



INTERIM REPORT

July 2024
- September 2024



ODI Pharma Schweiz AG
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Switzerland

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Sweden

ODI Pharma Sp. z o.o.
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Poland

ODI PHARMA INTERIM REPORT

In this interim report, the following definitions apply, unless stated otherwise: The “Company” or “ODI Pharma” refers to ODI Pharma AB with org. number (Swedish corporate registration number) 559223-1392. Amount in brackets refers to the corresponding period in the previous year. ODI Pharma AB was formed on the 23rd of October 2019. ODI Pharma AB is the Swedish holding company of ODI Pharma Schweiz AG and ODI Pharma Polska Sp. z o.o. The group was established on the 28th of June 2018 when ODI Pharma Schweiz AG acquired the shares in ODI Pharma Polska Sp. z o.o.



First quarter (2024-07-01 – 2024-09-30)

- The Group's net sales amounted to SEK 143,793 (528,206).
- The Group's profit after financial items amounted to SEK -1,468,183 (-1,442,544).
- Result per share amounted to SEK -0,10 (-0.09).*
- The solidity as of 2024-09-30 was 9% (15%).**

** The Company's result per share: The result for the period divided by the number of shares at the end of the period. The total number of shares as of 30th of September 2024, amounted to 15,220,000 (15,220,000) shares. The result per share based on the average number of shares of 15,220,000 (15,220,000) amounts to SEK -0,10 (-0.09) for the first three months 2024-07-01 to 2024-09-30.*

*** Solidity: Equity divided by total capital.*

Highlights during the first quarter

- No significant highlights during the period.
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Highlights after the end of the period

- On October 30, 2024, the Board of Directors of ODI Pharma resolved to carry out an issue of shares with preferential right for the Company's existing shareholders. The decision is subject to approval at the Extraordinary General Meeting scheduled to be held on November 19, 2024. The issue volume amounts to a maximum of approximately SEK 4.1 million before transaction related costs. In the case of oversubscription ODI can also decide to utilize an over-allotment (the "Over-Allotment") to raise up to approximately additionally SEK 2.0 million through the rights issue. The Company has no obligation to utilize the Over-Allotment. The decision on the Rights Issue is secured via pre-subscription in writing by Volker Wiederrich and the existing shareholder Niclas Kappelin to a total of approximately 49 percent.
- On October 30, 2024, ODI proposed to elect Malcolm Allan as new member of the Board of Directors of ODI Pharma at the extraordinary general meeting on November 19, 2024.
- On November 12, 2024, ODI announced the appointment of Jan-Mark Edewaard as the new CEO of ODI as of January 1, 2025. Current CEO, Derek Simmross, will remain in his role until January 1, 2025.

MESSAGE FROM THE CHAIRMAN, VOLKER WIEDERRICH



As we close the first quarter of the fiscal year, I am pleased to share updates on several foundational actions ODI Pharma has taken to drive our future growth and resilience. This quarter, we approved a rights issue aimed at financing key market expansion, and we made significant changes to both our board and executive leadership. These steps set the stage for ODI Pharma's continued advancement in the European medical cannabis sector as we have established a solid foundation for future expansion and strategic achievements.

Poland remains central to our growth strategy, with recent regulatory changes opening new opportunities. The Polish government's nearly 100% increase in the medical cannabis import quota for 2025 enables us to expand our market share in a supply-constrained market reliant on imports. Our first-quarter revenues were impacted by prior import restrictions, resulting in total revenue of 251 301. However, we expect the increased quota to drive revenue growth in the coming quarters.

The first quarter saw the proposal of a rights issue aimed at raising up to SEK 4.1 million, with an option to secure an additional SEK 2.0 million through an Over-Allotment. These funds will support ODI Pharma's expansion efforts, particularly in increasing our operations in Poland and entering new European markets. If fully subscribed, the rights issue is expected to provide the necessary capital to sustain our operations until we achieve cash flow positivity.

During the quarter, we also announced the nomination of Malcolm Allan to our Board of Directors, which was approved at our Extraordinary General Meeting in November. Malcolm's extensive experience in senior roles, most recently as Vice President at Tilray Brands Inc., brings valuable insights into global cannabis markets. His addition to the board strengthens ODI Pharma's leadership team, offering both strategic and operational expertise to support our European growth objectives.

