

Annual Report 2021/2022



ODI Pharma

Östermalmstorg 1
114 42 Stockholm, Sweden

www.odipharma.com
info@odipharma.com

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*In this document, the following definitions shall apply, unless otherwise stated: the "Company" or "ODI Pharma" refer to ODI Pharma AB with Swedish corporate registration number 559223-1392.
All amounts in the annual report are given in Swedish kronor, SEK.

INTRODUCING: ODI PHARMA

THE STORY

ODI Pharma was founded in 2018 with the goal of increasing patients' access to medicinal cannabis. The Company, based on its European network, subsidiaries, and partners, is a manufacturer of finished pharmaceutical and cosmetic cannabis products under state supervision and regulation for our medical products and EU regulations for our cosmetic products. ODI Pharma's focus is on the distribution to the medical cannabis markets, initially targeting Poland.

Medical products are to be sold to clients and patients through ODI Pharma's collaboration with wholesale medical distributors representing nearly all of Poland's hospitals, clinics, and pharmacies. ODI Pharma has teamed up with global leaders in the industry to source the highest quality product for ODI Pharma's brands, thereby ensuring reliability, consistency, and professionalism.

Since the fall of 2021 ODI Pharma also offers a CBD-infused skincare product line under the brand kandol., to further expand the Company's business and improve the Company's reputation and brand awareness. The specialized, highly CBD-infused skincare products are available online at kandol.net to customers within the EU.



SUMMARY: HIGHLIGHTS OF 2021/2022

- **July 2021** – ODI Pharma announced that Niclas Kappelin has informed the Company that he has acquired 20,000 shares in ODI Pharma and reached above the level of 5 percent of the total number of shares and voting rights in the Company. Niclas Kappelin's holdings after the transaction amounts to a total of 780,900 shares, corresponding to approximately 5.13 percent of the shares and voting rights in ODI Pharma.
- **August 2021** – ODI Pharma announced that the Company launches kandol., a CBD skincare product line at kandol.net to customers within the EU.
- **September 2021** – ODI Pharma announced that kandol., the CBD skincare product line, will be officially launched as of 1st of October 2021. The products will initially be available online at kandol.net to customers within the EU.

COMMENT FROM THE CEO: Derek Simmross

”By working with the global leaders in the industry to find the highest quality product for ODI Pharma’s brands, we are confident that we are well positioned to continue our journey and strengthen our position in the European market.”

Over the past year, ODI Pharma has made great strides, especially with our business expansion by launching kandol. - our CBD-infused skincare product line. After spending a lot of time planning and preparing Project Skin, it was gratifying to finally launch the brand to our customers.

Since the launch of kandol. in October 2021, we have completed the infrastructure for the brand. We have had success working with top retailers in Central Europe, skin clinics, pharmaceutical distribution platforms and over 80 online partners.

For the cosmetics part of our business, our main goal for the upcoming years is to continue expanding the brand kandol., with the main focus of attracting key partners to promote our products. We will also continue to execute our social media strategy as we strive to improve our social media presence and work even closer with existing cosmetics sales teams to highlight our products to a larger consumer base.

The goal of kandol. for the foreseeable future is to take the important step of turning the brand into a solid business over the next four to six quarters.

While Project Skin has been an important and significant part of the past year, we have of course continued the work to make progress on the medical side of our business. We have been in constant contact with the authorities and our partners. Since 2022, we have increased our

preparations for additional resources to meet the requirements of our operations when they start. Understandably, we are eager to enter the market as soon as possible, and we reiterate our confidence that our medical business will enter the market in the not-too-distant future. By working with the global leaders in the industry to find the highest quality product for ODI Pharma’s brands, we are confident that we are well positioned to continue our journey and strengthen our position in the European market.

Finally, I would like to thank our shareholders for your continued support on our journey. We are grateful that you see the work we are putting in to strengthen ODI Pharma’s position and I look forward to continuing to update you on our upcoming progress with our cosmetics and medical business.



Derek Simmross
CEO, ODI Pharma



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 has moved the business forward with the launch of kandol., a CBD-infused skincare product line, available to customers within the EU.

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.

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 early 2021, ODI Pharma submitted the application to achieve a marketing authorization in Poland. This is the permit required to carry out medical cannabis operations and upcoming business activities in the Polish market. The process is going as expected and discussions with the Medicines agency are all moving ahead. The Company hopes to be able to start operations in the near future. ODI Pharma's Polish medical cannabis operations are carried out through its subsidiary on the Polish market, which handles the imports, distribution and supporting Swiss education for medical cannabis products. The

Company has secured a relationship with one of the leading pharmaceutical wholesalers in Poland, NEUCA. Further, the Company has secured 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 which will initially, due to the Polish regulations, be dried flowers.

TARGET GROUP

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 estimates 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.

MEDICAL CANNABIS

Medical cannabis comes in a range of different products with different levels of THC (Tetrahydrocannabinol) and CBD (Cannabidiol). The products that ODI Pharma is going to produce 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 will be 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 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.

KANDOL.

At the beginning of 2021 ODI Pharma decided to expand the business with the launch of "Project Skin" to further build ODI Pharma's reputation and brand awareness

on the European market. On the 1st of October 2021, ODI Pharma officially launched the CBD skincare product line, under the brand kandol. The Company's product line consists of CBD-infused facial cream, facial mask, and body balm with further products in development.

Kandol. is an innovative brand based on beauty and scientific knowledge, focusing on sustainable packaging. The formula behind the products and the sustainable approach of kandol. create a unique market position for ODI Pharma, targeting a small but considerably growing segment of the cannabis industry. The skincare line is suitable for all skin types and ages and the products follow the guidelines of the EU CosIng (EU's official database for cosmetic ingredients) and are designed to be antioxidant and antiseborrheic products that protect and nourish the skin.

The Company has been working diligently to build the social media presence and placing the products in store and with online partners within Europe. To date, we have an agreement with 80+ online partners. Multiple high-end retail partners in Germany and Poland, participated in high end cosmetic competitions with great success and had multiple articles and recommendations from fashion magazines such as Vogue. The next steps are to attract influencers and kandol. club partners to express the wonderful reviews to a broader client base. The goal is turn kandol. into a solid business over the next four to six quarters.

CBD Face Mask,
Clarifying Mask,
50 ml, 200mg CBD,



CBD Body Balm,
Skin Conditioning &
Protecting
150 ml, 200mg CBD

kandol Purifying Facial Mask - will transform your skin and give it a fresh appearance!

CBD Face Cream, 24h,
Skin Conditioning &
Nurturing
50 ml, 200 mg CBD



KANDOL - EFFECTIVE CBD SKINCARE PRODUCTS CONFIRMED BY TESTS.

100% The product improves skin condition. Gives the skin a healthy look.

90% The product supports purifying pores and gives a refined skin texture/appearance.

100% The product makes the skin smoother, more elastic. nourishes the skin, protects the skin from drying, leaves feeling of moisturizing skin.

