262
Cash and cash equivalents	893	10,140
CURRENT ASSETS	2,283	15,412
ASSETS	2,283	73,876

DKK 1 000	AT 31/12/23	AT 31/12/22
Share capital	5,311	2,438
Reserve for development costs	33,614	35,735
Retained profit	21,554	25,276
EQUITY	60,479	63,449
Provision for deferred tax	-	-
PROVISION	-	-
Lease liabilities	-	-
Trade payables	548	2,095
Other liabilities	2,605	8,332
Current liabilities	3,153	10,427
LIABILITIES	3,153	10,427
EQUITY AND LIABILITIES	63,632	73,876

Parent cash flow statement

DKK 1 000	01/01/23 – 31/12/23	01/01/22 – 31/12/22	01/10/23 – 31/12/23	01/10/22 – 31/12/22
Profit/loss for the year	-11,999	-16,535	-2,578	-6,098
Depreciation and amortisation, reversed	2,240	955	558	244
Profit/loss from subsidiaries	-712	621	-423	249
Cash from purchase, Canngros ApS	-	-	-	-
Net equity purchase, Canngros ApS	-	-	-	-
Tax profit/loss, reversed	-3,188	-3,087	-654	-
Corporation tax received	-	5,730	-	-
Change in inventories	-	-	-	-
Change in receivables	-1,916	233	-345	-736
Change in current liabilities	5,673	-1,052	1,436	422
Other cash flows from operating activities	-	-	-	-
CASH FLOWS FROM OPERATING ACTIVITY	-9,902	-13,135	-2,006	-5,919
Purchase of intangible assets	-4,100	-7,602	-	-1,474
Purchase of property, plant and equipment	-294	-264	13	-25
Sale of property, plant and equipment	-	340	-	-
Purchase of leaseholds improvements	-7	-468	-7	-17
Purchase of tangible fixed assets in progress and prep	-	-24	-	-
Purchase of financial assets	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITY	-4,401	-8,018	6	-1,516

DKK 1 000	01/01/23 – 31/12/23	01/01/22 – 31/12/22	01/10/23 – 31/12/23	01/10/22 – 31/12/22
Loan from majority owner	-	-	-	-
Increase loans	5,889	-2,471	-	-6,512
Increase leasing debt	-	-	-	-
Other capital items – capital raising costs	-840	-4,671	15	-4,205
Share capital payments	-	31,227	-	21,928
CASH FLOWS FROM FINANCING ACTIVITIES	5,049	24,085	15	11,211
CHANGE IN CASH AND CASH EQUIVALENTS	-9,254	2,932	-1,985	3,776
Cash and cash equivalents at beginning	10,147	7,208	2,878	4,462
CASH AND CASH EQUIVALENTS AT END	893	10,140	893	8,238

Better than yesterday

We want to revolutionize health care for everyone and ensure that no one experiencing pain or trauma gets left behind.

DanCann Pharma is all about challenging the status quo. We saw an issue in our healthcare system and are now working with determination to change it.



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