After the end of the quarter, we were pleased to announce the leadership transition with Jan-Mark Edewaard set to take over as CEO on January 1, 2025. Jan-Mark brings over 25 years of financial and operational experience, having led complex projects across various industries. His appointment comes as ODI Pharma continues to build on recent progress and prepare for new growth opportunities in Europe. Under his leadership, we aim to further enhance our product offerings and expand our European market presence through strong partnerships and market insight.

Looking ahead, we are confident that this quarter's actions, including the rights issue and leadership changes, will strengthen our financial and operational capacity to drive growth and deliver value to shareholders.

Volker Wiederrich

Chairman of the Board, ODI Pharma AB

ABOUT ODI PHARMA

ODI Pharma aims to become a leading supplier of medical cannabis on the Company's target markets in Europe. The European market for medical cannabis has the potential to become the world's largest market for medical cannabis.

ODI Pharma was founded and is led by a team of professionals with long experience as doctors, researchers, investors, and corporate managers. The founders and board members of the Company have an extensive background in both trading and the medical cannabis industry.

ODI Pharma, based on its European network, subsidiaries, and partners, is a producer and representative of finished pharmaceutical cannabis and cosmetics products with a focus on distribution to the medical cannabis market in Europe through its subsidiary ODI Pharma Polska Sp. Z o.o. ODI Pharma intends to provide a high-quality product at a competitive price compared to competitors in Poland, thereby becoming the number one provider of medical cannabis in Poland. As this goal is coming to fruition, sights are being set for expansion to other markets.

ODI Pharma also strives to be on the forefront of understanding the medical applications of the product as well as introducing new, innovative products to the European patients in need. The Company will continue to team up with the most knowledgeable and best renown partners in the industry to achieve its goals. The main focus of ODI Pharma is on the medical cannabis products that

are sold to clients and patients through ODI Pharma's relationships with pharmacies via wholesale distributors.

In addition, ODI Pharma believes that CBD-infused cosmetics is thought to be a perfect complement to its pharmaceutical focus, allowing ODI Pharma to benefit from synergies and mutual benefits.

In August 2023, ODI Pharma successfully expanded its business relationship with the NEUCA group by signing an exclusive supply collaboration agreement covering not only Poland, but 23 countries in Eastern Europe. Further, the Company has a valuable supply contract with a wholly owned subsidiary of the largest cannabis producer in the world. The supplier is a first-tier producer who operates at the highest standards.

ODI Pharma believes that European clients require a wide variety of medical cannabis products of high quality to treat specific illnesses. The Company is a producer of finished pharmaceutical cannabis products and therefore has no cultivation operations but has access to a wide variety of different strains, oils, and the latest formulas. The Company intends to provide a range of medical cannabis products.

The products

Medical cannabis comes in a range of different products with different levels of THC (Tetrahydrocannabinol) and CBD (Cannabidiol). The products that ODI Pharma represent for the Polish market, per the *Polish Strategy*, are products that will be approved by the Polish governmental agencies.

Initially, the products will be dried flowers, since this is the product that this far has been regulated in Poland (even though the law in Poland allows for a range of derivatives from the cannabis plant). These products are based on the raw material of fully approved cannabis imported by the Company and strategic partners. The dried flowers can be consumed by the patients in various ways following the guidelines of the pharmacists. ODI Pharma is evaluating other product types besides dried flowers to be sold on the Polish market.

ODI Pharma intends to be up to date on trends and regulatory requirements and future products may,

therefore, differ from the current products. The market demand decides what type of medical cannabis products the Company will supply, which the Company's flexible business model enables. The production of the products is fully integrated with NEUCA. The current market price of dried flowers in Poland is approx. EUR 13.00-16.00 (based on current exchange rate) per gram, ODI Pharma intends to at least match this price, while still providing high-quality products. Whatever product type of medical cannabis ODI Pharma provides; the objective is to be cost-efficient concerning what has previously been stated.



Target groups

There is a total of about 40+ indications in which medical cannabis may potentially show results in terms of efficacy.

