



# Q1 REPORT

January 2021- March 2021

## STENOCARE Q1 2021 REPORT

*In this Interim Report, the following definitions apply, unless stated otherwise: The “Company” or “STENOCARE” refers to STENOCARE A/S with CVR number (Danish corporate registration number) 39024705. The Interim Report has not been reviewed by the Company’s auditors.*

(DKK)	01.01.2021 31.03.2021 3 months	01.01.2020 31.03.2020 3 months	01.01.2020 31.12.2020 12 months	01.01.2019 31.12.2019 12 months
<b>Total income *)</b>	420	93	198	16,206
<b>Net sales</b>	420	93	198	4,942
<b>Operating profit before depreciation (EBITDA)</b>	-3,148	-2,626	-11,831	4,417
<b>Net financial items</b>	-48	-917	-1,648	-2,112
<b>Investment in tangible assets</b>	2,412	6,608	18,540	6,632
<b>Result per share (DKK)</b>	-0.25	-0.32	-1.12	0.19
<b>Solidity (%)</b>	93	38	93	43

Result per share: The result for the period divided by the average number of shares. Total number of shares as of March 31, 2021, amounted to 11,676,126 (8,942,762). Average number of shares for the first quarter 2021 was 11,676,126 (8,942,762).

Solidity: Equity divided by total capital.

\*)Total income incl. net sales and other income.

### Highlights during the period:

- In February 2021 STENOCARE announced the first THC-CBD oil products have been delivered to Sweden, and together with the first THC oil products that were delivered in December 2020 – there are two different products available for Swedish patients.

### Highlights after the period:

None

## CEO COMMENTS: “GOOD PROGRESS IN Q1”

*We see progress in a variety of areas, as the Covid-19 restrictions are gradually being lifted. First of all, STENOCARE’s sales in Sweden continued to grow in Q1-2021 as an important indicator of the potential within and beyond the Swedish market. At the same time, we have been preparing for launch in a wider number of European countries and are preparing for launch of cultivation at scale at our all new, state-of-the-art cultivation facility in Denmark. STENOCARE is also pleased with good progress in relation to the application for approval of new imported products. All in all, Q1 has laid a solid foundation for an eventful 2021. Last but not least, it is pleasing to see that the political process relating to the future of the medical cannabis pilot in Denmark is now also on the move. While we are hopeful, that a positive conclusion will be reached, we are pleased to have reached a point that our activities (actual as well as planned) in a number of other European countries now form a solid basis for STENOCARE, irrespective of the outcome of the political negotiations for Denmark.*



Looking back at Q1 2021 we both experienced a society with continued concern over the corona pandemic and the beginning of hope for better times due to vaccines and lifting of restrictions. However, it is still evident that our health authorities are very busy managing the pandemic and its effect on health, business and social life. For the Danish cannabis industry this is for example seen with the delay in the political debate and decision regarding the Pilot programme. During 2H 2020 Ministers and politicians voiced support for extending the Pilot further – with the objective to gather more data from treatment of patients. Parliament meetings planned for early Q1 2021 have been moved to May, and the industry is

eager to see the conclusions from these meetings before Summer. STENOCARE has ongoingly monitored the temperature in Parliament, and it is our belief the Pilot programme will be extended.

The quarter has been a very busy period for the STENOCARE team. We have been working extra hours to complete the upgrade of our cultivation facility in Denmark. We have had an international building crew onsite seven days a week to complete the work and put the new facility into operation. We are optimistic that this will be completed before Summer, and the production team is ready to commence work in the high-tech facility immediately when the local municipality issue the needed operation approvals.

The commercial team has also been busy planning and executing the international growth plan. We brought a second medical cannabis oil product into Sweden and is now the sole supplier of THC oil and mixed THC-CBD oil product. Number of patients have grown, and this could indicate that the ripple effect for new patients has begun. The nature of our industry prevents campaigning and marketing activities towards driving sales, and therefore STENOCARE has all logistical focus on securing supply and availability for pharmacies. The commercial team is also qualifying several new countries according to our growth strategy, and their pipeline make me optimistic with our ambition of entering up to ten countries in the coming 4-5 years.

The competitive landscape is shaping up with several players preparing for ‘prime-time’ subject to approval of products whether produced in or imported to Denmark. Still, no new products approvals have been seen and no new companies have entered the Danish market. We notice ongoing announcements for future plans and goals, and carefully monitor the progress from these and retract any lessons that should be part of our execution.

