



Innocan Pharma Reports Annual 2022 Results with USD 2.6M in Revenue

HERZLIYA, Israel and CALGARY, Alberta, April 18, 2023 /CNW/ -- Innocan Pharma Corporation (CSE: INNO) (FSE: IP4) (OTC: INNPF) (the "Company" or "Innocan") a pharmaceutical technology company focusing on developing innovative drug delivery platform technologies and owner of a proprietary IP portfolio, is pleased to report its audited financial results for the year ended December 31, 2022.

Additional information concerning Innocan's consolidated financial statements and related management's discussion and analysis for the year ended December 31, 2022, can be found at www.sedar.com.

Financial highlights for the year ended December 31, 2022

- **Revenue** – Revenue for the Fiscal year of 2022 increased to approximately \$2.6M from approximately \$196K in 2021,
- Q4 2022 revenues increased to approximately \$1.135M from approximately \$749K in Q3 2022, representing increases of +51% respectively. This increase in revenue growth is mainly due to the increased sales of Innocan's subsidiary, BI Sky Global, (Innocan & Brandzon Co. LTD's joint venture) that focuses on the development of beauty microbrands for platforms such as Amazon, and other retail marketplaces.
- The consistent increase in revenues over the past 12 months indicates continued growth and expansion of the Company's sales.
- Sales in the US via Amazon were awarded "Best Seller" under the category and in Top 100 of beauty and personal care, as well as "Most Wished For" status, alongside a notable increase in the number of subscriptions per month representing approximately 10% of monthly revenues.
- **Gross Profit** increased to approximately \$2.1M as of December 31, 2022, compared to approximately \$121K during the prior year, representing an increase of approximately +\$2M . The Company sees this substantial increase in operating profit as a meaningful indicator of the company's growth.
- **Cash balance** stood at approximately \$4.9M as of December 31, 2022, representing an approximate 55% decrease compared to approximately \$11M at the end of the prior year, due to continued investments in the Company's strategic goals which resulted in a number of meaningful milestones as detailed below.

Roni Kamhi, CEO BI Sky Global & COO Innocan Pharma commented: "We, at BI Sky Global, are very pleased with the significant progress made in 2022, as we continue our journey to become a global leader in the beauty arena and a recognized brand in the

US. We ended 2022 with incredible growth that will serve as a strong starting point for 2023. Our customers now include an increased number of subscribers that represent about 10% of monthly sales. As we look to the future of 2023, we expect to see continued growth in the beauty category with new product lines, alongside increased sales.

Recent Business Highlights

- Innocan continues to utilize its LPT CBD-loaded liposome platform to enable exact dosing and controlled release of CBD into the bloodstream. The company is targeting the veterinary market as a first step in licensing and commercialization, recognizing it as a significant opportunity for growth in cannabinoid therapy.
- Innocan continues to expand its patent portfolio of targeted healing products, positioning itself as a leader in cannabis-based therapeutics. This will unlock even greater potential for patients in need of effective treatment for chronic conditions.
- Innocan is working to expand the distribution of its topical portfolio to several European countries, including Finland, Austria, Holland, Belgium, Slovakia, and Lithuania.
- In 2022, the company increased its IP scope in three disciplines: LPT CBD-Liposomes Cannabinoids, Exosome-Cannabinoids Synergism, and Premium Dermal Cosmetics. Innocan Pharma established patent families in these categories with the aim of using drug delivery platforms to maximize the activity of loaded cannabinoids and provide treatments for various conditions and afflictions, including pain relief, dermatology, and vaginal atrophy.
- Innocan's growth pillars for 2023 include Pre-IND meetings for veterinary and human applications of the LPT CBD drug delivery platform, expanding distribution agreements for the consumer wellness segment, and growing online sales partnerships.
- Expanded business updates can be found in our [annual "state of the business" update](#).

Iris Bincovich, CEO of Innocan Pharma commented: "We are incredibly proud of our progress this year. We have reached substantial milestones in financially, scientifically and in terms of our IP portfolio. As we look ahead to the coming year, we are setting ambitious goals that we are intent on achieving. Among them are holding FDA Pre-IND meetings for veterinary and human applications of the LPT CBD drug delivery platform, expanding distribution agreements for the consumer wellness segment, and growing online sales partnerships."

About Innocan

Innocan is a pharmaceutical tech company that operates under two main segments: Pharmaceuticals and Consumer Wellness. In the Pharmaceuticals segment, Innocan focuses on developing innovative drug delivery platform technologies comprises with

cannabinoids science, to treat various conditions to improve patients' quality of life. This segment involves two drug delivery technologies: (i) **LPT** CBD- loaded liposome platform facilitating exact dosing and the prolonged and controlled release of CBD into the blood stream. The LPT delivery platform research is in the preclinical trial phase for two indications: Epilepsy and Pain Management. (ii) **CLX** CBD-loaded exosomes platform that may hold the potential to provide a highly synergistic effect of regenerating and anti- inflammatory properties targeting the Central Nervous System (CNS). In the Consumer Wellness segment, Innocan develops and markets a wide portfolio of innovative and high-performance self-care products to promote a healthier lifestyle. Under this segment Innocan has established a Joint Venture by the name of BI Sky Global Ltd. that focuses developing on advanced targeted online sales. <https://innocanpharma.com/>

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Caution regarding forward-looking information

Certain information set forth in this news release, including, without limitation, information regarding research and development, collaborations, the filing of potential applications with the FDA and other regulatory authorities, the potential achievement of future regulatory milestones, the potential for treatment of conditions and other therapeutic effects resulting from research activities and/or the Company's products, requisite regulatory approvals and the timing for market entry, is forward-looking information within the meaning of applicable securities laws. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond Innocan's control. The forward-looking information contained in this news release is based on certain key expectations and assumptions made by Innocan, including expectations and assumptions concerning the anticipated benefits of the products, satisfaction of regulatory requirements in various jurisdictions and satisfactory completion of requisite production and distribution arrangements.

Forward-looking information is subject to various risks and uncertainties which could cause actual results and experience to differ materially from the anticipated results or expectations expressed in this news release. The key risks and uncertainties include but are not limited to: general global and local (national) economic, market and business conditions; governmental and regulatory requirements and actions by governmental authorities; and relationships with suppliers, manufacturers, customers, business partners and competitors. There are also risks that are inherent in the nature of product distribution, including import / export matters and the failure to obtain any required regulatory and other approvals (or to do so in a timely manner) and availability in each market of product inputs and finished products. The anticipated timeline for entry to markets may change for a number of reasons, including the inability to secure necessary regulatory requirements, or the need for additional time to conclude and/or satisfy the manufacturing and distribution arrangements. As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this news release concerning the timing of launch of product distribution. A comprehensive discussion of other risks that impact Innocan can also be found in Innocan's public reports and filings which are available under Innocan's profile at www.sedar.com.

Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. Innocan does not undertake to update, correct or revise any forward looking information as a result of any new information, future events or otherwise, except as may be required by applicable law.

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