The Supreme Pharmaceutical Chamber of Poland (Naczelna Izba Aptekarska) estimates an immediate market demand of 300,000 patients by 2025.

Jędrzej Sadowski, the author of the bill legalizing cannabis, estimates 300,000 patients as well. ODI Pharma assumes that it will take some years to reach the potential patients' number that uses the product and the Company estimate that this will be reached in 2025. The Polish regulations do not limit the prescriptions for medical cannabis concerning certain ailments - therefore all physicians have the authorization to prescribe medical cannabis to all their patients and all types of illnesses. The Supreme Pharmaceutical Chamber of Poland suggested the application with treatable conditions including nausea caused by chemotherapy, epilepsy, symptoms of multiple sclerosis, and chronic pain.

ABOUT THE INTERIM REPORT

Group structure

ODI Pharma AB was formed on the 23rd of October 2019. ODI Pharma AB is the Swedish holding company of ODI Pharma Schweiz AG (100 %). ODI Pharma Schweiz AG has an ownership of 100 % in ODI Pharma Polska Sp. z o.o. The group was established on the 28th of June 2018 (the "Group") when ODI Pharma Schweiz AG acquired the shares in ODI Pharma Polska Sp. z o.o.

Revenue and operating results Q1

The Group's revenue amounted to SEK 251,301 (534,301) in the first quarter and resulted in an operating income of SEK -1,340,003 (-1,227,369). The majority of the operating expenses are related to procurement of raw materials and products, salaries, insurance expenses, legal services, audit services, and accounting services. The holding company, ODI Pharma AB, has generated revenues of SEK 1,869,770 (-8,151) during the first quarter. The revenue from the holding company is mainly driven by management fees charged to the daughter companies.

Balance sheet and solidity

ODI Pharma AB was registered with the Swedish Companies Registration Office on the 23rd of October 2019 with shareholder equity of SEK 500,000. The Company has no long-term liabilities. The group was established on the 28th of June 2018. Total assets of the Group amounted to SEK 6,076,945 (6,796,538) and consisted primarily of trade receivables and cash and cash equivalents.

The solidity of the Group was 9% (15%) at quarter-end. The holding company, ODI Pharma AB, stated total assets of SEK 7,328,025 (6,684,068) consisting primarily of cash and cash equivalents. The solidity of ODI Pharma AB was 20% (6%).

Cash flow and investments

Cash flow from operations in the Group during the first quarter amounted to SEK -1,241,118 (-1,228,452). Cash flow from financing and investment activities during the first quarter amounted to SEK 224,510 (0), resulting in cash flow from July 2024 to September 2024 of SEK 2,302,637 (-1,335,681). The holding company, ODI Pharma AB, showed a cash flow for the period (after financing and investment activity) of SEK 621,323 (-1,695,086) during the first quarter.

The share

The shares of ODI Pharma were listed on Spotlight Stock Market on the 23rd of January 2020. The short name/ticker is ODI and the ISIN code is SE0013409760. Spotlight Stock Market operates a so-called MTF platform under the supervision of the Swedish Financial Supervisory Authority. On the 30th of September 2024, the number of shares in ODI Pharma amounted to 15,220,000 (15,220,000). The average number of shares during the third quarter amounted to 15,220,000 (15,220,000). Every share equals the same rights to the Company's assets and results.

Warrants

No warrants are outstanding to any party.

Financial calendar

October 2024 – December 2024 (Q2)

27th of February 2025

Shareholders

The table below presents the current shareholders, as of 30th of September 2024, with more than 5 percent of the votes and capital in ODI Pharma AB.

Name	Number of shares	The proportion of votes and capital (%)
Volker Wiederrich	6,055,898	39.79
Niclas Kappelin	4,000,100	26.28
Derek Simmross	3,950,000	25.95
<i>Other shareholders (approx. 1,200)</i>	<i>1,214,002</i>	<i>7.98</i>
Total	15,220,000	100.00

Auditor's review

The interim report has not been reviewed by the Company's auditor.

