UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2021

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____

Commission file number: **0-30314**

Portage Biotech Inc.

(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

British Virgin Islands
(Jurisdiction of incorporation or organization)

Craigmuir Chambers, Road Town, Tortola, British Virgin Islands, VG1110.
(Address of principal executive offices)

c/o Portage Services Ltd, Ian Walters, 203.221.7376
6 Adelaide Street East, Suite 300, Toronto, Ontario, Canada M5C 1H6
(Name, telephone, e-mail and/or facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary Shares, no par value	PRTG	Nasdaq Capital Market

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Not applicable
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not applicable
(Title of Class)

Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock (ordinary shares) as of the close of the period covered by the annual report. **Ordinary shares without par value – 13,326,213 as at July 26, 2021**

Indicate by check mark if the registrant is a well-known seasoned issuer, defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such report) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

TABLE OF CONTENTS

		Page No.
Forward Looking Statements		1
Foreign Private Issuer Status and Reporting Currency		2
Part I		
Item 1.	Identity of Directors, Senior Management and Advisors	2
Item 2.	Offer Statistics and Expected Timetable	2
Item 3.	Key Information	2
Item 4.	Information on the Company	13
Item 5.	Operating and Financial Review and Prospects	24
Item 6.	Directors and Senior Management	31
Item 7.	Major Shareholders and Related Party Transactions	38
Item 8.	Financial Information	41
Item 9.	The Offer and Listing	41
Item 10.	Additional Information	43
Item 11.	Quantitative and Qualitative Disclosures about Market Risk	55
Item 12.	Description of Securities Other than Equity Securities	57
Part II		
Item 13.	Defaults, Dividend Arrearages and Delinquencies	57
Item 14.	Material Modifications to the Rights of Security Holders and Use of Proceeds	57
Item 15.	Controls and Procedures	57
Item 16.	Audit Committee, Code of Ethics, and Principal Accountant's Fees and Services	59
Part III		
Item 17.	Financial Statements	61
Item 18.	Financial Statements	61
Item 19.	Exhibits	61

FORWARD LOOKING STATEMENTS

This annual report includes "forward looking statements". All statements, other than statements of historical facts, included herein or incorporated by reference herein, including without limitation, statements regarding our business strategy, plans and objectives of management for future operations and those statements preceded by, followed by or that otherwise include the words "believe", "expects", "anticipates", "intends", "estimates" or similar expressions or variations on such expressions are forward-looking statements. We can give no assurances that such forward-looking statements will prove to be correct.

Each forward-looking statement reflects our current view of future events and is subject to risks, uncertainties and other factors that could cause actual results to differ materially from any results expressed or implied by our forward-looking statements.

Risks and uncertainties include, but are not limited to:

- our plans and ability to develop and commercialize product candidates and the timing of these development programs;
- clinical development of our product candidates, including the results of current and future clinical trials;
- the benefits and risks of our product candidates as compared to others;
- our maintenance and establishment of intellectual property rights in our product candidates;
- our need for additional financing and our estimates regarding our capital requirements and future revenues and profitability;
- our estimates of the size of the potential markets for our product candidates;
- our selection and licensing of product candidates;

These statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments based on the focus of our business activities on biotechnology, as well as other factors we believe are appropriate in particular circumstances. However, whether actual results and developments will meet our expectations and predictions depends on a number of risks and uncertainties, which could cause actual results to differ materially from our expectations, including the risks set forth in "Item 3 - Key Information-Risk Factors."

We do not currently have the marketing expertise needed to commercialize our products; we will be primarily a pharmaceutical development business subject to all of the risks of a pharmaceutical development business.

Consequently, all of the forward-looking statements made in this annual report are qualified by these cautionary statements. We cannot assure you that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected effect on us or our business or operations.

Unless the context indicates otherwise the terms "Portage Biotech Inc.," "the Company," "our Company," "Portage," "we," "us" or "our" are used interchangeably in this Annual Report and mean Portage Biotech Inc. and its subsidiaries.

FOREIGN PRIVATE ISSUER STATUS AND REPORTING CURRENCY

Foreign Private Issuer Status

Portage Biotech Inc. is a British Virgin Islands (“BVI”) company pursuant to the Certificate of Continuance issued by the Registrar of Corporate Affairs of the BVI on July 5, 2014. More than 60% of our ordinary shares were held by non-United States citizens and residents as of September 30, 2020, being the end of our second fiscal quarter. The majority of our directors and officers are non-United States citizens or residents, our business is administered outside the United States, and a majority of our assets are located outside the United States. As a result, we believe that we qualify as a "foreign private issuer" for continuing to report regarding the registration of our ordinary shares using this Form 20-F annual report format.

Currency

The financial information presented in this Annual Report is expressed in United States dollars ("US $") and the financial data in this Annual Report is presented in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee.

All dollar amounts set forth in this report are in U.S. dollars, except where otherwise indicated.

PART I

ITEM 1 – IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not required since this is an annual report.

ITEM 2 – OFFER STATISTICS AND EXPECTED TIMETABLE

Not required since this is an annual report.

ITEM 3 – KEY INFORMATION

(A) SELECTED FINANCIAL DATA

The selected financial data set forth below should be read in conjunction with our Consolidated Financial Statements and Notes thereto appearing elsewhere in this Annual Report. The selected Operations Data for each of the three fiscal years ended March 31, 2021, 2020 and 2019, and the Balance Sheet data as of March 31, 2021 and 2020 are derived from our audited Consolidated Financial Statements appearing elsewhere in this Annual Report. The selected Operations Data for the years ended March 31, 2018 and 2017 and the Balance Sheet data as of March 31, 2019, 2018 and 2017 are derived from our audited Consolidated Financial Statements, which are not included in this Annual Report.

SUMMARY OF FINANCIAL INFORMATION IN THE COMPANY'S FINANCIAL STATEMENTS (U.S. DOLLARS)

Operating Data

Year ended March 31,	2021	2020	2019	2018	2017
	All amounts in 000'$ (except for per share amounts)				
Net (loss) profit before non-controlling interests	(17,189)	(7,249)	(3,594)	123,741	(641)
Net (loss) profit attributable to owners of the Company	(15,833)	(5,333)	(2,635)	123,741	16,299
Working capital	1,738	1,226	4,757	7,489	59,027
Total assets	174,860	173,174	173,715	10,003	59,904
Capital stock	130,649	117,817	116,237	23,654	18,360
Warrants	1,120	–	–	–	–
Stock option reserves	7,977	58	324	267	1,706
Equity attributable to owners of the Company	101,449	96,531	99,674	9,619	59,594
Weighted average number of shares outstanding - Basic	11,733	10,952	4,820	2,678	2,540
Weighted average number of shares outstanding - Diluted	11,733	10,952	4,820	2,696	2,722
Net (loss) income per share - Basic	$ (1.35)	$ (0.49)	$ (0.55)	$ 46.21	$ 6.42
Net (loss) income per share - Diluted	$ (1.35)	$ (0.49)	$ (0.55)	$ 45.90	$ 5.99

1. The effect of potential share issuances pursuant to the exercise of options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share are the same for the fiscal years 2021, 2020, 2019 and 2017.

2. The per share data has been adjusted to reflect the reverse split of the ordinary shares effective June 5, 2020.

On January 8, 2019, the Company completed an acquisition of SalvaRx Limited, which has been accounted for using the acquisition method as explained elsewhere in this report. Fiscal 2019 amounts include the effect of acquisition accounting.

The Company has not declared or paid any dividends in any of the reporting periods presented herein except for fiscal 2018, when the Company distributed a property dividend consisting of shares of common stock of our former partially owned subsidiary, Biohaven Pharmaceuticals Holding Company Ltd. ("Biohaven").

Exchange Rates

In this Annual Report on Form 20-F, unless otherwise specified, all monetary amounts are expressed in United States dollars. The Company's subsidiaries have transactions in Canadian dollars and British pounds sterling. Currencies other than the United States dollar have been translated into United States dollars using rates available on Bank of Canada and the Bank of England websites.

On June 30, 2021, the exchange rate, based on the noon buying rates, for the conversion of Canadian dollars into United States dollars (the "Noon Rate of Exchange") was approximately US$1 = CDN$1.24 and for the conversion of British pounds sterling into United States dollars was approximately US$1=£0.72.

The following table sets out the high and low exchange rates in Canadian dollar and British pounds for one United States dollar for each of the last six months of the fiscal year.

Fiscal year 2021	October	November	December	January	February	March
Canadian Dollar						
High	1.33	1.33	1.30	1.28	1.28	1.27
Low	1.31	1.30	1.27	1.26	1.25	1.24
British Pounds						
High	0.78	0.77	0.76	0.74	0.73	0.73
Low	0.76	0.75	0.73	0.73	0.71	0.72

The following table sets out the average exchange rates in Canadian dollar and British pounds for one United States dollar for the five most recent financial years.

Year ended March 31,	2021	2020	2019	2018	2017
Average for the year					
Canadian Dollar	1.32	1.33	1.31	1.28	1.31
British Pounds	0.77	0.79	0.76	0.75	0.76

(B) CAPITALIZATION AND INDEBTEDNESS

Not applicable.

(C) REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

(D) RISK FACTORS

The following is a brief discussion of those distinctive or special characteristics of the Company's operations and industry that may have a material impact on, or constitute risk factors in respect of, the Company's future financial performance.

COVID-19 Risks Related to our Business

Government efforts to control the effect and spread of the COVID-19 virus have had and will have a disruptive effect on different aspects of our business.

The jurisdictions in which we conduct our business have imposed mandates and regulations or suggested measures to counter the spread of the COVID-19 virus and control the level of the pandemic within its population and the economic activities of their respective economies. These collectively have changed over the course of the pandemic and are expected to continue to evolve in response to the changing nature of the pandemic and the population and economic response to the virus and the many different measures prompted by the pandemic. The Company has been affected in a number of ways, such as the way in which it operates is headquarters operations, it deals with its scientists and their activities, and planning for and carrying out clinical trials, all of which have experienced some short-term disruption and may suffer long-term changes in the way we will do business. Actions such as government lock downs have slowed or, in some cases, temporarily stopped research and development activities and clinical trials. Various safety protocols for personal interactions may hamper research and development activities. To date, since we are mostly focused on the activities related to research and development, we have not experienced the larger adverse economics of a slowed economy; however, we do expect that time lines for our research and development, clinical trials, regulatory approvals and bringing our products to market will cause our operational costs to be greater than anticipated in this current fiscal year and going forward. The financial effect will be that our development expenses will increase and we will have to obtain additional capital funding. Any required additional equity funding will be dilutive to the equity of our investors and debt financing will have restrictive covenants that could adversely affect our business plans and operational objectives. Any further funding that we may need may not be available or even if available it may not be on terms that are acceptable to the Company.

In addition to government efforts relating to the COVID-19 pandemic, the institutions that we work with have their own limits and procedures that will influence or limit our ability to conduct research and development and the conduct of clinical trials.

In addition to the government mandates for controlling the many different health and economic effects of the COVID-19 virus and pandemic, individual institutions with which we work, such as hospitals, laboratories and educational institutions have taken actions that will disrupt the progress of our business plans for the Company and our individual subsidiaries. For example, as hospitals cope with the need to care for COVID-19 virus patients, they have limited access or put in abeyance access for many of their other non-emergency activities such as research and continuing or commencing clinical trials. Most educational institutions and many laboratories curtailed or limited access to their facilities in the first half of the 2020 year and are still working out how they will operate going forward; we are expecting that going forward there will be strict limitations on access to these institutions and facilities for our researchers and research partners. Overall, changes in the way our development activities can be conducted will result in delays in our conducting research activities, carrying out clinical trials and making regulatory submissions. As a consequence, we anticipate our costs will increase. In some instances, we may have to shelve or even terminate activities, losing the value of a potential valuable asset, not recovering our investment, breaching our licenses and research related agreements, and suffering a diminution of corporate value and investor interest. In many respects, there is great uncertainty in the general effects resulting from the governmental and private response to the pandemic, and only the passage of time will reveal its full effects.

The Company expects that the COVID-19 pandemic will have general economic consequences that will have an effect on the Company.

The response of the governments imposing a lock down, the high unemployment, certain industries being especially hard hit and the public response as the economy opens up will undoubtedly have wide reaching effects on the economy. It is possible that the ultimate effect could be a recession or even greater economic dislocation. A reduced economy may result in a limitation on companies such as ours in raising capital when necessary, in the amounts of capital needed and available, and the terms that are offered that will be acceptable to the Company. Also, there may be a decline in the overall value of the securities market that could reduce the value of the Company or limit the ability of our investors to sell their ordinary shares. Investors should consider general economic trends and issues resulting or may result from the pandemic when they decide to transact in our securities.

Risks Related to our Business

We have a history of operating losses and may never achieve profitability in the future.

Historically, we have generated only a limited amount of business income, notwithstanding a highly valued asset distribution to our shareholders of the Company share ownership of Biohaven Pharmaceuticals Holding Company Ltd. ("Biohaven").

Our objective is to enable research and development so as to create early- to mid-stage, first- and best-in-class therapies for a variety of cancers, by providing funding, strategic business and clinical counsel, and shared services, with the goal of creating viable products that may be monetized through licensing, manufacturing and distribution or outright sale. Our principal activities are engaging in research and development to identify and validate new drug targets that could become marketed drugs in the future. For this, we will require significant financial resources without any income, and we expect to continue incurring operating losses for the foreseeable future.

Our ability to generate revenue in the future or achieve profitable operations is largely dependent upon our ability to attract and maintain experienced management and know-how to develop new drug candidates and to partner with major pharmaceutical companies to successfully commercialize any successful drug candidates. It takes many years and significant financial resources to successfully develop pre-clinical or early clinical drug candidates into marketable drugs, and we cannot assure you that we will be able to achieve these objectives. Although, we were successful in achieving significant value growth in an investment made in Biohaven, which resulted in the distribution of Biohaven shares as an asset dividend to our shareholders with a then market value of approximately $153 million in fiscal 2018, we cannot say that we will be able to achieve any similar success in our future business activities.

We are in the pharmaceutical development business and will be subject to all of the risks of a pharmaceutical development business.

Our business must be evaluated in light of the problems, delays, uncertainties and complications encountered in connection with establishing and carrying on a pharmaceutical research and development business.

There is a possibility that only a few or none of our drug candidates that are currently and may be under development in future will be found to be safe and effective, will be able to receive necessary regulatory approvals in order to commercialized, or will be commercially viable. Any failure to successfully develop and obtain regulatory approval for products would have a material adverse effect on our business, financial condition and results of operations.

Clinical trials for our potential product candidates will be expensive and will take a considerable amount of time, and the outcome of clinical trials are by their nature uncertain.

Before we can obtain regulatory approval for the commercial sale of any product candidate or attract major pharmaceutical companies to collaborate with the Company, we will be required to complete extensive clinical trials to demonstrate safety and efficacy. Clinical trials are very expensive and are difficult to design and implement. The clinical trial process also takes a long time and can often be subject to unexpected delays and unexpected results.

The timing of the commencement, continuation and completion of clinical trials may be subject to significant delays relating to various causes, including:

- our inability to manufacture or obtain sufficient quantities of materials for use in clinical trials;
- delays due to the measures for COVID-19 pandemic containment and conduct of business;
- delays arising from our collaborative partnerships;
- delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study;
- delays, suspension, or termination of the clinical trials due to the institutional review board or independent ethics board responsible for overseeing the study to protect research subjects at a particular study site;
- delays in identifying and reaching agreement on acceptable terms with prospective clinical trial sites;
- slower than expected rates of patient recruitment and enrollment;
- uncertain dosing issues;
- inability or unwillingness of medical investigators to follow our clinical protocols;
- variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria;
- scheduling conflicts with participating clinicians and clinical institutions;
- difficulty in maintaining contact with subjects after treatment, which results in incomplete data;
- unforeseen safety issues or side effects;
- lack of efficacy during the clinical trials;
- our reliance on clinical research organizations to conduct clinical trials, which may not conduct those trials with good clinical or laboratory practices; or
- other regulatory delays.

We rely on third parties to manufacture our preclinical and clinical drug supplies, and we intend to rely on third parties to produce commercial supplies of any approved product candidate.

We have limited personnel with experience in manufacturing, and we do not own facilities for manufacturing our products and product candidates for the potential pivotal clinical studies and/or commercial manufacturing of our products and product candidates. We will depend on our collaboration partners and other third parties to manufacture and provide analytical services with respect to our most advanced product candidates.

If our product candidates are approved, then in order to produce the quantities necessary to meet anticipated market demand, we and our collaboration partners will need to secure sufficient manufacturing capacity with third-party manufacturers. If we and our collaboration partners are unable to produce our product candidates in sufficient quantities to meet the requirements for the launch of the product or to meet future demand, our revenues and gross margins could be adversely affected. To be successful, our product candidates must be manufactured in commercial quantities in compliance with regulatory requirements and at acceptable costs. We and our collaboration partners will regularly need to secure access to facilities to manufacture some of our product candidates commercially. All of this will require additional funds and inspection and approval by the Competent Authorities of the Member States of the European Economic Area (EEA), the United States Food and Drug Administration (FDA) and other regulatory authorities. If we and our collaboration partners are unable to establish and maintain a manufacturing capacity within our planned time and cost parameters, the development and sales of our products and product candidates as well as our business, results of operations and prospects, and the value of our shares could be adversely affected.

We and our collaboration partners may encounter problems with aspects of manufacturing our collaboration products and product candidates, including the following:

- production yields;
- quality control and assurance;
- shortages of qualified personnel;
- compliance with FDA and EEA regulations;
- production costs; and
- development of advanced manufacturing techniques and process controls.

We evaluate our options for clinical study supplies and commercial production of our product candidates on a regular basis, which may include use of third-party manufacturers, or entering into a manufacturing joint venture relationship with a third party. We are aware of only a limited number of companies on a worldwide basis that operate manufacturing facilities in which our product candidates can be manufactured under cGMP regulations, a requirement for all pharmaceutical products. We cannot be certain that we and our collaboration partners will be able to contract with any of these companies on acceptable terms, if at all, all of which could harm our business, results of operations and prospects, and the value of our shares.

In addition, we and our collaboration partners, as well as any third-party manufacturer, will be required to register such manufacturing facilities with the FDA (and have a U.S. agent for the facility, if outside the United States), the Competent Authorities of the Member States of the EEA, and other regulatory authorities. The facilities will be subject to inspections confirming compliance with the FDA, the Competent Authorities of the Member States of the EEAs, or other regulatory authority cGMPs requirements. We do not control the manufacturing process of our product candidates, and, other than with respect to our collaboration product candidates, we are dependent on our contract manufacturing partners for compliance with cGMP's regulations for manufacture of both active drug substances and finished drug products. If we or our collaboration partners or any third-party manufacturer fails to maintain regulatory compliance, our business, financial condition and results of operations may be harmed, and the FDA, the Competent Authorities of the Member States of the EEA, or other regulatory authorities can impose regulatory sanctions that range from a warning letter to withdrawal of approval to seeking product seizures, injunctions and, where appropriate, criminal prosecution

The results of pre-clinical studies and initial clinical trials may not be predictive of future results, and our potential product candidates may not have favorable results in later trials or in the commercial setting.

Pre-clinical tests and Phase 1 and Phase 2 clinical trials are primarily designed to test safety, to study pharmacokinetics and pharmacodynamics and to understand the side effects of product candidates and explore efficacy at various doses and schedules. Success in pre-clinical or animal studies and early clinical trials does not ensure that later large-scale efficacy trials will be successful, nor does it predict final results; favorable results in early trials may not be repeated in later trials.

A number of companies in the life sciences industry have suffered significant setbacks in advanced clinical trials, even after positive results in earlier trials. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Negative or inconclusive results or adverse medical events during a clinical trial could cause a clinical trial to be delayed, repeated or terminated. In addition, failure to construct appropriate clinical trial protocols could result in the test or control group experiencing a disproportionate number of adverse events and could cause a clinical trial to be repeated or terminated.

There is typically an extremely high rate of attrition from the failure of product candidates proceeding through clinical and post-approval trials.

Our success will be dependent upon our corporate collaborations with third parties in connection with services we will need for the development, marketing and commercialization of our products.

The success of our business will be largely dependent on our ability to enter into corporate collaborations regarding the development, clinical testing, regulatory approval and commercialization of our potential product candidates. We may not be able to find collaborative partners to support the future development, marketing and commercialization of our products, which may require us to undertake research and development and/or commercialization activities ourselves, and may result in a material adverse effect on our business, financial condition, prospects and results of operations.

Even if we are able to find new collaborative partners, our success is highly dependent upon the performance of these new corporate collaborators. The amount and timing of resources to be devoted to activities by future corporate collaborators, if any, are not within our direct control and, as a result, we cannot assure you that any future corporate collaborators will commit sufficient resources to our research and development projects or the commercialization of our potential product candidates. Any future corporate collaborators might not perform its obligations as expected and might pursue existing or other development-stage products or alternative technologies in preference to those being developed in collaboration with us, or may terminate particular development programs, or the agreement governing such development programs.

In addition, if any future collaborators fail to comply with applicable regulatory requirements, the FDA, the European Medicines Agency ("EMA"), the Therapeutic Products Directorate of Canada ("TPD") or other authorities could take enforcement action that could jeopardize our ability to develop and commercialize our potential product candidates. Despite our best efforts to limit them, disputes may arise with respect to ownership of technology developed under any such corporate collaboration.

We will rely on proprietary technology, the protection of which can be unpredictable and costly.

Our success will depend in part upon our ability to obtain patent protection or patent licenses for our future technology and products. Obtaining patent protection or patent licenses can be costly and the outcome of any application for patent protection and patent licenses can be unpredictable. In addition, any breach of confidentiality by a third party by premature disclosure may preclude us from obtaining appropriate patent protection, thereby affecting the development and commercial value of our technology and products.

Some of our future products may rely on licenses of proprietary technology owned by third parties and we may not be able to maintain these licenses on favorable terms.

The manufacture and sale of some of the products we hope to develop may involve the use of processes, products, or information, the rights to which are owned by third parties. Such licenses frequently provide for limited periods of exclusivity that may be extended only with the consent of the licensor. If licenses or other rights related to the use of such processes, products or information are crucial for marketing purposes, and we are not able to obtain them on favorable terms, or at all, the commercial value of our products will be significantly impaired. If we experience delays in developing our products and extensions are not granted on any or all of such licenses, our ability to realize the benefits of our efforts may be limited.

We may have additional future capital needs and there are uncertainties as to our ability to raise additional funding.

We believe that our current cash resources are adequate to cover our operational costs and the needs of our subsidiaries to progress towards clinical trials. Additional capital would be needed to test product candidate in human trials, obtain regulatory approvals and ultimately to commercialize such product candidates.

In addition, our future cash requirements may vary materially from those now expected. For example, our future capital requirements may increase if:

- we experience scientific progress sooner than expected in our future discovery, research and development projects, if we expand the magnitude and scope of these activities, or if we modify our focus as a result of our discoveries;
- we experience setbacks in our progress with pre-clinical studies and clinical trials are delayed;
- we experience delays or unexpected increased costs in connection with obtaining regulatory approvals;
- we are required to perform additional pre-clinical studies and clinical trials;
- we experience unexpected or increased costs relating to preparing, filing, prosecuting, maintaining, defending and enforcing patent claims; or
- we elect to develop, acquire or license new technologies and products.

If sufficient capital is not available, we may be required to delay, reduce the scope of, eliminate or divest of one or more of our research or development projects, any of which could have a material adverse effect on our business, financial condition, prospects or results of operations.

However, one of our subsidiaries, iOx Therapeutics Ltd, which is shortly going to start clinical stage trials, has an agreement with University of Oxford under which some clinical trial costs are to be undertaken by the University of Oxford. This will reduce our immediate cash requirements. iOx Therapeutics is also party to a Horizon 2020 grant consortium in which the EU partially funds the development work including human testing of a second product. The Company will need a license and additional funding if it wishes to pursue this product further.

We will be subject to risks associated with doing business globally.

As a pharmaceutical research and development company, our operations are likely to expand in the European Union and many other developed countries worldwide, we will be subject to political, economic, operational, legal, regulatory and other risks that are inherent in conducting business globally. These risks include foreign exchange fluctuations, exchange controls, capital controls, new laws or regulations or changes in the interpretation or enforcement of existing laws or regulations, political instability, macroeconomic changes, including recessions and inflationary or deflationary pressures, increases in prevailing interest rates by central banks or financial services companies, economic uncertainty, which may adversely affect our research and development, reduce the demand for our potential products and reduce the prices that our potential customers will be willing to pay for our products, import or export restrictions, tariff increases, price controls, nationalization and expropriation, changes in taxation, diminished or insufficient protection of intellectual property, lack of access to impartial court systems, violations of law, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, disruption or destruction of operations or changes to the Company's business position, regardless of cause, including pandemic, war, terrorism, riot, civil insurrection, social unrest, strikes and natural or man-made disasters, including famine, flood, fire, earthquake, storm or disease. The impact of any of these developments or events, either individually or cumulatively, could have a material adverse effect on our business, financial condition and results of operations.

We may face exposure to adverse movements in foreign currency exchange rates while completing international clinical trials and when our products will be commercialized.

We intend to generate revenue and expenses internationally that are likely to be primarily denominated in U.S., Euros and U.K. pounds sterling. Our intended international business will be subject to risks typical of an international business including, but not limited to, differing tax structures, a myriad of regulations and restrictions, and general foreign exchange rate volatility. A decrease in the value of such foreign currencies relative to the United States dollar could result in losses in revenues from currency exchange rate fluctuations. Conversely, an increase in the value of such foreign currencies relative to the United States dollar could negatively impact our operating expenses. To date, we have not hedged against risks associated with foreign exchange rate exposure. We cannot be sure that any hedging techniques we may implement in the future will be successful or that our business, results of operations, financial condition and cash flows will not be materially adversely affected by exchange rate fluctuations.

The loss of key personnel could have an adverse effect on our business

We are highly dependent upon the efforts of our senior management. The loss of the services of one or more members of senior management and directors could have a material adverse effect on us as a small company with a streamlined management structure, the departure of any key person could have a significant impact and would be potentially disruptive to our business until such time as a suitable replacement is hired. We do not carry any key person insurance on our senior management.

The UK's planned withdrawal from the EU, commonly referred to as Brexit, may have a negative effect on global economic conditions, financial markets and our business.

Brexit has created significant uncertainty concerning the future relationship between the UK and the EU. From a regulatory perspective, there is uncertainty about which laws and regulations will apply. A significant portion of the regulatory framework in the UK is derived from EU laws. However, it is unclear which EU laws the UK will decide to replace or replicate in connection with its withdrawal from the EU. In particular, the regulatory regime applicable to our operations, including with respect to the approval of our product candidates, may change, potentially significantly, and the impact on the process for obtaining or maintaining marketing authorization for pharmaceutical products manufactured or sold in the UK is otherwise unknown.

A basic requirement related to the grant of a marketing authorization for a medicinal product in the EU is the requirement that the applicant be established in the EU. Following withdrawal of the UK from the EU, marketing authorizations previously granted to applicants established in the UK through the centralized, mutual recognition or decentralized procedures may no longer be valid. Moreover, there is a risk that the scope of a marketing authorization for a medicinal product granted by the EC pursuant to the centralized procedure, or by the competent authorities of other EU member states through the decentralized or mutual recognition procedures, would not encompass the UK. In that circumstance, a separate authorization granted by the UK competent authorities would be required to place medicinal products on the UK market.

In addition, the laws and regulations that will apply after the UK withdrawal from the EU may have implications for manufacturing sites that hold certifications issued by the UK competent authorities. Our ability to rely on these manufacturing sites for products intended for the EU market will depend on the post-withdrawal terms of the authorizing bodies and, potentially, on the ability to obtain relevant exemptions under EU law to supply the EU market with products manufactured at UK certified sites. There is also the risk that if batch release and quality control testing sites for our products are located only in the UK, manufacturers will need to use sites in other EU member states. All of these changes, if they occur, could increase our costs and otherwise adversely affect our business.

Brexit has also given rise to calls for the governments of other EU member states to consider withdrawal from the EU. These developments, or the perception that they could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, including by significantly reducing global market liquidity or restricting the ability of key market participants to operate in certain financial markets. In addition, currency exchange rates for the British pound and the Euro with respect to each other and to the U.S. dollar have already been negatively affected by Brexit. Should this foreign exchange volatility continue or be exacerbated by UK's withdrawal from the EU, it could cause volatility in our quarterly financial results.

We have an office in Oxford, England which is focused on developing our products outside of the U.S. We do not know to what extent, or when, the UK's withdrawal from the EU or any other future changes to membership in the EU will impact our business, particularly our ability to conduct international business from a base of operations in the UK. The UK could lose the benefits of global trade agreements negotiated by the EU on behalf of its members, possibly resulting in increased trade barriers, which could make doing business in Europe more difficult and/or costly. Moreover, in the U.S., tariffs on certain U.S. imports have recently been imposed, and the EU and other countries have responded with retaliatory tariffs on certain U.S. exports. We cannot predict what effects these and potential additional tariffs will have on our business, including in the context of escalating global trade and political tensions. However, these tariffs and other trade restrictions, whether resulting from the UK's withdrawal from the EU or otherwise, could increase our cost of doing business, reduce our gross margins or otherwise negatively impact our financial results.

Risks Related to Ownership of our Shares

The issuance of Ordinary Shares upon the exercise of our outstanding options will dilute the ownership interest of existing shareholders and increase the number of shares eligible for future resale.