88% The product helps to prevent breakouts including pimple, blackheads and whiteheads.

98 % The product improves appearance of the skin.

85% The product reduces the appearance of wrinkles.

97% Comparing with the same type of products used in the past, the tested product was assessed as better (57%) or comparable.

85% The product improves skin discoloration, reduces sings of fatigue, accelerates the disappearance of pimples.

95 % The product gives feeling of soothing the skin and refines the skin texture.

82% The product targets spots and blemishes.

SCOPE OF TESTS COMPLIANT WITH:
Independent (UNDER DERMATOLOGICAL CONTROL) test carried out with 40 test subjects (with sensitive skin) applying the product over a period of 4 weeks
• Regulation of the European Parliament and of the Council (EC) No. 1223/2009 of 30 November 2009 on cosmetic products.
• Cosmetics Europe – The Personal Care Association (previously COLIPA) Guidelines "Product Test Guidelines for the Assessment of Human Skin Compatibility 1997."
• Cosmetics Europe – The Personal Care Association (previously COLIPA) Guidelines for the Evaluation of the Efficacy of Cosmetic Products 2008.

BUSINESS MODEL

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 the country. ODI Pharma also strives to be at the forefront of understanding the medical applications of the product and introducing new, innovative products to the European patients in need. ODI Pharma will continue to team up with the most knowledgeable and best renown partners in the industry to achieve its goals. ODI Pharma goals are to provide patients a proper, educated product to alleviate their health issues.

ODI Pharma's cosmetics line kandol represents the same goals of providing a high-quality and high-end cosmetics line that brings the best of CBD-infused skincare to the consumer. We spare no expense on environmentally friendly packaging and bring to the market a unique, knowledge-based CBD product of medically equivalent quality for the cosmetic industry. Our goal is, once again, to be innovative and responsible.

ODI Pharma's research team is continually working to define an educational program that will lead the efforts together with Polish experts. Also, ODI Pharma provides an independent team that manages the difficult regulatory hurdles. ODI Pharma takes responsibility and all the necessary steps to satisfy all the comprehensive regulatory requirements.





MARKET OVERVIEW

ODI Pharma continues to share observations of trends in the cannabis industry for current and potential investors. The market overview for the annual report provides a long-term perspective of the cannabis industry and where the Company sees it going in the future.

Over the last year, we have been very pleased with the developments in Poland. The shift to cannabis products as viable treatment for many diseases seems to be taking shape in the Polish medical community. Through our studies and many discussions with partners, pharmacies, and physicians, we believe strong growth numbers are ahead of us and we are eagerly awaiting the establishment of our brands as the number one medical product in the country. After several meetings, we have also begun to receive inquiries for more advanced products and thankfully we have worked to position ourselves when the market was ready. We are confident that our growth targets are now very conservative.

In Europe, Germany is still the most important market from our perspective. In Germany, there is still a regulation in the pipeline for the complete legalization of cannabis for recreational use. This will, if successful, open up the market to all types of CPG's in the sector. It is important to keep an eye on developments, and once this starts, we foresee a very big change for the industry in Europe. Several other countries, such as Switzerland, have also started to take the plunge and have set up regions and testing cantons to better understand the product. All small changes are slowly developing the market.

We also see Europe as an epicentre for ECO (the green movement) and we have been looking at how to develop because the cannabis plant has very strong fibres, antiseptic properties (not studied by ODI Pharma) and is very biodegradable compared to other materials. Within this area is an interesting part for growth which we think Europe can be a leader.

North America, as the founder of the current cannabis industry (apart from thousands of years of studies in many countries), are still facing headwinds. In the last year, however, there has been some movement forward. We have seen some price pressure in the North America as the market matures. We see that the first phase of the industry is over and is becoming a mature business. The next critical steps with large pharmaceutical companies joining the industry will only happen after the regulations change in the US. We are closely studying the development of the industry in North America and examining the opportunities created by possible regulatory changes in Germany.

The UK, unlike the EU, has given some CBD products novel food status. This means that some CBD oils can be sold as food supplements, in creams and balms. However, as far as we know, most EU countries have not yet accepted this status and no such product has yet been granted novel food status. This means that the CBD food supplement industry is still lagging behind and therefore still in the distant future and not in our sights.

What does medical cannabis do? ODI Pharma has the belief that this is the question that we need and will bring up on a more consistent basis. For those of us in the industry, we are very aware of the

benefits, but for those who review our Company with financial interest, we are starting a new phase of asking investors to understand our vision. The cannabis industry is here to help patients move away from opioids and other harmful medicines with side effects. This is the type of information that will be spread to doctors, but it is always of value for patients to ask questions. This will remain an important task for ODI Pharma and other companies in the industry.

Our ambition is to decrease the negative stigma around medicinal cannabis and help investors and patients really see the value of our coming products and how they can help society, and why we have joined in this industry and journey.

Our newly launched cosmetic line (kandol.), fits perfectly into our previous discussions of CPGs (Consumer Packaged Goods). We are excited that we have now launched our first 5 SKU's and over the past months, we have been setting the framework for the cosmetics business. It has become clear that there is much less negative stigma in the cosmetic field regarding cannabinoids.

We still understand the value of CBD for internal consumption (like e.g. CBD drops) outside of the medical scope. However, we see that it is not an area for us to pursue in the foreseeable future. It is gaining wider acceptance in some European countries, but regulations and legal frameworks surrounding novel in food products are far from a reliable investment path for ODI Pharma. ODI Pharma is continuously following these developments, but we will not break ground in this segment.

It is our hope that this market insight will help investors gain an understanding of how ODI Pharma surveys the landscape of the industry.

Population (m)	82.2	60.5	37.9	67.4	66.4	46.6	5.8
GDP (€t)*	3.1	1.6	445.8	2.2	2.23	1.11	276
Ruling Government Party	Coalition - Social Democratic Party, Christian Democratic Union, and Christian Social Union	Seven party coalition	Law and Justice	La Republique En Marche.	Conservative	PSOE (Socialist)	Venstre, the Liberal Alliance and the Conservative People's Party
Party Stance on Cannabis	In favour of medical legalisation but recreational legalisation is unlikely before 2022	In favour of medical cannabis	Opposed to recreational legalisation	In support of decriminalisation	In favour of medical cannabis	Open to medical legalisation but not a priority in the current government agenda	In favour of medical cannabis use
Total Healthcare Expenditure (€b)	352	146	72	251.3	215	98.5	28.2

EUROPEAN CANNABIS MARKET

It is the Board of Directors' opinion that the European market has the possibility to grow into the largest market in the world for medical cannabis products. Europe has approximately 743 million residents, and the total amount of expenditure for health care amounts to approximately EUR 2.3 trillion. In 2028, the market for medical cannabis is expected to be worth around EUR 58 billion³⁸. The last few years have seen a significant rise of the medical application of cannabis as more research has proved its positive effect on the treatment of different illnesses³⁹.