All in all, we made good progress in Q1-21. With the high level of activity and daily execution, I am confident that we are on the right path to successfully deliver on our STENOCARE 2.0 growth plan.

**Thomas Skovlund Schnegelsberg, CEO  
STENOCARE A/S**

## ABOUT STENOCARE A/S

STENOCARE was founded in 2017 in Denmark with the vision to provide medical cannabis products that gives patients better quality of life. The focus is prescription-based products that are controlled under the regulatory regime of The Health authorities. STENOCARE has an ambitious goal to become a leading European brand within medical cannabis.

The company was listed on Spotlight Stock Market in Stockholm in October 2018, and later moved to Nasdaq First North Growth Market in June 2020. The stocks are traded under ticker [STENO]. The three founders are still the largest individual shareholders, and part of the executive management team.

STENOCARE was the first company in the Danish market that received approvals from the Danish Medicines Agency to cultivate and produce medical cannabis as well as import and distribute medical cannabis oil products for sale to Danish patients.

STENOCARE has created a leadership role in Denmark through its ability to secure approvals from the Danish Medicines Agency. The Company was also the first to have medical cannabis oil and capsule products accepted for the Danish Pilot-Programme.



Since the Company was founded in 2017, the STENOCARE 1.0 strategy included the distribution and sales of imported products to the

Danish market and establishing local cultivation and production of its own medical cannabis products. During 2019 the Company outlined the STENOCARE 2.0 strategy that builds on four areas of key assets:

- 1) Commercial assets to establish more markets for distribution of medical cannabis. These assets enable the company to operate in most countries in the world.
- 2) Regulatory assets to successfully work with the authorities and having licenses to operate in a highly regulated industry. These assets enable the company to enter new markets and introduce new products.
- 3) Product development partnership assets to formulate and test new innovative medical cannabis products that can target the growing diverse group of patients. These assets can position the company more exclusively in the market.
- 4) Supply Chain assets in the Danish indoor cultivation facility to further enable the Company to be a leader within “pharma-grade” medical cannabis production. This enables the company to develop, produce and formulate products in premium quality.

STENOCARE has established distribution agreements with partners in each country to serve the patients according to local regulatory requirements. In most countries the company is not present with a owned subsidiary, and is therefore using a partnership model.

The company has a multi-supplier strategy to secure a predictable supply chain for the growing number of patients and to offer more choice for treatment.

## ABOUT THE INTERIM REPORT

STENOCARE was formed in October 2017, and is not part of a group. STENOCARE has one subsidiary – STENOCARE Ireland Ltd. The subsidiary has yet no activity and therefore no consolidated figures have been made. Therefore, the financial overview in this Interim Report applies exclusively to STENOCARE A/S, with CVR number 39024705. The amount within brackets corresponds to the comparable period in the previous year. Amounts in this section in KDKK except for numbers of shares.

### Auditor's review

The Interim Report has not been reviewed by the Company's auditor.

### Net sales and operating results

Net sales for the first quarter of 2021 was 420 (93) and includes the second delivery of products to the Swedish market. Operating profit before depreciation (EBITDA) for the first quarter of 2021 amounted to -3,147 (-2,626), and includes expenses related to STENOCARE 2.0 with focus on the commercial and regulatory strategy, the supply chain strategy and building strategic partnerships.

### Balance sheet and equity ratio

Total assets amounted to 53,493 (28,100) and primarily consisted of cash at bank and investments in the cultivation facility. Other receivable includes VAT to be refunded.

Shareholders equity amounted to 49,795 (10,646) and liabilities amounted to 3,698 (17,454). Shareholders equity includes 265,927 Treasury shares.

The Company has no long-term liabilities.

### Cash flow and investments

Cash flow for the first quarter amounted to -5,937 (-10,400). The cash flow includes investments in tangible fixed assets of 2,412.

### The share

The shares of STENOCARE A/S were listed on Spotlight Stock Market on October 26, 2018. On May 18, 2020 the shares were delisted from Spotlight and listed on Nasdaq First North Growth Market Denmark. The short name/ticker is STENO and the ISIN code is DK0061078425. On March 31, 2021, the total number of shares was 11,676,126 (8,942,762). Every stock share equals the same rights to the Company's assets and results.

### Warrants

As at the date of this interim report there are no outstanding warrants.