On January 13, 2021, the Company approved the Portage Biotech Inc. 2021 Equity Incentive Plan, which amended and restated the Portage Biotech Inc. 2020 Stock Option Plan, which was approved on June 25, 2020, at the annual meeting of shareholders, which authorized the directors to fix the option exercise price and to issue stock options under the plan as they see fit (the "2021 Equity Incentive Plan"). The Company's 2021 Equity Incentive Plan is a 10% rolling stock option plan under which the directors are authorized to grant up to a maximum of 10% of the issued and outstanding ordinary shares on the date of grant. The purpose of the 2021 Equity Incentive Plan is to promote the profitability and growth of the Company by increasing the ability of the Corporation and its subsidiaries to attract and retain directors, officers and employees of the Company and its subsidiaries and to consultants and management company employees ("Participants") of exceptional skill. The 2021 Equity Incentive Plan provides an incentive for Participants to contribute to the future success and prosperity of the Corporation and provides an opportunity for ownership of the Ordinary Shares by Participants so that they may increase their stake in the Company and benefit from appreciation in the value of the Ordinary Shares. On January 13, 2021, the Company granted in total 868,000 stock options to purchase ordinary shares to four members of our Board of Directors and four executives, including our CEO who also is a member of our Board of Directors. The stock options have an exercise price of US$17.75 per share and vest over various terms. The Company also granted 243,000 restricted stock units on January 13, 2021 to two executives, one of whom is our CEO with a fair value of US$17.75 per share, which was the closing price of the stock on the day immediately preceding the grant date. The restricted stock units vested on the date of grant but underlying shares cannot be sold until one of four conditions are met.

The exercise of some or all of these outstanding options could significantly dilute the ownership interests of existing shareholders and affect the market price of an ordinary share in the public market. The Company may grant more options and warrants to acquire ordinary shares in future as part of compensating its management and other consultants, with the same effect as our outstanding options might have.

Our principal shareholders and senior management own a significant percentage of our shares and are able to exert significant control over matters subject to shareholder approval.

As of June 30, 2021, our senior management, board members, holders of 5% or more of our share capital and their respective affiliates beneficially own approximately 62.0% of our outstanding voting securities. As a result, these security holders have the ability either alone or voting together as a group to determine and/or significantly influence the outcome of matters submitted to our shareholders for approval, including the election and removal of board members, payment of dividends, amendments to our articles of association, including changes to our share capital or any mergers, demergers, liquidations and similar transactions. This may prevent or discourage unsolicited acquisition proposals or offers for our ordinary shares that our shareholders may feel are in their best interest as a shareholder. In addition, this group of shareholders generally has the ability to control our management and business affairs and direction of the Company. Such control and concentration of ownership may affect the market price of our shares and may discourage certain types of transactions, including those involving actual or potential change of control of us (whether through merger, consolidation, take-over or other business combination), which might otherwise have a positive effect on the market price of the shares.

We are a foreign private issuer, which may limit information about the Company and legal rights that you as an investor may desire and are different from those of a United States domestic reporting company.

We are a "foreign private issuer," as such term is defined in Rule 405 under the U.S. Securities Act 1933, and, therefore, we are not required to file quarterly reports on Form 10-Q or current reports on Form 8-K with the United States Securities and Exchange Commission ("SEC"). In addition, the proxy rules and Section 16 reporting and short-swing profit recapture rules are not applicable to us. If we lose our status as a foreign private issuer by our election or otherwise and we become subject to the full reporting regime of the United States securities laws, we will be subject to additional reporting obligations and proxy solicitation obligations under the Exchange Act and our officers, directors and 10% shareholders would become subject to the short-swing profit rules. The imposition of these reporting rules would increase our costs and the obligations of those affected by the short-swing rules.

Complex United States taxation rules apply to holders of our ordinary shares if we have too much passive income compared to ordinary income and we are considered a PFIC.

Generally, if, for any taxable year, at least 75% of our gross income is passive income or at least 50% of the value of our assets is attributable to assets that produce passive income or are held for the production of passive income, including cash, we will be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes. For purposes of these tests, passive income includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than certain rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. We believe that we were a PFIC for our fiscal year ended March 31, 2018. In addition, we may have been a PFIC in prior years and may be a PFIC in the future. However, we do not believe we will be classified as PFIC for the fiscal year ended March 31, 2021 as a result of the acquisition of several immune-oncology related businesses as explained elsewhere in this report.

If we are classified as a PFIC, our U.S. tax-resident shareholders could be liable for additional taxes and interest charges upon certain distributions by us and any gain recognized on a sale, exchange or other disposition, including a pledge, of our ordinary shares (and such gain would generally be treated as ordinary income, rather than capital gain, for U.S. federal income tax purposes), whether or not we continue to be a PFIC. In addition, U.S. tax residents who own an interest in a PFIC are required to comply with certain reporting requirements.

A U.S. tax-resident shareholder may in certain circumstances be able to mitigate some of the adverse U.S. federal income tax consequences of us being classified as a PFIC if our ordinary shares qualify as "marketable stock" under the PFIC rules and the shareholder is eligible to make, and successfully makes, a "mark-to-market" election. A U.S. tax-resident shareholder could also mitigate some of the adverse U.S. federal income tax consequences by making a "qualified electing fund," or QEF, election, provided that we provide the information necessary for our U.S. tax-resident shareholders to make such an election, but we are not required to make this information available. However, we made the information available for the fiscal years 2018 and 2019 to those shareholders who requested it, but we have not yet determined whether we can or will do so for our fiscal years ending March 31, 2020 and 2021 or for any other fiscal year.

U.S. tax-resident shareholders are strongly urged to consult their tax advisors about the PFIC rules, including tax return filing requirements and the eligibility, manner, and consequences to them of making a QEF or mark-to-market election with respect to our ordinary shares if we should be classified as a PFIC.

U.S. shareholders may not be able to enforce civil liabilities against us.

We are a company incorporated under the laws of the British Virgin Islands. Many of our directors and executive officers are non-residents of the United States. Because a substantial portion of their assets and currently most of our assets are located outside the United States, it may be difficult for investors to effect service of process within the United States upon us or those persons.

Our corporate affairs will be governed by our Memorandum and Articles of Association, the BVI Business Companies Act 2004 (as amended) (the "**BVI Act**"), and the common law of the British Virgin Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under British Virgin Islands law are to a large extent governed by the **BVI Act** and common law of the British Virgin Islands. The common law of the British Virgin Islands is derived in part from comparatively limited judicial precedent in the British Virgin Islands and from English common law, the decisions of whose courts are considered persuasive authority but are not binding on a court in the British Virgin Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under British Virgin Islands law may not be as clearly established as they would be under statutes or judicial precedent in jurisdictions in the United States or Canada. In particular, the British Virgin Islands has a less developed body of securities laws as compared to the United States, and some states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law. In addition, British Virgin Islands companies may or may not have standing to initiate a shareholder derivative action in a federal court of the United States.

The British Virgin Islands courts are also unlikely:

- to recognize or enforce against us judgments of U.S. courts based on certain civil liability provisions of U.S. securities laws; and
- to impose liabilities against us, in original actions brought in the British Virgin Islands, based on certain civil liability provisions of U.S. securities laws that are penal in nature.

There is no statutory recognition in the British Virgin Islands of judgments obtained in the United States.

We have been advised by counsel as to British Virgin Islands law, that (i) they are unaware of any proceedings that have been brought in the British Virgin Islands to enforce judgments of the U.S. courts or to impose liabilities based on the civil liability provisions of the U.S. federal or state securities laws; (ii) a final and conclusive judgment in the federal or state courts of the United States under which a sum of money is payable, other than a sum payable in respect of taxes, fines, penalties or similar charges, may be subject to enforcement proceedings as a debt in the courts of the British Virgin Islands under the common law doctrine of obligation; and (iii) because it is uncertain whether a British Virgin Islands court would determine that a judgment of a U.S. court based on the civil liability provisions of the U.S. federal or state securities laws is in the nature of a penalty, it is uncertain whether such a liability judgment would be enforceable in the British Virgin Islands.

ITEM 4 – INFORMATION ON THE COMPANY

(A) HISTORY AND DEVELOPMENT OF THE COMPANY

The Company was originally incorporated in Ontario, Canada in 1973. It was inactive until 1985. Between 1986 and 2009, it was engaged in variety of businesses including development of a new technology for the marine propulsion business, distribution and manufacture of a snack food, emerging technology-based businesses and natural resources involving diamond mining and oil & gas exploration. In 2010, the Company acquired an indirect interest in two drilling licenses in Israel, which were subsequently disposed of in June 2012. During the period 1986 to 2012, the Company went through several name changes ending with Bontan Corporation Inc. (“Bontan”).

In December 2012, the Company decided to change the focus of its business activities from oil and gas to biotechnology mainly due to the increasing difficulty of getting access to viable oil & gas projects and also due to the potentially more profitable business opportunities which existed in the biotechnology sector. On March 21, 2013, the Company signed a letter of intent with Portage Pharma Ltd, a biotech private limited company formed under the laws of the British Virgin Islands, to acquire Portage Pharma Ltd. through an exchange of shares. The transaction was completed on June 4, 2013.

On July 5, 2013, the Company changed its name to Portage Biotech Inc. and moved its jurisdiction to the British Virgin Islands under a certificate of continuance issued by the Registrar of Corporate Affairs of BVI.

The Company now continues as a BVI incorporated company with its registered office located at FH Chambers, P.O. Box 4649, Road Town, Tortola, BVI. Its USA agent, Portage Development Services, is located at 61 Wilton Road, Westport, CT 06880.

The Company is a reporting issuer with the United States Securities and Exchange Commission. From October 28, 2013 until April 23, 2021, the Company's ordinary shares were also listed for trading in United States currency on the Canadian Securities Exchange (“CSE”) (formerly, Canadian National Stock Exchange) under the symbol "PBT.U". On February 25, 2021, the ordinary shares of the Company began trading on the Nasdaq Capital Market (“NASDAQ”) under the symbol “PRTG”. The Company voluntarily delisted its common shares from the CSE at the market close on April 23, 2021, since the Company’s shares began trading on NASDAQ.

During August 2018, the Company reached a definitive agreement to acquire 100% of SalvaRx Limited in exchange for 805,070,067 common shares of the Company. The selling shareholders were SalvaRx Group plc (94.2%), James Mellon (2.9%) and Gregory Bailey (2.9%), the latter two persons being directors of the Company. The acquisition of SalvaRx is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). As a consequence, MI 61-101 required us to seek the approval of a majority of the disinterested shareholders to make this acquisition. On January 8, 2019, the majority of our minority shareholders approved the SalvaRx acquisition on the terms as set out in the signed definitive agreement. At the same time, the SalvaRx Group plc shareholders approved the definitive agreement, all required regulatory approvals were also obtained. The SalvaRx acquisition was completed on January 8, 2019, and the Company acquired 100% of the equity of SalvaRx Limited, which has full and partial ownership of six immune-oncology companies that are developing nine products.

On June 5, 2020, the Company completed a reverse-split of its ordinary shares at the rate of 100 old shares for one new share. The consolidation of shares proposal was approved by our shareholders at the annual general and special meeting of shareholders of the Company held on January 8, 2020 in which the proposal to the Board of Directors was authorized, in its sole discretion and by means of a resolution, to proceed with the proposed consolidation of the ordinary shares by a ratio of up to 120-for-1 basis, without further approval of shareholders. The then issued and outstanding 1,098,770,697 ordinary shares were exchanged for 10,987,707 ordinary shares.

On June 16, 2020, the Company closed a non-brokered private placement (the "Offering") for gross proceeds of US$6.98 million through the issuance of 698,145 ordinary shares (the "Ordinary Shares") at a price of US$10.00 per Ordinary Share. The proceeds from the offering will accelerate our product pipeline development/execution while enabling new opportunistic value creation.

Portage filed a registration statement and prospectus with the Securities and Exchange Commission (“SEC”) under which it may sell ordinary shares, debt securities, warrants and units in one or more offerings from time to time, which became effective on March 8, 2021 (“Registration Statement” or “Prospectus”). The Registration Statement includes:

- a base prospectus, which covers the offering, issuance and sales by us of up to $200,000,000 in the aggregate of the securities identified above from time to time in one or more offerings; and
- a sales agreement prospectus covering the offer, issuance and sale by us in an “at the market” offering of up to a maximum aggregate offering price of $50,000,000 of our ordinary shares that may be issued and sold from time to time under sales agreement, or sales agreement, with Cantor Fitzgerald & Co., or Cantor Fitzgerald, the sales agent.

The specific terms of any securities to be offered pursuant to the base prospectus are specified in the sales agreement prospectus. The $50,000,000 of ordinary shares that may be offered, issued and sold under the sales agreement prospectus is included in the $200,000,000 of securities that may be offered, issued and sold by us under the base prospectus. The sales under the prospectus will be deemed to be made pursuant to an “at the market offering” as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933 (the Securities Act). Upon termination of the sales agreement, any portion of the $50,000,000 included in the sales agreement prospectus that is not sold pursuant to the sales agreement will be available for sale in other offerings pursuant to the base prospectus, and if no shares are sold under the sales agreement, the full $50,000,000 of securities may be sold in other offerings pursuant to the base prospectus. The offering was declared effective by the SEC on March 8, 2021.

In April 2021, the Company commenced its “at the market” offering and through June 7, 2021, it had sold 90,888 ordinary shares, generating net proceeds of approximately $2.6 million, net of 3% commissions. The Company will use any proceeds raised in the “at the market” offering to fund its research and development activities and support operations. Upon termination of the sales agreement, any portion of the $50,000,000 included in the sales agreement prospectus that is not sold pursuant to the sales agreement will be available for sale in other offerings pursuant to the base prospectus.

On June 24, 2021, the Company completed a firm commitment underwritten public offering of 1,150,000 ordinary shares at a price of $23.00 per share. This offering was pursuant to the shelf Registration Statement and was a portion of the total $200,000,000 of securities registered. The Company incurred offering expenses of approximately $1.5 million, including approximately $1.4 million of management, underwriting and selling expenses. The Company will use any proceeds raised to fund its research and development activities and support operations.

See Note 16, “Capital Stock” and Note 25, “Events After the Balance Sheet Date” for a further discussion.

(B) BUSINESS OVERVIEW

Overview

Portage is a clinical stage immune-oncology company focused on overcoming immune resistance. It currently manages 10 immuno-oncology assets at various development stages. We source, nurture and develop the creation of early- to mid-stage, first- and best-in-class therapies for a variety of cancers, by funding, implementing viable, cost effective product development strategies, clinical counsel/trial design, shared services, financial and project management to enable efficient, turnkey execution of commercially informed development plans. Our drug development pipeline portfolio encompasses products or technologies based on biology addressing known resistance pathways/mechanisms of current check point inhibitors with established scientific rationales, including intratumoral delivery, nanoparticles, liposomes, aptamers, and virus-like particles.

The Portage Approach

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs focused on overcoming immune resistance. Given these foundations, we manage capital allocation and risk as much as we oversee drug development. By focusing our efforts on translational medicine and pipeline diversification, we seek to mitigate overall exposure to many of the inherent risks of drug development. Our approach is guided by the following core elements:

- Portfolio diversification to mitigate risk and maximize optionality;
- Capital allocation based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results;
- Virtual infrastructure and key external relationships to maintain a lean operating base;
- Internal development capabilities complemented by external business development;
- Rigorous asset selection with disciplined ongoing evaluation; and
- Focus on translational medicine and therapeutic candidates with in vivo single agent activity.

We believe that our corporate structure results in enhanced operational efficiency and maintains an optimal cost structure by centralizing strategic/tactical support, shared services, including all research and development operations, capital allocation/ contribution, human resources, administrative services, and business development, as well as other services to each of our immuno-oncology platforms and assets currently in various development stages. Our execution is achieved, in part, through our internal core team and utilizing our large network of experts, contract labs, and academic partners.

Our Science Strategy

Our goal is to develop immuno-oncology therapeutics that will dramatically improve the standard-of-care for patients with cancer. The key elements of our scientific strategy are to:

- Build a pipeline of differentiated oncology therapeutic candidates that are diversified by mechanism, therapeutic approach, modality, stage of development, leading to a variety of deal types that can be executed with partners;
- Expand our pipeline through research collaborations, business development, and internally designed programs;
- Continue to advance and evolve our pipeline with a goal of advancing one therapeutic candidate into the clinic and one program into IND-enabling studies each year; and
- Evaluate strategic opportunities to accelerate development timelines and maximize the value of our portfolio.

Our Pipeline

We have built a pipeline of targeted oncology and immuno-oncology therapeutic candidates and programs that are diversified by mechanism, therapeutic approach, modality, and stage of development. On an ongoing basis, we rigorously assess each of our programs using internally defined success criteria to justify continued investment and determine proper capital allocation. When certain programs do not meet our de-risking criteria for advancement, we look to monetize or terminate those programs and preserve our capital and resources to invest in programs with greater potential. As a result, our pipeline will continue to be dynamic.

The chart below sets forth only as of July 1, 2021, the current state of our immuno-oncology therapeutic candidates and programs. The chart contains forward looking information and projections based on management's current estimates. The chart information is based on and subject to many assumptions, as determined by management and not verified by any independent third party, which may change or may not occur as modeled. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Before you make an investment decision regarding the company, you should make your own analysis of forward-looking statements and our projections about candidate and program development and results.

Our Programs and Technology

Invariant Natural Killer T-cells (iNKT cells) Platform

iNKT cells play an important role in anti-tumour immune responses and are a distinct class of T lymphocyte displaying a limited diversity of T-cell receptors. They recognize lipid antigens on the surface of tumour cells and produce large amounts of cytokines within hours of stimulation without the need for clonal expansion. Furthermore, iNKT cells activate multiple immune system components, including dendritic cells, T-cells and B-cells and stimulate an antigen-specific expansion of these cells. An operating subsidiary holds an exclusive license (with the right to sub-license) from the Ludwig Institute to use, research, develop and commercialize iNKT cell agonists, for the treatment of various forms of human disease, including cancer, under the Ludwig Institute's intellectual property and know-how.

PORT 2 (IMM60)

PORT-2 is an iNKT cell activator/agonist formulated in a liposome with a 6-member carbon head structure that has been shown to activate both human and murine iNKT cells, resulting in dendritic cell (DC) maturation and the priming of Ag-specific T and B cells. PORT-2 is ready to commence in a Phase 1/2 dose escalation and expansion trial in approximately 100 participants with melanoma or non-small cell lung carcinoma (NSCLC) in order to evaluate the safety and efficacy after receiving regulatory approval from the Medicines and Healthcare products Regulatory Agency in the United Kingdom and Research Ethics Board at Oxford University. When COVID restrictions ease in the United Kingdom, the company expects the first patient to be treated soon thereafter.

In animal models, PORT-2 enhanced the frequency of tumour specific immune responses (Jukes 2016). iNKT cells are unique lymphocytes defined by their co-expression of surface markers associated with NK cells along with a T-cell antigen receptor (Schmieg 2005). They recognise amphipathic ligands such as glycolipids or phospholipids presented in the context of the non-polymorphic, MHC class I-like molecule CD1d. Activated iNKT cells rapidly produce IFN-gamma and IL-4 and induce dendritic cell (DC) maturation and IL-12 production (Cerundolo 2009, Salio 2009, Speak 2008, Fujii 2013).

PORT 3 (IMM65)

PORT-3 is a PLGA-nanoparticle formulation of IMM60 combined with a NY-ESO-1 peptide vaccine which is about to begin enrolling in an open-label, dose-escalation and expansion study of its iNKT agonist after receiving regulatory and institution ethics approval. The combination product has the ability to prime and boost an anti-tumor immune response.

Biodegradable PLGA-nanoparticles function as a delivery platform for immunomodulators and tumor antigens to induce a specific anti-tumor immune response. PLGA has minimal (systemic) toxicity and is used in various drug-carrying platforms as an encapsulating agent. Furthermore, co-formulating an iNKT inhibitor with a peptide vaccine in a particle has shown to be approximately 5 times more potent in killing cancer cells and generating an antigen specific CD8 T-cell response than giving the 2 agents individually (ref Dolen et al Oncoimmunology paper).

NY-ESO-1 is a cancer-testis antigen expressed during embryogenesis and in the testis, an immune privileged site. Furthermore, NY-ESO-1 expression is observed in several advanced cancers: lung (2-32%), melanoma (40%), bladder (32-35%), prostate (38%), ovarian (30%), esophageal (24-33%), and gastric cancers (8-12%). Clinical trials have shown the safety and tolerability of Good Manufacturing Practices (GMP)-grade NY-ESO-1 peptides in patients with cancer.

Amphiphilic platform

DfuseRx SM, identifies combinations of anti cancer agents with amphiphilic diffuse enhancers that can passively enter into cancer cells. These novel formulations with unique IP can be directly injected into any solid tumours, and the payloads will diffuse across the membrane and disperse throughout the tumor, while sparing healthy cells. Once inside the cells, the technology is diluted away and the payloads are stuck inside the cell. The payloads are able to disperse to areas of the tumor that do not have blood supply and hence oral or IV drugs will not reach.

PORT 1 (INT230-6)

PORT-1 is a fixed dose formulation of cisplatin, vinblastine and a penetration enhancer being developed by our affiliate, Intensity Therapeutics, Inc. In Animal models, the drug is able to cure the majority of the animals, by a combination of direct killing of the cancer, and also a CD4 and CD8 T-cell response (Bloom et al). The specific rapid local killing in the normal 3-dimensional environment inside the body we believe is critical for robust antigen presentation and immune activation. Animal studies also showed synergy when combined with checkpoint inhibition (Bender et al, Bloom et al). The product has been dosed into 80 subjects in a Phase 1/2 trial. This has shown proof of concept that the vast majority of the drug stays in the tumor, and a dose equivalent to 3x the approved dose of the cytotoxic agent was very well tolerated without the typical chemo side effects. The most common adverse event related to the treatment was pain at the injection site. As a result, PORT-1 has launched 9 phase 2 studies including 7 clinical collaborations with the two largest immuno-oncology drug manufacturers, BMS and Merck in combination with their respective checkpoints in high unmet need medical types (pancreatic, gall bladder, sarcoma, non-microsatellite unstable colorectal, etc.). Intensity has also launched a randomized Phase 2 study of INT230-6 vs no treatment in early stage breast cancer (the INVINCIBLE Trial). In many of these tumor types, the checkpoint drug alone has no activity. As a result of exciting preliminary data (ref ASCO 2020, SITC 2020), we have secured fast track regulatory status from the FDA for triple negative breast cancer.

PORT 4, Nanolipogel (NLG) co-formulation Platform

Scientists are interested in novel ways to deliver multiple signals to the immune system in order to better activate an anti-tumor response. We have been impressed with a platform from Yale University that allows different types of agents to be packaged together and will concentrate them in tumors. We have licensed the platform for delivery of DNA aptamers and certain aptamer-small molecule-based combination products. In order to have multiple proprietary agents with known mechanisms of action, W have licensed rights to create DNA aptamers from D5 pharma. The first one developed is a proprietary PD1 aptamer which has been placed in the NLG formulation. Early testing has shown the formulation properly modulates PD1 signaling in vitro similar to a PD1 antibody I. In non-clinical, in vivo experiments, the NLG-PD1 performed favorably compared to a mouse PD1 antibody. The additional funding will support exploration of multiple PD1 based co-formulations with small molecules and other DNA aptamers. We hope to name its first clinical candidate in 2021.

PORT-5, STING Agonist Platform

Proprietary immune priming and boosting technology (using a STING agonist delivered in a virus-like particle) have shown proof of concept in animal models and are beginning to progress the lead asset towards the clinic. This platform offers multiple ways to target immune stimulation towards the cancer, as well as to co-deliver multiple signals in a single product. Our researchers have developed a way to administer the product systemically and does not require direct tumor injections. This technology preferentially targets dendritic cells, which is differentiated from other chemical STING approaches. The company is progressing this project towards clinical trials as well as developing next generation compounds. Given that this is a simple way to boost the immune response to any target, we are also pursuing a project to boost immune response to COVID and other pathogens.

Other Early-Stage R&D

We continue to evaluate and test new antibody targets. Our interest here lies in the suppressive tumor micro-environment, and how we can down regulate or remove MDSC, TAMs, Tregs and other signals that impede the immune response from clearing cancer cells. One new effort that we have initiated is collaborations with two leading artificial intelligence/machine learning companies in order to screen for agents with specific attributes in this area. This may allow us a fast track an asset to the clinic with a re-purposed product.

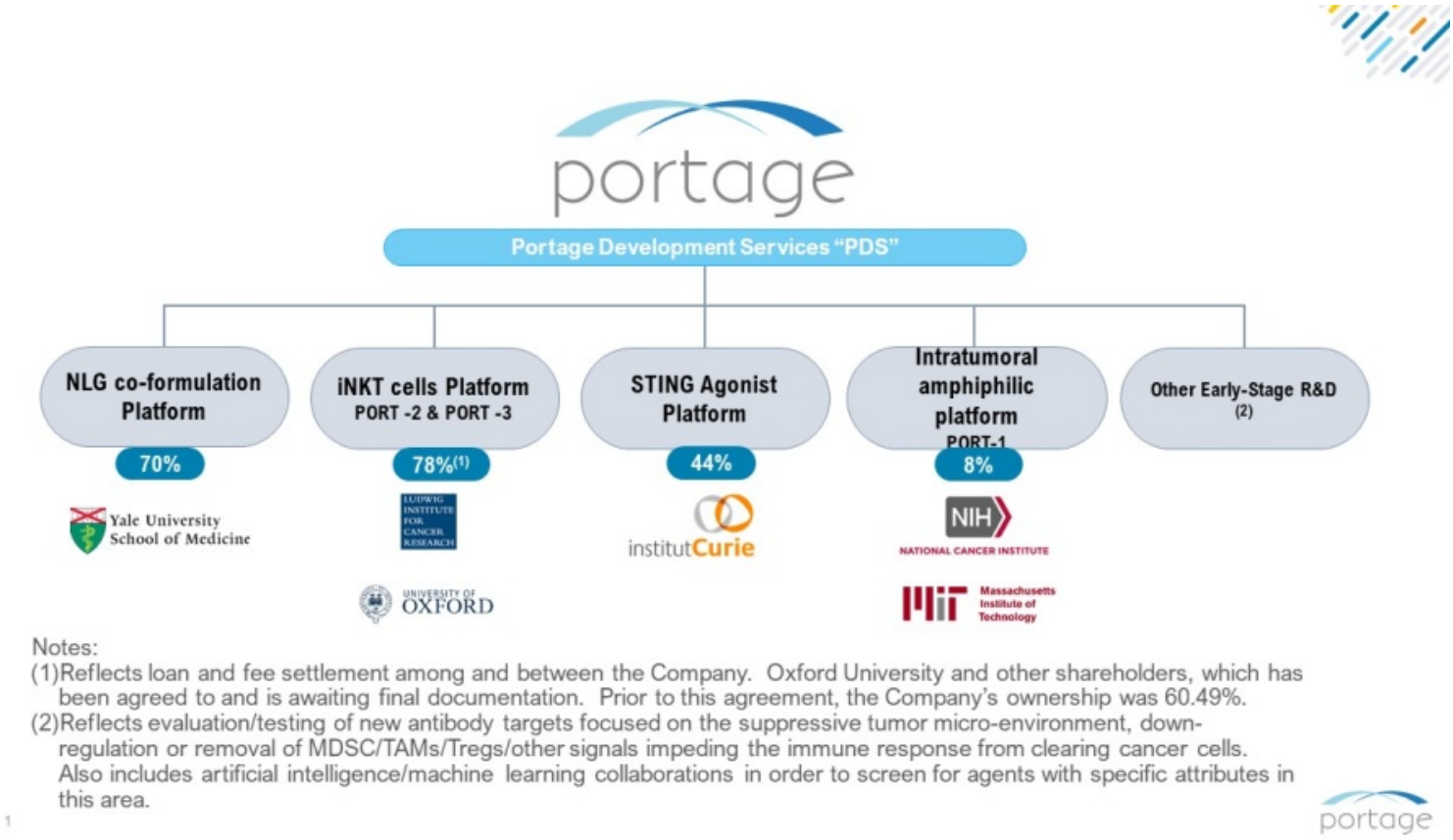
Our Business Model

We employ a shared service business model to execute our strategy of building a diversified oncology company in a capital efficient manner and to provide us with the flexibility to either advance therapeutic candidates ourselves or through transactions with third parties. Our flat organization consists of a holding company, Portage Biotech Inc. and an operating company, Portage Development Services ("PDS"), which provide human resources, and other services to each operating subsidiary via a shared services agreement. We believe that by centralizing these shared services, including all research and development operations, administrative services, and business development, and allocating employees and resources to each operating subsidiary, we can enhance operational efficiency and maintain an optimal cost structure.

Our business model also enables us to access both internal and external expertise to build and develop our pipeline. We incubate internal programs in our hub, leveraging PDS's internal resources and network of service providers as needed to support our discovery, lead optimization, and IND-enabling efforts. When we decide to license from or collaborate with external parties, we establish distinct subsidiaries, to hold and advance those programs. This structure enables us to keep licensors economically incentivized at the program level through our ability to offer equity and access to potential cash milestones and royalty payments.

In the figure below, each operating entity reflects its respective technology platform, therapeutic candidates as well as approximate economic ownership, as of March 31, 2021, as a percentage of shares outstanding (excluding stock options) is listed below each circle.

Our Organization



The structure of our financing arrangements with each subsidiary enables us to increase our economic ownership when we provide additional capital.

PDS is our wholly-owned operating subsidiary that contracts all of our team members and incubates discovery programs until we establish an operating subsidiary in which to further advance them. We centralize shared services, including all research and development operations, administrative services, and business development at PDS Management, and allocate employees and resources to each spoke based on the needs and development stage of each therapeutic candidate.

Our business model is designed to (i) enhance operational efficiency, (ii) maintain an optimal cost structure, (iii) attract leading collaborators, and (iv) promote asset flexibility, as further described below.