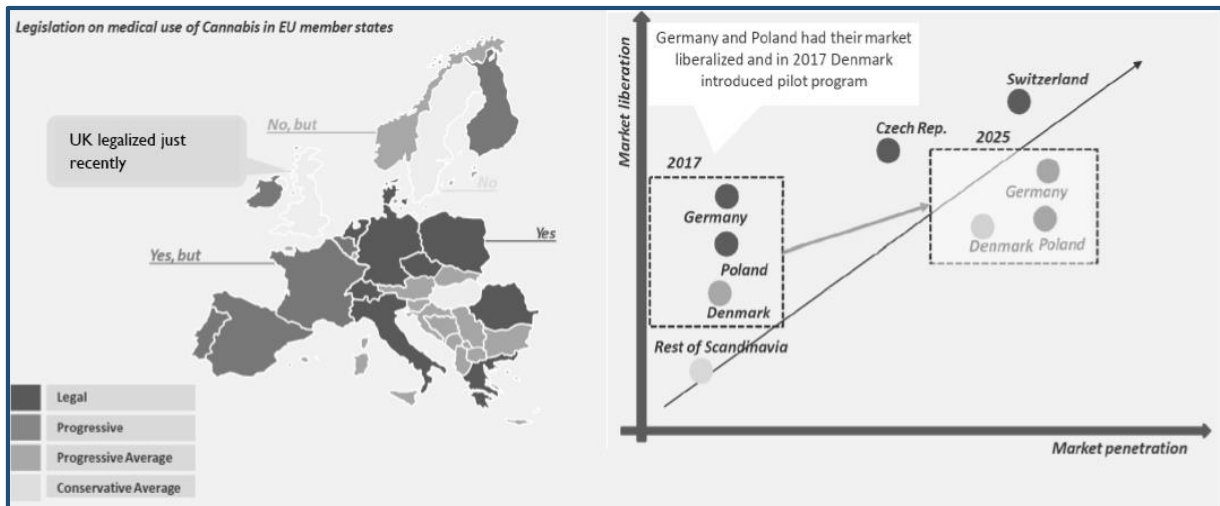
THE EUROPEAN MEDICAL CANNABIS MARKET (SELECTED COUNTRIES)⁴⁰

European countries have not assumed a common approach towards the legislation and application of medical cannabis.

Germany, Poland, Italy, Denmark, and Greece have been on the forefront, and now Switzerland, Luxembourg, France and Spain are becoming more involved of the European development. Political acceptance and further scientific research are both expected to shape the industry in the coming years.

FORECAST OF MEDICAL CANNABIS MARKET VALUE FOR SELECTED EUROPEAN COUNTRIES 2018-2028⁴¹

The projected market value within selected European markets reveal the potential of the establishment and treatment of illnesses with medical cannabis. Market analytics expects that the product will be established as an alternative treatment and supplementary to standard treatment to combat a broad range of illnesses and side effects of existing treatment methods. The industry is currently in its infancy and it is





expected that growth will develop quickly the coming years. The market value of selected European industries only, is expected to reach EUR 40 billion by the end of 2028.

THE INITIAL MAIN TARGET: POLAND

The Board estimates that Poland offers an exciting market with great potential for growth. Medical cannabis is legal as a prescribed medication since 2017. Poland has a population of around 38 million residents, and the total healthcare expenditure is estimated to EUR 72 billion. Also, Poland shows one of the highest ratios of pharmaceutical spending from the total healthcare expenditures globally, c. 19,7 %⁴². The Polish market estimate of medical cannabis patients is 300,000 by 2025⁴³, and the forecast estimate on the medical cannabis market 2028 is EUR 2 billion. Pharmacists estimate that the initial cost per gram for patients will be around EUR 13-15, adding up to approximately EUR 400 per patient per month⁴⁴, which gives rise to a sizeable medical market in the short-term. ODI Pharma is taking a more conservative approach to the estimates in its forecasts and believes it will take up to five years to reach this level based on the experience of other markets globally.

The prescription of medical cannabis is not restricted to certain ailments. Approximately 1 % of the population suffers from epilepsy, and 20 % of those suffers from drug-resistant epilepsy. 30 % of the

population suffers from some form of migraine, and there are approximately 10 million people in Poland which have some form of arthritis. 1.5 million people suffer from depression. Approximately 170,000 people suffer from cancer and 24,000 from HIV⁴⁵. The Polish market is therefore significant and constitutes, at this point in time, of 27 % of all consumers able to acquire medical cannabis in Europe and provides an interesting investment opportunity. Whereas the German market is estimated to be the largest market for medical cannabis in Europe, it is also the market most companies are trying to target. The Polish market demands an import of cannabis – meaning that companies do not have to invest in cultivation of their own, which the German market demands. This makes the Polish market the ideal place to do business for ODI Pharma initially. ODI Pharma has import, packaging and logistics capabilities in Poland through local partnerships.

Under Polish legislation, physicians can prescribe medical cannabis products to patients who then access it through registered pharmacies. Cannabis education will also be a necessity for the medical community. Healthcare in Poland is delivered through a publicly founded system called National Health Fund which is free for all citizens of Poland provided they are insured. Medical cannabis is not covered by the public health insurance. ODI Pharma will educate the medical professionals in order to increase the knowledge of the medical cannabis substances.

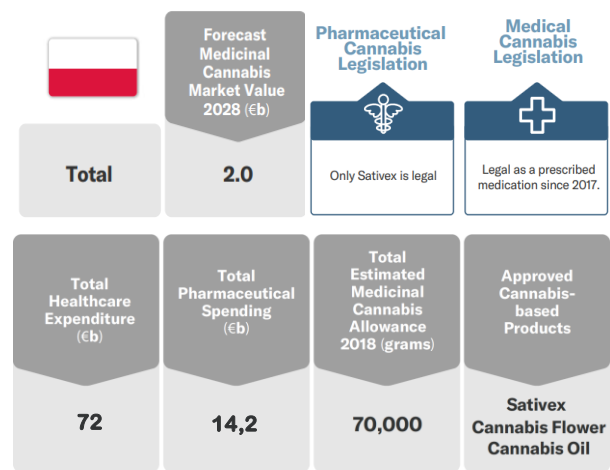
ACCESS TO MEDICAL CANNABIS PRODUCTS IN POLAND

In the Summer of 2017, Poland’s lower house parliament voted in favour of making medical cannabis legal “under certain

circumstances”. The bill was backed by the country’s Health Care Committee, was enacted in the same year and the bill was far less restrictive than its predecessors, allowing doctors to offer prescriptions for any condition that can be treated or eased with medical cannabis if supported by research. Pharmacists and doctors were encouraged to educate themselves on all things cannabis related before the bill was enacted in October 2017. Since the legalizing of cannabis in 2017, the Polish medical cannabis market has suffered from a lack of supply due to the supporting legislation bans domestic cultivation in Poland⁴⁶. Therefore, companies must import the product..