### Options

The Company has an share programme for individual employees who, based on the opinion of the board of directors, make a special effort for the Company or who possess very special qualities that the Company benefits from. The employees will be entitled to Treasury Shares free of charge after the end of each year over a period of up to 5 years. The shares are delivered from the balance of Treasury Shares kept by the Company.

At the date of this Interim Report, and as previously announced, options for a total of 46,766 shares have been granted. In the reporting period 6,800 of the options have been vested leaving a balance of outstanding options of 39,966. On vesting, the shares are transferred to the employee from Treasury Shares and the movement in Q1 2021 therefore reduces the number of Treasury Shares outstanding to 265,927.

### Shareholders

The table below presents the current shareholders, at the date of this report, with more than 5 percent of the votes and capital in STENOCARE including Treasury shares held by the Company.

Name	Number of shares	Proportion of votes and capital (%)
STENO Group IVS (Rolf Steno, CCO)	1,645,497	14.1
Prana Holding ApS (Thomas S. Schnegelsberg, CEO)	1,449,136	12.4
MS Kjær Holding ApS (Søren Kjær, COO)	1,411,763	12.1
STENOCARE A/S (Treasury shares)	265,927	2.3
Others	6,903,803	59.1
<b>Total</b>	<b>11,676,126</b>	<b>100.0</b>

### Financial calendar

Q2-2021 Interim Report:	19.08.2021
Q3-2021 Interim Report:	04.11.2021
Q4-2021 Interim Report:	24.02.2022
Annual Report 2021:	03.03.2022

### Submission of Interim Report

Randers, May 6, 2021

STENOCARE A/S

The Board of Directors

### Accounting policy

The interim accounts have been prepared in accordance with the provisions of the Danish Annual Accounts Act (Årsregnskabsloven) for accounting class C.

### Certified Adviser

STENOCARE's Certified Adviser is Keswick Global AG, Phone: +43 1 740 408045  
E-mail: [info@keswickglobal.com](mailto:info@keswickglobal.com)

### Operational risks and uncertainties

The risks and uncertainties that STENOCARE operations are exposed to are summary related to factors such as development, competition, permissions, capital requirements, customers, suppliers/manufacturers, currencies and interest rates.

### For further information, please contact

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## INCOME STATEMENT

DKK	01.01.2021	01.01.2020	01.01.2020	01.01.2019
	31.03.2021	31.03.2020	31.12.2020	31.12.2019
	3 months	3 months	12 months	12 months
Net sales	420,000	93,450	198,450	4,941,551
Other income	0	0	0	11,255,491
Other external expenses	-1,807,670	-1,356,582	-6,193,602	-7,412,634
Personnel expenses	-1,760,333	-1,363,318	-5,835,647	-4,367,333
<b>Operating profit before depreciation (EBITDA)</b>	<b>-3,148,003</b>	<b>-2,626,450</b>	<b>-11,830,799</b>	<b>4,417,075</b>
Depreciation of tangible assets	-79,617	-34,917	-240,649	-58,925
<b>Operating profit (EBITA)</b>	<b>-3,227,620</b>	<b>-2,661,367</b>	<b>-12,071,448</b>	<b>4,358,150</b>
Financial income	3,869	0	31,839	9,417
Financial expenses	-51,786	-917,178	-1,679,562	-2,121,110
<b>Total financial items</b>	<b>-47,917</b>	<b>-917,178</b>	<b>-1,647,723</b>	<b>-2,111,693</b>
<b>Profit/loss for the period</b>	<b>-3,275,537</b>	<b>-3,578,545</b>	<b>-13,719,171</b>	<b>2,246,457</b>
Tax on profit/loss for the period	350,000	750,000	1,932,889	-544,036
<b>Net result for the period</b>	<b>-2,925,537</b>	<b>-2,828,545</b>	<b>-11,786,282</b>	<b>1,702,421</b>