- *Enhance operational efficiency*: We centralize all employees and services at our hub and allocate resources to spokes as needed. We empower managers to access these resources and make program-level decisions in order to increase productivity and speed. We believe this model enables a flexible organizational structure that can achieve scale through the addition of programs without increasing burdensome bureaucracy or redundant infrastructure.

- *Maintain an optimal cost structure*: We have a relatively small number of employees and have built a network of trusted external service providers, choosing to leverage their infrastructure and expertise as needed instead of embarking on capital-intensive lab, manufacturing, and equipment expenditures. By reducing overhead costs, we believe we can increase the likelihood that we can generate a return on invested capital.
- *Attract leading collaborators and licensors*: Each of our subsidiaries has its own capitalization and governance, enabling us to keep licensors economically incentivized at the program level. We believe that the experienced leadership team and shared services at our hub differentiate us from other potential licensees.

- *Promote asset flexibility*: Each operating subsidiary is a separate legal entity that holds the relevant intellectual property of its therapeutic candidates or programs and has none of its own employees, fixed assets, or overhead costs. This allows us to efficiently pursue various subsidiary-level transactions, such as stock or asset sales, licensing transactions, strategic partnerships, co-development arrangements, or spin-outs. It also provides us with the flexibility to terminate programs with minimal costs if results do not meet our de-risking criteria for advancement.

Competition

Like all companies operating in the pharmaceutical or biotherapeutic development sector, we face competition from well-established large pharmaceutical companies as well as innovative new entrants. Due to the prevalence of cancer there are many companies that operate in this space. There are many companies that are focusing their efforts in this space. Some of the smaller entrants in this space with which we may compete with over time include Cullinan Oncology, LLC, which develops high value therapeutics geared towards dramatically improving the standard of care for those living with cancer, and PureTech Health, which develops medicines for diseases including intractable cancers, lymphatic and GI diseases, and immunotherapy companies such as Black Diamond Therapeutics, Repare Therapeutics, Nuvation Bio, Shattuck Labs, Jounce Therapeutics Company, Syndax Pharmaceuticals Inc. and Iteos Therapeutics S.A., among others.

Nevertheless, we believe our strategic intent is sufficiently differentiated in that we are focusing on multiple aspects of resistance to current immunotherapies based on our experience at BMS developing Opdivo and Yervoy. The way we target certain pathways is first in class or best in class. We believe one of our strengths beyond the experience of our officers and directors is our keen ability to understand what good looks like from the eyes of a pharma partner. We have a broad understanding of the landscape that will come to market by the time our products are commercialized, what the needs are of our potential acquirers, how to package up our programs, who to speak to and when in respect to licensing. We pair that with a gated and focus execution plans that is laser focused on value added experiments, the nature of which are pre-vetted with our potential partners. We also believe that our extensive collaborations within the research facilities of leading, world class universities and institutes, such as the Department of Investigative Medicine at University of Oxford, The National Cancer Institute, the University of Glasgow, the Institut Curie, the Institut National de la Santé et de la Recherche Médicale, Yale University, Radboud University, and the Ludwig Institute for Cancer Research, Inc., among others, gives us an advantage in our research capabilities, as well as enable us to access and develop innovative technologies. On top of that our relationships in academia, the private sector and network of talent is what makes this engine turn.

(C) ORGANIZATIONAL STRUCTURE

A full organization chart is provided under section (B) Business Overview. We currently have five diverse oncology technology platforms, the products of which have established scientific rationales, including intra-tumoral, nanoparticles, liposomes, aptamers, cell penetrating peptides, and virus-like particles.

We have five members on the Board of Directors - Dr. Declan Doogan, Dr. Gregory Bailey, Mr. Steven Mintz, Dr. Ian Walters and Mr. Kam Shah. These five directors were re-appointed in the shareholders annual and special meeting of June 26, 2020. Dr. Bailey is our chairman of the Board of Directors, Dr. Walters is chief executive officer (CEO), and Mr. Allan Shaw is Chief Financial Officer (CFO).

Dr. Walters is also CEO of SalvaRx Limited and plays a role in each of its operating entities. He currently serves as CEO of Portage, SalvaRx, Rift and Saugatuck. He is also Chief Medical Officer at Intensity. He is on the boards of the remaining companies. Dr. Walters management team provides operational support to each portfolio company under a service agreement which offsets the headcount expenses at the Portage level. Portage is actively involved in setting the strategy and overseeing the execution of all the development plans at the companies and all subsidiaries have their own Board.

A brief biodata of the key people in our organization is provided below.

Ian B. Walters, MD, MBA – Director and CEO

Ian B. Walters, M.D., M.B.A., is the Chief Executive Officer of Portage Biotech Inc. and is the part-time CMO of Intensity Therapeutics, Inc. Over his 20-year career, he has demonstrated both leadership and expertise in drug development, including the advancement of multiple cancer compounds from research stages through approval.

Ian specializes in the evaluation, prioritization, and the innovative development of new therapies for the treatment of severe diseases. He has worked at PDL Biopharma, Inc., Millenium Pharmaceuticals, Inc., and Sorrento Therapeutics, Inc., leading corporate development, translational medicine, clinical development and medical affairs.

Ian spent seven years at Bristol-Myers Squibb, where he managed physicians overseeing the international development of more than eight oncology compounds (including Nivolimab (anti-PD-1), Ipilimumab (anti-CTLA-4), brivanib (anti VEGF/FGF), anti-IGF/IR, VEGFR2 biologic, Elotuzimab (antiCS1), as well as biomarker and companion diagnostic work. He was a core member of Bristol- Myers Squibb's Strategic Transactions Group evaluating and executing licensing agreements, mergers and acquisitions, clinical collaborations, and the company's immuno-oncology strategy.

Before entering the private sector, Ian was a lead investigator at the Rockefeller University and initiated advanced immunology research to understand the mechanism of action of several compounds. Ian received his MD from the Albert Einstein College of Medicine and an MBA from the Wharton School of The University of Pennsylvania.

Gregory Bailey MD – Chairman

Gregory Bailey is a co-founder and managing partner of MediqVentures. Previously he was a managing partner of Palantir Group, Inc., a merchant bank involved in a number of biotech company startups and financings. Palantir was also involved in acquiring intellectual property assets and founding companies around the IP.

Greg was the co-founder of Ascent Healthcare Solutions, VirnetX Inc. (VHC: AMEX), Portage Biotech Inc. (PTGEF: OTCBB) and DuraMedic Inc. He was the initial financier and an independent director of Medivation, Inc. (MDVN: NASDAQ), from 2005 to December 2012. Dr. Bailey served as the Managing Director and co-Head of Life Sciences at MDB Capital Group LLC from May 2004 to December 2006. Greg has served on the board of directors of multiple public companies. Current board positions include Biohaven, Agex, Manx financial, and Portage. He is also the CEO of Juvanescence.

Greg practiced emergency medicine for 10 years before entering finance. He received his medical degree from the University of Western Ontario.

Steven Mintz – Director

Steven Mintz C.A. graduated from University of Toronto in 1989 and went into public accounting, working at a large accounting firm from 1989 until 1992. He obtained his C.A. designation in June of 1992. In June 1992 he became employed by a boutique bankruptcy and insolvency firm where he was employed until January 1997. He obtained his Trustee in Bankruptcy license in 1995.

Since January 1997, he has been a self-employed financial consultant serving both private individuals and companies, as well as public companies in a variety of industries including mining, oil and gas, real estate and investment strategies. He is currently President of St. Germain Capital Corp., a private consulting and investment firm. He is also a principal and CFO of the Minkids Group, a family investment, and development company. Steven is currently a director of Pool Safe, Inc. (since December 2009), Everton Resources, Inc. (since May 2023) IM Cannabis (since April 2018, formerly Navasota Resources).

Declan Doogan MD – Director

Dr. Declan Doogan has over 30 years of industry experience in both major pharma and biotech. He was the Senior Vice-President and Head of Worldwide Development at Pfizer, where many multibillion-dollar programs were delivered (e.g., Viagra, Lipitor and Zoloft). Since leaving Pfizer in 2007 he has been engaged in executive roles in small pharma. Declan was CMO and acting CEO of Amarin (AMRN: NASDAQ). He is Chairman and Co-Founder of Biohaven (BHVN: NYSE) and a Director of Tenax (TENX: NASDAQ). Declan is also an investor in emerging biotechnology and technology companies. He holds a number of board appointments. He has also held visiting professorships at Harvard School of Public Health, Glasgow University Medical School and Kitasato University (Tokyo). Declan received his medical degree from Glasgow University in 1975. He is a Fellow of the Royal College of Physicians and the Faculty Pharmaceutical Medicine and holds a Doctor of Science at the University of Kent in the UK.

Kam Shah CA, CPA (CANADA), CPA (US), CGMA (US) – Director

Kam Shah is a senior finance executive with over 25 years of financial and management experience across a range of industries and companies with significant operating scale and complexity. Kam is a Certified Public Accountant and Chartered Global Management Accountant of the American Institute of CPAs and a Chartered Professional Accountant of the Canadian Institute of CPAs. He has experience in all aspects of corporate finance, including audits, SEC/OSC reporting, forecasting, and business plan development.

Over the past 15 years, Kam has served as the Chief Financial Officer and Corporate Secretary of Bontan Corporation Inc. (the predecessor to our Company), a publicly listed group of companies engaged in biotechnology and oil and gas exploration. Kam was a director in Biohaven Pharmaceutical Holding Company Ltd (BHVN: NYSE) from January 2014 until February 2017, and a director and CFO of SalvaRx Group plc., (SALV: AIM) from March 21, 2016 until January 8, 2019 and CFO of Portage until December 31, 2019.

Allan L. Shaw – CFO

Allan brings more than two decades of public company financial, operational, and strategic global business leadership. Allan Shaw serves as our Chief Financial Officer and is a five-time public company Chief Financial Officer with proven skills across multiple finance disciplines: corporate finance, capital markets and strategic transactions as well as a broad base of expertise in corporate governance and risk management. He structured, directed, negotiated and closed over $4 billion in public and private financings for several companies. Mr. Shaw has served on five public boards including chairing two audit committees, two compensation committees, and is currently involved with a portfolio of healthcare activities. Mr. Shaw is the founder and since 2005, has served as senior managing director, of Shaw Strategic Capital LLC, an international financial advisory firm focused on providing strategic financial counsel on a wide variety of issues such as general corporate finance, mergers and acquisitions, capital structuring, licensing and capital markets, and serving as financial consultant to private and public companies. Mr. Shaw was the Chief Financial Officer and Treasurer of Syndax Pharmaceuticals, Inc. from January 2016 to February 2017 and from December 2011 to September 2015 was Managing Director of Alvarez & Marsal LLC, a global professional services firm, where he led their biopharmaceutical consulting practice. Additional prior experience includes serving as the Chief Financial Officer of Serono S.A. from November 2002 to May 2004, NewLead Holdings Ltd from October 2009 to July 2011 and Viatel, Inc. from November 1994 to June 2002. He currently serves on the board of directors of Edith & Carl Marks JCH of Bensonhurst, a non-profit organization, and chairs their finance committee. Mr. Shaw is a certified public accountant in the State of New York as well as a Chartered Global Management Accountant (CGMA). Mr. Shaw received a B.S. from the State University of New York at Oswego College.

Robert Kramer, PhD – Chief Scientific Officer

Robert has 24 years of experience in the pharmaceutical industry and is the former Head of Oncology Discovery Research at both Bristol Myers Squibb and Janssen Pharmaceuticals, part of the Johnson & Johnson group of companies. He has been responsible for enabling the transition of 35 drugs from initial discovery into the clinic. Robert championed immunotherapy at Bristol Myers Squibb, which led, in 2009 to the acquisition of Medarex, Inc. and its portfolio of immune therapeutics that included Ipilimumab and Nivolumab. He received his PhD in pharmacology from the University of Vermont and undertook his post doctorate studies at the U.S. National Cancer Institute. Robert has also held an Assistant Professorship at the Harvard Medical School.

Steven Innaimo – Vice President of Project Management & Operations

Steven Innaimo is a seasoned research and development expert who brings more than 25 years of experience in drug development from the large pharma, biotech and contract research organization sectors. Prior to joining Portage in 2018, Steve spent two years at Covance as Executive Director and Head of the Global Project Management Office for Covance Clinical Development Services. He previously spent 23 years at Bristol Myers Squibb including as Senior Director of Oncology Project Management and Clinical Operations. During his time at Bristol Myers Squibb, Steve directly managed or provided development oversight for a number of immune-oncology assets, including Yervoy and Opdivo. He has driven multiple therapies to initial and post-marketing registrations globally. Steve began his research and development career as a molecular biologist for Targetech Inc. Steve holds a B.S. in Molecular Biology, an M.S. in Endocrinology from the University of Connecticut and a Project Management Certificate from Boston University.

(D) PROPERTY, PLANT AND EQUIPMENT

The company currently does not have any lease commitments.

ITEM 4A – UNRESOLVED STAFF COMMENTS

None.

ITEM 5 – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

(A) OPERATING RESULTS (All Amounts in 000'$)

The following discussion should be read in conjunction with the Audited Financial Statements of the Company and notes thereto for the year ended March 31, 2021, contained elsewhere in this report.

Results of Operations

Year ended March 31,	**2021**	2020	2019
	in 000'$	in 000'$	in 000'$
Operating expenses	**$ (12,440)**	$ (5,978)	$ (2,764)
Gain on sale of marketable equity securities	**72**	–	–
Foreign exchange transaction gain (loss)	**–**	6	(691)
Change in fair value of warrant liability	**(790)**	24	–
(Loss) on equity issued at a discount	**(1,256)**	–	–
Loss on extinguishment of notes payable	**(223)**	(33)	–
Share of loss (income) in associates accounted for using equity method	**(490)**	18	(162)
Gain on disposition of subsidiaries	**412**	–	–
Interest (expense) income, net	**(177)**	(546)	23
Loss before provision for income taxes	**(14,892)**	(6,509)	(3,594)
Income tax (expense)	**(2,297)**	(740)	-
Net loss	**(17,189)**	(7,249)	(3,594)
Net unrealized gain on investments	**–**	876	50
Total comprehensive loss for year	**$ (17,189)**	$ (6,373)	$ (3,544)
Net loss attributable to owners	**$ (15,833)**	$ (4,457)	$ (2,585)
Non-controlling interest	**(1,356)**	(1,916)	(959)
Total comprehensive loss for year	**$ (17,189)**	$ (6,373)	$ (3,544)

Overview

Portage is a clinical stage immune-oncology company focused on overcoming immune resistance. It currently manages 10 immuno-oncology assets at various development stages. We source, nurture and develop the creation of early- to mid-stage, first- and best-in-class therapies for a variety of cancers, by funding, implementing viable, cost effective product development strategies, clinical counsel/trial design, shared services, financial and project management to enable efficient, turnkey execution of commercially informed development plans. Our drug development pipeline portfolio encompasses products or technologies based on biology addressing known resistance pathways/mechanisms of current check point inhibitors with established scientific rationales, including intratumoral delivery, nanoparticles, liposomes, aptamers, and virus-like particles.

The Portage Approach

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs focused on overcoming immune resistance. Given these foundations, we manage capital allocation and risk as much as we oversee drug development. By focusing our efforts on translational medicine and pipeline diversification, we seek to mitigate overall exposure to many of the inherent risks of drug development.

Our approach is guided by the following core elements:

- Portfolio diversification to mitigate risk and maximize optionality;
- Capital allocation based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results;
- Virtual infrastructure and key external relationships to maintain a lean operating base;
- Internal development capabilities complemented by external business development;
- Rigorous asset selection with disciplined ongoing evaluation; and
- Focus on translational medicine and therapeutic candidates with in vivo single agent activity.

We believe that our corporate structure results in enhanced operational efficiency and maintains an optimal cost structure by centralizing strategic/tactical support, shared services, including all research and development operations, capital allocation/ contribution, human resources, administrative services, and business development, as well as other services to each of our immuno-oncology platforms and assets currently in various development stages. Our execution is achieved, in part, through our internal core team and utilizing our large network of experts, contract labs, and academic partners.

The Company generally operates through wholly owned, partially owned and controlled subsidiary and affiliated companies, and believes it is not subject to the regulation of the Investment Company Act of 1940, as amended ("40 Act"), based on the definition of investment companies. Notwithstanding that, as the Company primarily operates within the biomedical industry as a research and development business, the Company believes that it is also able to take advantage of the non-exclusive safe harbor of Rule 3a-8 promulgated under the 40 Act so as not to be characterized as an investment company. The Company has adopted a capital preservation policy referenced in that rule.

Results of Operations for Fiscal 2021 Compared to Fiscal 2020

The Company generated a net loss and comprehensive loss of $17.2 million in fiscal 2021, compared to a net loss of $7.2 million and comprehensive loss of $6.4 million in fiscal 2020, an increase in loss of $10.0 million and $10.8 million, respectively, year over year. Operating expenses, which include research and development and general and administrative expenses, were $12.4 million in fiscal 2021, compared to $6.0 million in fiscal 2020, an increase of $6.4 million, which is discussed more fully below. Operating expenses included $8.8 million of non-cash stock-based compensation expense in fiscal 2021, compared to $2.1 million in fiscal 2020.

The Company’s other items of income and expense were substantially non-operating in nature, and were $2.5 million net expense in fiscal 2021, compared to $0.5 million net expense in fiscal 2020. $2.0 million of the net expense in fiscal 2021 was non-cash. Other items of income and expense included:

- a loss on equity issued at a discount of $1.3 million in fiscal 2021, representing the difference between the market price and the contractual exercise price, relating to the settlement of the SalvaRx Notes and warrants;
- a loss from an associate accounted for under the equity method of $0.5 million, compared to a small gain in fiscal 2020;
- a loss of $0.8 million representing the change in the fair value of the warrants issued with respect to the SalvaRx settlement;
- a non-cash gain relating to the settlement of related liabilities on the disposition of Portage Pharmaceuticals Ltd. (“PPL”) of $0.4 million (see Note 8), of which $0.2 million was recorded in operations in fiscal 2021; and
- interest expense of $0.2 million is fiscal 2021, compared to $0.6 million in fiscal 2020 due to the settlement of the SalvaRx Notes. The Company also recorded a loss of $0.2 million on the early extinguishment of the SalvaRx Notes in fiscal 2021.

Additionally, the Company reflected a net income tax provision of $2.3 million in fiscal 2021, primarily due to the foreign currency effect on deferred tax liability, which was partially offset by recoverable research and development tax credits, compared to a net income tax provision of $0.7 million in fiscal 2020, primarily attributable to a change in corporation tax rates in the UK, which was partially offset by the foreign currency effect on deferred tax liability and recoverable research and development tax credits.

Other comprehensive loss was $17.2 million in fiscal 2021, compared to $6.4 million in fiscal 2020. Fiscal 2020 was positively impacted by net unrealized gain on investments of $0.8 million.

Results of Operations for Fiscal 2020 Compared to Fiscal 2019

The Company generated a net comprehensive loss of $6.4 million in fiscal 2020, compared to a net comprehensive loss of $3.5 million in fiscal 2019, an increase in net loss of $2.9 million year over year. Operating expenses were $6.0 million in fiscal 2020, compared to $2.8 million in fiscal 2019, an increase of $3.2 million, which is discussed more fully below.

The Company's fiscal 2020 results reflected interest expense of $0.5 million in fiscal 2020, compared to $0.1 million in fiscal 2019 due to the SalvaRx Notes, which were assumed in acquisition on January 8, 2019 and were outstanding for the entire year in fiscal 2020, compared to approximately three months in fiscal 2019. Additionally, fiscal 2020 was impacted by an increase to the income tax expense of $2.6 million in fiscal 2020 due to an increase in the UK income tax rates from 17% to 19%, partially offset by the foreign currency effect on (reduction of) deferred tax liability of $1.4 million and recoverable research and development tax credits of $0.5 million. Finally, fiscal 2020 was impacted by the gain recorded in other comprehensive income of $0.8 million, associated with the investment in Intensity and offset by the losses associated with the investments in Sentien and Biohaven.

Operating Expenses

The overall analysis of the operating expenses (in 000'$) is as follows:

Year ended March 31,	**2021**	2020	2019
Research and development	**$ 7,312**	$ 4,108	$ 1,907
General and administrative expenses	**5,128**	1,870	857
Total operating expenses	**$ 12,440**	$ 5,978	$ 2,764

Research and Development Costs

Fiscal 2021

Research & development ("R&D") costs increased by $3.2 million, or approximately 78%, from $4.1 million in fiscal 2020, to $7.3 million in fiscal 2021. The increase was attributable to non-cash stock-based compensation expense associated with grants made under the 2021 Equity Incentive Plan of $5.1 million, partially offset by a decrease in iOx related stock-based compensation expense of $0.8 million. Additionally, fiscal 2021 was impacted by the receipt of a $0.6 million cash settlement for a legal dispute the Company had with a vendor while developing one of its products, as well as a general slow down in expenditures resulting from the pandemic.

Fiscal 2020

R&D costs more than doubled relative to fiscal 2019, increasing by approximately $2.2 million to $4.1 million from fiscal 2019 to fiscal 2020. This increase is primarily attributable to iOx developmental activities associated with completing its IND enabling studies and regulatory preparations with the objective of IMM60 and IMM65 entering the clinic before the end of the calendar year, despite COVID-19 interruptions. Additional resources were also spent on achieving initial proof of concept with its NLG platform for delivering DNA aptamers and certain aptamer-based combination products by leveraging the Saugatuck/Oncommer technology platforms. The preliminary animal data surpassed our expectations, and we will be testing further formulations.

Fiscal 2019

Most of the R&D costs were incurred by iOx following the acquisition from January 8, 2019 to March 31, 2019.

PPL had no further developmental costs except for consulting fee charged by its CEO and continuing patent renewal and new registration fees. PPL is currently seeking partners who can either license its Cell Porter technology or participate in development of new therapies aiming for dry eye using its cell porter delivery platform. PPL was disposed of in fiscal 2021.

General and Administrative Expenses

Fiscal 2021

General and administrative ("G&A") expenses increased by $3.2 million, from $1.9 million in fiscal 2020, to $5.1 million in fiscal 2021. The principal reason for the increase was the $2.8 million of non-cash stock-based compensation expense associated with the Company's 2021 Equity Incentive Plan in fiscal 2021. No stock-based compensation expense under the 2021 Equity Incentive Plan was incurred in fiscal 2020. Additionally, the Company incurred approximately $0.2 million relating to initiatives associated with a corporate restructuring and public relations / business development.

Fiscal 2020

G&A expenses increased by approximately $1.0 million to $1.87 million in fiscal 2020 relative to $857,000 in fiscal 2019. The increase is attributable to the audit expenses as well as incurring a full year of operating costs related to the SalvaRx acquisition.

Fiscal 2019

G&A expenses decreased by 40% relative to fiscal 2018. The decrease was attributable to a reduction of outside consultants who provided services including due diligence and technical reviews of new business opportunities attributable to the SalvaRx acquisition.

G&A expenses included legal fees of approximately $158,000, audit fees of $69,000 and outside accounting, tax and related fees of $20,000.

Legal fees included approximately $70,000 charged by our Canadian counsel in connection with the acquisition of SalvaRx Ltd and $42,000 related to a suit initiated by iOx against a supplier for contamination of our drug. The remaining amount of $46,000 include fees paid to attorneys in the USA, Canada and British Virgin Islands whom we engaged to provide corporate and regulatory services.

(B) LIQUIDITY AND CAPITAL RESOURCES

On June 16, 2020, the Company closed a private placement of ordinary shares (the "Offering") for gross proceeds of approximately $6.98 million through the issuance of 698,145 ordinary shares (the "Ordinary Shares") at a price of $10.00 per Ordinary Share. The Company incurred costs of $248,000 in connection with the Offering, which was offset against the gross proceeds. The net proceeds from the Offering will be used to finance operating expenses and accelerate pipeline development/execution and will enable management to pursue new opportunistic value creation. A portion of the proceeds was used to settle the SalvaRx notes.

In April 2021, the Company commenced its "at the market" offering and through June 7, 2021, had sold 90,888 shares generating net proceeds of approximately $2.6 million.

On June 24, 2021, the Company completed the sale of 1,150,000 ordinary shares, including underwriters' overallotment, at a price of $23.00 per share, which generated gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021. Management believes the funds generated, along with existing cash, will be sufficient to fund the Company's research and development activities, as well as the expansion of its operating infrastructure and achievement of numerous developmental milestones for approximately two years. The Company was added to the Russell 2000 Index effective after the U.S. market opened on June 28, 2021.

Liquidity

The accompanying consolidated financial statements have been prepared on a basis that assumes that the Company will continue as a going concern and that contemplates the continuity of operations, the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. Accordingly, the accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might result from the outcome of this uncertainty.

As of March 31, 2021, the Company had cash and cash equivalents of $2.8 million and total current liabilities of $3.2 million (inclusive of $1.1 million warrant liability settleable on a non-cash basis). For the year ended March 31, 2021, the Company is reporting a net loss of ($17.2) million and cash used in operating activities of $4.3 million. As of June 30, 2021, we had approximately $28.6 million of cash on hand.

In April 2021, the Company commenced its “at the market” offering and through that process, sold 90,888 shares generating net proceeds of approximately $2.6 million. Further, the Company initiated an offering pursuant to the Prospectus. On June 24, 2021, the Company completed a firm commitment underwritten public offering of 1,150,000 ordinary shares at a public offering price of $23.00 per share for gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021. The Company incurred offering expenses for the public offering of approximately $1.5 million, including approximately $1.4 million of management, underwriting and selling expenses. The Company will use net proceeds raised to fund its research and development activities and support operations. The amount raised is sufficient to fund operations through July 2022. Funds may be used to accelerate activities or invest in other strategic assets.

The Company has incurred substantial operating losses since inception and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. The losses result primarily from its conduct of research and development activities.

The Company historically has funded its operations principally from proceeds from issuances of equity and debt securities and would expect to enter the capital markets if additional funding is required.

Operating Cash Flow

During fiscal 2021, operating activities used $4.3 million cash, which was funded by existing cash and net proceeds from a private placement that closed in June 2020 of $6.7 million.

During fiscal 2020, operating activities used cash of approximately $3.7 million, which was met from the existing cash.

During fiscal 2019, operating activities used cash of approximately $0.9 million, which was met from the existing cash.

The Company does not currently have any contractual commitments to fund further research and development at its subsidiaries.

The Company's continuing operations are dependent upon any one of:

1. the development and identification of economically recoverable medical solutions;
2. the ability of the Company to obtain the necessary financing to complete the research; or
3. future profitable production from or proceeds from the disposition of intellectual property.

The Company has incurred substantial operating losses since inception due to significant research and development spending and corporate overhead and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of March 31, 2021, the Company had cash of approximately $2.8 million, working capital of approximately $1.7 million (approximately $2.9 million adjusted for the warrant liability settleable on a non-cash basis) and an accumulated deficit of approximately $38.1 million. The Company has funded its operations from proceeds from the sale of equity and debt securities. The Company will require significant additional capital to make the investments it needs to execute its longer-term business plan. The Company's ability to successfully raise sufficient funds through the sale of debt or equity securities when needed is subject to many risks and uncertainties and, even if it were successful, future equity issuances would result in dilution to its existing stockholders and any future debt securities may contain covenants that limit the Company's operations or ability to enter into certain transactions.

The Company's cash at March 31, 2021, along with the approximately $2.6 million net cash proceeds raised in the “at the market” offering and the cash proceeds from the June 24, 2021, firm commitment public offering of 1,150,000 ordinary shares, which generated net proceeds of approximately $25.0 million, will be sufficient to fund the Company’s current research and development activities, as well as expansion of its operating infrastructure. The Company will need additional funds in the future to fund its operations and development plans, which if not obtained when needed may require the Company to adjust its plans and curtail or delay parts of its overall business plans.

Investing Cash Flows

Fiscal 2021

During fiscal 2021, the Company used ($0.9 million) in investing activities. The Company invested $1.0 million in Stimunity, based upon the achievement of certain agreed milestones, which increased the Company’s interest in Stimunity to 44%, which was partially offset by $0.1 million proceeds from the sales of its remaining interest in Biohaven.

Fiscal 2020

During fiscal 2020, there were no investing cash flow activities. Non-cash investing activities included Portage paid $1.3 million consideration through the issuance of 129,806 common shares to acquire 288,458 shares of the private company, Intensity. This transaction increased Portage's ownership to 1,288,458 shares of Intensity (approximately 10.0% of the then outstanding shares of Intensity).

Fiscal 2019

Significant investment during fiscal 2019 included the acquisition of SalvaRx Limited. This is explained in detailed under Item 5(A) above.

On March 25, 2019, the Company made an additional investment of approximately €600,000 ($688,000) in an associate, Stimunity S.A., by subscribing to 1,945 ordinary shares at a price of €308.55 per share, increasing its equity in Stimunity S.A. from 27.4% to 36.5%.

On December 3, 2018, the Company invested an additional $950,000 in iOx by way of a convertible note. The Notes carry interest at 7% accruing daily and mature within twelve months of its issuance. As a result of the SalvaRx acquisition, iOx has become a subsidiary of the Company during the year, and hence the convertible note has been eliminated on consolidation.

Financing Cash Flows

Fiscal 2021

During fiscal 2021, the Company generated cash from financing activities of $4.8 million. The Company raised net proceeds from a private placement of stock of $6.7 million, which was offset by the repayment of a $1.0 million advance from a related party and $1.0 million for the cash portion of the settlement of the SalvaRx notes.

Fiscal 2020

During fiscal 2020, Portage redeemed $0.3 million of the SalvaRx notes and received a short-term advance of $1.0 million from its Chairman (see Item 7 (B), “Related Party Transactions”).