Healthcare in Poland is delivered through a publicly funded system called the National Health Fund which is free for all the citizens of Poland provided they are insured, which usually means that they have their health insurance paid for by their employer or are

the spouse or child of an insured person. Medical cannabis is currently not covered by the public health insurance, however that might change in the future. Medical cannabis education will also be a necessity for the medical community. Despite the vast legislative progress in several European countries, including Poland, there still exists a gap between the legislation and practical application of the law⁴⁷.



Source: WHO/ INCB/ Prohibition Partners / OECD

Notes

³⁸ The European Cannabis Report, 4th edition

³⁹ <https://www.grandviewresearch.com/industry-analysis/legal-marijuana-market>

⁴⁰ WHO, Prohibition Partners, World Bank, UNODC. As of January 2019.

⁴¹ Based on Prohibition Partners, calculations by ODI Pharma

⁴² <https://data.oecd.org/healthres/pharmaceutical-spending.htm>

⁴³ The Pharmaceutical Chamber of Poland (Naczelna Izba Aptekarska)

⁴⁴ <https://www.analyticalcannabis.com/articles/medical-cannabis-goes-on-sale-in-poland-311466>

⁴⁵ ODI Pharma research, aids.gov.pl, GUS, International Agency for Research on Cancer, Klinika Neurologii Uniwersytet Jagiellonski Collegium Medicum w Krakowie.

⁴⁶ <https://mjbizdaily.com/poland-approves-aurora-cannabis-as-medical-marijuana-supplier/>

⁴⁷ The European Cannabis Report, 4th edition



THE TEAM: MEMBERS OF THE BOARD & EXECUTIVE MANAGEMENT TEAM

Derek Simmross



CEO, Member of the Board

Derek Simmross, co-founder of ODI exposes a 25 year background within finance before forming ODI Pharma. His experiences within finance include trading, derivative portfolio management, investment management, hedge fund management, M&A, capital raising and private equity. He has also done treasury advisory in sectors such as mining, telecom, FX and banking and Central banks. Mr Simmross owns 41.06% (6,250,000 shares) of ODI Pharma



Volker Wiederrich



Chairman of the Board

Volker Wiederrich, co-founder of ODI, has an extensive background in investment and asset management across multiple asset classes before forming ODI Pharma. He has eleven years of experience advising one of the biggest financial institutions of Europe on fund investments in real estate, as well as ten years as Chief Investment Officer for an advisory firm for infrastructure and real estate within a global capacity. Mr. Wiederrich advised on more than 500 million USD in investments and was managing multiple fund of funds products during his career. Mr Wiederrich owns 41.1% (6,255,898 shares) of ODI Pharma.



Karina Kilinski

Sales Director, Member of the Board

Karina Kilinski has 13 years of experience trading commodities and goods between Poland and Germany/Switzerland, as well as eleven years of running local Polish production and distribution companies. Mrs. Kilinski also has 12 years of funding and running online trading and retail sales businesses. Mrs. Kilinski owns no shares in ODI Pharma.



Gösta Lidén

Independent Member of the Board

Gösta Lidén has a long background of company management, directorships and steering committees. He has more than 20 years of experience of management in sectors such as banking, IT, retail, energy, real estate and aviation. Mr. Lidén has worked with management at heavily regulated global companies such as banks and financial services companies. Mr. Lidén works as director on the Boards of more than 30 client entities, including independent director. Mr. Lidén owns no shares in the Company.



Dr. Markus Fritzsche

Research Director

Dr. Fritzsche has more than 25 years of experience in research on cannabinoids including THC and CBD, and the human endocannabinoid system, as well as numerous publications in reputed journals and newspapers. Dr. Fritzsche is a previous advisor to Swiss governmental bodies in multiple fields of research and is carrying out research projects in the Swiss subsidiary. Dr. Fritzsche owns no shares in ODI Pharma

OTHER

THE SHARE

The shares of ODI Pharma were listed on Spotlight Stock Market on 23rd of January 2020. The short name/ticker is ODI and the ISIN code is SE0013409760. On the 30th of June 2022, the number of shares in ODI Pharma AB amounted to 15,220,000 (15,220,000) shares. Every share equals the same rights to the Company's assets and results.

WARRANTS

No warrants are outstanding to any party.

PROPOSED APPROPRIATION OF PROFIT OR LOSS

The Board of Directors and the CEO propose that no dividend shall be paid for the financial year 1st of July 2021 to 30th of June 2022.

FINANCIAL CALENDAR

July – December 2022 (Q2) 23rd of February 2023
 July 2021 – March 2022 (Q3) 25th of May 2023
 July 2021 – June 2022 (Q4) 24th of August 2023

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 ODI Pharma AB.

NAME	NUMBER OF SHARES	THE PORPORTION OF VOTES (%)
Volker Wiederrich	6,255,898	41.10
Derek Simmross	6,250,000	41.06
Niclas Kappelin	1 060 180	6.97 ^[ds1]
Other shareholders	1 653 922	10.87
TOTAL	15,220,000	100,00

DIRECTORS' REPORT

INFORMATION ABOUT THE OPERATIONS

ODI Pharma AB (publ) ("Parent company"), organization number 559223-1392, with its European network, subsidiaries, and affiliates, is a producer of pharmaceutical cannabis finished products. The founders and board members of the Company have an extensive background in the trading industry, and the medical cannabis industry as well. The Company focuses on distribution to the medical cannabis market in Poland, through its subsidiary ODI Pharma Polska Sp z. o. o. ODI Pharma AB holds 100% of the shares in the company ODI Pharma Polska Sp. z o.o. through its Swiss subsidiary ODI Pharma Schweiz AG, in which the Company owns 100% of the shares. The Swiss subsidiary is the research hub and will develop further distribution agreements in other countries. 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.