## BALANCE SHEET

DKK	31.03.2021	31.03.2020	31.12.2020
<b>Assets</b>			
Furnishing for rented premises	1,489,608	504,753	692,560
Furniture and equipment	513,800	120,656	598,814
Plant and equipment under construction	26,983,722	0	25,363,325
Prepayments for property, plant and equipment	0	14,303,570	0
<b>Total tangible assets</b>	<b>28,987,130</b>	<b>14,928,979</b>	<b>26,654,699</b>
Subsidiary	7	7	7
Deposits	493,000	494,350	493,000
<b>Total financial assets</b>	<b>493,007</b>	<b>494,357</b>	<b>493,007</b>
<b>Total fixed assets</b>	<b>29,480,137</b>	<b>15,423,336</b>	<b>27,147,706</b>
Inventories	0	0	0
<b>Total Inventories</b>	<b>0</b>	<b>0</b>	<b>0</b>
Deferred tax asset	1,562,881	887,390	1,212,881
Income tax receivable	857,354	0	857,354
Accounts receivable	420,000	0	105,000
Other receivables	703,561	261,645	494,386
Prepayments	45,891	201,919	213,468
<b>Total receivables</b>	<b>3,589,687</b>	<b>1,350,954</b>	<b>2,883,089</b>
Cash at bank	20,422,155	11,325,364	26,359,643
<b>Total current assets</b>	<b>24,011,842</b>	<b>12,676,318</b>	<b>29,242,732</b>
<b>TOTAL ASSETS</b>	<b>53,491,979</b>	<b>28,099,654</b>	<b>56,390,438</b>
<i>Liabilities and equity</i>			
<b>Equity</b>			
Share capital	934,090	715,421	934,090
Retained earnings	48,859,636	9,930,649	51,636,474
<b>Total equity</b>	<b>49,793,726</b>	<b>10,646,070</b>	<b>52,570,564</b>
<b>Short-term liabilities</b>			
Loan	0	17,025,000	0
Income tax	0	44	0
Accounts payable	3,035,870	119,335	2,615,611
Other payables	622,383	309,205	1,204,263
<b>Total short-term liabilities</b>	<b>3,698,253</b>	<b>17,453,584</b>	<b>3,819,874</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>53,491,979</b>	<b>28,099,654</b>	<b>56,390,438</b>

## CHANGE OF EQUITY

DKK	01.01.2021	01.01.2020	01.01.2020	01.01.2019
	31.03.2021	31.03.2020	31.12.2020	31.12.2019
	3 months	3 months	12 months	12 months
Equity at start of the period	52,570,564	13,474,615	13,474,615	20,472,188
Capital increase	0	0	54,174,738	0
Cost of changes in capital	0	0	-3,292,507	0
Treasury shares transferred and accrued under Share program	148,699	0	0	-8,699,994
Net result for the period	-2,925,537	-2,828,545	-11,786,282	1,702,421
<b>Equity at end of the period</b>	<b>49,793,726</b>	<b>10,646,070</b>	<b>52,570,564</b>	<b>13,474,615</b>

## CASH FLOW STATEMENT

DKK	01.01.2021	01.01.2020	01.01.2020	01.01.2019
	31.03.2021	31.03.2020	31.12.2020	31.12.2019
	3 months	3 months	12 months	12 months
<b>Profit/loss for the period</b>	<b>-2,925,537</b>	<b>-2,828,454</b>	<b>-11,786,282</b>	<b>1,702,421</b>
Adjustments	-73,767	202,095	-44,517	-5,985,337
Change in working capital	-478,219	-472,357	2,569,687	2,408,155
<b>Cash flow from operating activities before financial items</b>	<b>-3,477,523</b>	<b>-3,098,807</b>	<b>-9,261,112</b>	<b>-1,874,761</b>
Paid financial items	-47,917	-4,678	-2,760,223	-999,193
Income taxes paid/received	0	-682,000	-682,000	329,356
<b>Cash flow from operating activities</b>	<b>-3,525,440</b>	<b>-3,785,485</b>	<b>-12,703,335</b>	<b>-2,544,598</b>
Purchases of financial fixed assets	0	-6,000	-4,650	482,357
Purchases of tangible fixed assets	-2,412,048	-6,608,247	-18,539,699	-8,394,933
<b>Cash flow from investing activities</b>	<b>-2,412,048</b>	<b>-6,614,247</b>	<b>-18,544,349</b>	<b>-8,877,290</b>
Share issue (net after cost)	0	0	50,882,231	0
Loan	0	0	-15,000,000	15,000,000
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>35,882,231</b>	<b>15,000,000</b>
<b>Cash flow for the period</b>	<b>-5,937,488</b>	<b>-10,399,732</b>	<b>4,634,547</b>	<b>3,578,112</b>
<b>Cash at the start of the period</b>	<b>26,359,643</b>	<b>21,725,096</b>	<b>21,725,096</b>	<b>18,146,984</b>
<b>Cash at the end of the period</b>	<b>20,422,155</b>	<b>11,325,364</b>	<b>26,359,643</b>	<b>21,725,096</b>