Fiscal 2019

During fiscal 2019, Portage settled two notes in the aggregate principal amount of $50,000 with interest in cash.

There was no other financing activity during fiscal 2019.

(C) RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

From May 23, 2012 to date, the Company through its operating subsidiaries is engaged in general research and development and clinical and pre-clinical studies as detailed under Item 4 (B) Business Overview of this report. Research and development expenses analysis and details are provided under Item 5 (A) of this report. All research and development expenses are expensed as they are incurred.

PPL's CPP platform is protected by two suits of intellectual property: (a) an exclusive license for all patents on Antennapedia -based cell permeable peptides for non-oncology use; and (b) international patents for proprietary human-derived cell penetrating peptide structures.

(D) TREND INFORMATION

There are no other trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than as disclosed elsewhere in this report (Refer to the heading entitled "Risk Factors").

(E) OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2021, and 2020, the Company did not have any off-balance sheet arrangements, including any relationships with unconsolidated entities or financial partnership to enhance perceived liquidity.

(F) CONTRACTUAL OBLIGATIONS

None.

(G) SAFE HARBOUR

Not applicable.

ITEM 6 – DIRECTORS AND SENIOR MANAGEMENT

(A) DIRECTORS AND SENIOR MANAGEMENT

The following sets forth the names and province or state and country of residence of our directors and executive officers, the offices held by them in the Company, their current principal occupations, all as of the date of this report, their principal occupations during the last five years and the month and year in which they became directors or officers. The term of each director expires on the date of our next annual meeting.

Name, Province/State and Country of Residence and Present Position with Portage (1)	Date became Director/Officer	Principal Occupation Last five years
Dr. Gregory Bailey (2) London, UK Chairman of the Board of Directors	June 4, 2013	See section 4 (C) of this report
Dr. Declan Doogan (2) (3) Palm Coast, FL, USA Director Chief Executive Officer until April 30, 2019	June 4, 2013	See section 4 (C) of this report
Mr. Kam Shah Ontario, Canada Director	January 3, 1999	See section 4 (C) of this report
Dr. Ian Walters Connecticut, USA Chief Executive Officer effective May 1, 2019 and Director	August 1, 2016	See section 4 (C) of this report
Mr. Steven Mintz (2) (3) Ontario, Canada) Director	April 6, 2016	See section 4 (C) of this report
Mr. Allan Shaw New York, USA Chief Financial Officer	May 12, 2020	See section 4 (C) of this report
Mr. Robert Kramer (4) Connecticut, USA Chief Scientific Officer	January 8, 2019	See section 4 (C) of this report
Mr. Steven Innaimo (4) Connecticut, USA Vice President of Project Management & Operations	January 8, 2019	See section 4 (C) of this report

(1) Neither age nor date of birth of directors or executive officers is required to be reported in our home country nor otherwise publicly disclosed.

(2) Member of the Audit and Compensation Committee. Mr. Steven Mintz is the Chair of this Committee.

(3) Independent directors.

(4) Reflects the date of the SalvaRx acquisition by the Company. Prior to that, this individual was contracted by SalvaRx Limited.

On August 14, 2020, Mr. James Mellon resigned as a director to pursue other activities.

Family Relationships

There are no family relationships between or among the directors and executive officers.

Other Relationships

There are no arrangements or understandings between or among any major shareholder, customer, supplier or others, pursuant to which any of the above-named persons were selected as directors or as members of senior management.

(B) COMPENSATION

The compensation payable to directors and officers of the Company and its subsidiary is summarized below:

1. General

The Company does not compensate directors for acting solely as directors. Except as described below, the Company does not have any arrangements pursuant to which directors are remunerated by the Company or its subsidiary for their services in their capacity as directors, other than options to purchase ordinary shares of the Company which may be granted to the Company's directors from time to time and the reimbursement of direct expenses.

The Company does not have any pension plans.

2. Statement of Director and Executive Compensation

The following table and accompanying notes set forth all compensation paid by the Company to its directors, senior management and key consultants for the fiscal years ended March 31, 2021, 2020 and 2019:

Name & Principal Position	Year	Fee [3]	Bonus	Other	Securities Under Options / SARs Granted [1]	Shares or Units Subject to Resale Restrictions	LTIP Payout [2]	Other	Total Compensation
		$	$	$	$	$	$	$	$
Declan Doogan - Independent Director and Audit Committee Member (CEO up to April 30, 2019)									
	2021	**–**	**–**	**–**	**1,416,100[4]**	**–**	**–**	**–**	**1,416,100**
	2020	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2019	**8,928**	**–**	**–**	**–**	**–**	**–**	**–**	**8,928**
Kam Shah - Director and former CFO									
	2021	**45,000**	**–**	**–**	**1,582,700[4]**	**–**	**–**	**–**	**1,627,700**
	2020	**180,000**	**–**	**–**	**–**	**–**	**–**	**–**	**180,000**
	2019	**222,480**	**–**	**–**	**–**	**–**	**–**	**–**	**222,480**
Gregory Bailey - Business Development and Chairman									
	2021	**–**	**–**	**–**	**1,416,100[4]**	**–**	**–**	**–**	**1,416,100**
	2020	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2019	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
James Mellon - Independent Director									
	2021	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2020	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2019	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Steven Mintz - Independent Director and Audit Committee Member									
`	**2021**	**–**	**–**	**–**	**1,416,100[4]**	**–**	**–**	**–**	**1,416,100**
	2020	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2019	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Ian Walters - CEO effective May 1, 2019 and Director									
	2021	**368,503**	**200,000**	**–**	**2,583,610[5]**	**2,698,000[6]**	**–**	**–**	**5,850,113**
	2020	**350,000**	**–**	**–**	**–**	**–**	**–**	**–**	**350,000**
	2019	**202,141**	**–**	**–**	**–**	**–**	**–**	**–**	**202,141**
Allan Shaw - CFO									
	2021	**186,290**	**–**	**–**	**2,241,410[5]**	**–**	**–**	**–**	**2,427,700**
	2020	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2019	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Robert Kramer - Chief Scientific Officer									
	2021	**147,500**	**–**	**–**	**1,043,710[5]**	**1,615,250[6]**	**–**	**–**	**2,806,460**
	2020	**135,000**	**–**	**–**	**–**	**–**	**–**	**–**	**135,000**
	2019	**135,000[7]**	**–**	**–**	**–**	**–**	**–**	**–**	**135,000**
Steven Innaimo - Vice President pf Project Management & Operations									
	2021	**298,000**	**–**	**–**	**2,994,250[5]**	**–**	**–**	**–**	**3,292,250**
	2020	**294,000**	**–**	**–**	**–**	**–**	**–**	**–**	**294,000**
	2019	**130,295[7]**	**–**	**–**	**–**	**–**	**–**	**–**	**130,295**

Notes:

(1) "SAR" means stock appreciation rights. The Company never issued any SARs.
(2) "LTIP" means long term incentive plan. The Company does not have any such plan.
(3) Fees for fiscal 2019 includes vested options in iOx of $8,928 for Dr. Doogan, $114,640 for Dr. Walters and $9,147 for Kam Shah. These options were granted in April 2018, prior to the acquisition of iOx by Portage.
(4) Represents the aggregate grant date fair value of options to purchase common stock granted January 13, 2021, which vest 1/3 on January 13, 2021, and 1/3 each on the first and second anniversaries of the grant date.
(5) Represents aggregate the grant date fair value of options to purchase common stock granted January 13, 2021, which vest rateably on the first, second and third anniversaries of the grant date.
(6) Represents the aggregate grant date fair value of restricted stock units vested at grant date and subject to certain restrictions.
(7) Reflects the fees for the year including fees paid prior to the SalvaRx acquisition on January 8, 2019.

Long Term Incentive Plan (LTIP) Awards

The Board decided to discontinue the 2013 Option Plan, under which stock options to acquire common shares of the Company were granted to directors, employees, and consultants of the Company. The 2013 Option Plan had 2,980 options issued as of March 31, 2020. No additional shares will be issued under this plan. During 2017, four of the directors were issued all of the registered 7,250,000 shares under the 2017 Consultants Stock Compensation Plan in lieu of cash fee for services provided. The shares were valued at $1,305,000 based on the market price of the Company's common shares prevailing on the dates of their issuance. Since the shares were issued without any conditions of forfeiture or cancellation, the entire value was expensed during the year ended March 31, 2017 as consulting fee. On January 13, 2021, the Company approved the 2021 Equity Incentive Plan, which amended and restated the Portage Biotech Inc. 2020 Stock Option Plan.

In addition, one of our companies, iOx Therapeutics Ltd., also has an option plan for acquiring equity in the subsidiaries for their management.

The objective of the Company's and our subsidiaries equity based incentive plans is to provide for and encourage ownership of our ordinary shares by our directors, officers, consultants and employees, if any and those of any subsidiary companies so that such persons may increase their stake in our company and benefit from increases in the value of the ordinary shares. The Plans are designed to be competitive with the benefit programs of other companies in the Biotechnology sector and enable the Company and its subsidiaries to attract and retain directors, officers and employees of the Company and its subsidiaries and to consultants and management company employees of exceptional skill. It is the view of management that the plans are a significant incentive for the directors, officers, consultants and employees to continue and to increase their efforts in promoting our operations to the mutual benefit of both our company and such individuals and also allows us to avail of the services of experienced persons with minimum cash outlay.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding all outstanding equity awards for (1) our Executive Chairman, (2) our Chief Executive Officer and Chief Operating Officer, and (3) our Chief Financial Officer as of March 31, 2021:

	Option Awards [1]				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable [1]	Number of Securities Underlying Unexercised Options (#) Unexercisable [1]	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options [2]	Option Exercise Price ($)	Option Expiration Date
Ian B. Walters	–	151,000	151,000	17.75	January 12, 2031
Allan Shaw	–	131,000	131,000	17.75	January 12, 2031

(1) Amounts represent options to purchase ordinary shares.
(2) These options to purchase ordinary shares were granted on January 13, 2021, have a ten-year term and vest ratably on each of the first three anniversaries of the grant date.

Indebtedness of Directors, Executive Officers and Senior Officers

None.

Directors' and Officers' Liability Insurance

The Company has purchased, at its expense, directors' and officers' liability insurance policy to provide insurance against possible liabilities incurred by them in their capacity as directors and officers of the Company.

(C) BOARD PRACTICES

Directors may be appointed at any time in accordance with the by-laws of the Company and then re-elected annually by the shareholders of the Company. Directors receive no compensation for serving as such, other than reimbursement of direct expenses. Officers are elected annually by the Board of Directors of the Company and serve at the discretion of the Board of Directors. At the June 2020 shareholders meeting, the company authorized a new plan which will be allocated shortly and will provide options to non-executive directors.

The Company has not set aside or accrued any amount for retirement or similar benefits to the directors.

Mandate of the Board

The Board has adopted a mandate; in which it has explicitly assumed responsibility for the stewardship of Portage. In carrying out its mandate the Board holds at least one meeting every alternate month. The frequency of meetings, as well as the nature of the matters dealt with, will vary from year to year depending on the state of our business and the opportunities or risks, which we face from time to time. The Board held a total of two meetings, mostly by way of conference calls, during our financial year ended March 31, 2020. Apart from these meetings, directors also held technical meetings with management of subsidiaries on a monthly basis to assist in the discharge of its responsibilities. The Board has designated one standing committee: An Audit and Compensation Committee, created June 27, 2013.

Audit and Compensation Committee ("ACC")

Certain information concerning the constitution of its audit and compensation committee ("the committee") and its relationship with its independent auditor, as set forth below.

Audit and Compensation Committee Charter

The Board has developed two charters to be followed by the ACC. The charters are filed as exhibits to the Registration Statement on Form 20-F, filed with the SEC on July 31, 2014.

Composition of the Audit and Compensation Committee

The ACC is comprised of Messrs. Gregory Bailey, Steven Mintz and Dr. Doogan. All the members of the ACC are considered to be "independent," and Mr. Mintz is considered "financially literate" for the purposes of the Canadian National Instrument 52-110, “Audit Committees,” (“NI 52-110”). "Financially literate" includes the ability to read and understand a set of financial statements that present a breadth of level and complexity of accounting issues that regularly face the Company. The composition of the committee is in compliance with the rules under NI 52-110. Because the ordinary shares trade on the over-the-counter market in the United States, there are no specific standards required for director independence or financial literacy.

Relevant Education and Experience

Each member of the ACC has extensive experience in dealing with financial statements, accounting issues, internal control and other related matters relating to public companies.

Mr. Gregory Bailey has been director and chief executive officer and financier of many public and private corporations in biopharma.

Dr. Doogan has been director and chief executive officer of public and private corporations over more than ten years, operating in the health and biotechnology sectors.

Mr. Steven Mintz is a Canadian Chartered Professional Accountant. He has over sixteen years of international experience in corporate financial analysis, mergers and acquisitions. He has been on the board of directors of several private and public corporations, operating in various sectors, including technology, oil & gas and biotechnology.

Pre-Approval Policies and Procedures

In the event that the Company plans to retain the services of the external auditors to the Company for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Company must consult with the chair of the ACC, who has the authority to approve or disapprove on behalf of the committee, those non-audit services. All other permissible non-audit services shall be approved or disapproved by the ACC as a whole.

The Company external auditors are prohibited from performing for the Company non-audit services of the following nature: (a) bookkeeping or other services related to the accounting records or financial statements; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions or contribution in-kind reports; (d) actuarial services; (e) internal audit outsource services; (f) management functions; (g) human resources; (h) broker or dealer, investment adviser or investment banking services; (i) legal services; (j) expert services unrelated to the audit; and (k) any other service that the Canadian and the United States Public Company Accounting Oversight Board determines is impermissible.

The ACC Charter relating to compensation matters sets forth the evaluation and review requirements for incentive and equity-based compensation plans for the executives based on their periodic performance evaluation.

Corporate Governance Committee

The Company does not have a separate corporate governance committee. The management in conjunction with the ACC has developed and updated corporate governance practices and policies, code of ethics and corporate disclosure policy which form part of our internal control over financial reporting manual. The goal is to provide a mechanism that can assist in our operations, including but not limited to, the monitoring of the implementation of policies, strategies and programs and the development, continuing assessment and execution of the Company's strategic plan.

(D) EMPLOYEES

The Company currently has no direct employees. It uses the services of consultants from time to time. Currently, the positions of Chief Executive Officer and Chief Financial Officer are carried out by Messrs. Ian Walters and Allan Shaw, respectively, pursuant to consulting agreements.

(E) SHARE OWNERSHIP

The Board decided to discontinue the 2013 Option Plan, under which stock options to acquire common shares of the Company were granted to directors, employees and consultants of the Company. At March 31, 2021, no stock options were outstanding under the 2013 Option Plan.

On January 13, 2021, the Company approved the 2021 Equity Incentive Plan, which amended and restated the Portage Biotech Inc. 2020 Stock Option Plan. On January 13, 2021, the Company granted in total 868,000 stock options to purchase ordinary shares to four members of our Board of Directors and four executives, including our CEO, who also is a member of our Board of Directors. The stock options have an exercise price of US$17.75 per share and vest over various terms. The Company also granted 243,000 restricted stock units to two executives, one of whom is our CEO, which vested immediately and are subject to certain restrictions.

The following table sets forth the share ownership of our executive officers and directors as at March 31, 2021, as adjusted for the 100 to 1 reverse stock split effective June 5, 2020:

	Ordinary Shares Beneficially Owned	
Name	**Number**	**Percentage ***
Kam Shah	139,930(1)	1.05%
Declan Doogan	400,894(2)	3.00%
Gregory Bailey	3,430,528(2)	25.69%
Steven Mintz	93,971(2)	0.70%
Ian Walters	301,610(3)	2.26%
Allan Shaw	0(4)	0.00%
Robert Kramer	103,417(5)	0.78%
Steven Innaimo	0(6)	0.00%

* Based on issued and outstanding ordinary shares at July 10, 2021 plus vested stock options and options that vest in the next 60 days.

(1) Includes 31,667 vested options to purchase ordinary shares and excludes 63,333 unvested options.
(2) Includes 28,333 vested options to purchase ordinary shares and excludes 56,667 unvested options
(3) Excludes 152,000 vested restricted stock units subject to certain restrictions and 151,000 unvested options.
(4) Excludes 131,000 unvested options.
(5) Excludes 91,000 vested restricted stock units subject to certain restrictions and 61,000 unvested options.
(6) Excludes 175,000 unvested options

All shares held by the above persons carry same rights as the other holders of the ordinary shares of the Company.

ITEM 7 – MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

(A) MAJOR SHAREHOLDERS

The Company's ordinary shares are recorded on the books of its transfer agent in registered form. A large number of the ordinary shares are, however, registered in the name of intermediaries such as brokerage houses and clearing firms on behalf of their respective clients. The Company does not have knowledge of all the beneficial owners of its ordinary shares. Intermediaries like CDS & Co, Toronto, Canada and Cede & Co., New York, USA held approximately 17% of the issued and outstanding ordinary shares of the company on behalf of beneficial shareholders whose individual holdings details were not available.

At March 31, 2020, the Company had 1,098,770,596 ordinary shares issued and outstanding, held by 268 record holders: the market intermediaries are included in this number but not the beneficial owners. The Company effected a reverse split as of June 5, 2020, at the rate of 100 old shares into one new share, resulting in 10,987,646 ordinary shares issued and outstanding as of June 5, 2020, after the reverse stock split.

At March 31, 2021, the Company had 13,326,213 ordinary shares issued and outstanding. In April 2021, the Company commenced its “at the market” offering and through June 7, 2021, had sold 90,888 shares generating net proceeds of approximately $2.6 million. On June 24, 2021, the Company completed the sale of 1,150,000 ordinary shares, including underwriters’ overallotment, at a price of $23.00 per share, which generated gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021. Management believes the funds generated, along with existing cash, will be sufficient to fund the Company’s research and development activities, as well as the expansion of its operating infrastructure and achievement of numerous developmental milestones for approximately two years. The Company was added to the Russell 2000 Index effective after the U.S. market opened on June 28, 2021.

The following table sets forth persons known by us to be beneficial owners of more than 5% of our ordinary shares as of July 26, 2021. Beneficial ownership of shares is determined under rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Shares subject to options and warrants that are currently exercisable or exercisable within 60 days of the date indicated above are deemed to be beneficially owned by the person holding the option and warrant and included in the holding. These beneficially held ordinary shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

Name of Beneficial Owner	No. of Shares	Percentage of Shares*
SalvaRx Group plc	713,191	5.35%
Gregory Bailey	3,430,528	25.69%
James Mellon	3,190,410	23.94%

* Based on 13,326,213 shares issued and outstanding as of July 26, 2021.

The Company is a publicly owned BVI corporation. The Company is not owned or controlled directly or indirectly by another corporation or any foreign government. There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change of control of the Company.

Insider Reports under Canadian Securities Legislation

Since the Company is a reporting issuer under the Securities Acts of each of the province of Ontario and British Columbia in Canada, certain "insiders" of the Company (including its directors, certain executive officers, and persons who directly or indirectly beneficially own, control or direct more than 10% of its ordinary shares) are generally required to file insider reports of changes in their ownership of the Company's ordinary shares five days following the trade under National Instrument 55-104 - *Insider Reporting Requirements and Exemptions*, as adopted by the Canadian Securities Administrators. Insider reports must be filed electronically five days following the date of the trade at www.sedi.ca. The public is able to access these reports at www.sedi.ca.

The United States also has rules governing public reporting of the ownership of securities held in public companies. Section 13 of the Exchange Act imposes reporting requirements on persons who acquire beneficial ownership (as such term is defined in the Rule 13d-3 under the Exchange Act) of more than five per cent of a class of an equity security registered under Section 12 of the Exchange Act. In general, these persons must file, within 10 days after such acquisition, a report of beneficial ownership with the United States Securities and Exchange Commission containing the information prescribed by the regulations under Section 13 of the Exchange Act. This information is also required to be sent to the issuer of the securities and to each exchange where the securities are traded.

As a foreign private issuer, the reporting and short-swing profit re-capture rules of Section 16 of the Exchange Act are not applicable to our directors, offices and holders of 10% or more of our issued and outstanding ordinary shares, calculated on a beneficial basis under Rule 13d-3.

(B) RELATED PARTY TRANSACTIONS

All related part transactions occurred with key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chairman, Chief Executive Officer and Chief Financial Officer are key management personnel.

SalvaRx Acquisition

On January 8, 2019, the Company acquired 100% of SalvaRx Limited from SalvaRx Group plc. in exchange for 8,050,701 ordinary shares of the Company for an aggregate consideration of US$92.6 million. Four of the six directors of the Company are also directors of SalvaRx Group plc. The Company's CEO is also the CEO of SalvaRx Limited and employees of the Company comprise the management team of SalvaRx Limited.

Payable

In January 2020, a board member of the Company advanced the Company $1.0 million which was repaid in July 2020. There was no interest or fees associated with this advance.

Investments

The Company has entered into related party transactions and certain services agreement with its joint venture and investments. Key management of the Company has also entered into related party transactions with the joint venture and investments. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chairman, Chief Executive Officer and Chief Financial Officer are key management personnel. The related party transactions are as follows:

Stimunity

One of the three directors on the Board of Directors of Stimunity is represented by Portage (see Note 7).

iOx

Two of the three directors on the Board of Directors of iOx is represented by Portage. Additionally, Portage has an observer on the Board of iOx. The CEO of the Company is also the CEO of iOx and employees of the Company comprise the management team of iOx (see Note 10).

Saugatuck

One of the three directors on the Board of Directors of Saugatuck is represented by Portage. Additionally, the CEO of the Company is also the CEO of Saugatuck and employees of the Company comprise the management team of Saugatuck (see Note 10).

Intensity

One of the four directors on the Board of Directors of Intensity is represented by Portage. Additionally, the CEO of the Company is an officer and employee of Intensity (see Note 9).

PGL

On January 31, 2018, the Company's wholly-owned subsidiary, PPL, acquired 650 ordinary shares, or 65%, of Portage Glasgow Ltd. (PGL), a newly incorporated company in Glasgow, Scotland at less than $0.01 per share for a total consideration of $9.11. On March 3, 2021, the Company disposed all of its interest in PPL, including PGL.

(C) INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8 – FINANCIAL INFORMATION

(A) CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

Financial Statements

Information regarding our financial statements is contained under Item18 of this Annual Report.

Dividend Policy

Since its incorporation, the Company has not declared or paid, and has no present intention to declare or to pay in the foreseeable future, any cash dividends with respect to its ordinary shares. Earnings will be retained to finance further growth and development of the business of the Company. However, if the Board of Directors declares dividends; all the ordinary shares will participate equally in the dividends, and, in the event of liquidation, in the net assets, of the Company.

In January 2018, the Company declared and distributed its then holdings of common shares of Biohaven Pharmaceuticals Holding Company Ltd. as stock dividend. Whether or not the Board of Directors will determine to do any other distributions of property of the Company in the future is in their sole discretion and will depend on their determination at the future time.

(B) SIGNIFICANT CHANGES

There were no significant events or changes to report that happened subsequent to March 31, 2021, to the date of this report.

ITEM 9 – THE OFFER AND LISTING

(A) OFFER AND LISTING DETAILS

The following tables set forth the reported high and low sale prices for our ordinary shares as quoted on the Nasdaq Capital Market (“NASDAQ”) since February 25, 2021, the over-the-counter (“OTC”) market where the ordinary shares were trading until February 25, 2021, and on the Canadian Securities Exchange (“CSE”), where the Company's ordinary shares were listed and trading from October 28, 2013 until April 23, 2021, when the Company voluntarily delisted its ordinary shares from the CSE. The Company’s shares trade on NASDAQ on the Nasdaq Capital Market under the symbol “PRTG”.

The following table outlines the annual high and low market prices for an ordinary share for the five most recent fiscal years. Except as noted, reflects share price prior to the 100 to 1 reverse stock split effective June 5, 2020:

	High		Low	
Year ended March 31,	**NASDAQ US$**	**CSE US$**	**NASDAQ US$**	**CSE US$**
2021*	39.50	38.99	8.88	0.09
2020	0.15	0.14	0.07	0.08
2019	0.14	0.15	0.07	0.07
2018	0.66	0.66	0.06	0.06
2017	0.25	0.22	0.10	0.12
2016	0.31	0.32	0.08	0.08

* Reflects share price subsequent to the 100 to 1 reverse stock split effective June 5, 2020.

There was a trading halt due to review of shareholders information material relating to the acquisition of SalvaRx Limited by CSE and as a result, FINRA also halted trading on OTC for the following period during the fiscal year 2019:

OTC: August 14, 2018 to November 19, 2018
CSE: August 10, 2018 to December 6, 2018

The following table outlines the high and low market prices for an ordinary share for each fiscal financial quarter for the two most recent fiscal periods and any subsequent period. Except as noted, reflects share price prior to the 100 to 1 reverse stock split effective June 5, 2020:

	High		Low	
Quarter ended:	**NASDAQ US$**	**CSE US$**	**NASDAQ US$**	**CSE US$**
30-Jun-21*	42.81	N/A	20.96	N/A
31-Mar-21*	39.50	38.99	17.55	17.54
31-Dec-20*	19.59	19.50	8.88	8.85
30-Sept-20*	10.75	10.80	9.06	9.29
30-Jun-20	0.14	0.14	0.09	0.10
31-Mar-20	0.15	0.09	0.08	0.09
31-Dec-19	0.12	0.09	0.07	0.09
30-Sept-19	0.12	0.10	0.08	0.08
30-Jun-19	0.11	0.11	0.08	0.08

* Reflects share price subsequent to the 100 to 1 reverse stock split effective June 5, 2020.

The following table outlines the high and low market prices for each of the most recent six months:

	High		Low	
Month	**NASDAQ US$**	**CSE US$**	**NASDAQ US$**	**CSE US$**
July 2021 (through July 26)	22.35	N/A	16.37	N/A
June 2021	42.81	N/A	20.96	N/A
May 2021	28.80	N/A	26.54	N/A
April 2021 (a)	31.00	30.00	26.99	27.20
March 2021	36.00	34.75	27.97	28.00
February 2021	39.50	38.99	18.55	18.45

(a) The Company voluntarily delisted its common shares from the CSE at the market close on April 23, 2021.

(B) PLAN OF DISTRIBUION

Not applicable.

(C) MARKETS

The Company's ordinary shares currently trade in one place. Before April 23, 2021, the Company’s ordinary shares were traded in two places.

1. Since February 25, 2021, the ordinary shares of the Company began trading on NASDAQ under the trading symbol “PRTG”. Before then, the ordinary shares had been traded in the OTC market since 2000 under the trading symbol "PTGEF”.

2. Effective October 28, 2013, the Company's ordinary shares were also listed for trading in United States currency on the Canadian Securities Exchange (formerly, Canadian National Stock Exchange) under the symbol "PBT.U". The Company voluntarily delisted its common shares from the CSE at the market close on April 23, 2021, since the Company’s shares were trading on NASDAQ from February 2021.

(D) SELLING SHAREHOLDERS

Not applicable.

(E) DILUTION

Not applicable.

(F) EXPENSES OF THE ISSUE

Not applicable.

ITEM 10 – ADDITIONAL INFORMATION

(A) SHARE CAPITAL

This Form 20-F is being filed as an Annual Report under the Exchange Act and, as such, there is no requirement to provide any information under this section.

(B) MEMORANDUM AND ARTICLES OF ASSOCIATION

General

Effective July 5, 2013, the Company moved its place of domicile from Ontario to the British Virgin Islands. Our affairs are therefore governed by the provisions of our Memorandum and Articles of Association, as adopted on becoming a BVI registered company limited by shares, and by the provisions of applicable British Virgin Islands law.

On July 6, 2017, the shareholders in the annual and special meeting, approved the replacement by way of amendment and restatement of the existing Memorandum and Articles of Association of the Company with amended and restated memorandum and articles of association. The amended and restated Memorandum and Articles of Association took effect on the date of filing with the BVI Registry of Corporate Affairs, which was July 25, 2017.

Pursuant to our Memorandum and Articles of Association, we are authorized to issue an unlimited number of ordinary shares of no-par value.

The following are summaries of material terms and provisions of our Memorandum and Articles of Association and the BVI Act, insofar as they relate to the material terms applicable to our ordinary shares. Unless otherwise stated, the following summaries are of the terms of our shares as of the date of this annual report. This summary is not intended to be complete, and you should read the form of our Memorandum and Articles of Association, which has been filed as an exhibit to this report.

Meetings of shareholders

If our shareholders want us to hold a meeting of shareholders of the company, they may requisition the directors to hold one upon the written request of shareholders entitled to exercise at least 10% of the voting rights in respect of the matter for which the meeting is requested. Under British Virgin Islands law, this 10% threshold may only be increased to a maximum of 30% and any such increase would require an amendment to the Memorandum and Articles of Association.

Subject to our Memorandum and Articles of Association, a meeting of shareholders of the company will be called by not less than twenty-one days' written notice. Notice of every meeting of shareholders may be delivered electronically and will be given to all of our shareholders. However, the inadvertent failure of the convener or conveners of a meeting of shareholders to give notice of the meeting to a shareholder, or the fact that a shareholder has not received the notice, does not invalidate the meeting.

A meeting may be called by shorter notice than that mentioned above, but, subject to our articles of association, it will be deemed to have been duly called if shareholders holding at least 90% of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a shareholder at the meeting shall constitute a waiver in relation to all the shares which that shareholder holds.

A meeting of shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy two or more shareholders entitled to vote at the meeting.

Shareholder meetings designated as an annual meeting are to be held not less frequently than every 15 months. All shareholder meetings require not less than 21 days' written notice of meetings and also notice of shareholder meetings will be posted on SEDAR at least 25 days before the record date and at least 65 days before the meeting. Determination of the record holders entitled to vote at a meeting shall be as of a date not less than 40 days and not more than 60 days in advance of the meeting date.

