

06 April 2021

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

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

The Board of Directors has decided to issue 1,017,147 warrants to the executive management team.

The warrants program is dedicated for allocation to Company’s executive management team, whereby they have the opportunity of participating in a value growth in the Company’s shares. This is expected to lead to an increase in interest in the Company’s development - such as the pricing trends in Company’s shares price - and that continued business loyalty will be stimulated in the coming years.

In total 1,017,147 Warrants have been issued. Each Warrant carries the right to subscribe for 1 share of a nominal value of DKK 0.0375. To the extent that the Warrants are exercised, the Warrants shall entitle the Warrant Holders to subscribe for up to a total of nominally DKK 38,143.0125 shares in the Company. All of the issued Warrants have been subscribed for / granted on the 6 April 2021 (the “Subscription Date”).

The purpose of issuing the warrants to the Warrant Holders is to keep the warrant holders in the company and to ensure that their interests are aligned with the Company’s interests.

The scheme is eligible for the management which is made up of CEO Jeppe Krog Rasmussen (254,286), COO Morten Martinsen (254,287), CCO John Morell Frellsen (254,287) and CFO Mads Møller Kristensen (254,287) for a total of 1,017,147 warrants.

The issued Warrants will be vested over a 3-year period (the “Vesting Period”) as from the Subscription Date with 1/3 of the issued Warrants vesting on 06 April in each of the years in the Vesting Period (hereinafter “Vesting Date” and collectively “Vesting Dates”). The Warrant Holders ownership right to the issued Warrants are vested with 1/3 every Vesting Date.

For every Warrant Holder, vesting of the issued Warrants are conditional on the Warrant Holder being employed with the Company on the Vesting Date. None of the Warrant Holder’s Warrants are vested after the Warrant Holder’s employment with the Company has ended.

When exercising the issued Warrants, an amount of DKK 3.3327 is payable per share of a nominal value of DKK 0.0375 (the "Subscription Price"). The Subscription Price is a 15-workday average of the share price at closing, not including 6 April 2021.

The issued Warrants are exercisable during a 4-year period from the Subscription Date (hereinafter the "Exercise Period") as further described below. Non-vested Warrants cannot be exercised.

During the Exercise Period, vested Warrants can be exercised twice every calendar year in a 3-week exercise window, starting on the date of the disclosure of the Company's quarterly report Q1 and quarterly report Q3, respectively (hereinafter "Exercise Window" and together "Exercise Windows").

Any Warrants not exercised during the last Exercise Window in the Exercise Period shall lapse without further notice, remuneration or compensation to the Warrant Holder.

The costs of the scheme are estimated to approx. DKK 100,000 excl. VAT.

About DanCann Pharma

DanCann Pharma A/S (SS: DANCAN) was founded in 2018 and is a Danish biopharmaceutical company powered by cannabinoids. 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 in a wide range of disease areas.

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