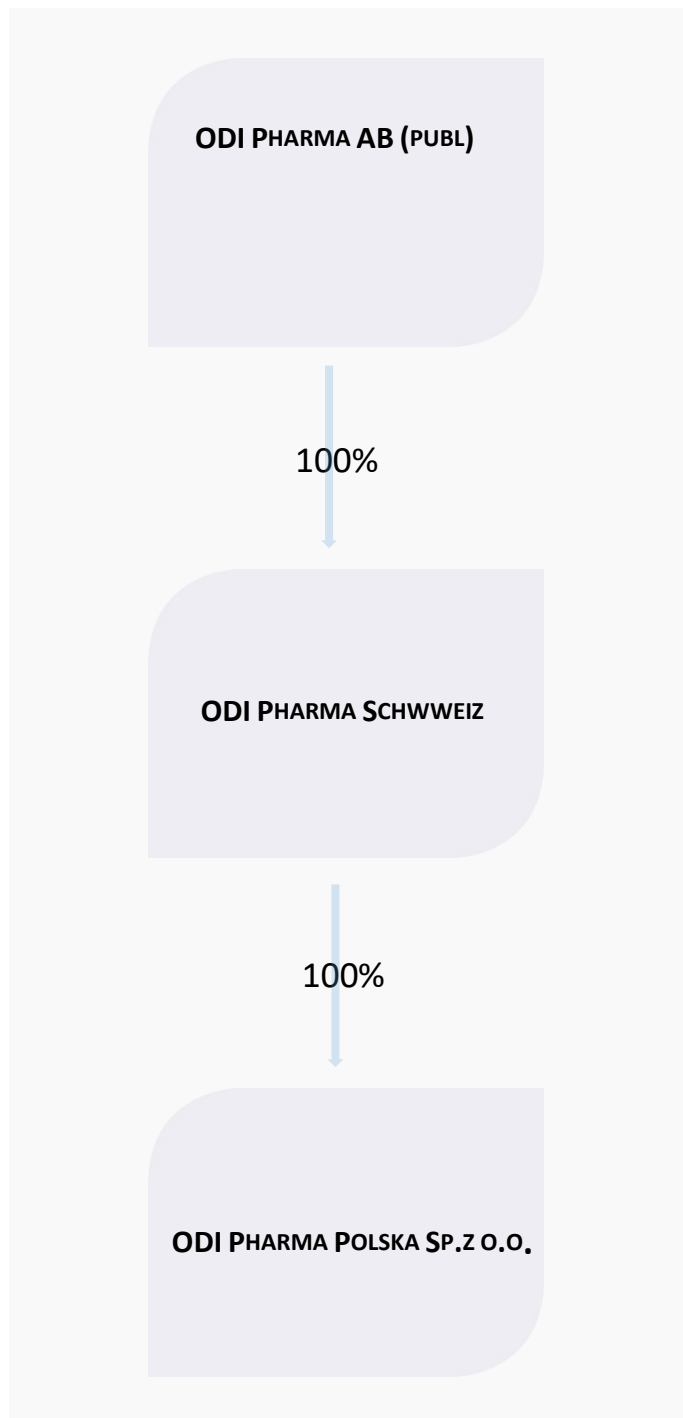
The mother company is headquartered in Stockholm and is listed on Spotlight.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- July – ODI Pharma announced that Niclas Kappelin has informed the company that he has acquired 20 000 shares in ODI Pharma and reached above the level of 5 percent of the total number of shares and voting rights in the company. Niclas Kappelin's holdings after the transaction amounts to a total of 780,900 shares, corresponding to approximately 5.13 percent of the shares and voting rights in ODI Pharma.
- August – ODI Pharma announced that the company launches kandol., a CBD skincare product line at kandol.net to customers within the EU.
- September – ODI Pharma announced that kandol., the CBD skincare product line, will be officially launched as of 1st of October 2021. The products will initially be available online at kandol.net to customers within the EU.

COMPANY STRUCTURE

Below is an overview of the Group's legal structure as of June 30, 2022.



EXPECTED FUTURE PROSPECTS AND SIGNIFICANT RISKS AND UNCERTAINTIES

OPERATIONAL RISKS AND UNCERTAINTIES REGARDING COVID-19

Like most other companies, ODI Pharma was affected by COVID-19. As announced via press release the Board of Directors did not see any impact on the Company's mid- and long-term goals due to COVID-19. Today, the company does not foresee any potential further consequences for the business but it cannot be predicted if future problems may arise which may have an effect on the business. The Company will continue to follow developments.

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.



SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

There were no significant events after the financial year.

KEY DATA

OWNERSHIP

NAME	NUMBER OF SHARES	THE PROPORTION OF VOTES (%)
Volker Wiederrich	6,255,898	41.10
Derek Simmross	6,250,000	41.06
Other shareholders	2,714,102	17.84
TOTAL	15,220,000	100.00

MULTI-YEAR OVERVIEW, THE GROUP

	2021/22	2020/21
Profit/loss after financial items (KSEK)	-7,236	-3,967
Result per share (SEK)	-0.48	-0.26
Solidity (%)	88	97

MULTI-YEAR OVERVIEW, PARENT COMPANY

	2021/22	2020/21
Profit/loss after financial items (KSEK)	-7,479	-3,924
Result per share (SEK)	-0.49	-0.26
Solidity (%)	89	97

PROPOSALS FOR PROFIT ALLOCATION

The Board of Directors recommends this year's loss and the share premium reserves are allocated as follows (SEK):

Share premium reserve	21,472,267
Profit carried forward	-5,899,170
This year's loss	-7,479,441
Total	8,093,656
Carried over	8,093,656



FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT FOR THE GROUP

(SEK)	NOTE	2021-07-01 -2022-06-30	2020-07-01 -2021-06-30
Net sales		312,938	0
Other operating income		87,871	23,667
		400,809	23,667
<i>Operating expenses</i>			
CGS		-416,575	0
Other external expenses	4	-5,495,005	-3,248,031
Personal expenses	5	-1,625,866	-670,223
Depreciation and amortization		-5,588	-6,975
Other operating expenses		-64,676	-62,686
		-7,607,710	-3,987,915
Operating profit/loss		-7,206,901	-3,964,248
<i>Results from financial items</i>			
Interest income and similar profit/loss items	6	133	11,490
Interest expense and similar profit/loss items	7	-28,762	-14,566
Result after financial items		-7,235,530	-3,967,324
Result before taxes		-7,235,530	-3,967,324
Tax expenses	8	-3,508	-14,372
Profit/loss for the period		-7,239,038	-3,981,696

CONSOLIDATED BALANCE SHEET FOR THE GROUP

(SEK)	NOTE	2022-06-30	2021-06-30
ASSETS			
<i>Fixed assets</i>			
<i>Tangible fixed assets</i>			
Equipment, machines, tools	9	12,309	11,999
		12,309	11,999
Total fixed assets		12,309	11,999
<i>Current assets</i>			
<i>Inventories</i>			
Raw materials and consumables	10	348,695	237,066
Ready for sale		1,202,490	0
Advance payments to suppliers		188,050	812,469
		1,739,235	1,049,535
<i>Current receivables</i>			
Accounts receivable		108,628	0
Tax receivables		228,853	199,864
Other receivables		757,372	732,572
Deferred expenses and accrued income		282,744	261,217
		1,377,597	1,193,653
<i>Cash on hand and in bank</i>	11	7,367,789	14,624,893
Total current assets		10,484,621	16,868,081
TOTAL ASSETS		10,496,930	16,880,080
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		608,800	608,800
Other contributed capital		21,841,787	21,841,787
Other equity including result for the period		-13,189,278	-6,152,232
Equity attributable to owners of the parent company		9,261,309	16,298,355
<i>Current liabilities</i>			
Accounts payable		674,809	149,602
Current tax liabilities		0	0
Other current liabilities		7,681	35,493
Deferred income and accrued expenses		553,131	396,630
Total current liabilities		1,235,621	581,725
TOTAL EQUITY AND LIABILITIES		10,496,930	16,880,080