Rights attaching to shares

Voting rights

Holders of our ordinary shares have identical rights, including dividend and liquidation rights, provided that, except as otherwise expressly provided in our Amended Memorandum and Articles of Association or required by applicable law, on any matter that is submitted to a vote of our shareholders, holders of our ordinary shares are entitled to one vote per ordinary share.

Under the BVI Act, the ordinary shares are deemed to be issued when the name of the shareholder is entered in our register of members. Our register of members is maintained by our transfer agent, TSX Trust Company, which enters the names of our shareholders in our register of members. If (a) information that is required to be entered in the register of shareholders is omitted from the register or is inaccurately entered in the register, or (b) there is unreasonable delay in entering information in the register, a shareholder of the company, or any person who is aggrieved by the omission, inaccuracy or delay, may apply to the British Virgin Islands courts for an order that the register be rectified, and the court may either refuse the application or order the rectification of the register, and may direct us to pay all costs of the application and any damages the applicant may have sustained.

Subject to any rights or restrictions attached to any shares, at any general meeting on a show of hands every shareholder of record who is present in person (or, in the case of a shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote and on a poll every shareholder present in person (or, in the case of a shareholder being a corporation, by its duly appointed representative) or by proxy shall have one vote for each share which such shareholder is the holder. Voting at any meeting of the shareholders is by show of hands unless a poll is demanded. A poll may be demanded by shareholders present in person or by proxy if the shareholder disputes the outcome of the vote on a proposed resolution and the chairman shall cause a poll to be taken. In the case of a tie vote at a meeting of shareholders, the chairman shall be entitled to a second or casting vote.

No shareholder shall be entitled to vote or be reckoned in a quorum, in respect of any share, unless such shareholder is registered as our shareholder at the applicable record date for that meeting. Shareholders of record may also pass written resolutions without a meeting by a majority vote.

Protection of minority shareholders

Under the laws of the British Virgin Islands, there is little statutory law for the protection of minority shareholders other than the provisions of the BVI Act dealing with shareholder remedies. The principal protection under statutory law is that shareholders may bring an action to enforce the BVI Act or the constituent documents of the corporation, our Memorandum and Articles of Association. Shareholders are entitled to have our affairs conducted in accordance with the BVI Act and the Memorandum and Articles of Association.

There are common law rights for the protection of shareholders that may be invoked, largely dependent on English company law, since the common law of the British Virgin Islands is limited. Under the general rule pursuant to English company law known as the rule in Foss v. Harbottle, a court will generally refuse to interfere with the management of a company at the insistence of a minority of its shareholders who express dissatisfaction with the conduct of the company's affairs by the majority or the board of directors. However, every shareholder is entitled to have the affairs of the company conducted properly according to British Virgin Islands law and the constituent documents of the company. As such, if those who control the company have persistently disregarded the requirements of the BVI Act or the provisions of the company's Memorandum and Articles of Association, then the courts may grant relief. Generally, the areas in which the courts will intervene are the following: (1) an act complained of which is outside the scope of the authorized business or is illegal or not capable of ratification by the majority; (2) acts that constitute fraud on the minority where the wrongdoers control the company; (3) acts that infringe or are about to infringe on the personal rights of the shareholders, such as the right to vote; and (4) where the company has not complied with provisions requiring approval of a special or extraordinary majority of shareholders, which are more limited than the rights afforded minority shareholders under the laws of many states in the U.S.

Pre-emption rights

British Virgin Islands law does not make a distinction between public and private companies and some of the protections and safeguards (such as statutory pre-emption rights) that investors may expect to find in relation to a public company are not provided for under British Virgin Islands law, save to the extent they are expressly provided for in the Memorandum and Articles of Association. There are no pre-emption rights applicable to the issuance of new shares by us under either British Virgin Islands law generally or our Memorandum and Articles of Association more specifically.

Modification of rights

As permitted by British Virgin Islands law, and our Memorandum and Articles of Association, we may vary the rights attached to our ordinary shares only with the consent in writing of or by a resolution passed at a meeting by the holders of not less than three-fourths of the issued shares of a particular class of shares.

Transfer of shares

Subject to any applicable restrictions set forth in our Memorandum and Articles of Association, any of our shareholders may transfer all or any of his or her shares by a written instrument of transfer in the usual or common form or in any other form which our directors may approve.

The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine. If the directors were to refuse (or suspend) a transfer, then the directors should provide the transferor and transferee with a notice providing their reasons for the suspension. The directors can only refuse or delay the registration of a transfer of shares if the transferor has failed to pay amount due in respect of those shares.

Changes in authorized ordinary shares

By resolution of our shareholders or resolution of our directors we may (i) consolidate and divide all or any of our unissued authorized shares into shares of larger amount than our existing shares; (ii) sub-divide our existing ordinary shares, or any of them into shares of smaller amount than is fixed by our memorandum of association, subject nevertheless to the provisions of the BVI Act; or (iii) create new classes of shares with preferences to be determined by the board of directors at the time of authorization, although any such new classes of shares may only be created with prior shareholder approval and subject to amending our Memorandum of Association setting out the new class of shares and the rights, preferences and privileges attaching to such class of shares.

Dividends

Subject to the BVI Act and our Memorandum and Articles of Association, our directors may, by resolution, authorize a distribution to shareholders at such time and of such an amount as they think fit, if they are satisfied, on reasonable grounds, that, immediately after the distribution, we will satisfy the 'solvency test'. A company will satisfy the solvency test if (i) the value of the company's assets exceeds its liabilities; and (ii) the company is able to pay its debts as they fall due. Where a distribution is made to a shareholder at a time when the company did not, immediately after the distribution, satisfy the solvency test, it may be recovered by the company from the shareholder unless (i) the shareholder received the distribution in good faith and without knowledge of the company's failure to satisfy the solvency test; (ii) the shareholder has altered his position in reliance on the validity of the distribution; and (iii) it would be unfair to require repayment in full or at all.

Share repurchases

As permitted by the BVI Act and our Memorandum and Articles of Association, shares may be repurchased, redeemed or otherwise acquired by us provided that, immediately following the repurchase or redemption, we are satisfied we will pass the aforementioned solvency test.

We will require member consent before any share can be purchased, redeemed or otherwise acquired by us, save where such redemption is pursuant to certain statutory provisions, such as pursuant to section 179 of the BVI Act (redemption of minority shares) which allows for the holders of 90% or more of the votes to instruct the company to redeem the shares of the company held by the remaining shareholders.

Liquidation rights

As permitted by British Virgin Islands law and our Memorandum and Articles of Association, a voluntary liquidator may be appointed under Part XII of the BVI Act if we satisfy the solvency test (as aforementioned save that it is satisfied if assets equal or exceed liabilities).

Board of directors

We are managed by a board of directors which currently consists of six directors.

Our shareholders may, pursuant to our Memorandum and Articles of Association, by resolution of shareholders passed at a meeting of shareholders called for the purpose of removing the director or for purposes including the removal of the director or by a written resolution of shareholders at any time remove any director before the expiration of his or her period of office with or without cause, and may, pursuant to our Memorandum and Articles of Association, elect another person in his or her stead. Subject to our Memorandum and Articles of Association, the directors will have power at any time and from time to time to appoint any person to be a director, either as an addition to the existing directors or to fill a vacancy as long as the total number of directors (exclusive of alternate directors) does not at any time exceed the maximum number fixed by or in accordance with our Memorandum and Articles of Association (if any) and one third times the number of directors to have been elected at the last annual meeting of shareholders.

Any director may in writing appoint another person, who need not be a director, to be his alternate, provided the person has consented in writing to be an alternate director. An alternate director has the same rights as the appointing director in relation to any director's meeting and any written resolution circulated for written consent. Every alternate shall therefore be entitled to attend meetings in the absence of the director who appointed him and to vote in the place of the director and sign written consents. Where the alternate is a director, he shall be entitled to have a separate vote on behalf of the director he is representing in addition to his own vote. A director may at any time in writing revoke the appointment of an alternate appointed by him. The alternate shall not be an officer of the Company. The remuneration of the alternate shall be payable out of the remuneration of the director appointing him and the proportion thereof shall be agreed between them.

There are no share ownership qualifications for directors, unless otherwise decided by a resolution of shareholders. Meetings of our board of directors may be convened at any time deemed necessary by any of our directors.

Unless the quorum has been otherwise fixed by the board, a meeting of our board of directors will be competent to make lawful and binding decisions if at least one-half of the directors are present or represented. Unless there are only two directors, in which case, the quorum shall be two. At any meeting of our directors, each director, whether by his or her presence or by his or her alternate, is entitled to one vote.

Questions arising at a meeting of our board of directors are required to be decided by simple majority votes of the directors' present or represented at the meeting. In the case of a tie vote, the chairman of the meeting shall not have a second or deciding vote. Our board of directors may also pass written resolutions without a meeting by a majority vote.

The remuneration to be paid to the directors shall be such remuneration as the directors or shareholders shall determine through a resolution.

Issuance of additional ordinary shares

Our Memorandum and Articles of Association authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our Memorandum and Articles of Association authorize our board of directors from time to time to issue ordinary shares to the extent permitted by the BVI Act.

Changes in authorized shares

We are authorized to issue unlimited number of ordinary shares without par value, which will be subject to the same provisions with reference to the payment of calls, liens, transfers, transmissions, forfeitures and otherwise as the shares in issue. We may by resolution:

- consolidate and divide all or any of our unissued authorized shares into shares of a larger amount than our existing shares;
- sub-divide our existing ordinary shares, or any of them into shares of smaller amount than is fixed by our memorandum of association, subject nevertheless to the provisions of the BVI Act; or
- create new classes of shares with preferences to be determined by the board of directors at the time of authorization, although any such new classes of shares may only be created with prior shareholder approval and subject to amendments to our Memorandum and Articles of Association.

Inspection of books and records

Under British Virgin Islands law holders of our ordinary shares will be entitled, on giving written notice to us, to inspect and make copies or take extracts of our: (a) Memorandum and Articles of Association; (b) register of shareholders; (c) register of directors; and (d) minutes of meetings and resolutions of shareholders and those classes of shareholders of which he is a shareholder.

Subject to our Memorandum and Articles of Association, our board of directors may, if they are satisfied that it would be contrary to our interest to allow a shareholder to inspect any document, or part of a document as referenced above, refuse to permit the shareholder to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. Where our directors exercise their powers in these circumstances, they shall notify the shareholder as soon as reasonably practicable.

Conflicts of interest

Pursuant to the BVI Act and the company's memorandum and articles of association, a director of a company who has an interest in a transaction and who has declared such interest to the other directors, may:

- vote on a matter relating to the transaction;
- attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and
- sign a document on behalf of the company or do any other thing in his capacity as a director, that relates to the transaction.

Anti-money laundering laws

In order to comply with legislation or regulations aimed at the prevention of money laundering we are required to adopt and maintain anti-money laundering procedures and may require subscribers to provide evidence to verify their identity. Where permitted, and subject to certain conditions, we may also delegate the maintenance of our anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

We reserve the right to request such information as is necessary to verify the identity of a subscribe for our ordinary shares. In the event of delay or failure on the part of the subscriber in producing any information required for verification purposes, we may refuse to accept the application, in which case any funds received will be returned without interest to the account from which they were originally debited.

If any person resident in the British Virgin Islands knows or suspects that another person is engaged in money laundering or terrorist financing and the information for that knowledge or suspicion came to their attention in the course of their business, the person will be required to report his belief or suspicion to the Financial Investigation Agency of the British Virgin Islands, pursuant to the Proceeds of Criminal Conduct Act 1997 (as amended). Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Duties of directors

British Virgin Islands law provides that every director of the company in exercising his powers or performing his duties shall act honestly and in good faith and in what the director believes to be in the best interests of the company. Additionally, the director shall exercise the care, diligence, and skill that a reasonable director would exercise in the same circumstances taking into account the nature of the company, the nature of the decision and the position of the director and his responsibilities. In addition, British Virgin Islands law provides that a director shall exercise his powers as a director for a proper purpose and shall not act, or agree to the company acting, in a manner that contravenes British Virgin Islands law or the memorandum and articles of association of the company.

Anti-takeover provisions

The BVI Act does not prevent companies from adopting a wide range of defensive measures, such as staggered boards, blank check preferred shares, removal of directors only for cause and provisions that restrict the rights of shareholders to call meetings and submit shareholder proposals.

Voting rights and quorum requirements

Under British Virgin Islands law, the voting rights of shareholders are regulated by the company's Memorandum and Articles of Association and, in certain circumstances, the BVI Act. The articles of association will govern matters such as quorum for the transaction of business, rights of shares, and majority votes required to approve any action or resolution at a meeting of the shareholders or board of directors. Unless the articles of association otherwise provide, the requisite majority is usually a simple majority of votes cast. Under the M&A, a resolution of shareholders requires a majority vote of those persons voting at a meeting or in the case of a written resolution of shareholders, the vote of a majority of the shareholders.

Mergers and similar arrangements

Under the BVI Act, two or more companies may merge or consolidate in accordance with the statutory provisions. A merger means the merging of two or more constituent companies into one of the constituent companies, and a consolidation means the uniting of two or more constituent companies into a new company. In order to merge or consolidate, the directors of each constituent company must approve a written plan of merger or consolidation which must be authorized by a resolution approved, at a duly convened and constituted meeting of the shareholders of the Company, by the affirmative vote of a majority of those persons voting at a meeting or in the case of a written resolution of shareholders, the vote of a majority of the shareholders.

Shareholders not otherwise entitled to vote on the merger or consolidation may still acquire the right to vote if the plan or merger or consolidation contains any provision which, if proposed as an amendment to the memorandum of amended association and articles of association, would entitle them to vote as a class or series on the proposed amendment. In any event, all shareholders must be given a copy of the plan of merger or consolidation irrespective of whether they are entitled to vote at the meeting or consent to the written resolution to approve the plan of merger or consolidation.

Shareholder suits

We are not aware of any reported class action or derivative action having been brought against the company in a British Virgin Islands court.

Under the BVI Act, if a company or a director of a company engages in, or proposes to engage in, conduct that contravenes the BVI Act or the memorandum of association or articles of the company, the BVI Court may, on the application of a shareholder or a director of the company, make an order directing the company or director to comply with, or restraining the company or director from engaging in that conduct.

In addition, under the BVI Act, the BVI Court may, on the application of a shareholder of a company, grant leave to that shareholder to bring proceedings in the name and on behalf of that company or to intervene in proceedings to which the company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the company. In determining whether to grant leave for such derivative actions, the Court must take into account certain matters, including whether the shareholder is acting in good faith, whether the derivative action is in the interests of the company taking account of the views of the company's directors on commercial matters and whether an alternative remedy to the derivative claim is available.

A shareholder of a company may bring an action against the company for breach of a duty owed by the company to him as a shareholder. The BVI Act also includes provisions for actions based on oppression, and for representative actions where the interests of the claimant are substantially the same as those of other shareholders.

Corporate governance

British Virgin Islands laws do not restrict transactions between a company and its directors, requiring only that directors exercise a duty to act honestly, in good faith and in what the directors believe to be in the best interests to the companies for which they serve.

Indemnification

British Virgin Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the British Virgin Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association provide for the indemnification of our directors against all losses or liabilities incurred or sustained by a director as a director of our company in defending any proceedings, whether civil or criminal and this indemnity only applies if he or she acted honestly and in good faith with a view to our best interests and, with respect to any criminal action, he or she must have had no reasonable cause to believe his or her conduct was unlawful.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, officers or persons controlling us under the foregoing provisions, we have been advised that, in the opinion of the U.S. Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and therefore is unenforceable.

Staggered board of directors

The BVI Act does not contain statutory provisions that require staggered board arrangements for a British Virgin Islands company and our Memorandum and Articles of Association do not provide for a staggered board.

(C) MATERIAL CONTRACTS

The Company had no material contract, other than contracts entered into in the ordinary course of business, to which we or any of our subsidiaries is a party, for the year immediately preceding the filing of this report.

(D) EXCHANGE CONTROLS

There is no income or other tax of the British Virgin Islands imposed by withholding or otherwise on any payment to be made by us.

We are free to acquire, hold and sell foreign currency and securities without restriction. There is no exchange control legislation under British Virgin Islands law and accordingly there are no exchange control regulations imposed under British Virgin Islands law that would prevent us from paying dividends to shareholders in United States Dollars or any other currencies, and all such dividends may be freely transferred out of the British Virgin Islands, clear of any income or other tax of the British Virgin Islands imposed by withholding or otherwise without the necessity of obtaining any consent of any government or authority of the British Virgin Islands.

(E) TAXATION

British Virgin Islands Tax Consequences

Under the law of the British Virgin Islands as currently in effect, a holder of shares of the Company who is not a resident of the British Virgin Islands is not liable for British Virgin Islands income tax on dividends paid with respect to the shares of the Company, and all holders of securities of the Company are not liable to the British Virgin Islands for income tax on gains realized on the sale or disposal of securities. The British Virgin Islands does not impose a withholding tax on dividends paid by a company incorporated under the BCA.

There are no capital gains, gift or inheritance taxes levied by the British Virgin Islands on companies incorporated under the BCA. In addition, securities of companies incorporated under the BCA are not subject to transfer taxes, stamp duties or similar charges.

There is no income tax treaty or convention currently in effect between (i) the United States and the British Virgin Islands or (ii) Canada and the British Virgin Islands, although a Tax Information Exchange Agreement is in force between the United States and the BVI and Canada and the BVI.

The BVI Economic Substance (Companies and Limited Partnership) Act 2018

The above legislation provides that BVI companies that carry out certain defined activities, need to take steps to establish substance in the British Virgin Islands. We have taken advice and will be filing our economic substance declaration in the BVI shortly in accordance with the requirements of the legislation.

U.S. Federal Income Tax Consequences

The discussion below is for general information only and is not, and should not be interpreted to be, tax advice to any holder of our ordinary shares. Each holder or a prospective holder of our ordinary shares is urged to consult his, her or its own tax advisor.

General

This section is a general summary of the material United States federal income tax consequences to U.S. Holders, as defined below, of the ownership and disposition of our ordinary shares as of the date of this report. This summary is based on the provisions of the Internal Revenue Code of 1986, as amended, or the Code, the applicable Treasury regulations promulgated and proposed thereunder, judicial decisions and current administrative rulings and practice, all of which are subject to change, possibly on a retroactive basis. The summary applies to you only if you hold our ordinary shares as a capital asset within the meaning of Section 1221 of the Code. In addition, this summary generally addresses certain U.S. federal income tax consequences to U.S. Holders related to classification as a PFIC. The United States Internal Revenue Service, or the IRS, may challenge the tax consequences described below, and we have not requested, nor will we request, a ruling from the IRS or an opinion of counsel with respect to the United States federal income tax consequences of acquiring, holding or disposing of our ordinary shares. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to the ownership of our ordinary shares. In particular, the discussion below does not cover tax consequences that depend upon your particular tax circumstances nor does it cover any state, local or foreign law, or the possible application of the United States federal estate or gift tax. You are urged to consult your own tax advisors regarding the application of the United States federal income tax laws to your particular situation as well as any state, local, foreign and United States federal estate and gift tax consequences of the ownership and disposition of the ordinary shares. In addition, this summary does not take into account any special United States federal income tax rules that apply to a particular U.S. or non-U.S. holder of our common shares, including, without limitation, the following:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for its securities holdings;
- a financial institution or a bank;
- an insurance company;
- a tax-exempt organization;
- a person that holds our common shares in a hedging transaction or as part of a straddle or a conversion transaction;
- a person whose functional currency for United States federal income tax purposes is not the U.S. dollar;
- a person liable for alternative minimum tax;
- a person that owns, or is treated as owning, 10% or more, by voting power or value, of our ordinary shares;
- certain former U.S. citizens and residents who have expatriated; or
- a person who receives our shares pursuant to the exercise of employee stock options or otherwise as compensation.

U.S. Holders

For purposes of the discussion below, you are a "U.S. Holder" if you are a beneficial owner of our ordinary shares who or which is:

- an individual United States citizen or resident alien of the United States (as specifically defined for United States federal income tax purposes);
- a corporation, or other entity treated as a corporation for United States federal income tax purposes, created or organized in or under the laws of the United States, any State or the District of Columbia;
- an estate whose income is subject to United States federal income tax regardless of its source; or
- a trust (x) if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust or (y) if it was in existence on August 20, 1996, was treated as a United States person prior to that date and has a valid election in effect under applicable Treasury regulations to be treated as a United States person.

If a partnership holds our ordinary shares, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner of a partnership holding our ordinary shares, you should consult your tax advisor.

Passive Foreign Investment Company (PFIC)

Under the Code, we will be a PFIC for any taxable year in which, after the application of certain "look-through" rules with respect to related companies, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income." Passive income generally includes interest, dividends, rents, rents and royalties other than certain rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business, and capital gains. Whether we will be a PFIC in any year depends on the composition of our income and assets, and the relative fair market value of our assets from time to time, which we expect may vary substantially over time. We must make a separate determination each year as to whether we are a PFIC. As a result, our PFIC status may change from year to year based on our income and assets and our anticipated future operations, we were a PFIC in the fiscal year ended in 2018 and may have been a PFIC in prior years and may be a PFIC in the future. We do not believe, at this time, that we will be a PFIC for the fiscal year ended March 31, 2020, due to the fact that we made the acquisition of several immune-oncology related businesses in 2018.

If we are a PFIC for any fiscal year during which a U.S. Holder holds our ordinary shares, we generally will continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding fiscal years during which the U.S. Holder holds our ordinary shares, unless we cease to meet the threshold requirements for PFIC status and that U.S. Holder makes a qualifying "deemed sale" election with respect to the ordinary shares. If such an election is made, the U.S. Holder will be deemed to have sold the ordinary shares it holds at their fair market value on the last day of the last fiscal year in which we qualified as a PFIC, and any gain from such deemed sale will be subject to the consequences described below. After the deemed sale election, the ordinary shares with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ordinary shares, the U.S. Holder may be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of our ordinary shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such ordinary shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and would be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to each such other taxable year. Further, to the extent that any distribution received by a U.S. Holder on our ordinary shares exceeds 125% of the average of the annual distributions on such ordinary shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner described immediately above with respect to gain on disposition.

If we are a PFIC for any fiscal year during which any of our non-U.S. subsidiaries is also a PFIC, a U.S. Holder of our ordinary shares during such year will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules to such subsidiary. U.S. Holders should consult their tax advisers regarding the tax consequences if the PFIC rules apply to any of our subsidiaries. Alternatively, if we are a PFIC and if our ordinary shares are "regularly traded" on a "qualified exchange," a U.S. Holder may be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment described above. Our ordinary shares would be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the ordinary shares are traded on a qualified exchange on at least 15 days during each calendar quarter. NASDAQ is a qualified exchange for this purpose. Additionally, because a mark-to-market election cannot be made for equity interests in any lower-tier PFIC that we may own, a U.S. Holder that makes a mark-to-market election with respect to us may continue to be subject to the PFIC rules with respect to any indirect investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. If a U.S. Holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the ordinary shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the ordinary shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the ordinary shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our ordinary shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless our ordinary shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. Holders are urged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a U.S. Holder of stock in a PFIC may make a so-called "Qualified Electing Fund" election to avoid the PFIC rules regarding distributions and gain described above. The PFIC taxation regime would not apply to a U.S. Holder who makes a QEF election for all taxable years that such U.S. Holder has held our ordinary shares while we are a PFIC, provided that we comply with specified reporting requirements. Instead, each U.S. Holder who has made a valid and effective QEF election is required for each taxable year that we are a PFIC to include in income such U.S. Holder's pro rata share of our ordinary earnings as ordinary income and such U.S. Holder's pro rata share of our net capital gains as long-term capital gain, regardless of whether we make any distributions of such earnings or gain. In general, a QEF election is effective only if we make available certain required information. U.S. Holders should be aware, however, that we are not required to make this information available but have agreed to do so for our fiscal year ended March 31, 2021 for those United States shareholders who ask for it. The QEF election is made on a shareholder-by-shareholder basis and generally may be revoked only with the consent of the IRS. U.S. Holders should consult with their own tax advisors regarding eligibility, manner and advisability of making a QEF election if we are treated as a PFIC.

In addition, if we are a PFIC or, with respect to particular U.S. Holders, are treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our ordinary shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to us, generally with the U.S. Holder's federal income tax return for that year. If we are a PFIC for a given taxable year, then you should consult your tax advisor concerning your annual filing requirements.

The U.S. federal income tax rules relating to PFICs are complex. U.S. Holders are urged to consult their own tax advisers with respect to the acquisition, ownership and disposition of our ordinary shares, the consequences to them if we are or become a PFIC, any elections available with respect to our ordinary shares, and the IRS information reporting obligations with respect to the acquisition, ownership and disposition of our ordinary shares.

Non-U.S. Holders

If you are not a U.S. Holder, you are a "Non-U.S. Holder."

Distributions on Our Ordinary Shares

You generally will not be subject to U.S. federal income tax, including withholding tax, on distributions made on our ordinary shares unless:

- you conduct a trade or business in the United States; and
- the distributions are effectively connected with the conduct of that trade or business (and, if an applicable income tax treaty so requires as a condition for you to be subject to U.S. federal income tax on a net income basis in respect of income from our ordinary shares, such distributions are attributable to a permanent establishment that you maintain in the United States).

If you meet the two tests above, you generally will be subject to tax in respect of such dividends in the same manner as a U.S. Holder, as described above. In addition, any effectively connected dividends received by a non-U.S. corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30 percent rate or such lower rate as may be specified by an applicable income tax treaty.

Sale, Exchange or Other Disposition of Our Ordinary Shares

Generally, you will not be subject to U.S. federal income tax, including withholding tax, in respect of gain recognized on a sale or other taxable disposition of our ordinary shares unless:

- your gain is effectively connected with a trade or business that you conduct in the United States (and, if an applicable income tax treaty so requires as a condition for you to be subject to U.S. federal income tax on a net income basis in respect of gain from the sale or other disposition of our ordinary shares, such gain is attributable to a permanent establishment maintained by you in the United States); or
- you are an individual Non-U.S. Holder and are present in the United States for at least 183 days in the taxable year of the sale or other disposition, and certain other conditions exist.

You will be subject to tax in respect of any gain effectively connected with your conduct of a trade or business in the United States generally in the same manner as a U.S. Holder, as described above. Effectively connected gains realized by a non-U.S. corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a rate of 30 percent or such lower rate as may be specified by an applicable income tax treaty.

Backup Withholding and Information Reporting

Payments, including dividends and proceeds of sales, in respect of our ordinary shares that are made in the United States or by a United States related financial intermediary will be subject to United States information reporting rules. In addition, such payments may be subject to United States federal backup withholding tax. You will not be subject to backup withholding provided that:

- you are a corporation or other exempt recipient; or
- you provide your correct United States federal taxpayer identification number and certify, under penalties of perjury, that you are not subject to backup withholding.

Amounts withheld under the backup withholding rules may be credited against your United States federal income tax, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS in a timely manner.

Foreign asset reporting

Certain U.S. Holders, who are individuals, are required to report information relating to an interest in ordinary shares, subject to certain exceptions (including an exception for ordinary shares held in accounts maintained by U.S. financial institutions). U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of ordinary shares.

(F) DIVIDEND AND PAYING AGENTS

Not applicable.

(G) STATEMENT BY EXPERTS

Not applicable.

(H) DOCUMENTS ON DISPLAY

We are currently subject to the informational requirements of the Exchange Act applicable to foreign private issuers. To fulfill these requirements we file with the Securities and Exchange Commission, within four months after the end of our fiscal year an annual report on Form 20-F containing financial statements that will be examined and reported on, with an opinion expressed, by an independent public accounting firm. We also file current reports on Form 6-K for significant corporate events throughout the year. As a foreign private issuer, we are exempt from the rules under the Exchange Act relating to the furnishing of proxy statements. Also, because we are a foreign private issuer our officers, directors and principal shareholders are exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the Exchange Act.

You may read and copy any document we file with the SEC without charge at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1 800 SEC 0330 for further information on the public reference room. The SEC also maintains an Internet site that contains reports and other information regarding issuers that file electronically with the SEC. Our filings with the SEC are also available to the public through this web site at http://www.sec.gov.

(I) SUBSIDIARY INFORMATION

The documents concerning the Company's subsidiaries referred to in this Annual Report may be inspected at the Company's office at 6 Adelaide Street East, Suite 300, Toronto, Ontario, Canada M5C 1H6.

ITEM 11 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks and has no designated hedging transactions. The Board approves and monitors the risk management processes. The Board's main objectives for managing risks are to ensure liquidity, the fulfilment of obligations, the continuation of the Company's search for new business participation opportunities, and limited exposure to credit and market risks while ensuring greater returns on the surplus funds on hand. There were no changes to the objectives or the process from the prior year.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below.

Fair Value of Financial Instruments

The Company’s financial assets and liabilities are comprised of cash, receivables and investments in equities and private entities, accounts payable, warrant liability and unsecured notes payable.

The Company classifies the fair value of these transactions according to the following fair value hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data. Investments are classified as Level 3 financial instrument.

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

Management has assessed that the fair values of cash and cash equivalents, other receivables and accounts payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company’s financial instruments are exposed to certain financial risks: credit risk and liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfil its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value as reflected on the consolidated statements of financial position.

Cash. Cash is held with major international financial institutions and therefore the risk of loss is minimal.

Other receivables. The Company was exposed to credit risk attributable to its debtor since a significant portion of this amount represents the amount agreed on a settlement of a claim by PPL (see Note 5), payable over the next four years. The installment note was repaid in full in July 2021 (see Note 25).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due.

The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company’s reputation. The Company holds sufficient cash to satisfy obligations under accounts payable and accruals.