Accounting policy of the quarterly report

The financial statements of ODI Pharma AB, as well as the ODI Pharma Group, are prepared per the Swedish Annual Accounts Act and the standards of the Swedish Accounting Standards Board (BFNAR) 2012:1 (K3) and Spotlight Stock Market's Rules and Regulations, as applicable. Consolidated accounts include parent company and subsidiaries in which the parent company directly or indirectly owns shares that are more than 50 % of the votes. Intangible and tangible assets are at the acquisition value reduced with accumulated depreciation according to plan and eventually write-downs. Depreciation is done linearly in relation to expected useful life. The financial overviews of ODI Pharma's subsidiaries were prepared in the local currency (CHF for the Swiss subsidiary and PLN for the Polish subsidiary). For this report, the local currencies have been recalculated to SEK in the financial overview, based on data from Sveriges Riksbank on the 31st of December 2023, respectively the average exchange rate for the presented time frame.

Common Control Transaction

During the financial year 2019/2020, ODI Pharma AB acquired ODI Pharma Schweiz AG from the previous owners through a related party transaction. The acquisition was carried out through a promissory note of CHF 100,000, which, in accordance with an established agreement, was subject to set-off in connection with a new issue using the K3 currency conversion principle. K3 does not comment on common control transactions and in the absence of guidance, the company has chosen to report the transaction based on the former group's book values, since the newly formed company is not considered an acquirer in the transaction. This means that ODI Pharma Sweden AB's consolidated accounts are a continuation of what was previously reported in the ODI Pharma Switzerland Group and the comparative figures presented are the ODI Pharma Switzerland Group's financial information for 2018, adjusted for differences in accounting principles.

Other operational risks and uncertainties

The risks and uncertainties that ODI Pharma's operations are exposed to are summaries related to factors such as development, competition, permissions, capital requirements, customers, suppliers/manufacturers, currencies, and interest rates.

ODI Pharma's operations require a solid cash and capital basis. The operations would face severe downside in case a solid basis is not sustained.

Submission of the interim report

Stockholm, 22nd of November 2024

ODI Pharma AB

The Board of Directors

For further information, please contact

Volker Wiederrich, Chairman

E-mail: info@odipharma.com

Website: <https://www.odipharma.com/>

ODI Pharma AB was formed on the 23rd of October 2019. ODI Pharma AB is the Swedish holding company of ODI Pharma Schweiz AG and ODI Pharma Polska Sp. z o.o. The group was established on the 28th of June 2018. P

INCOME STATEMENT - THE GROUP

SEK	2024-07-01	2023-07-01	2023-07-01
	2024-09-30	2023-09-30	2024-06-30
	3 months	3 months	12 months
Revenue			
Net Sales	143 798	528,206	21 887 673
Other operating income	107 503	6,095	2 978 053
	251 301	534,301	24 865 726
Operating expenses			
Cost of goods sold	0	-473,716	-17 100 441
External expenses	-1 212 302	-796,479	-4 352 480
Personal expenses	-366 526	-433,809	-1 739 984
Depreciation and amortisation	-493	-747	-2 926
Other operating expenses	-11 983	-56,920	-715 840
Operating cost	-1 591 304	-1,761,670	-23 911 671
Operating income	-1 340 003	-1,227,369	954 055
Profit/loss from financial items			
Other interest income and similar profit/loss items	30 188	543	145 064
Interest expense and similar profit/loss items	-158 368	-215,718	-888 299
Income after financial items	-1 468 183	-1,442,544	210 820
Income before taxes	-1 468 183	-1,442,544	210 820
Taxes	-24	-12	-188 589
Net income	-1 468 207	-1,442,556	22 231
<i>Number of shares in the beginning of the period</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Number of shares at the end of the period</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Average number of shares</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Earnings per share, SEK</i>	<i>-0,10</i>	<i>-0,11</i>	<i>0,00</i>

