



## 2021 REVIEW + 2022 PREDICTIONS

In 2021 ÓSKARE CAPITAL launched the first **AIFM** and **ESG** compatible Venture Capital fund with an investment focus on life sciences and deeptech. The fund will invest in innovative companies and teams in **Europe** working on **novel therapeutics** that target the **endocannabinoid system** (medical cannabis and other molecules) as well as **ecosystem** (“picks and shovels”) investments that will help lower costs, improve quality and minimize the environmental footprint of the medical cannabis industry as well as improve accessibility of plant based medicine for patients.

### ÓSKARE CAPITAL 2021 HIGHLIGHTS

- ★ 482 Deals screened
- ★ 1 New deal executed
- ★ 1 Refinancing executed
- ★ 4 LOIs signed
- ★ 2 New Senior Advisors
- ★ 2 New team members
- ★ 2 New strategic partnerships
- ★ **MEDCAN** UK fund launched

### 2021 REVIEW

A string of positive industry announcements, scientific publications, regulatory successes, and increases in patient uptake are driving the European medical cannabis sector towards being one of the most exciting new asset classes in a generation. Our two team investments (to be part of the future ÓSKARE Fund I portfolio) have done very well, achieving key milestones relating to their technology, executing on the business plan while enhancing capabilities and ability to scale their business model. Both companies successfully raised funds, and their success seems even more assured!

A subsection of Big Pharma has now come out of “stealth mode” and has shown to be eager to buy well-performing private assets in the medical and pharma cannabis sector.

There were mammoth private exits in both US and European pharmaceutical plays, further supporting Óskare Capital’s medical and pharma thesis. The weak market signals we saw 2 years ago are getting ever stronger.

### 2022 PREDICTIONS

1. First European cannabis or endocannabinoid “Unicorn” will emerge
2. 1-2 more big pharma acquisitions in endocannabinoid system therapeutics
3. Corporate venture funds will invest in at least one European cannabinoid company
4. Public cannabis stocks will rebound in the short term, precipitated by a wider correction that will create a sustained buyers market
5. Private market capital inflows will level out, increasing companies’ reliance on incumbent funding sources
6. 30-40% of CBD brands and growers will go bankrupt or consolidate
7. Increasing attention to ESG, especially regarding environmental footprint
8. Following Germany, another large European country will announce recreational cannabis legalization

### INDUSTRY ANNOUNCEMENTS

2021 (December)	<b>The MEDCAN Fund Launch</b> Óskare Capital launches the first ever SEIS and EIS fund dedicated to the UK medical cannabis sector. The MEDCAN fund can act as a feeder to OSKARE FUND I (European and rest of world). Now taking subscriptions.	
2021 (December)	<b>Pfizer</b> Pfizer enters medical cannabis market with \$6.7 billion acquisition of Arena Pharmaceuticals	
2021 (December)	<b>Germany</b> German coalition agrees to legalise recreational cannabis use	
2021 (June)	<b>DSM</b> DSM invest in Brains Bioceutical, marking the first corporate venture from the food industry entering the space	
2021 (March)	<b>Curaleaf</b> Curaleaf enters European cannabis market with acquisition of EMMAC Life Sciences for \$286 million	
2021 (February)	<b>Jazz Pharmaceuticals</b> Jazz Pharma acquires GW Pharma (cannabinoid therapeutics for childhood epilepsy) for \$7.2 billion	

LOOKING BACK

LOOKING FORWARD



MEDICAL CANNABIS FUNDS, LAUNCHED BY THE EUROPE  
+ UK FUND ADVISOR, ÓSKARE CAPITAL

2022

ÓSKARE  
CAPITAL

PORTFOLIO

## PORTFOLIO UPDATE

Both our companies are performing well and have both increased in value since the initial investment with an **average 2X TVPI** in 12 months.

Óskare Capital's first portfolio company, **Octarine Bio**, continues to lead the sector in molecule synthesis with their strong platform and will announce a successful Series A round in Q1 2022 as well as some commercial partnerships with tier 1 players.

The team made their second investment in Q4 2021 into **Herbolea**. Herbolea is revenue generating and expect to be EBITDA positive in 2022. The firm will use the financing to bolster their team and further expand into new markets, namely, the United States.