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to meet its operating needs and needs for investing in new projects. The Company believes that it has sufficient funding to finance the committed drug development work, apart from meeting its operational needs for the foreseeable future.

However, as a biotech company at an early stage of development and without significant internally generated cash flows, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company, or that actual drug development expenditures may exceed those planned. The current uncertainty in global markets could have an impact on the Company's future ability to access capital on terms that are acceptable to the Company. There can be no assurance that required financing will be available to the Company.

ITEM 12 – DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13 – DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14 – MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None

ITEM 15 – CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's disclosure controls and procedures, as such term is defined in Rules 13(a)-13(e) and 15(d)-15(e) of the Exchange Act are designed to provide reasonable assurance that all relevant information is communicated to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our management, including our CEO and CFO. Based on this evaluation these officers concluded that as of the end of the period covered by this Annual Report on Form 20-F, our disclosure controls and procedures were not effective to ensure that the information required to be disclosed by our company in reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These disclosure controls and procedures include controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management, including our Company's principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. The conclusion that the disclosure controls and procedures were not effective was due to the presence of a material weakness in internal control over financial reporting as identified below under the heading "Internal Controls over Financial Reporting Procedures". Management anticipates that such disclosure controls and procedures will not be effective until the material weakness is remediated.

Management's Annual Report on Internal Control over Financial Reporting (ICFR)

The management of the Company, including the CEO and CFO, is responsible for establishing and maintaining adequate internal controls over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). The Company's internal control system was designed to provide reasonable assurance to the Company's management and the board of directors regarding the reliability of financial reporting and preparation and fair presentation of published financial statements for external purposes in accordance with IFRS. Internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2021. In making this assessment, it used the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the evaluation under these criteria, management identified material weaknesses in the Company's internal controls over financial reporting, and as a result, management concluded that the Company's internal control over financial reporting was not effective as of March 31, 2021.

Management identified the following material weaknesses set forth below in our internal control over financial reporting.

- Management was unable to perform an effective risk assessment or monitor internal controls over financial reporting;

- The management of the Company lacks the number of skilled persons it requires given the complexity of the reporting requirements it has to make, which more specifically include the staff and expertise (i) to properly segregate duties and perform oversight of work performed and to perform compensating controls over the finance and accounting functions, (ii) to establish and perform fair value estimates or subsequently monitor fluctuations in fair value estimates, and (iii) to apply complex accounting principles, including those relating to business combination accounting, income taxes and fair value estimates; and

- There are insufficient written policies and procedures in place to ensure the correct application of accounting and financial reporting with respect to the current requirements of IFRS and SEC disclosure requirements, some of which specifically relate to investment accounting and fair value measures, assessment of in-process research and development assets, share based payments, carrying amounts of goodwill and intangible assets and business combination accounting.

Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this Annual Report.

Changes in Internal Control over Financial Reporting and Planned Remediation Activities

Management is committing additional resources improve and augment its control over financial reporting as well as continue to leverage experienced consultants to assist with ongoing IFRS and SEC compliance requirements.

ITEM 16(A) – AUDIT COMMITTEE FINANCIAL EXPERTS

The Board of Directors has determined that Mr. Steven Mintz, who is an independent director, is an audit committee financial expert as such term is defined in Rule 10A-3(b)(1) under the Exchange Act.

ITEM 16 (B) – CODE OF ETHICS

We have adopted a Code of Ethics, which applies to all consultants, officers and directors. A copy of our current code of ethics was included in the exhibits to the fiscal 2014 annual report on Form 20-F.

A copy of our Code of Ethics can be obtained by writing to our corporate office at c/o Portage Services Ltd, Ian Walters, 6 Adelaide Street East, Suite 300, Toronto, Ontario, Canada M5C 1H6

During the most recently completed fiscal year, the Company has neither: (a) amended its Code of Ethics; nor (b) granted any waiver (including any implicit waiver) from any provision of its Code of Ethics.

ITEM 16 (C) – PRINCIPAL ACCOUNTANT'S FEES AND SERVICES

The following outlines the expenditures for accounting fees paid to the independent auditing firms of the Company for the last two fiscal periods ended:

March 31,	**2021**	**2020**
Audit fee	$ 172,480	$ 249,500
Other services	65,000	–

There were no fees paid to the independent accounting firms of the Company for interim review of the financial statements of the Company during the fiscal year ended 2020. Included in audit fees are $67,800 with respect to the three quarterly reviews performed in 2021. The Company also incurred fees of $65,000 with respect to work performed on the Company’s registration statement. The Company did not have any engagement with the independent accounting firms of the Company during the fiscal years ended 2021 and 2020 with respect to professional services for tax compliance, tax advice or tax planning or for any other services.

Under our existing policies, the audit committee must approve all audit and non-audit related services provided by the independent accounting firms.

ITEM 16 (D) – EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16 (E) – PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

We did not, nor did any affiliated purchaser, purchase any of our equity securities during the fiscal year 2021.

ITEM 16 (F) – CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not Applicable.

ITEM 16 (G) – CORPORATE GOVERNANCE

Our securities are listed on the Canadian Securities Exchange and are traded in the OTC trading mediums.

There are no significant ways in which our corporate governance practices differ from those followed by domestic companies under the trading standards of the OTC trading mediums, except for proxy delivery requirements. As a foreign private issuer, the Company is exempt from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Act.

The Company solicits proxies in accordance with applicable rules and regulations in British Virgin Islands and requirements of Ontario Securities Commission and applicable CSE rules.

ITEM 16 (H) – MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17 – FINANCIAL STATEMENTS

The financial statements are provided pursuant to Item 18.

ITEM 18 – FINANCIAL STATEMENTS

See the Financial Statements and Exhibits listed in Item 19 hereof and filed as part of this Annual Report.

ITEM 19 – EXHIBITS

(a) Financial Statements

PORTAGE BIOTECH INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2021 AND 2020

(U.S. Dollars in thousands)

TABLE OF CONTENTS

Reports of Independent Registered Public Accounting Firm	F-1
Consolidated Statements of Financial Position	F-2
Consolidated Statements of Operations and Other Comprehensive Income (Loss)	F-3
Consolidated Statements of Changes in Equity	F-4
Consolidated Statements of Cash Flows	F-5
Notes to Consolidated Financial Statements	F-6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Portage Biotech Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Portage Biotech Inc. and subsidiaries (the “Company”) as of March 31, 2021 and 2020, the related consolidated statements of operations and other comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended March 31, 2021, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2021 and 2020, and the results of its operations and its cash flows for each of the two years in the period ended March 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment of In-Process Research and Development

Critical Audit Matter Description

As reflected in the Company’s consolidated financial statements at March 31, 2021, the Company’s carrying amount of in-process research and development assets was approximately $117.4 million. As disclosed in Note 4 to the consolidated financial statements, in-process research and development assets are tested for impairment at least annually or more frequently if indicators of impairment require the performance of an interim impairment assessment. As a result of its year end assessment, management concluded that there was no impairment to the Company’s in-process research and development assets during the year ended March 31, 2021.

Auditing management’s impairment test of in-process research and development assets was complex and highly judgmental due to the significant measurement uncertainty in determining the fair values of the in-process research and development assets. In particular, the fair value estimates of in-process research and development assets are sensitive to changes in significant assumptions such as discount rates, revenue growth rates, operating margins, estimated spending on capital expenditures, and terminal growth rates. These assumptions are affected by expected future market or economic conditions.

How the Critical Audit Matter was addressed in the Audit

We obtained a copy of the Company's impairment assessment including an independent appraisal of the fair value of the Company's in-process research and development that was used by management to determine their fair values, in accordance with IAS 36 (Impairment of Assets) and assessed the qualifications of the specialist.

To test the impairment assessment including fair values of the in-process research and development assets, our audit procedures included:

- We obtained the valuation report prepared by management's third party valuation specialists. We performed the following procedures in respect to the valuation report:
    - We assessed the qualifications of the third party specialists who performed the analysis and prepared the report; and
    - We tested the mathematical accuracy of all the schedules used in the analysis.
- With assistance from our valuation specialists, we evaluated the reasonableness of the valuation methodology and significant assumptions, including the following:
    - Volatility;
    - Weighted average cost of capital;
    - Testing certain inputs utilized by comparing them to similar companies in the industry.
- We performed the following additional procedures:
    - Performed a sensitivity analysis of the significant assumptions to evaluate the changes in the fair value of the in-process research and development that would result from changes in the assumptions;
    - Compared the revenue growth rates used in the valuation to current industry and economic trends;
    - Assessed the reasonableness of the probability of success of current research and development projects;
    - Assessed the reasonableness of the expected timing to realization of revenue;
    - Evaluated the reasonableness of the expected time to a possible liquidation event; and
    - Developed an independent expectation for comparison to management's estimated revenue, costs of revenue and administrative expenses.

/s/ Marcum LLP

Marcum LLP

We have served as the Company's auditor since 2019.

Melville, NY
July 29, 2021

PORTAGE BIOTECH INC.
Consolidated Statements of Financial Position
(U.S. Dollars in thousands)

	Notes	March 31, 2021	March 31, 2020
Assets			
Current assets			
Cash and cash equivalents	**4**	$ 2,770	$ 3,152
Prepaid expenses and other receivables	**5**	2,176	574
Investment in marketable equity securities	**6**	–	68
		4,946	3,794
Long-term assets			
Long-term portion of other receivables	**5**	22	34
Investment in associate	**7**	1,735	1,225
Investments in private companies	**9**	7,409	7,409
Goodwill	**11**	43,324	43,324
In-process research and development	**12**	117,388	117,388
Other assets		36	–
Total assets		**$ 174,860**	**$ 173,174**
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	**13**	$ 1,938	$ 1,268
Warrant liabilities	**15**	1,120	–
Unsecured notes payable	**14**	150	300
Advance from related party	**21**	–	1,000
		3,208	2,568
Non-current liabilities			
Unsecured notes payable	**14**	–	3,361
Deferred tax liability	**11, 12, 18**	24,050	21,604
		24,050	24,965
Total liabilities		27,258	27,533
Shareholders' Equity			
Capital stock	**16**	130,649	117,817
Stock option reserve	**17**	7,977	58
Accumulated other comprehensive income		958	958
Accumulated deficit		(38,135)	(22,302)
Total equity attributed to owners of the Company		**101,449**	**96,531**
Non-controlling interest	**24**	**46,153**	**49,110**
Total equity		**147,602**	**145,641**
Total liabilities and equity		**$ 174,860**	**$ 173,174**
Commitments and Contingent Liabilities (Note 20)			

On behalf of the Board "Allan Shaw" (signed) Chief Financial Officer "Ian Walters" (signed) Director

The accompanying notes are an integral part of these consolidated financial statements.

PORTAGE BIOTECH INC.
Consolidated Statements of Operations and Comprehensive Income (Loss)
(U.S. Dollars in thousands, except per share amounts)

	Notes	Years Ended March 31, 2021	2020	2019
Expenses				
Research and development		$ 7,312	$ 4,108	$ 1,907
General and administrative expenses		5,128	1,870	857
Loss from operations		**(12,440)**	**(5,978)**	**(2,764)**
Gain on sale of marketable equity securities	**6**	72	–	–
Foreign exchange transaction gain (loss)	**12, 18**	–	6	(691)
Change in fair value of warrant liability	**15**	(790)	24	–
(Loss) on equity issued at a discount	**16**	(1,256)	–	–
Loss on extinguishment of notes payable	**14**	(223)	(33)	–
Share of (loss) income in associate accounted for using equity method	**7**	(490)	18	(162)
Gain on disposition of subsidiaries	**8**	412	–	–
Interest income		–	11	111
Interest expense		(177)	(557)	(88)
Loss before provision for income taxes		**(14,892)**	**(6,509)**	**(3,594)**
Income tax (expense)	**12,18**	(2,297)	(740)	–
Net (loss)		**(17,189)**	**(7,249)**	**(3,594)**
Other comprehensive income (loss)				
Net unrealized gain on investments	**6, 9**	–	876	50
Total comprehensive (loss) for year		**$ (17,189)**	**$ (6,373)**	**$ (3,544)**
Net (loss) attributable to:				
Owners of the Company		**$ (15,833)**	**$ (5,333)**	**$ (2,635)**
Non-controlling interest	**24**	**(1,356)**	**(1,916)**	**(959)**
		$ (17,189)	**$ (7,249)**	**$ (3,594)**
Comprehensive (loss) attributable to:				
Owners of the Company		**$ (15,833)**	**$ (4,457)**	**$ (2,585)**
Non-controlling interest	**24**	**(1,356)**	**(1,916)**	**(959)**
		$ (17,189)	**$ (6,373)**	**$ (3,544)**
(Loss) per share	**19**			
Basic and diluted		**$ (1.35)**	**$ (0.49)**	**$ (0.55)**
Weighted average shares outstanding	**19**			
Basic and diluted		**11,733**	**10,952**	**4,820**

The accompanying notes are an integral part of these consolidated financial statements.

PORTAGE BIOTECH INC.
Consolidated Statements of Changes in Equity
(U.S. Dollars in thousands)

	Number of Shares	Capital Stock	Stock Option Reserve	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Equity Attributable to Owners of Company	Non-Controlling Interest	Total Equity
Balance, April 1, 2018	**2,807**	**$ 23,654**	**$ 267**	**$ 32**	**$ (14,334)**	**$ 9,619**	$ –	**$ 9,619**
Unrealized gain on investment in Biohaven	–	–	–	50	–	50	–	**50**
Shares issued on acquisition of SalvaRx Limited	8,051	92,583	–	–	–	92,583	–	**92,583**
Fair value of a subsidiary attributable to non-controlling interest on acquisition	–	–	–	–	–	–	48,731	**48,731**
Share-based compensation	–	–	57	–	–	57	1,111	**1,168**
Net loss for year	–	–	–	–	(2,635)	(2,635)	(959)	**(3,594)**
Balance, March 31, 2019	**10,858**	**116,237**	**324**	**82**	**(16,969)**	**99,674**	**48,883**	**148,557**
Net unrealized gain on investments	–	–	–	876	–	876	–	**876**
Shares issued on acquisition of Intensity Holdings Limited	130	1,298	–	–	–	1,298	–	**1,298**
Expiration of unexercised stock options	–	282	(282)	–	–	–	–	–
Share-based compensation	–	–	16	–	–	16	2,143	**2,159**
Net loss for year	–	–	–	–	(5,333)	(5,333)	(1,916)	**(7,249)**
Balance, March 31, 2020	**10,988**	**117,817**	**58**	**958**	**(22,302)**	**96,531**	**49,110**	**145,641**
Issued under private placement	698	6,980	–	–	–	6,980	–	6,980
Share issuance costs	–	(248)	–	–	–	(248)	–	(248)
Share-based compensation	–	–	7,977	–	–	7,977	850	8,827
Exchange of SalvaRx warrants for Portage warrants	–	2,640	–	–	–	2,640	–	2,640
Settlement of non-controlling interest in SalvaRx Limited	–	2,451	–	–	–	2,451	(2,451)	–
Warrant liability at contract price	–	(330)	–	–	–	(330)	–	(330)
Fair value adjustment for shares issued at a discount in SalvaRx Limited	397	1,256	–	–	–	1,256	–	1,256
Shares issued for services	1	25	–	–	–	25	–	25
Expiration of unexercised stock options	–	58	(58)	–	–	–	–	–
Net loss for period	–	–	–	–	(15,833)	(15,833)	(1,356)	(17,189)
Balance, March 31, 2021	**12,084**	**$ 130,649**	**$ 7,977**	**$ 958**	**$ (38,135)**	**$ 101,449**	**$ 46,153**	**$ 147,602**

The accompanying notes are an integral part of these consolidated financial statements.

PORTAGE BIOTECH INC.
Consolidated Statements of Cash Flows
(U.S. Dollars in thousands)

	Years Ended March 31,		
	2021	**2020**	**2019**
Cash flows provided by (used in) operating activities:			
Net loss for the year	$ (17,189)	$ (7,249)	$ (3,594)
Adjustments for non-cash items:			
Gain on sale of marketable equity securities	(72)	–	–
Increase in deferred tax liability	2,446	1,240	–
Foreign exchange transaction (gain) loss	–	(6)	691
Loss (income) on fair value of warrant liability	790	(24)	–
Loss on equity issued at a discount	1,256	–	–
Amortization of debt discount	76	265	–
Loss on early extinguishment of debt	223	33	–
Share of loss (gain) in associate	490	(18)	162
Share-based compensation expensed as consulting fee	8,827	2,143	1,148
Fair value of stock issued for services	25	–	–
Gain on disposition of subsidiaries	(412)	–	–
Share-based compensation expensed as research and development	–	16	20
Changes in operating working capital:			
Accounts receivable	(111)	–	–
Prepaid expenses and other receivables	(1,477)	(281)	352
Accounts payable and accrued liabilities	880	167	363
Other assets	(36)	–	–
Net cash used in operating activities	**(4,284)**	**(3,714)**	**(858)**
Cash flows provided by (used in) investing activities:			
Proceeds from sale of marketable securities	140	–	–
Investment in associate	(1,000)	–	(688)
Cash from SalvaRx Limited acquisition	–	–	1,192
Purchase of notes receivable issued by SalvaRx Limited prior to the acquisition by Portage	–	–	(950)
Net cash used in investing activities	**(860)**	**–**	**(446)**
Cash flows provided by (used in) financing activities:			
Proceeds from shares issued under private placement	6,980	–	–
Share issuance costs	(248)	–	–
Repayment of unsecured notes payable	(1,020)	(300)	(50)
(Repayment of) advance from related party	(1,000)	1,000	–
Note proceeds received	50	–	–
Net cash provided by (used in) financing activities	**4,762**	**700**	**(50)**
(Decrease) increase in cash and cash equivalents during year	(382)	(3,014)	(1,354)
Cash and cash equivalents at beginning of year	3,152	6,166	7,520
Cash and cash equivalents at end of year	**$ 2,770**	**$ 3,152**	**$ 6,166**
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 748	$ –	$ –
Supplemental disclosure of non-cash investing and financing activities:			
Shares issued pursuant to settlement of SalvaRx notes and warrants	$ 2,640	$ –	$ –
Fair value of warrant liability for Portage warrants issued	$ 1,120	$ –	$ –
Notes payable settled in disposition of subsidiaries	$ 200	$ –	$ –
Fair value of shares issued to acquire Intensity Holdings Limited	$ –	$ 1,298	$ –
Fair value of shares issued to acquire SalvaRx Limited	$ –	$ –	$ 92,583
Effective settlement of convertible notes issued by SalvaRx Limited upon acquisition by Portage	$ –	$ –	$ 1,963
Unrealized gain on investments in Intensity and Biohaven	$ –	$ 876	$ 50

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1. NATURE OF OPERATIONS

Portage Biotech Inc. (the "Company" or “Portage”) is incorporated in the British Virgin Islands ("BVI") with its registered office located at FH Chambers, P.O. Box 4649, Road Town, Tortola, BVI. Its Toronto agent, Portage Services Ltd., is located at 6 Adelaide Street East, Suite 300, Toronto, Ontario, M5C 1H6, Canada.

The Company is a reporting issuer with the securities commissions of the provinces of Ontario and British Columbia. Its ordinary shares were listed on the Canadian Stock Exchange (“CSE”) under the symbol “PBT.U”. On February 25, 2021, the ordinary shares of the Company began trading on the NASDAQ Capital Market (“NASDAQ”) under the symbol “PRTG”. The Company voluntarily delisted its common shares from the CSE at the market close on April 23, 2021, since the Company’s shares began trading on NASDAQ.

Portage is a clinical stage immune-oncology company focused on overcoming immune resistance and currently managing 10 immuno-oncology assets at various development stages. We source, nurture and develop the creation of early- to mid-stage, first- and best-in-class therapies for a variety of cancers, by funding, implementing viable, cost effective product development strategies, clinical counsel/trial design, shared services, financial and project management to enable efficient, turnkey execution of commercially informed development plans. Our drug development pipeline portfolio encompasses products or technologies based on biology addressing known resistance pathways/mechanisms of current check point inhibitors with established scientific rationales, including intratumoral delivery, nanoparticles, liposomes, aptamers, and virus-like particles.

On August 13, 2018, the Company reached a definitive agreement to acquire 100% of SalvaRx Limited (“SalvaRx”) in exchange for 8,050,701 ordinary shares of the Company (the "SalvaRx Acquisition"). The SalvaRx Acquisition was completed on January 8, 2019 (the “Acquisition Date”) upon receiving shareholder and regulatory approval. In connection with the SalvaRx Acquisition, the Company acquired interests in SalvaRx’s five research and development invested entities and subsidiaries: iOx Therapeutics Ltd. (“iOx”), Nekonal Oncology Limited (“Nekonal”), Intensity Therapeutics, Inc. (“Intensity”), Saugatuck Therapeutics Ltd. (“Saugatuck”) and Rift Biotherapeutics Inc. (“Rift”). In connection with the SalvaRx Acquisition, the Company also acquired an option in Nekonal SARL, a Luxembourg-based company holding intellectual property rights for therapeutics and diagnostics in the field of autoimmune disorders and oncology, to participate in the funding of its autoimmune programs. The Company abandoned its interests in Nekonal (see Note 10, “Acquisition and Business Combination”).

On June 5, 2020, the Company effected a 100:1 reverse stock split. All share and per share information included in the consolidated financial statements have been retroactively adjusted to reflect the impact of the reverse stock split. The shares of ordinary shares authorized remained at an unlimited number of ordinary shares without par value.

Portage filed a registration statement and prospectus with the Securities and Exchange Commission (“SEC”) pursuant to Rule 424(b)(2) under which it may sell shares, debt securities, warrants and units that Portage may sell in one or more offerings from time to time, which became effective on March 8, 2021 (“Registration Statement” or “Prospectus”). The Registration Statement includes:

- a base prospectus, which covers the offering, issuance and sales by us of up to $200,000,000 in the aggregate of the securities identified above from time to time in one or more offerings; and
- a sales agreement prospectus covering the offer, issuance and sale by us of up to a maximum aggregate offering price of up to $50,000,000 of our ordinary shares that may be issued and sold from time to time under sales agreement, or sales agreement, with Cantor Fitzgerald & Co., or Cantor Fitzgerald, the sales agent.

NOTE 1. NATURE OF OPERATIONS *(Cont'd)*

The specific terms of any securities to be offered pursuant to the base prospectus are specified in the sales agreement prospectus. The $50,000,000 of ordinary shares that may be offered, issued and sold under the sales agreement prospectus is included in the $200,000,000 of securities that may be offered, issued and sold by us under the base prospectus. The sales under the prospectus will be deemed to be made pursuant to an "at the market offering" as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933 (the Securities Act). Upon termination of the sales agreement, any portion of the $50,000,000 included in the sales agreement prospectus that is not sold pursuant to the sales agreement will be available for sale in other offerings pursuant to the base prospectus, and if no shares are sold under the sales agreement, the full $50,000,000 of securities may be sold in other offerings pursuant to the base prospectus. See Note 2, "Liquidity," Note 16, "Capital Stock" and Note 25, "Events After the Balance Sheet Date" for a further discussion.

NOTE 2. LIQUIDITY

The accompanying consolidated financial statements have been prepared on a basis that assumes that the Company will continue as a going concern and that contemplates the continuity of operations, the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. Accordingly, the accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might result from the outcome of this uncertainty.

As of March 31, 2021, the Company had cash and cash equivalents of $2.8 million and total current liabilities of $3.2 million (inclusive of $1.1 million warrant liability settleable on a non-cash basis). For the year ended March 31, 2021, the Company is reporting a net loss of ($17.2) million and cash used in operating activities of $4.3 million. As of June 30, 2021, we had approximately $28.6 million of cash on hand.

In April 2021, the Company commenced its "at the market" offering and through that process, sold 90,888 shares generating net proceeds of approximately $2.6 million. Further, the Company initiated an offering pursuant to the Prospectus. On June 24, 2021, the Company completed a firm commitment underwritten public offering of 1,150,000 ordinary shares at a public offering price of $23.00 per share for gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021. The Company incurred offering expenses for the public offering of approximately $1.5 million, including approximately $1.4 million of management, underwriting and selling expenses. The Company will use net proceeds raised to fund its research and development activities and support operations. The amount raised is sufficient to fund operations through July 2022. Funds may be used to accelerate activities or invest in other strategic assets.

The Company has incurred substantial operating losses since inception and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. The losses result primarily from its conduct of research and development activities.

The Company historically has funded its operations principally from proceeds from issuances of equity and debt securities and would expect to enter the capital markets if additional funding is required.

NOTE 2. LIQUIDITY *(Cont'd)*

COVID-19 Effect

Beginning in early March 2020, the COVID-19 pandemic and the measures imposed to contain this pandemic have disrupted and are expected to continue to impact the Company's business operations. The magnitude of the impact of the COVID-19 pandemic on the Company's productivity, results of operations and financial position, and its disruption to the Company's business and clinical programs and timelines, will depend, in part, on the length and severity of these restrictions and on the Company's ability to conduct business in the ordinary course.

NOTE 3. BASIS OF PRESENTATION

Statement of Compliance and Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee. Certain reclassifications have been made to prior years to conform with current year presentation.

These consolidated financial statements have been prepared on an historical cost basis except for items disclosed herein at fair value (see Note 22, "Financial Instruments and Risk Management").

The Company has only one reportable operating segment.

These consolidated financial statements were approved and authorized for issuance by the Audit Committee and Board of Directors on July 29, 2021.

Consolidation

The consolidated financial statements include the accounts of the Company and,

(a) SalvaRx Limited ("SalvaRx"), a wholly-owned subsidiary, incorporated on May 6, 2015 in the British Virgin Islands.

(b) iOx Therapeutics Ltd. ("iOx"), a United Kingdom based immune-oncology company, a 60.49% subsidiary, incorporated in the United Kingdom on February 10, 2015.

(c) Saugatuck Therapeutics, Ltd. ("Saugatuck"), a 70% owned subsidiary incorporated in the British Virgin Islands.

(d) Portage Developmental Services, a 100% owned subsidiary incorporated in Delaware, which provides human resources, and other services to each operating subsidiary via a shared services agreement.

NOTE 3. BASIS OF PRESENTATION *(Cont'd)*

Consolidation (Cont'd)

The following companies were disposed of on March 3, 2021 (see Note 8, "Disposition of PPL"):

- Portage Pharmaceuticals Ltd. ("PPL") a wholly-owned subsidiary acquired in a merger on July 23, 2013, incorporated in the British Virgin Islands.
- EyGen Limited ("EyGen"), a wholly-owned subsidiary of PPL, incorporated on September 20, 2016, in the British Virgin Islands.
- Portage Glasgow Ltd. ("PGL"), a 65% subsidiary of PPL, incorporated in Glasgow, Scotland.

All inter-company balances and transactions have been eliminated in consolidation.

Non-controlling interest in the equity of a subsidiary is accounted for and reported as a component of stockholders' equity. Non-controlling interests represent the 39.51% shareholder ownership interest in iOx and the 30% shareholder ownership interest in Saugatuck, which are consolidated by the Company. In years prior to March 31, 2021, non-controlling interest also included 35% in PGL.

Functional and Presentation Currency

The Company's functional and presentation currency is the U.S. Dollar.

Use of Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas where estimates are made include valuation of financial instruments, research and development costs, fair value used for acquisition and measurement of share-based compensation. Significant areas where critical judgments are applied include assessment of impairment of investments and goodwill and the determination of the accounting acquirer and acquiree in the business combination accounting.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, which have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Financial Instruments

i) Financial Assets

Classification

Upon the initial recognition of a financial assets, the financial assets are classified as one of the following measurement methodologies: (a) amortized cost, (b) fair value through other comprehensive income (FVTOCI), or (c) fair value through profit or loss (FVTPL). Subsequent measurement will be based on the initial classification of the financial assets.

The classification of a financial asset at initial recognition depends on the Company's business model for managing the financial asset and the financial asset's contractual cash flow characteristics.

In order for a financial asset to be measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are *solely payments of principal and interest* ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTOCI; and
- Financial assets at FVTPL.

Financial Assets at Amortized Cost (Debt Instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective of holding the financial asset in order to collect contractual cash flows and;

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to a period impairment review. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets classified at amortized cost includes other receivables.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Financial Assets designated at Fair Value through OCI (Equity Instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVTOCI when they meet the definition of equity under IAS 32, “Financial Instruments: Presentation,” and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company irrevocably elected to classify its investments in Biohaven Pharmaceuticals Holding Company Ltd. (“Biohaven”), Sentien and Intensity as FVTOCI.

Financial Assets at Fair Value through Profit or Loss

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured FVTPL, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

ii) Financial Liabilities

The Company's financial liabilities include accounts payable which approximates fair value due to their short maturity and unsecured notes payable assumed in the SalvaRx Acquisition. The unsecured notes payable assumed in the SalvaRx Acquisition are recorded at fair value on the acquisition date (see Note 10, “Acquisition and Business Combination” and Note 14, “Unsecured Notes Payable”).

Warrant Liability and Note Payable

During the year ended March 31, 2017, the Company's subsidiaries, PPL and EyGen, issued notes with warrants (see Note 14, “Unsecured Notes Payable” and Note 15, “Warrant Liability”). The warrants, which were exercisable for common shares of PPL and EyGen, expired in the year ended March 31, 2020.

Accordingly, at inception a portion of the proceeds was allocated to the fair value of the warrants and the remainder was recorded as a note payable. The warrants expired and the note payable was settled as part of the PPL disposition in March 2021 (see Note 8, “Disposition of PPL”).

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

At subsequent balance sheet dates the fair value of the warrant was remeasured with movements in the fair value recorded in profit or loss. The loan was recorded at amortized cost and is accounted for using the effective interest method. In March 2021, the Company completed the disposition of its interest in PPL and EyGen and these liabilities were settled.