BALANCE SHEET - THE GROUP

SEK	2024-09-30	2023-09-30	2024-06-30
Assets			
Fixed assets			
<i>Tangible fixed assets</i>			
Equipment, machines, tools	5 974	8,612	6,367
	5 974	8,612	6,367
Total fixed assets	5 974	8,612	6,367
Current assets			
Inventories			
Raw materials and consumables	-	348,695	-
Finished goods and goods for resale	-	458,183	-
Advance payments to supplier	-	-	-
	-	806,878	-
Current receivables			
Trade receivables	131 248	687,762	8 073 351
Tax receivables	79 320	21,541	0
Other current receivables	476 253	120,189	681 419
Prepaid expenses and accrued income	395 117	23,972	593 995
	1 081 938	853,464	9 348 765
Cash and cash equivalents	4 989 032	5,127,583	2,637,906
Total current assets	6 070 970	6,787,925	11 986 672
TOTAL ASSETS	6 076 945	6,796,538	11 993 039

CHANGES IN EQUITY - THE GROUP

SEK	2024-09-30	2023-09-30	2024-06-30
EQUITY AND LIABILITIES			
Equity			
Share capital	608 800	608,800	608,800
Other contributed capital	21 841 787	21,841,787	21,841,787
Other equity including result for the period	-21 923 509	-21,405,002	-20 569 688
Equity attributed to shareholders in parent company	527 078	1,045,585	1 880 899
Current liabilities			
Account payables	806 675	1,220,383	5 000 286
Tax liabilities	0	0	92 142
Other current liabilities	3 975 925	4,171,872	3 975 827
Accrued expenses and prepaid income	767 267	358,699	1 043 885
Total current liabilities	5 549 867	5,750,953	10 112 140
TOTAL EQUITY AND LIABILITIES	6 076 945	6,796,538	11 993 039

CASH FLOW STATEMENT - THE GROUP

SEK	2024-07-01	2023-07-01	2023-07-01
	2024-09-30	2023-09-30	2024-06-30
	3 months	3 months	12 months
Operating activities			
Net operating profit/loss	-1 340 002	-1,227,365	80 704
<i>Adjustment for non-cash flow items</i>			
Depreciations and write-downs	493	747	2 934
Current exchange differences	98 391	-1,834	-147 645
Other items not affecting cash flow	-	0	-
Cash flow from operating activities	-1 241 118	-1,228,452	-64 007
Paid interest	-140 206	-208,305	-683 198
Paid tax	-80 384	1	0
Cash flow from operation before change in working capital	-1 461 708	-1436,756	-747 205
<i>Cash flow from change in working capital</i>			
Change in inventories and ongoing works	0	1,060	807 938
Increase (-) Decrease (+) of operating receivables	8 936 843	200,807	-10 561 720
Increase (+) Decrease (-) of operating liabilities	-5 397 009	-100,792	6 850 799
Total change in working capital	2 078 127	-1,335,681	-3 650 188
Investment activities			
Investments in tangible fixed assets	-	-	-
Cash flow from investment activities	-	-	-
Financing activities			
Long-term borrowings	224 510	-	-
New share issue	-	-	-
New share issue expenses	-	-	-
Cash flow from financing activities	224 510	0	0
Cash flow for the period	2 302 637	-1,335,681	-3 650 188
Cash and cash equivalents at beginning of year	2 652 603	6,488,292	6 492 804
Effects of exchange rate changes on cash	33 791	-25,028	-204 710
Cash and cash equivalents at end of year	4 989 031	5,127,583	2 637 906

INCOME STATEMENT - ODI PHARMA AB

SEK	2024-07-01	2023-07-01	2023-07-01
	2024-09-30	2023-09-30	2024-06-30
	3 months	3 months	12 months
Revenue			
Net sales	1 866 593	-14,246	2 225,335
Other operating income	3 177	6,095	2 721,054
	1 869 770	-8,151	4 946,389
Operating expenses			
Cost of goods sold	0	-1,910	-59 650
External expenses	-235 890	-919,160	-3 761 707
Personal expenses	-365 130	-428,779	-1 693 953
Depreciation and amortisation	-	-	-
Other operating expenses	-16 592	-112,923	-375 881
Total operating cost	-617 612	-1,462,772	-5 891 190
Operating income	1 252 158	-1,470,923	-944 801
Income from financial items			
Anticipated dividend	-	678,986	620 031
Other interest income and similar profit/loss items	139	543	143 481
Interest expense and similar profit/loss items	-137 799	-209,519	-826 678
Income after financial items	1 114 499	-1,000,913	-1 007 968
Income before taxes	1 114 499	-1,000,913	-1 007 968
Taxes	-	-	-
Net income	1 114 499	-1,000,913	-1 007 968
<i>Number of shares in the beginning of the period</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Number of shares at the end of the period</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Average number of shares</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>	<i>15,220,000.00</i>
<i>Earnings per share, SEK</i>	<i>-0,07</i>	<i>-0,07</i>	<i>0,06</i>