**We have 4 deals under LOI to execute at first close.**

### INVESTMENT



### STAGE

Seed

### COUNTRY



**AREA** Industrial Processing ("Picks and Shovels")

**High potential for disruption** - Patented highly disruptive solventless extraction technologies, already generating strong revenues and unique technology (enzymatic first step with second oil/water separation) which is also applicable in adjacent verticals such as hops and floral extracts.

**Herbolea** develops novel biotech processing technologies to manufacture unique high quality products from high therapeutic potential botanicals such as cannabinoids and hops. Reduces extraction costs by 1 order of magnitude, is a greener and much safer process vs incumbents and also enable longer shelf life for extraction (2 years vs 1 year today).

TEAM

## TEAM UPDATE: 3 NEW TEAM MEMBERS TO INCREASE FIRE POWER



**BRENDAN KENNEDY**  
ADVISOR



**JOSEPH SWANSON**  
ADVISOR



**JOSH GOODMAN-LEVY**  
OPERATING PARTNER



**BRUCE LINTON**  
CO-FOUNDER | CHAIRMAN



**ALEXANDRE OUIMET-STORRS**  
PRESIDENT | MANAGING PARTNER | CO-FOUNDER



**DR. JOHN ROGERS**  
CMO | CO-FOUNDER



**GAETANO INSALACO**  
MANAGING PARTNER | CO-FOUNDER



**NICOLA BROUGHTON**  
VENTURE PARTNER | CO-FOUNDER (UK Fund)



**OLIVER LAMB**  
INVESTMENT MANAGER | CO-FOUNDER



**JD WECHSLER**  
MANAGING PARTNER | AMERICAS



**ZSOLT LENKEI**  
OPERATING PARTNER | Research Neuroscientist



**DR. OLIVIER BRANDICOURT**  
ADVISOR - Former CEO of Sanofi

**Brendan Kennedy** is a Medical Cannabis pioneer, the founder of Privateer Holdings, and the founder and former CEO of Tilray. He has joined Óskare Capital as a Senior Advisor.

**Joseph Swanson** is an experienced finance professional, Senior Managing Director at Houlihan Lokey and sits on their 15 person operations board. He is also a business angel in the cannabis sector (investor in Herbolea) and has joined Óskare Capital as a Senior Advisor.

**Josh Goodman-Levy** has 5+ years of VC experience focused on European Technology at Mercia Asset Management & Mobeus Equity Partners. He's the Founder of two European cannabis businesses and provides corporate finance and strategic advisory services to the global cannabis industry.

FROM THE TEAM

## LETTER FROM ÓSKARE CAPITAL

As we look at the year of 2021 in review we are more confident today of our fund's premise, the landscape of the industry we have chosen to focus on, and the team we have assembled. Various industry announcements and activities have reaffirmed our investment thesis and we've seen this translate into a significant uptick in investor interest.

Our principal activity has been related to meeting investors and preparing for the first closing of **Óskare Fund I**, which has been delayed due to the difficulty of conducting meetings face to face in light of the COVID restrictions. Thankfully, once we could resume travel in the latter part of 2021, we were able to meet investors from Europe and North America. Brendan Kennedy and Joseph Swanson joined as Senior Advisors. Also, based on discussions with investors and the dealflow we have been seeing in the UK, we realized the strategic value of creating a second fund, the **MEDCAN** fund, which was launched in Q4 2021. As a UK focused tax efficient vehicle, this increases Óskare's ability to execute earlier stage deals with the stage-associated risk being mitigated by the tax efficiencies provided by the EIS and SEIS schemes.

Our other key focus in 2021 related to seeking out dealflow, future investment opportunities and acquiring the market intelligence that sets our team apart from others. We have signed LOIs with 4 companies, and as many of you know have been working closely (with Board level representation) with **Octarine** and **Herbolea**, in which the team privately invested with a small number of angel investors. These 2 companies are reflective of the opportunity and quality of dealflow we see in this space.

With the wind behind our sails, the team continues to break new ground and act as thought leaders for this still not fully appreciated asset class. The sector has a bright future, with the most exciting financial returns stemming from companies with technology and IP relating to the endocannabinoid system that address compelling unmet medical needs as well as provide innovative solutions to the associated ecosystem and infrastructure that can be leveraged globally. Stay tuned for some very exciting announcements.



**BRUCE LINTON** (Founder of Canopy Growth) - ÓSKARE CAPITAL Chairman  
*"Rational regulations, scientific expertise and the emerging ecosystem are driving this next and most significant wave of durable wealth creation"*

**CONTACT:**  
**ÓSKARE CAPITAL**