In connection with the SalvaRx Acquisition (see Note 10, “Acquisition and Business Combination” and Note 14, “Unsecured Notes Payable”), the Company acquired notes payable and associated warrants, which were recorded at fair value on the date of the acquisition.

Impairment of Financial Assets

IFRS 9, “Financial Instruments,” requires the Company to recognize an allowance for expected credit losses ("ECLs") for all debt instruments and investments not held at fair value through profit or loss and contract assets. For intangible assets, at the end of each reporting period and whenever there is an indication that the intangible asset may be impaired, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

At the end of each reporting period, the Company assessed whether there was objective evidence that a financial asset was impaired. The Company recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Foreign Currencies

The functional and presentation currency of the Company and its subsidiaries (see Note 3, “Basis of Presentation”) is the U.S. dollar. Monetary assets and liabilities are translated at exchange rates in effect at the balance sheet date. Non-monetary assets are translated at exchange rates in effect when they were acquired. Revenue and expenses are translated at the approximate average rate of exchange for the period. Foreign currency differences arising on retranslation are recognized in income or loss.

The effect of exchange rates on our foreign currency-denominated asset and liability balances are recorded as foreign currency transaction losses in the determination of net income (loss).

Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and on-demand deposits that are readily convertible to a known amount of cash with three months or less from date of acquisition and are subject to an insignificant risk of change in value. The Company does not have any cash equivalents as of March 31, 2021 and 2020.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Intangible Assets acquired in Business Combinations

Intangible assets acquired in business combinations that are separable from goodwill are recorded at their acquisition date fair value. Subsequent to initial recognition, intangible assets acquired in business combinations are reported net of accumulated amortization and any impairment losses.

Impairment of Indefinite Life Intangible Assets other than Goodwill

At the end of each annual reporting period and whenever there is an indication that an indefinite life intangible asset may be impaired, the Company reviews the carrying amounts of such intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of any individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units ("CGU" or "CGUs"), or the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Share-based Payments

The Company determines the fair value of share-based payments granted to directors, officers, employees and consultants using the Black-Scholes option-pricing model at the grant date. Assumptions for the Black-Scholes model are determined as follows:

• ***Expected Volatility.*** The expected volatility rate used to value stock option grants is based on volatilities of a peer group of similar companies whose share prices are publicly available. The peer group was developed based on companies in the life sciences industry.

• ***Expected Term.*** The Company used historical experience.

• ***Risk-free Interest Rate.*** The risk-free interest rate assumption was based on zero-coupon U.S. Treasury instruments that had terms consistent with the expected term of the Company's stock option grants.

• ***Expected Dividend Yield.*** The Company has never declared or paid any cash dividends and does not presently plan to pay cash dividends in the foreseeable future.

Share-based payments to employees, officers and directors are recorded and reflected as an expense over the vesting period with a corresponding increase in the stock option reserve. On exercise, the associated amounts previously recorded in the stock option reserve are transferred to common share capital.

(U.S. Dollars)

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

(Loss) Per Share

Basic (loss) per share is calculated by dividing net (loss) income (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. Diluted (loss) per share reflects the dilution that would occur if outstanding stock options and share purchase warrants were exercised into ordinary shares using the treasury stock method and convertible debt were converted into ordinary shares using the if-converted method. Diluted (loss) per share is calculated by dividing net (loss) income applicable to ordinary shares by the sum of the weighted average number of ordinary shares outstanding and all additional ordinary shares that would have been outstanding if potentially dilutive common shares had been issued. The share and per share information has been retroactively adjusted to reflect the impact of the stock dividend.

The inclusion of the Company's stock options, restricted stock units and share purchase warrants in the computation of diluted loss per share would have an anti-dilutive effect on loss per share and are therefore excluded from the computation. Consequently, there is no difference between basic loss per share and diluted loss per share for the years ended March 31, 2021, 2020 and 2019. The following table reflects the outstanding securities by year that would have an anti-dilutive effect on loss per share, and accordingly, were excluded from the calculation (see Note 19, “(Loss) Per Share”).

	As of March 31,		
	2021	**2020**	**2019**
Stock options	**868,000**	2,980	2,980
Restricted stock units	**243,000**	–	–
Warrants	**49,701**	–	–

Investments in Private Companies

The investment is comprised of shares of private companies that have been acquired through a private placement. The investment is initially recorded at fair value. Following acquisition, the Company evaluates whether control or significant influence is exerted by the Company over the affairs of the investee company. Based on the evaluation, the Company accounts for the investment using either the consolidation, equity accounting or fair value method (see Note 9, “Investments in Private Companies”).

Investment in Associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations”. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost from the date the investee becomes an associate and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. When the Company's share of losses of an associate exceed the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within 'share of (loss) income in associate' in the consolidated statements of operations.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Research and Development Expenses

(i) Research and Development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is expensed as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Research and development expenses include all direct and indirect operating expenses supporting the products in development.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in income or loss as incurred.

(iii) Clinical Trial Expenses

Clinical trial expenses are a component of the Company's research and development costs. These expenses include fees paid to contract research organizations, clinical sites, and other organizations who conduct development activities on the Company's behalf. The amount of clinical trial expenses recognized in a period related to clinical agreements are based on estimates of the work performed using an accrual basis of accounting. These estimates incorporate factors such as patient enrolment, services provided, contractual terms, and prior experience with similar contracts.

Contingent Liability

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Corporation; or a present obligation that arises from past events (and therefore exists), but is not recognized because it is not probable that a transfer or use of assets, provision of services or any other transfer of economic benefits will be required to settle the obligation; or the amount of the obligation cannot be estimated reliably.

Determination of Fair Value

A number of the Company's accounting policies and disclosures required the determination of fair value, both for financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When applicable, further information about the assumptions made in determining fair values is disclosed in Note 22, “Financial Instruments and Risk Management” and other footnotes that specifically relate to assets or liabilities measured at fair value.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Income Tax

The Company uses the asset and liability method to account for income taxes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities for accounting purposes, and their respective tax bases.

Deferred income tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted and applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in statutory tax rates is recognized in profit or loss in the year of change. Deferred income tax assets are recorded when their recoverability is considered probable and are reviewed at the end of each reporting period.

Business Combinations

Business combinations are accounted for using the acquisition method as of the date when control transfers to the Company. The total purchase price less the fair value of non-controlling interest is allocated to the acquired net tangible and intangible assets and liabilities assumed at fair value.

Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

Goodwill

Goodwill represents the excess of the purchase price paid for the acquisition of an entity and the amount recognized for non-controlling interests over the fair value of the net identifiable assets acquired and liabilities assumed. Goodwill is allocated to the CGUs, which are expected to benefit from the synergies of the combination. Goodwill is not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell and the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU. Any goodwill impairment is recorded in income in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

Recent Accounting Pronouncements

Impact of Adoption of Significant New IFRS Standards in 2020

(a) IAS 1: Presentation of Financial Statements, and IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors (Amendment)

The amendments to IAS 1 and IAS 8 clarify the definition of material and seek to align the definition used in the Conceptual Framework with that in the standards themselves, as well as ensuring the definition of material is consistent across all IFRS. The Company adopted these amendments effective January 1, 2020. The adoption of these amendments did not have a significant impact on the Company's annual consolidated financial statements.

(b) Conceptual Framework for Financial Reporting

Together with the revised Conceptual Framework published in March 2018, the IASB also issued Amendments to References to the Conceptual Framework in IFRS Standards. The Company adopted the Revised Conceptual Framework effective January 1, 2020. The adoption of these amendments did not have a significant impact on the Company's annual consolidated financial statements.

IFRS Pronouncements Issued But Not Yet Effective

New Accounting Standards, Interpretations and Amendments

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

(c) Annual Improvements to IFRS Standards 2018-2020

The annual improvements process addresses issues in the 2018-2020 reporting cycles including changes to IFRS 9, "Financial Instruments," IFRS 1, "First Time Adoption of IFRS," IFRS 16, "Leases," and IAS 41, "Biological Assets".

i) The amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities.

ii) The amendment to IFRS 1 allows a subsidiary adopting IFRS at a later date than its parent to also measure cumulative translation differences using the amounts reported by the parent based on the parent's date of transition to IFRS.

iii) The amendment to IFRS 16's illustrative example 13 removes the illustration of payments from the lessor related to leasehold improvements.

These amendments will be effective for annual periods beginning on or after January 1, 2022. The Company is currently evaluating the new guidance and impacts on its consolidated financial statements.

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES *(Cont'd)*

(d) IAS 37: Onerous Contracts - Cost of Fulfilling a Contract

The amendment to IAS 37 clarifies the meaning of costs to fulfil a contract and that before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to the contract. This amendment will be effective for annual periods beginning on or after January 1, 2022. The Company is currently evaluating the new guidance and impacts on its consolidated financial statements.

(e) IAS 16: Proceeds Before Intended Use

The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of Property, plant and equipment any proceeds received from selling items produced while the entity is preparing the assets for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). It also clarifies that an entity is testing whether the asset is functioning properly when it assesses the technical and physical performance of the asset. The amendment also requires certain related disclosures. This amendment will be effective for annual periods beginning on or after January 1, 2022. The Company is currently evaluating the new guidance and impacts on its consolidated financial statements.

(f) IAS 1: Presentation of Financial Statements

The amendment to IAS 1 clarifies how to classify debt and other liabilities as either current or non-current. The amendment will be effective for annual periods beginning on or after January 1, 2023. The Company is currently evaluating the new guidance and impacts on its consolidated financial statements.

(g) Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendment addresses the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognized in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Company is evaluating whether the adoption of the above amendment will have a material impact on its financial statements.

NOTE 5. PREPAID EXPENSES AND OTHER RECEIVABLES

(In thousands)	As of March 31, 2021	2020
Prepaid insurance	**$ 1,445**	$ 14
Research & development tax credits	**649**	500
Other prepaid expenses	**48**	–
Other receivables	**34**	60
Total prepaid expenses and other receivables	**$ 2,176**	$ 574

In October 2016, the Company's wholly-owned subsidiary, PPL, agreed to a settlement, from a claim made against a supplier, to receive $120,000 in annual instalments of $11,250. Through March 31, 2021, the Company has collected $86,250. The balance of $33,750 was classified $11,250 as a current asset in prepaid expenses and other receivables and $22,500 as a long-term receivable as of March 31, 2021. As of March 31, 2020, the outstanding balance of $45,000 was classified $11,250 in prepaid expenses and other receivables and $33,750 as a long-term asset. The installment receivable was assigned to Portage by PPL prior to the disposition of PPL (see Note 8, “Disposition of PPL”). The installment note was repaid in full in July 2021 (see Note 25, “Events After the Balance Sheet Date”).

NOTE 6. INVESTMENT IN MARKETABLE EQUITY SECURITIES

As of March 31, 2020 and 2019, the Company’s investment in marketable equity securities was comprised of 2,000 shares in Biohaven, a public company listed on the New York Stock Exchange. The Company accounted for its investment in Biohaven as a financial asset classified as fair value through the statement of other comprehensive income (“FVTOCI”).

In August 2020, the Company sold the shares of Biohaven for proceeds of $140,000 resulting in a gain of $72,000.

The following table is a roll-forward of the investment in Biohaven as of March 31, 2021, 2020 and 2019:

(In thousands)	As of March 31, 2021	2020	2019
Balance, beginning of year	**$ 68**	$ 103	$ 53
Unrealized (loss) gain on investment	**–**	(35)	50
Proceeds from the sale of the investment	**(140)**	–	–
Gain on sale	**72**	–	–
Balance, end of year	**$ –**	$ 68	$ 103

NOTE 7. INVESTMENT IN ASSOCIATE

Details of the Company's associate as of March 31, 2021 and 2020 are as follows:

Name	Principal Activity	Place of Incorporation and Principal Place of Business	Voting Rights Held as of March 31, 2021	Voting Rights Held as of March 31, 2020
Associate: Stimunity S.A.	Biotechnology	Paris, France	44.0%	36.4%

The abovementioned associate is accounted for using the equity method in these consolidated financial statements.

The following table is a roll-forward of the Company's investment in Stimunity S.A. as of March 31, 2021 and 2020:

(In thousands)	Years ended March 31, 2021	2020
Balance, beginning of year	**$ 1,225**	$ 1,207
Additional investment	**1,000**	–
Share of (loss) income	**(490)**	18
Balance, end of year	**$ 1,735**	$ 1,225

On February 28, 2018, the Company made an initial investment of €0.5 million ($0.7 million) by subscribing to 3,780 new Class A shares of Stimunity SAS ("Stimunity"), a French simplified joint stock company located and operating in Paris, France, for a 27% equity interest. One of the three directors on the Board of Directors is represented by the Company. The management of Stimunity is controlled by the two other founding shareholders of Stimunity. Management has evaluated the Company's investment and concluded that the Company has significant influence and therefore its investment in Stimunity is accounted for using the equity method.

The Company also committed to a second investment in the amount of €1.5 million ($1.9 million) (the "Stimunity Commitment") by subscribing to 4,140 new ordinary shares at a price of €363 per share, upon Stimunity successfully completing agreed milestones. On March 25, 2019, the Company made an additional discretionary investment of €0.6 million ($0.7 million) by subscribing to 1,945 ordinary shares at a price of €308.55 per share, increasing its ownership to approximately 37%. No milestones were completed as of March 31, 2020 and 2019.

On June 1, 2020, the Company made an additional $1.0 million investment in Stimunity upon Stimunity's achievement of certain agreed milestones, increasing its equity share in Stimunity to 44% (see Note 20, "Commitments and Contingent Liabilities").

The Company accounts for its investment in Stimunity under the equity method and accordingly, records its share of Stimunity's earnings or loss based on its ownership percentage. The Company recorded equity in (loss) income in Stimunity of ($490,000) and $18,000 for the years ended March 31, 2021 and 2020, respectively.

Under the shareholders agreement, Portage has (i) a preferential subscription right to maintain its equity interest in Stimunity in the event of a capital increase from the issuance of new securities by Stimunity, except for issuances of new securities for stock options under a merger plan or for an acquisition, or (ii) the right to vote against any (a) issuances of additional securities that would call for the Company to waive its preferential subscription right, or (b) any dilutive issuance.

NOTE 7. INVESTMENT IN ASSOCIATE *(Cont'd)*

The following table illustrates the summarized financial information of the Company's investment in Stimunity S.A:

(In millions)	As of March 31, 2021 (Unaudited)	As of March 31, 2020 (Unaudited)
Current assets	$ 1.6	$ 1.3
Non-current assets	$ –	$ –
Current liabilities	$ 0.7	$ 0.3
Non-current liabilities	$ 0.1	$ .01
Equity	$ 0.8	$ 0.9
Company's share in equity – 44.0% and 36.4%	$ 0.4	$ 0.3

	Years Ended March 31, 2021 (Unaudited)	Years Ended March 31, 2020 (Unaudited)
Revenue	$ 0.1	$ 0.2
Loss from operations	$ (1.5)	$ (0.3)
Net loss	$ (1.1)	$ –

NOTE 8. DISPOSITION OF PPL

On March 3, 2021, the Company disposed of 100% of its interest in PPL, which includes PPL's interest in PGL and EyGen for $10 to an entity controlled by one of the Company's current directors and one of the Company's former directors (the "Purchaser's Executives"). Under the terms of the arrangement, all outstanding payable obligations were assumed by the purchaser. Simultaneously, the Company and the Purchaser's Executives entered into a Revenue Share Deed with PPL under which they will be entitled to certain revenue shares based on the achievement of milestones defined in the Revenue Share Deed. The Company may also be entitled to recover an intercompany receivable from the purchaser in the amount of $229,848 on the fourth anniversary of the Revenue Share Deed. The Company valued its interest in the Revenue Share Deed and the recovery of the $229,848 at zero for financials statement purposes. All other intercompany balances were cancelled. The Company no longer has any interest or obligations associated with PPL, PGL and EyGen, other than the interests provided for in the Revenue Share Deed.

NOTE 9. INVESTMENTS IN PRIVATE COMPANIES

The following table is a rollforward of the investments in Intensity and Sentien as of March 31, 2020 and 2021:

(In thousands)	Intensity	Sentien	Total
Balance as of April 1, 2019	$ 4,500	$ 700	$ 5,200
Acquisition of Intensity Holdings Limited	1,298	–	1,298
Unrealized gain (loss) on investment	1,611	(700)	911
Balance as of March 31, 2020	**7,409**	**–**	**7,409**
Unrealized gain (loss) on investment	**–**	**–**	**–**
Balance as of March 31, 2021	**$ 7,409**	**$ –**	**$ 7,409**

NOTE 9. INVESTMENTS IN PRIVATE COMPANIES *(Cont'd)*

The following is a discussion of our investments in private companies as of March 31, 2021 and March 31, 2020.

Sentien

In August 2015, the Company acquired 210,210 shares of Series A preferred stock in Sentien (“Preferred Stock”), a Medford, MA based private company for $700,000 of cash. The Preferred Stock is fully convertible into an equal number of common shares. The Company’s holdings represent 5.06% of the equity of Sentien on a fully diluted basis as of March 31, 2021 and March 31, 2020, respectively. The investment in Sentien has been irrevocably designated as a financial asset recorded at fair value with changes in fair value recorded through other comprehensive income. As of March 31, 2020, the Company recorded an unrealized loss of $0.7 million after determining that cost no longer was the best estimate of fair value due to a significant change in the strategy of Sentien and determined that the investment in Sentien no longer had any fair value as Sentien was no longer pursing the proposed indication from the time of the Company's initial investment.

Intensity

In connection with the SalvaRx Acquisition in fiscal 2019, the Company acquired a $4.5 million interest in Intensity, a clinical stage biotechnology company, of 1.0 million shares, which represented a 7.5% equity interest in Intensity (see Note 10, “Acquisition and Business Combination”). The investment was recorded at fair value (which approximates cost) at the acquisition date. The investment in Intensity has been irrevocably designated as a financial asset recorded at fair value with gains and losses recorded through other comprehensive income. The fair value of the asset is determined by considering other comparable equity funding transactions by Intensity with unrelated investors.

On July 11, 2019, the Company entered into an agreement with Fast Forward Innovations Limited ("Fast Forward") to purchase Intensity Holdings Limited ("IHL"), a wholly-owned subsidiary of Fast Forward. The Company paid $1.3 million for IHL through the issuance of 129,806 ordinary shares. The sole asset of IHL consists of 288,458 shares of the private company, Intensity. This transaction increased the Company's ownership to 1,288,458 shares of Intensity. As of March 31, 2021 and March 31, 2020, the Company owned approximately 8% and 9%, respectively, of the outstanding shares of Intensity, on a fully diluted basis.

During the year ended March 31, 2020, the Company recorded an unrealized gain of $1.6 million with respect to its investment in Intensity based upon Intensity’s most recent valuation.

NOTE 10. ACQUISITION AND BUSINESS COMBINATION

On August 13, 2018, the Company reached a definitive agreement to acquire 100% of SalvaRx, a company incorporated in the British Virgin Islands on May 6, 2015 focused on novel cancer immunotherapies and to develop clinical proof of concept, in exchange for 8,050,701 ordinary shares of the Company (the "SalvaRx Acquisition"). The SalvaRx Acquisition was completed on January 8, 2019 (the "Acquisition Date") upon receiving shareholder and regulatory approval. Shares issued by the Company on acquisition were valued at $92.6 million based on the market price of the Company shares of $11.50 per share on the Acquisition Date. Portage is the accounting acquirer as the controlling group of shareholders of the Company increased their holdings, retained majority of voting rights after the acquisition and the Company's management prior to the acquisition continued as management of the combined company. Four of the Company's Board members are also directors of SalvaRx (see Note 21, “Related Party Transactions”). Notwithstanding the high degree of common ownership between the companies, this was not considered a common control transaction as no single individual held a controlling interest and no contractual arrangement exists among the group of shareholders.

NOTE 10. ACQUISITION AND BUSINESS COMBINATION *(Cont'd)*

In connection with the SalvaRx Acquisition, the Company acquired SalvaRx's five invested entities and subsidiaries: iOx and Saugatuck (consolidated subsidiary with non-controlling interest), Intensity (investment in private company) (see Note 9, “Investments in Private Companies”), Nekonal (joint venture with no fair value due to a dispute with Nekonal, see below), and Rift (no fair value as operations are discontinued). In connection with the SalvaRx Acquisition, the Company also acquired an option from Nekonal SARL that gives SalvaRx the right to acquire shares in Nekonal for €50 ($55 USD) per share for four years. On January 8, 2019, the acquisition date, the fair value of option was determined to be $0 due to a dispute with Nekonal.

SalvaRx and Nekonal were involved in a dispute regarding Nekonal's claim that it attained a development milestone that would require SalvaRx to provide the next tranche of funding. SalvaRx claims that Nekonal committed a breach of duties and fraud on its minority shareholders with respect to its assumption that the milestone has been attained. Nekonal management has counterclaimed that SalvaRx is in breach of contract with respect to the funding arrangement. While litigation was threatened, no legal proceedings have commenced. In fiscal 2021, the Company abandoned its interest in Nekonal.

The acquisition of SalvaRx allowed the Company to acquire interest in the development of nine immune-oncology products. SalvaRx has three in-process research and development ("IPR&D") projects identified.

The following table presents unaudited supplemental pro forma consolidated net income based on SalvaRx's historical reporting periods as if the SalvaRx Acquisition had occurred as of April 1, 2018 (in thousands):

Year ended March 31,	**2019**
Net loss	$ (5,160)
Net loss applicable to common stockholders	$ (3,920)
Net loss per share, basic and diluted	$ (0.01)

NOTE 11. GOODWILL

(In thousands)	**As of March 31, 2021**			**As of March 31, 2020**		
	Goodwill	**IPR&D**	**DTL**	**Goodwill**	**IPR&D**	**DTL**
Balance, beginning of year	**$ 43,324**	**$ 117,388**	**$ (21,604)**	$ 43,324	$ 117,388	$ (21,604)
Foreign exchange effect on deferred liability settleable in Great British pounds	**–**	**–**	**(2,446)**	–	–	–
On Acquisition of SalvaRx Limited	**–**	**–**	**–**	–	–	–
Amortization	**–**	**–**	**–**	–	–	–
Impairment	**–**	**–**	**–**	–	–	–
Balance, end of year	**$ 43,324**	**$ 117,388**	**$ (24,050)**	$ 43,324	$ 117,388	$ (21,604)

The Company’s goodwill arose from the acquisition of SalvaRx and its portfolio of several projects and investments.

As of March 31, 2021, the Company determined that it has only one cash-generating unit (“CGU”), the consolidated Portage Biotech, Inc.

NOTE 11. GOODWILL *(Cont'd)*

Impairment Review

On an annual basis, the Company assesses its long-lived assets with definite lives, which are not yet available for use for potential indicators of impairment. At the end of each reporting period, the Company is required to assess whether there is any indication that an asset may be impaired. Pursuant to IAS 36, "Impairment of Assets," the Company reviewed its assets for any indicators of impairment and considered underlying fundamentals, execution, de-risking/advancement of assets and the value creation activities during the year ended March 31, 2021.

If any such indication exists, the Company estimates the recoverable amount of the asset or CGU and compares it to the carrying value.

The Company performed its annual impairment test in each of 2021 and 2020 and estimated the recoverable amount of the above-noted CGU based on its value in use, which was determined using a capitalized cash flow methodology and categorized within level 3 of the fair market value hierarchy.

The recoverable amount of the CGU has been determined based on its value in use. The recoverable amount considered assumptions based on probabilities of technical, regulatory and clinical acceptances and financial support. Further, Management uses risk-adjusted cash flow projections based on financial budgets. Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount. The discount rate has been determined based on the Company's best estimate of a risk adjusted discount rate.

The key assumptions used in the calculation of the recoverable amount include forecasts of the following:
(a) revenues;
(b) normalized operating expenses;
(c) income taxes; and
(d) capital expenditures.

Discounted cash flows are determined with reference to undiscounted risk adjusted cash flows, and the discount rate approximated 20.0% and 20.5% at March 31, 2021 and 2020, respectively, based on the individual characteristics of the Company's CGU, the risk-free rate of return and other economic and operating factors.

The recoverable amount exceeded the carrying amount of goodwill and therefore no impairment was considered necessary as of March 31, 2021 and 2020.

NOTE 12. IN PROCESS RESEARCH AND DEVELOPMENT AND DEFERRED TAX LIABILITY

In process research and development ("IPR&D") consists of the following projects (in thousands):

Project #	Description	Value as of March 31, 2021	Value as of March 31, 2020
iOx:			
IMM 60	**Melanoma & Lung Cancers**	**$ 84,213**	$ 84,213
IMM 65	**Ovarian/Prostate Cancers**	**32,997**	32,997
		117,210	117,210
Oncomer/Saugatuck	**DNA Aptamers**	**178**	178
		$ 117,388	$ 117,388
Deferred tax liability		**$ 24,050**	$ 21,604

NOTE 12. IN PROCESS RESEARCH AND DEVELOPMENT AND DEFERRED TAX LIABILITY *(Cont'd)*

Additionally, at the end of each reporting period, the Company is required to assess whether there is any indication that an asset may be impaired. Pursuant to IAS 36, the Company reviewed its assets for any indicators of impairment and considered underlying fundamentals, execution, de-risking/advancement of assets and the value creation activities during the year ended March 31, 2021.

As of March 31, 2021, management assessed whether any indications of impairment existed for the Company's IPR&D and concluded no indicators were present. Therefore, a test for impairment was not required and no impairment was recorded for the year ended March 31, 2021.

Deferred tax liability (DTL) related to IPR&D at iOx is subject to tax in the United Kingdom. As of March 31, 2021 and 2020, iOx had a deferred tax liability of approximately $24.1 million and approximately $21.6 million, respectively. On January 8, 2019, the Company recognized a $19.8 million deferred tax liability for the difference between the book and income tax basis of IPR&D acquired as part of the acquisition of SalvaRx. As the IPR&D process is in the UK, the deferred tax had been recorded at 17%, the rate applicable in the UK. During the year ended March 31, 2020, the Company recorded a tax expense of $2.2 million, including $2.3 million to increase the deferred tax liability due to the increase in the UK tax rate to 19% in March 2020, $0.4 million of a return to provision adjustment and a decrease due to a refundable research and development credit of $0.5 million. As the deferred tax liability may be settled in the future in Great British pounds ("GBP"), the Company increased the deferred tax liability by $2.4 million as of March 31, 2021 and decreased the deferred tax liability by $1.4 million as of March 31, 2020, respectively, to reflect the difference in exchange rates from period to period.

NOTE 13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(In thousands)	As of March 31, 2021	2020
Accounts payable	**$ 113**	$ 343
Insurance premium note	**1,651**	–
Accrued interest	**5**	701
Other	**169**	224
Total accounts payable and accrued liabilities	**$ 1,938**	$ 1,268

NOTE 14. UNSECURED NOTES PAYABLE

Following is a roll-forward of notes payable:

(In thousands)	CURRENT PPL	CURRENT iOx	NON-CURRENT SalvaRx	Total
Balance, April 1, 2019	$ 193	$ 100	$ 3,370	$ 3,663
Repayment	–	–	(300)	(300)
Amortization of debt discount	7	–	258	265
Loss on extinguishment of debt	–	–	33	33
Balance, March 31, 2020	**200**	**100**	**3,361**	**3,661**
Repayment	**–**	**–**	**(1,020)**	**(1,020)**
Amortization of debt discount	**–**	**–**	**76**	**76**
Value of notes exchanged in warrant exercise	**–**	**–**	**(2,640)**	**(2,640)**
Settlement in connection with disposition of PPL	**(200)**	**–**	**–**	**(200)**
Loss on extinguishment of debt	**–**	**–**	**223**	**223**
Proceeds from loan payable	**–**	**50**	**–**	**50**
Balance, March 31, 2021	**$ –**	**$ 150**	**$ –**	**$ 150**

NOTE 14. UNSECURED NOTES PAYABLE *(Cont'd)*

PPL and EyGen Unsecured Notes Payable

During the year ended March 31, 2017, the Company's subsidiaries, PPL and EyGen, completed a private placement of unsecured notes (the "PPL Unsecured Notes"). The balance outstanding as of March 31, 2020 was $0.2 million.

The PPL Unsecured Notes were settled as part of the disposition of PPL in March 2021 (see Note 8, “Disposition of PPL”).

SalvaRx Unsecured Notes Payable and Warrants

In connection with the SalvaRx Acquisition in January 2019, the Company assumed $3.96 million of principal in unsecured notes due on March 2, 2021 (or earlier upon a qualifying event), that bear interest at 7% per annum (the "SalvaRx Notes"). The fair value of the SalvaRx Notes was determined to be $3.4 million at January 2019. As the SalvaRx Acquisition was a qualifying event, the SalvaRx Notes became due upon the acquisition. In December 2019, the maturity date of the SalvaRx Notes was extended to June 2021.

The holders of the SalvaRx Notes received $7,500 of warrants in respect of each $10 thousand of principal issued. The warrants vest in the event of a qualifying transaction and are exercisable at a 30% discount to the implied valuation of SalvaRx. On the Acquisition Date, the fair value of the warrants, which are included in non-controlling interest, was determined to be $2.5 million using the Black Scholes Model.

During September 2020, the Company settled the SalvaRx Notes obligations originally due in June 2021 in an aggregate principal amount of approximately $3.7 million, plus accrued interest of $0.75 million in exchange for cash payments totaling $1.77 million and 397,604 of the associated SalvaRx warrants with an exercise price of $6.64 per share. The noteholders who accepted the offer exchanged their SalvaRx warrants for an equal number of Portage shares at the same price per share. The Company accounted for the contractual value of the exercised and outstanding warrants of $2.64 million (397,604 shares at $6.64 per share) as accrued equity issuable at September 30, 2020. The Company also recorded a loss of $1.26 million during the year ended March 31, 2021, to recognize the discount between the fair value of the underlying shares on October 13, 2020, the settlement date, ($9.80 per share) and the warrant exercise (contract) price of $6.64 per share.