CHANGES IN EQUITY FOR THE GROUP

(SEK)	Note	Share capital	Other contributed capital	Other equity including result for the year	Total capital
Opening equity 2020-07-01		608,800	21,583,285	-2,116,139	20,075,946
Profit/loss for the year		0	0	-3,981,696	-3,981,696
Translation differences		0	0	-54,397	-54,397
Transactions with shareholders					
New share issue expenses	2	0	258,502	0	258,502
Closing equity 2021-06-30		608,800	21,841,787	-6,152,232	16,298,355
Opening equity 2021-07-01		608,800	21,841,787	-6,152,232	16,298,355
Profit/loss for the year		0	0	-7,239,038	-7,239,038
Translation differences		0	0	201,992	201,992
Closing equity 2022-06-30		608,800	21,841,787	-13,189,278	9,261,309

GROUP CASH FLOW ANALYSIS

(SEK)	NOTE	2021-07-01 -2022-06-30	2020-07-01 -2021-06-30
Operating activities			
Net operating profit/loss		-7,206,901	-3,964,248
Adjustment for items without cash flows			
Deprecations and write-downs		5,588	6,975
Current exchange rates differences		50,461	34,541
Cash flow from operating activities		-7,150,852	-3,922,732
Paid interest		-234	-5,937
Paid tax		-32,497	-516,059
Cash flow before change in working capital		-7,183,583	-4,444,728
<i>Change in working capital</i>			
Change in inventories and ongoing works		-689,700	-1,049,535
Change in current receivables		-154,955	-665,603
Change in current liabilities		653,895	97,878
Total change in working capital		-7,374,343	-6,061,988
<i>Investing activities</i>			
Investments in tangible fixed assets		-4,109	0
Cash flow from investing activities		-4,109	0
<i>Financing activities</i>			
New share issue		0	0
New share issue expenses		0	258,502
Cash flow from financing activities		0	258,502
Cash flow for the year		-7,378,452	-5,803,486
Cash and cash equivalents at beginning of year		14,624,893	20,513,417
Effects of exchange rate changes on cash		121,348	-85,038
Cash and cash equivalents at end of year	11	7,367,789	14,624,893

INCOME STATEMENT FOR THE PARENT COMPANY

(SEK)	NOTE	2021-07-01 -2022-06-30	2020-07-01 -2021-06-30
Net sales		295,986	0
Other operating income		46,162	23,667
		342,148	23,667
<i>Operating expenses</i>			
CGS		-341,078	0
Other external expenses	4	-5,822,289	-3,249,731
Personal expenses	5	-1,591,647	-670,223
Other operating expenses		-59,750	-22,999
		-7,814,764	-3,942,953
Operating profit/loss		-7,472,616	-3,919,286
<i>Result from financial items</i>			
Interest expense and similar profit/loss items	7	-6,825	-5,014
Result after financial items		-7,479,441	-3,924,300
Result before tax		-7,479,441	-3,924,300
Profit/loss for the period		-7,479,441	-3,924,300

BALANCE SHEET FOR THE PARENT COMPANY

(SEK)	NOTE	2022-06-30	2021-06-30
ASSETS			
<i>Fixed assets</i>			
<i>Financial assets</i>			
Participations in group companies	12,13	967,200	967,200
		967,200	967,200
Total fixed assets		967,200	967,200
<i>Current assets</i>			
<i>Inventories</i>			
	10		
Raw materials and consumables		348,695	237,066
Ready for sale		1,202,490	0
Advance payments to suppliers		188,050	812,469
		1,739,235	1,049,535
<i>Current receivables</i>			
Accounts receivables		44,709	0
Other current receivables		633,330	499,267
Deffered expenses and accrued income		436,063	421,379
		1,114,102	920,646
<i>Cash on hand and in bank</i>	11	5,932,603	13,785,271
Total current assets		8,785,940	15,755,452
TOTAL ASSETS		9,753,140	16,722,652
EQUITY AND LIABILITIES			
<i>Equity</i>			
	14, 15		
<i>Restricted reserves</i>			
Share capital		608,800	608,800
		608,800	608,800
<i>Non-restricted reserves</i>			
Share premium reserve		21,472,267	21,472,267
Retained earnings		-5,899,170	-1,974,870
Profit/loss for the year		-7,479,441	-3,924,300
		8,093,656	15,573,097
Total equity		8,702,456	16,181,897
<i>Current liabilities</i>			
Account payables		475,359	67,542
Liabilities to group companies		76,194	104,898
Other current liabilities		7,681	35,493
Accrued expenses and deferred income		491,451	332,822
		1,050,684	540,755
TOTAL EQUITY AND LIABILITIES		9,753,140	16,722,652

CHANGES IN EQUITY FOR THE PARENT COMPANY

(SEK)	Note	Share capital	Share premium reserve	Retained profit/loss	Profit/loss this year	Total
Opening equity 2020-07-01		608,800	21,213,765	0	-1,974,870	19,847,695
Appropriation of earnings as per decision of the Annual General Meeting		0	0	1,974,870	1,974,870	0
Profit/loss for the year		0	0	0	-3,924,300	-3,924,300
New share issue expenses	2	0	258,502	0	0	258,502
Closing equity 2021-06-30		608,800	21,472,267	-1,974,870	-3,924,300	16,181,897
Opening equity 2021-07-01		608,800	21,472,267	-1,974,870	-3,924,300	16,181,897
Appropriation of earnings as per decision of the Annual General Meeting		0	0	-3,924,300	3,924,300	0
Profit/loss for the year		0	0	0	-7,479,441	-7,479,441
Closing equity 2022-06-30		608,800	21,472,267	-5,899,170	-7,479,441	8,702,456

PARENT COMPANY CASH FLOW ANALYSIS

(SEK)	NOTE	2021-07-01 -2022-06-30	2020-07-01 -2021-06-30
Operating activities			
Net operating profit/loss		-7,472,616	-3,919,286
Other items that do not affect the cash flow		-2	0
Cash flow from operating activities		-7,472,618	-3,919,286
Paid interest		-123	-471
Cash flow before change in working capital		-7,472,741	-3,919,757
<i>Change in working capital</i>			
Change in inventories and ongoing works		-689,700	-1,049,534
Change in current receivables		-193,456	-770,294
Change in current liabilities		509,931	299,406
Total change in working capital		-7,845,966	-5,440,179
<i>Financing activities</i>			
New share issue		0	0
New share issue expenses		0	258,502
Cash flow from financing activities		0	258,502
Cash flow from the year		-7,845,966	-5,181,677
Cash and cash equivalents at beginning of year		13,785,271	18,971,492
Effects of exchange rate changes on cash		-6,702	-4,544
Cash and cash equivalents at end of year	11	5,932,603	13,785,271



NOTES

NOTE 1 ACCOUNTING AND VALUATION PRINCIPLES

GENERAL INFORMATION

The accounting currency is Swedish kronor (SEK) which is the reporting currency for both parent company and the Group. 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's Rules and Regulations, as applicable. Consolidated accounts include parent company and subsidiaries in which parent company directly or indirectly owns shares that are more than 50% of the votes. ODI Pharma AB, ie the parent company, and the group applies the same accounting principles.