BALANCE SHEET - ODI PHARMA AB

SEK	2024-09-30	2023-09-30	2024-06-30
ASSETS			
Fixed assets			
<i>Financial fixed assets</i>			
Loan group companies	0	517,154	224 510
Participations in groups companies	967 200	967,200	967 200
	967 200	1,484,354	1 191 710
Total fixed assets	967 200	1,484,354	1 191 710
Current assets			
Inventories			
Raw materials and consumables	-	348,695	-
Finished goods and goods for resale	-	458,183	-
Advance payments to suppliers	-	0	-
	0	806,878	0
Current receivables			
Trade receivables	0	97,858	0
Receivables in group companies	3 226 381	-	2 618 855
Other current receivables	346 519	25,977	557 851
Prepaid expenses and accrued income	230 744	23,972	290 238
	3 803 644	826,793	3 466 944
Cash and cash equivalents	2 557 182	3,566,043	1,935,858
Total current assets	6 360 825	5,199,714	5 402 802
TOTAL ASSETS	7 328 025	6,684,068	6 594 512

CHANGES IN EQUITY - ODI PHARMA AB

SEK	2024-09-03	2023-09-30	2024-06-30
EQUITY AND LIABILITIES			
Equity			
<i>Restricted reserves</i>			
Share capital	608 800	608,800	608 800
<i>Non-restricted reserves</i>			
Share premium reserve			
Share premium	21 472 267	21,472,267	21 472 267
Retained earnings	-21 704 698	-20,696,730	-20 696 730
Profit or loss for period	1 114 499	-1,000,913	-1 007 968
Total equity	1 490 867	383,424	376 369
Current liabilities			
Account payables	640 735	621,771	395 014
Liabilities to group companies	621 760	1,207,000	1 179 105
Other current liabilities	3 975 825	4,171,873	3 975 825
Accrued expenses and prepaid income	598 838	300,000	668 199
Total current liabilities	5 837 158	6,300,644	6 218 143
TOTAL EQUITY AND LIABILITIES	7 328 025	6,684,068	6 594 512

CASH FLOW STATEMENT – ODI PHARMA AB

SEK	2024-07-01 2024-09-30 3 months	2023-07-01 2023-09-30 3 months	2023-07-01 2024-06-30 12 months
Operating activities			
Net operating profit/loss	1 252 158	-1,470,923	-944 801
<i>Adjustment for non-cash flow items</i>			
Depreciations and write-downs	-	-	0
Current exchange differences	0	-	306 831
Other items not affecting cash flow	-	678,986	0
Cash flow from operating activities	1 252 158	-791,937	-637 970
Paid interest	-137 660	-208,976	-683 198
Paid tax	-	-	0
Cash flow before change in working capital	1 114 498	-1,000,913	-1 321 168
<i>Cash flow from change in working capital</i>			
Change in inventories and ongoing works	0	1,060	807 938
Increase (-) Decrease (+) of operating receivables	-215 847	47,970	-2 592 180
Increase (+) Decrease (-) of operating liabilities	-501 838	-226,049	-219 859
Total change in working capital	396 813	-1,177,932	-3 325 270
<i>Investment activities</i>			
Investments in tangible fixed assets	0	0	0
Cash from financing activities	0	0	0
<i>Financing activities</i>			
Long-term borrowings	224 510	-517,154	0
Anticipated dividend	0	-	0
New shares issue	0	-	0
New share issue expenses	0	-	0
Cash from financing activities	224 510	-517,154	0
Cash flow for the period	621 323	-1,695,086	-3 325 270
Cash and cash equivalents at the beginning of year	1 935 858	5,261,128	5 261 128
Effects of exchange rate changes on cash	-	-	-
Cash and cash equivalents at the end of year	2 557 182	3,566,043	1 935 858