CONSOLIDATED FINANCIAL STATEMENT

Subsidiaries

Subsidiaries are companies in which parent company directly or indirectly holds more than 50 percent of the votes or otherwise have a controlling influence. Controlling influence means a right to formulate a company's financial and operational strategies in order to obtain financial benefits.

Elimination of transactions within the Group

Intra-group transactions and balance sheet items as well as unrealized gains and losses on the transactions between Group companies are eliminated in their entirety.

Reevaluation of items in foreign currencies

Receivables and liabilities in foreign currencies have been valued at the closing rate of exchange. Profit on exchange and exchange loss on operating receivables and liabilities are reported in the operating result.

Revenues

Revenues are recognized when risks and benefits are transferred to the buyer in accordance with contract and delivery terms.

Leasing

All leasing agreements have been classified as operating leasing agreements. A financial leasing agreement is a leasing agreement according to which the risks and benefits associated with owning an asset are essentially transferred from the lessor to the lessee. An operational leasing agreement is a leasing agreement what is not a financial leasing agreement.

Inventories

Inventories are valued at the lower of cost and net realizable value. The risk of obsolescence has been taken into account. The acquisition value is calculated according to the first-in, first-out principle. In addition to expenses for purchases, the acquisition value also includes expenses for bringing the goods to their current location and condition. The net sales value has

been calculated at the sales value after deduction of the estimated sales cost.

INCOME TAXES

Total tax consists of current tax and deferred tax. Taxes are reported in the income statement, except when the underlying transaction is reported directly in equity, whereby the associated tax effects are reported in equity.

CURRENT TAX

The current tax liability is based on the taxable profit for the year. The Group's current tax liability is calculated on the basis of tax rates that have been prescribed or announced at the balance sheet date.

DEFERRED TAX

Deferred tax refers to tax on temporary differences that arises between the carrying amount of assets and the tax value used in calculating the taxable profit. Deferred tax is recognised in accordance with the balance sheet liability method. Deferred tax liabilities are recognised for practically all taxable temporary differences, and deferred tax assets are recognised when it is likely that the amounts can be used to offset future taxable profits.

The carrying amount of deferred tax assets is tested for impairment at the end of each financial year and an impairment loss is recognized to the extent that it is no longer probable that sufficient taxable profits will be available against which the deferred tax asset can be fully or partially offset. Utilization of tax loss carryforwards is dependent upon tax profits. Deferred tax is recognized at the nominal current tax rate with no discount. Deferred tax is recognized as a financial fixed asset and deferred tax liability.

Fixed assets

Tangible fixed assets are posted at the acquisition value less accumulated depreciation and any write-downs.

Depreciation is done on a straight-line basis over the estimated useful life of the asset taking the significant residual value into account.

Revenue is recognised when risks and rewards are transferred to the buyer in accordance with the terms of the contract and delivery.

Accounts receivable / current receivables

Accounts receivable and current receivables are reported as current assets at the amount expected to be paid after deducting individually assessed doubtful receivables. At the first recognition, the receivables are valued at the acquisition value.

Loan and accounts payables

Loan and accounts payables are recognized at initial acquisition value after deduction of transaction costs. If the reported amount differs from the amount to be repaid at the due date, the difference is accrued as interest expense over the term of the loan using the instrument's effective interest rate. Hereby, at the time of maturity, the reported amount and the amount to be repaid correspond.

Remuneration to employees

Employee benefits relate to all kinds of benefits the company provides to employees. Short-term employee benefits include wages, paid holidays, paid leave, bonuses and reimbursement upon completion of employment (pension) etc. Short-term employee benefits are reported as an expense and a liability when there is a legal or constructive obligation to pay compensation as a result of a past event, and a reliable estimate of the amount can be made.

Shares in subsidiaries

Investments in subsidiaries are carried at cost less any impairment losses. The cost includes the purchase price paid for the shares and acquisition costs.

Any capital contributions are added to the cost when they arise.

Translation of foreign operations

Assets and liabilities, including goodwill and other consolidated surplus and deficit values, are translated into the reporting currency at the closing date rate. Income and expenses are translated at a rate that is an approximation of the actual rate used (for example average rate).

The cash flow analysis

The cash flow analysis is prepared according to an indirect method. The reported cash flow only includes transactions that resulted in inflows or outflows. In addition to cash and bank balances, short-term investments are also classified as cash and cash equivalents that can easily be converted into a known amount and that are exposed to an insignificant risk of value fluctuation.



NOTE 2 IMPORTANT ESTIMATES AND ASSESSMENTS FOR ACCOUNTING PURPOSES

In consideration of the “precautionary principle”, revenues and cost of goods sold to B2B wholesale customers that are still unpaid at the closing balance as of Jun 30,2022 are not recognized because the B2B customers have the right to return products if the cannot sell the products to their own customers according to the contract and delivery conditions.

NOTE 3 PURCHASES AND SALES BETWEEN GROUP COMPANIES

(SEK)	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
Purchases relating to Group companies	0	0	941,470	800,808
Sales relating to Group companies	0	0	41,754	0

Purchasing consist of trademark license between the parent company and ODI Pharma Schweiz AG.

Sales consist of kandol. skincare products between the parent company and ODI Pharma Schweiz AG.

NOTE 4 FEES TO AUDITOR

(SEK)	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
PricewaterhouseCoopers				
Audit	416,281	592,688	416,281	592,688
Other audit services		16,479		0
Tax consultancy		57,896		45,200
Other services		0		0
Total	416,281	667,063	416,281	637,888

PRO AUDIT Kancelaria Bieglych
Rewidentow Sp.z.o.o.

Audit	0	0	0	0
Total	0	0	0	0

NOTE 5 PERSONNEL AND PERSONAL EXPENSES

Average number of employees	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21

Men	1	1	1	1
Women	0	0	0	0
Total	1	0	1	0

**Gender distribution among
company management**

	2022-06-30	2021-06-30
<i>Women</i>		
Board of directors	1	1
CEO and senior executives	0	0
<i>Men</i>		
Board of directors	3	3
CEO and senior executives	1	1

**Salaries and other compensations
(SEK)**

	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
Board of Directors and managing directors	375,000	358,745	375,000	358,745
Other employees	978,806	218,375	978,806	218,375
	1,353,806	577,120	1,353,806	577,120
Social security contributions according to law and agreement	237,841	93,103	237,841	93,103
Total salaries, remunerations and social security expenses	1,591,647	670,223	1,591,647	670,223

NOTE 6 OTHER INTEREST INCOME AND SIMILAR PROFIT/LOSS ITEMS

(SEK)	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
Other interest income	133	11,490	0	0
	133	11,490	0	0

NOTE 7 OTHER EXPENSES AND SIMILAR PROFIT/LOSS ITEMS

(SEK)	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
Other interest expenses	28,762	14,566	6,825	5,014
	28,762	14,566	6,825	5,014

NOTE 8 TAX EXPENSES

(SEK)	Group		Parent company	
	2021/22	2020/21	2021/22	2020/21
Current tax	-3,508	-14,372	0	0
Tax on previous year results	0	0	0	0
Tax expenses total	-3,508	-14,372	0	0

Reconciliation effective tax

Profit/loss before tax	-7,235,530	-3,967,324	-7,491,441	-3,924,300
Tax on reported profit for this year calculated with tax rate at closing:	1,490,519	849,007	1,540,765	839,800
Tax effect by:				
Other non-deductible expenses	-1,713	-923	0	0
Non-taxable income	0	0	0	0
Tax loss carryforwards which value is no longer recognized as an asset	1,713	2,336	0	0
Tax deficit for without deferred tax asset has been reported	-1,490,519	-871,414	-1,540,765	-839,800
Effect of foreign tax rates	-3,508	6,621	0	0
Tax on previous year	0	0	0	0
Total tax	-3,508	-14,372	0	0

NOTE 9 EQUIPMENT, MACHINES, TOOLS

(SEK)	Group		Parent company	
	2022-06-30	2021-06-30	2022-06-30	2021-06-30
Opening acquisition values	30,301	34,381	0	0
Reclassifications	2,281	-4,080		
This year's acquisitions	4,109	0	0	0
Outgoing accumulated acquisition values	36,691	30,301	0	0
Opening depreciation	-18,302	-14,368	0	0
Reclassifications	-492	3,041	0	0
This year's depreciations	-5,588	-6,975	0	0
Outgoing accumulated depreciation	-24,282	-18,302	0	0
Closing carrying amount	12,309	11,999	0	0

NOTE 10 INVENTORIES ETC.

(SEK)	Group		Parent company	
	2022-06-30	2021-06-30	2022-06-30	2021-06-30
Raw materials	348,695	237,066	348,695	237,066
Ready for sale	1,202,490	0	1,202,490	0
Other advance payments to suppliers	188,050	812,469	188,050	812,469
Total	1,739,235	1,049,535	1,739,235	1,049,535

NOTE 11 CASH ON HAND AND IN BANK

(SEK)	Group		Parent company	
	2022-06-30	2021-06-30	2022-06-30	2021-06-30
Bank	7,367,789	14,624,893	5,932,603	13,785,271
	7,367,789	14,624,893	5,932,603	13,785,271

NOTE 12 PARTICIPATION IN GROUP COMPANIES

(SEK)	Parent company	
	2022-06-30	2021-06-30
Acquisition value start of year	967,200	0
Acquisitions	0	967,200
Acquisition value end of year	967,200	967,200
Book value at closing date	967,200	967,200

NOTE 13 SPECIFICATION OF PARTICIPATION IN GROUP COMPANIES

(SEK) Name	Capital share	Share of voting power	Book value
ODI Pharma Schweiz AG.	100%	100%	967,200

ODI Pharma AB holds 100% of the shares in the company ODI Pharma Polska Sp.z o.o. through its Swiss subsidiary ODI Pharma Schweiz AG.

	Org.no.	Reg. office	Equity	Profit/loss
ODI Pharma Schweiz AG.	CHE-242.702.959	Zug, Switzerland	869,520	422,334
ODI Pharma Polska Sp.z o.o.	729 774	Warszawa, Poland	12,251	-164,536

NOTE 14 NUMBER OF SHARES

	2022-06-30	2021-06-30
	Quote value	Number
A-shares	0.04	15,220,000

NOTE 15 PROFIT OR LOSS ALLOCATION

PROPOSALS FOR THE COMPANY'S PROFIT OR LOSS ALLOCATION

The Board of Directors propose that un-restricted equity, 8,093,656 SEK are allocated as follows:

(SEK)	
Carried over	8,093,656
Total	8,093,656

NOTE 16 TRANSACTIONS WITH RELATED PARTIES

During the financial year, the parent company entered into a marketing agreement with Karina S.L., a company owned 50 percent each by board members Volker Wiederrich and Karina Kilinski. Karina S.L. has agreed to perform social media and sales management services for Customer's social media platform for an agreed compensation by 4,000 EUR per month. The contract starts on 1st of March 2022 and it is signed for 5 years.

The parent company ODI Pharma AB has a controlling influence over its subsidiaries, see note 13 "Specification of Participation in Group Companies". During the year, the following related party transactions took place between the parent company and other companies within the group.

(SEK)	2021/22	2020/21
Sale of goods	41,754	0

Purchase of goods	941,470	800,808
Debt to related parties at the balance sheet date	76,194	104,898

NOTE 17 SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

There were no significant events after the financial year.

NOTE 18 DEFINITION OF KEY BUSINESS RATIOS

NET TURNOVER

Main operating revenues, invoiced expenses, side income and revenue adjustments.

PROFIT/LOSS AFTER FINANCIAL ITEMS

Profits after financial items and costs but before appropriations and taxes.

BALANCE SHEET TOTAL

The Company's total assets.

SOLIDITY

Adjusted equity (equity and untaxed reserves with deductions for deferred tax) as a percent of the balance sheet total.

STATEMENT BY THE BOARD OF DIRECTORS AND MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive management have today considered and approved the annual report of ODI Pharma for the financial year 01.07.2021 - 30.06.2022. In our opinion, the financial statements give a true and fair view of the Group's financial position at 30.06.2022 and the results of its operations for the financial year 01.07.2021 - 30.06.2022. We believe that the director's review contains a fair review of the affairs and conditions referred to therein. We recommend the annual report for adoption at the Annual General Meeting.

STOCKHOLM, 25TH OF NOVEMBER 2022

EXECUTIVE BOARD

DEREK SIMMROSS

CEO

VOLKER

WIEDERRICH

Chairman

KARINA KILINSKI

Member of the Board

GÖSTA LIDÉN

Member of the Board

Our audit report was submitted on 25.11.2022
Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorized Public Accountant



AUDITOR'S REPORT

To the general meeting of the shareholders of ODI Pharma AB (publ), corporate identity number 559223-1392



Auditor's report

Unofficial translation

To the general meeting of the shareholders of ODI Pharma AB (publ), corporate identity number 559223-1392

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of ODI Pharma AB (publ) for the financial year 1 July 2021 to 30 June 2022. The annual accounts and consolidated accounts of the company are included on pages 18-41 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 30 June 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-17. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They



disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of ODI Pharma AB (publ) for the financial year 1 July 2021 to 30 June 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.



Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisomsansvar. This description is part of the auditor's report.

Stockholm 25 November 2022

Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorized Public Accountant



ODI Pharma