Four of the Company's directors, Gregory Bailey, James Mellon, Steven Mintz (in trust) and Kam Shah, received, in total, 363,718 of the warrants pursuant to this transaction. Subsequent to the exercise of the warrants in October 2020, Portage had 12,083,395 and 49,701 issued and outstanding shares and warrants, respectively.

The Company also recorded a loss on early extinguishment of debt of $0.22 million in the year ended March 31, 2021.

NOTE 14. UNSECURED NOTES PAYABLE *(Cont'd)*

iOx Unsecured Notes Payable

In connection with the SalvaRx Acquisition in January 2019, the Company assumed $2.0 million of 7% convertible notes issued by iOx, a wholly owned subsidiary of SalvaRx (the "Convertible Notes"), of which the Company holds $1.9 million. As a result of the SalvaRx Acquisition, iOx became a subsidiary of the Company during the year ended March 31, 2019. In accordance with IFRS 3, the fair value, including interest receivable, of the Convertible Notes were effectively settled against the note receivable upon the business combination. The remaining Convertible Notes issued to a third party, including the conversion option, are recorded at a fair value of $0.1 million. An additional $0.05 million Convertible Note, which also included warrants to purchase additional shares, was funded in 2021. The holder of the Convertible Notes can convert the notes and accrued interest into ordinary shares of iOx at any time before maturity at £120 per share. There is an automatic conversion in the event iOx raises $2.0 million, and the conversion price will be determined based on the timing of the capital raised and the price at which the money was raised. iOx has the right to repay the Convertible Notes together with accrued interest at any time.

NOTE 15. WARRANT LIABILITY

Below is the roll-forward of warrants issued by entity (see Note 14, "Unsecured Notes Payable"):

	PBI			SalvaRx			
	Exercise Price	Warrants	Amount In 000'$	Exercise Price	Warrants	Contract Amount In 000'$	
Warrants outstanding, April 1, 2020	**–**	**–**	**$ –**	**$ 6.64**	**447,305**	**$ 2,970**	**(1)**
Exchange of warrants pursuant to SalvaRx Notes settlement	**$ 6.64**	**447,305**	**2,970**	**$ 6.64**	**(447,305)**	**(2,970)**	
Reclassification to accrued equity issuable	**$ 6.64**	**(397,604)**	**(2,640)**	**–**	**–**	**–**	
Fair value adjustment at March 31, 2021 (2)	**–**	**–**	**790**	**–**	**–**	**–**	
Warrants outstanding, March 31, 2021	**$ 6.64**	**49,701**	**$ 1,120**	**–**	**–**	**$ –**	

(1) Treated as non-controlling interest accounted for at fair value.
(2) Portage warrant liability valued at contract price, adjusted for fair value using the Black Scholes model.

NOTE 16. CAPITAL STOCK

(a) Authorized ordinary shares**:** Unlimited number of common shares without par value.
(b) Following is a roll-forward of ordinary shares as of March 31, 2021 and 2020:

	Years Ended March 31,			
	2021		2020	
	Ordinary Shares	Amount	Ordinary Shares	Amount
	In 000'	In 000'$	In 000'	In 000'$
Balance, beginning of year	**10,988**	**$ 117,817**	10,858	$ 116,237
Shares issued in a private placement, net of issue costs	**698**	**6,732**	**–**	**–**
Exchange of SalvaRx warrants for PBI warrants	**–**	**2,640**	–	–
Settlement of non-controlling interest in SalvaRx	**–**	**2,451**	–	–
To reflect warrants issued and outstanding (d)	**–**	**(330)**	–	–
Fair value adjustment for shares issued at a discount in SalvaRx	**397**	**1,256**	–	–
Expiration of unexercised stock options	**–**	**58**	–	282
Shares issued in connection with the acquisition of interest in Intensity Holdings Limited	**–**	**–**	130	1,298
Shares issued for services	**1**	**25**	––	–
Balance, end of year	**12,084**	**$ 130,649**	10,988	$ 117,817

(c) Number of ordinary shares have been retroactively adjusted to reflect the impact of 100:1 reverse stock split on June 5, 2020.
(d) Represents the contractual value of the Portage warrants, which was adjusted to fair value of $271 using the Black Scholes model.

On June 16, 2020, the Company completed a private placement of 698,145 restricted ordinary shares at a price of $10.00 per share for gross proceeds of $6.98 million to accredited investors. Directors of the Company subscribed for 215,000 shares, or approximately 30.8% of the private placement, for proceeds of $2.15 million. The Company incurred costs of approximately $0.25 million in connection with the offering, which was treated as contra-equity on the Company's balance sheet.

During September 2020, the Company settled the SalvaRx Notes obligations originally due in June 2021 in an aggregate principal amount of approximately $3.7 million, plus accrued interest of $0.75 million in exchange for cash payments totaling $1.77 million and 397,604 of the associated SalvaRx warrants with an exercise price of $6.64 per share. The warrants were exchanged for an equal number of warrants to acquire Portage stock at the same price per share. The Company accounted for the contractual value of the exercised and outstanding warrants of $2.64 million (397,604 shares at $6.64 per share) as accrued equity issuable at September 30, 2020. The Company also recorded a loss of $1.26 million during the year ended March 31, 2021, to recognize the discount between the fair value of the underlying shares on October 13, 2020 (the settlement date) of $9.80 per share and the contract price of $6.64 per share.

Four of the Company's directors, Gregory Bailey, James Mellon, Steven Mintz (in trust) and Kam Shah, received, in total, 363,718 of the shares pursuant to this transaction.

Subsequent to March 31, 2021, the Company commenced its "at the market" offering to sell shares and a second offering subject to a Prospectus filed June 24, 2021. See Note 25, "Events After the Balance Sheet Date" for a further discussion.

NOTE 17. STOCK OPTION RESERVE

(a) The following table provides the activity for the Company's stock option reserve for the years ended March 31, 2021 and 2020:

	Years Ended March 31,			
	2021		2020	
(In thousands)	Non-Controlling Interest	Stock Option Reserve	Non-Controlling Interest	Stock Option Reserve
Balance, beginning of year	**$ 10,618**	**$ 58**	$ 8,475	$ 324
Expiration of unexercised stock options	**–**	**(58)**	–	(282)
Share-based compensation expense	**850**	**7,977**	2,143	16
Balance, end of year	**$ 11,468**	**$ 7,977**	$ 10,618	$ 58

The $7.4 million fair value of vested iOx options acquired in the SalvaRx Acquisition and the stock-based compensation expense for unvested options are included in non-controlling interest in the combined balance sheets as of March 31, 2021 and 2020.

Stock Options

The Board of Directors of the Company (the "Board") established a stock option plan (the "2013 Option Plan") under which options to acquire ordinary shares of the Company are granted to directors, employees and consultants of the Company. The maximum number of ordinary shares issuable under the 2013 Option Plan shall not exceed 10% of the total number of issued and outstanding ordinary shares, inclusive of all shares presently reserved for issuance pursuant to previously granted stock options. If a stock option was surrendered, terminated or expired without being exercised, the ordinary shares reserved for issuance pursuant to such stock option were available for new stock options granted under the 2013 Option Plan. The options vest on a schedule determined by the Board of Directors, generally over two to four years, and expire after five years.

As of March 31, 2019, the Board decided to discontinue the 2013 Option Plan and during the year ended March 31, 2021, 2,980 outstanding options issued under the plan expired unexercised and no options remained outstanding under the 2013 Option Plan.

On June 25, 2020, at the annual meeting of shareholders, the Company's new incentive stock option plan (the "2020 Stock Option Plan") was approved, which authorized the directors to fix the option exercise price and to issue stock options under the plan as they see fit. The Company's 2020 Stock Option Plan is a 10% rolling stock option plan under which the directors are authorized to grant up to a maximum of 10% of the issued and outstanding ordinary shares on the date of grant.

Effective January 13, 2021, the Company amended and restated its 2020 Stock Option Plan to permit the grant of additional types of equity compensation securities, including restricted stock units and dividend equivalent rights (the "2021 Equity Incentive Plan"). The aggregate number of equity securities, which may be issued under the 2021 Equity Incentive Plan has not been changed. Pursuant to the 2021 Equity Incentive Plan, on January 13, 2021, the Company granted an aggregate of 868,000 stock options exercisable at a price of US$17.75 per share, representing the closing price of the shares on the day immediately preceding the grant date, which expire on January 13, 2031 to various directors, officers and consultants of the Company. 350,000 options granted to members of the board of directors vest 1/3 on grant date, 1/3 on the first anniversary of the grant and 1/3 on the second anniversary of the grant. 518,000 options granted to consultants (one of whom is also a director) vest 1/3 on each of the first three anniversaries of the date of grant.

Additionally, the Company granted 243,000 restricted stock units on January 13, 2021, with a fair value of $17.75 per share, which was the closing price on the day immediately preceding the grant date. The restricted stock units vest on the date of grant but underlying shares cannot be sold until one of four conditions are met. In accordance with IFRS 2, "Share-based Payment," the Company recognized compensation expense of $4.3 million in the year ended March 31, 2021, in connection with the RSU grants.

(U.S. Dollars)

NOTE 17. STOCK OPTION RESERVE *(Cont'd)*

In January 2019, iOx, a subsidiary of SalvaRx, was acquired by the Company as part of the SalvaRx Acquisition. Accordingly, the 2,599 stock options to acquire common shares of iOx (the "Acquired Options") with an exercise price of £120 ($152.84) per common share, outstanding under the iOx stock option plan ("iOx Option Plan") have been acquired by the Company. At the Acquisition Date, 1,643 of the stock options, with a fair value at the Acquisition Date of $7.4 million, are fully vested and recorded in non-controlling interest with a corresponding increase to goodwill (see Note 11, "Goodwill"). Additionally, the fair value of the remaining 956 unvested stock options was $4.3 million and is being recorded as compensation expense over the remaining 3-year vesting period. The Company incurred stock-based compensation expense of $0.9 million, $2.1 million and $1.1 million with respect to the iOx Option Plan in the years ended March 31, 2021, 2020, and 2019, respectively.

Following are the weighted average assumptions used in the calculation of the fair value of the vested and unvested options on the Acquisition Date, with respect to the iOx Option Plan:

Assumption	Vested Options	Unvested Options
Grant Date	November 28, 2016	April 17, 2018
Risk free interest rate	2.6%	2.6%
Expected dividend	Nil	Nil
Expected volatility	80%	80%
Expected life	1.3 years	3.2 years
Fair value of iOx stock	US$4,630.35	US$4,630.35

Following are the weighted average assumptions used in connection with the January 13, 2021 option grant, with respect to the Company's 2021 Equity Incentive Plan:

Assumption	Vested Options	Unvested Options
Risk free interest rate	0.48%	0.48%
Expected dividend	Nil	Nil
Expected volatility	139%	144%
Expected life	5.5 years	6.0 years
Fair value of Portage stock	US$16.66	US$17.11

(b) The movements in the number of options issued were:

	PBI 2021 Equity Incentive Plan		PBI 2013 Option Plan		iOx Option Plan (Subsidiary Plan)	
	Years Ended March 31,		Years Ended March 31,		Years Ended March 31,	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Balance, beginning of year	**–**	–	**2,980**	5,959	**2,599**	2,599
Granted	**868,000**	–	**–**	–	**–**	–
Expired or forfeited	**–**	–	**(2,980)**	(2,979)	**(675)**	–
Balance, end of period	**868,000**	–	**–**	2,980	**1,924**	2,599
Exercisable, end of year	**116,666**	–	**–**	2,980	**1,604**	1,643

NOTE 17. STOCK OPTION RESERVE *(Cont'd)*

(c) Following are the weighted average exercise price and the remaining contractual life for outstanding options by plan:

	PBI 2020 Option Plan		PBI 2013 Option Plan		iOx Option Plan (Subsidiary Plan)	
	As of March 31,		As of March 31,		As of March 31,	
	2021	2020	2021	2020	2021	2020
Weighted average exercise price	**$ 17.75**	$ –	**$ –**	$ 15.00	**$ 165.20**	$ 148.84
Weighted average remaining contractual life (in years)	**9.79**	–	**–**	1.72	**0.95**	1.63

The vested options can be exercised at any time in accordance with the applicable option agreement. The exercise price was greater than the market price on the date of the grants for all options outstanding as of March 31, 2021 and March 31, 2020.

The Company recorded $0.9 million, $2.2 million and $1.2 million of compensation expense related to the iOx stock option plans for the years ended March 31, 2021, 2020 and 2019, respectively.

NOTE 18. TAXATION

The Company is a British Virgin Island corporation. The Government of the British Virgin Islands does not, under existing legislation, impose any income or corporate tax on corporations.

PGL and iOx are subject to United Kingdom taxes ("UK Taxes"). Portage Services Ltd. is subject to taxes in Canada. Tax losses or potential tax credits for Portage Services Ltd. are insignificant.

iOx has research and development refundable credits of approximately $0.1 million and $0.5 million that have been recorded for the years ended March 31, 2021 and 2020, respectively, and are included in prepaid expenses and other receivables on the respective balance sheets.

The following is a reconciliation of the UK Taxes to the effective income tax rates for the years ended March 31, 2021 and 2020 ($ in thousands):

	2021	2020
Loss on ordinary activities before tax	**$ 1,218**	$ 2,409
Statutory UK income tax rate	**19.0%**	19.0%
Loss at statutory income tax rate	**$ 231**	$ 458
Change in deferred rate and true-up	**–**	(2,665)
Foreign currency effect on deferred tax liability	**(2,542)**	1,425
Other adjustments	**96**	–
Research and development credit	**149**	500
Losses (unrecognized)	**(231)**	(458)
Income tax (expense)	**$ (2,297)**	$ (740)

Research and development credit receivables of $649 and $500 were included in prepaid expenses and other receivables on the consolidated balance sheets as of March 31, 2021 and 2020, respectively.

NOTE 18. TAXATION *(Cont'd)*

The following is a reconciliation of financial statement loss to pre-tax loss subject to tax (in thousands):

	As of March 31, 2021			As of March 31, 2020		
	BVI	**Foreign**	**Total**	**BVI**	**Foreign**	**Total**
Pre-tax (loss)	**$ (13,674)**	**$ (1,218)**	**$ (14,892)**	(2,698)	(3,811)	(6,509)
Losses not subject to tax	**13,674**	**–**	**13,674**	2,698	–	2,698
Pre-tax (loss) subject to tax	**$ –**	**$ (1,218)**	**$ (1,218)**	$ –	(3,811)	(3,811)

As of March 31, 2021 and 2020, the Company's deferred tax assets and liabilities consisted of the effects of temporary differences attributable to the following (in thousands):

	2021	**2020**
Deferred tax assets:		
Net operating loss	**$ 1,689**	$ 1,186
Deferred tax asset (unrecognized)	**$ 1,689**	$ 1,186
Deferred tax liabilities:		
In process research and development	**$ 24,050**	$ 21,604
Deferred tax liability	**$ 24,050**	$ 21,604

The reduction in the rate of UK corporation tax to 19% from April 1, 2017 and to 17% from April 1, 2020 was substantively enacted at the Balance Sheet date. However subsequently, the UK Government announced that the UK corporation tax rate would remain at 19% and not reduce to 17% on 1 April 2020. This was substantively enacted on 17 March 2020. The standard rate of UK corporation tax applied to reported loss is 19% (2018: 19%). Unrecognized UK deferred tax assets and liabilities are calculated at a rate of 19%, being the rate that was substantively enacted at the Balance Sheet date.

iOx recorded research and development cash credits of approximately $0.1 million and $0.5 million that have been recorded for years ended March 31, 2021 and 2020, respectively.

As of March 31, 2021, 2020 and 2019, cumulative tax losses for iOx were approximately $7.3 million, $6.2 million and $2.1 million, respectively.

As of March 31, 2021 and 2020, iOx had a deferred tax liability of approximately $24.1 million and approximately $21.6 million, respectively. On January 8, 2019, the Company recognized a $19.8 million deferred tax liability for the difference between the book and income tax basis of IPR&D acquired as part of the acquisition of SalvaRx. As the IPR&D process is in the UK, the deferred tax had been recorded at 17%, the rate applicable in the UK. During the year ended March 31, 2020, the Company recorded a tax expense of $2.2 million, including $2.3 million to increase the deferred tax liability due to the increase in the UK tax rate to 19% in March 2020, $0.4 million of a return to provision adjustment and a decrease due to a refundable research and development credit of $0.5 million. As the deferred tax liability may be settled in the future in GBP, the Company increased the deferred tax liability by $2.4 million as of March 31, 2021 and decreased the deferred tax liability by $1.4 million as of March 31, 2020, respectively, to reflect the difference in exchange rates from period to period.

There is no expiration date for accumulated tax losses in the UK entities.

NOTE 19. (LOSS) PER SHARE

Basic earnings per share ("EPS") is calculated by dividing the net income (loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net income (loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the loss and share data used in the basic and diluted EPS calculations (dollars in thousands, except per share amounts):

	Years Ended March 31,		
	2021	**2020**	**2019**
Numerator			
Net loss attributable to owners of the Company	**$ (15,833)**	$ (5,333)	$ (2,635)
Denominator			
Weighted average number of shares – Basic and Diluted	**11,733**	10,952	4,820
Basic and Diluted (loss) per share	**$ (1.35)**	$ (0.49)	$ (0.55)

Inclusion of outstanding options or other common stock equivalents in the computation of diluted loss per share would have an anti-dilutive effect on the loss per share and are therefore excluded from the computation. Consequently, there is no difference between loss per share and diluted loss per share.

NOTE 20. COMMITMENTS AND CONTINGENT LIABILITIES

The Company is committed to invest approximately €1.5 million ($1.9 million) in Stimunity upon Stimunity’s achievement of certain agreed milestones. During the year ended March 31, 2019, the Company made a discretionary investment of €600,129 ($688,359) and on June 1, 2020, the Company made an additional discretionary investment of €800,000 ($1.0 million) investment towards the commitment. The remaining commitment was €100,000 as of March 31, 2021 (see Note 7, “Investment in Associate”).

NOTE 21. RELATED PARTY TRANSACTIONS

SalvaRx Acquisition

On January 8, 2019, the Company acquired 100% of SalvaRx from SalvaRx Group plc. in exchange for 8,050,701 ordinary shares of the Company for an aggregate consideration of US$92.6 million (see Note 10, “Acquisition and Business Combination”). Four of the six directors of the Company are also directors of SalvaRx Group plc. The Company's CEO is also the CEO of SalvaRx and employees of the Company comprise the management team of SalvaRx.

Investments

The Company has entered into related party transactions and certain services agreements with its investees. Key management of the Company has also entered into related party transactions with investees. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chairman, Chief Executive Officer and Chief Financial Officer are key management personnel.

The following subsidiaries and associates are considered related parties:

(a) **Stimunity**. One of the three directors on the Board of Directors of Stimunity is controlled by Portage (see Note 7, “Investment in Associate”).

(b) **iOx**. Two of the five directorships on the Board of Directors of iOx is controlled by Portage. Additionally, Portage has an observer on the Board of iOx. The CEO of the Company is also the CEO of iOx, and the management team of the Company comprise the management team of iOx.

NOTE 21. RELATED PARTY TRANSACTIONS *(Cont'd)*

(c) **Saugatuck**. One of the three directorships on the Board of Directors of Saugatuck is controlled by Portage. Additionally, the CEO of the Company is also the CEO of Saugatuck and the management team of the Company comprise the management team of Saugatuck (see Note 10, "Acquisition and Business Combination").

(d) **Intensity**. One of the four directorships on the Board of Directors of Intensity is represented by Portage. Additionally, the CEO of the Company is an officer and employee of Intensity (see Note 9, "Investments in Private Companies").

(e) **PGL**. PPL holds 65% equity in PGL, committed to provide financing and also handles financial and administrative matters of PGL. The Company disposed of 100% of its interests in PPL and PGL on March 3, 2021 (see Note 8, "Disposition of PPL").

The following are significant related party balances and transactions other than those disclosed elsewhere in the consolidated financial statements:

(a) Unsecured notes payable includes $200,000 notes issued to directors of the Company by PPL at March 31, 2020. The notes were settled as part of the PPL disposition (see Note 8, "Disposition of PPL").

(b) Interest expense includes $78,427, $226,018 and $225,400 interest incurred in the years ended March 31, 2021, 2020 and 2019, respectively, on notes issued to members of the Portage board of directors. The SalvaRx Notes were settled as of August 6, 2020 and, accordingly, no further interest expense was incurred. In connection with the settlement of the SalvaRx Notes, $692,045 of accrued interest and $805,000 of principal was paid to directors. The directors also exchanged an aggregate $2,415,000 of notes payable for SalvaRx warrants at a price of $6.64, which were exchanged for Portage warrants and converted to Portage stock on October 13, 2020 (see Note 14, "Unsecured Notes Payable").

(c) In January 2020, a board member of the Company advanced the Company $1.0 million, which was repaid in July 2020. There was no interest or fees associated with this advance.

Transactions between the parent company and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note.

NOTE 22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments recognized in the Company's consolidated statements of financial position consist of the following:

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following table summarizes the Company's financial instruments as of March 31, 2021 and March 31, 2020:

	As of March 31,			
	2021		2020	
(In thousands)	Amortized Cost	Fair Value through Other Comprehensive Income (FVTOCI)	Amortized Cost	FVTOCI
Financial assets				
Cash and cash equivalents	**$ 2,770**	**$ –**	$ 3,152	$ –
Prepaid expenses and other receivables	**$ 2,176**	**$ –**	$ 574	$ –
Investments	**$ –**	**$ 9,144**	$ –	$ 8,702

	Amortized Cost	Fair Value through Profit or Loss (FVTPL)	Amortized Cost	FVTPL
Financial liabilities				
Accounts payable and accrued liabilities	**$ 1,938**	**$ –**	$ 1,268	$ –
Unsecured notes payable	**$ 150**	**$ –**	$ 3,661	$ –
Warrant liability	**$ –**	**$ 1,120**	$ –	$ –

A summary of the Company's risk exposures as it relates to financial instruments are reflected below.

Fair value of financial instruments

The Company's financial assets and liabilities are comprised of cash, receivables and investments in equities and private entities, accounts payable, warrant liability and unsecured notes payable.

The Company classifies the fair value of these transactions according to the following fair value hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data. Investments are classified as Level 3 financial instrument.

NOTE 22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Cont'd)*

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

Management has assessed that the fair values of cash and cash equivalents, other receivables and accounts payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate their fair values:

Investment in Biohaven: Fair value was based on a quoted market price of $34.03 per share as of March 31, 2020 (Level 1). The investment was sold in August 2020.

Investment in Sentien: Fair value of the asset is determined by considering strategy changes by Sentien (Level 3).

Investment in Intensity: Fair value of the asset is determined by considering other comparable equity funding transactions by Intensity with unrelated investors (Level 3).

Accrued equity issuable: The fair value is estimated based on the average of the quoted market prices for the period in which the shares were earned (Level 1).

Unsecured notes payable: The fair value is estimated using a Black Scholes model (Level 3) (see Note 14, Unsecured Notes Payable").

Warrant Liability: The fair value is estimated using a Black Scholes model (Level 3) (see Note 15, "Warrant Liability").

There have been no transfers between levels of the fair value hierarchy for the years ended March 31, 2021 and 2020.

The Company's financial instruments are exposed to certain financial risks: credit risk and liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value as reflected on the consolidated statements of financial position.

***Cash*.** Cash is held with major international financial institutions and therefore the risk of loss is minimal.

Other receivables. The Company was exposed to credit risk attributable to its debtor since a significant portion of this amount represents the amount agreed on a settlement of a claim by PPL (see Note 5, "Prepaid Expenses and Other Receivables"), payable over the next four years. The installment note was repaid in full in July 2021 (see Note 25, "Events After the Balance Sheet Date").

NOTE 22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Cont'd)*

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The Company holds sufficient cash to satisfy obligations under accounts payable and accruals.

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to meet its operating needs and needs for investing in new projects. The Company believes that it has sufficient funding to finance the committed drug development work, apart from meeting its operational needs for the foreseeable future.

However, as a biotech company at an early stage of development and without significant internally generated cash flows, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company, or that actual drug development expenditures may exceed those planned. The current uncertainty in global markets could have an impact on the Company's future ability to access capital on terms that are acceptable to the Company. There can be no assurance that required financing will be available to the Company. See Note 25, "Events After the Balance Sheet Date," for a discussion of the Company's share offering.

NOTE 23. CAPITAL DISCLOSURES

The Company considers the items included in shareholders' equity as capital. The Company had accounts payable and accrued expenses of approximately $1.9 million as of March 31, 2021 (approximately $1.3 million as of March 31, 2020) and current assets of approximately $4.9 million as of March 31, 2021 (approximately $3.8 million as of March 31, 2020). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business opportunities and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

As of March 31, 2021, shareholders' equity attributable to the owners of the company was approximately $101.4 million (approximately $96.5 million as of March 31, 2020).

The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. There have been no changes to the Company's approach to capital management during the years ended March 31, 2021 and 2020.

See Note 25, "Events After the Balance Sheet Date," for a discussion of the Company's share offering.

NOTE 24. NON-CONTROLLING INTEREST

(In thousands)	PGL	SalvaRx	iOx	Saugatuck	Total
Balance as of April 1, 2019	$ (31)	$ 2,451	$ 46,376	$ 87	$ 48,883
Fair value:					
Stock-based compensation expense	–	–	2,143	–	2,143
Net loss attributable to non-controlling interest	(50)	–	(1,807)	(59)	(1,916)
Non-controlling interest as of March 31, 2020	**(81)**	**2,451**	**46,712**	**28**	**49,110**
Stock-based compensation expense	**–**	**–**	**850**	**–**	**850**
Exchange of SalvaRx warrants for PBI warrants in SalvaRx Notes settlement	**–**	**(2,451)**	**–**	**–**	**(2,451)**
Net income (loss) attributable to non-controlling interest	**81**	**–**	**(1,389)**	**(48)**	**(1,356)**
Non-controlling interest as of March 31, 2021	**$ –**	**$ –**	**$ 46,173**	**$ (20)**	**$ 46,153**

NOTE 25. EVENTS AFTER THE BALANCE SHEET DATE

Share Offering

In April 2021, pursuant to a Registration Statement and Prospectus declared effective by the SEC on March 8, 2021 (discussed more fully in Note 1, “Nature of Operations”), the Company commenced its “at the market” offering and through June 7, 2021, had sold 90,888 shares generating net proceeds of approximately $2.6 million. Further, the Company initiated an offering pursuant to the Prospectus.

On June 24, 2021, the Company completed a firm commitment underwritten public offering of 1,150,000 ordinary shares at a public offering price of $23.00 per share for gross proceeds of approximately $26.5 million and net proceeds of approximately $25.0 million, and was settled June 28, 2021. The Company incurred offering expenses for the public offering of approximately $1.5 million, including approximately $1.4 million of management, underwriting and selling expenses. The Company will use net proceeds raised to fund its research and development activities and support operations.

Installment Note Receivable

The installment note receivable of approximately $0.034 million described in Note 5, “Prepaid Expenses and Other Receivables,” was repaid in full in July 2021.

(b) EXHIBITS

The following documents are filed as part of this Annual Report on Form 20-F.

Exhibit No.	Description of Exhibit
1.1	Certificate of Continuance - **Incorporated herein by reference** to Exhibit 3.1 to Form 6-K filed on August 1, 2013.
1.2	Memorandum and Articles of Association - **Incorporated herein by reference** to Form F-20 filed on July 31, 2017.
2.1	Description of Rights of Stock Registered under Section 12 of the Exchange Act - **Incorporated herein by reference** to Exhibit 2.1 to Form 20-F filed on August 17, 2020.
4(a).1	Controlled Equity Offering[SM] Sales Agreement by and between Portage Biotech Inc. and Cantor Fitzgerald & Co., dated February 24, 2021 - **Incorporated herein by reference** to Exhibit 1.1 to Form F-3, filed February 24, 2021.
4(a).2	Underwriting Agreement, dated as of June 24, 2021 the Company, Cantor Fitzgerald & Co. and Oppenheimer & Co. Inc. - **Incorporated herein by reference** to Exhibit 1.1 to Form 6-K, filed on June 24, 2021.
4(c)(iv).1	2011 Consultant Stock Compensation Plan - **Incorporated herein by reference** to Form S-8 filed on April 21, 2011.
4(c)(iv).2	2013 Stock Option Plan - **Incorporated herein by reference** to Form S-8 filed on December 19, 2013.
4(c)(iv).3	2013 Option Plan - **Incorporated herein by reference** to Form S-8 filed on March 17, 2015.
4(c)(iv).4*	Portage Biotech Inc. 2021 Equity Incentive Plan dated as of January 13, 2021.
8.1*	List of Subsidiaries.
11.1	Charter of Audit and Compensation Committee Regarding Compensation Matters - **Incorporated herein by reference** to Form F-20 filed on July 31, 2014.
11.2	Charter of Audit and Compensation Committee Regarding Audit Matters - **Incorporated herein by reference** to Form F-20 filed on July 31, 2014.
11.3	Code of Conduct - **Incorporated herein by reference** to Form F-20 filed on July 31, 2014.
12.1*	Certifications of Chief Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.
12.2*	Certifications of Chief Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.
13.1*	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2*	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1*	Consent of Marcum LLP.

(b) EXHIBITS *(Cont'd)*

101	The following financial information from our Annual Report on Form 20-F for the year ended March 31, 2021 has been formatted in Extensible Business Reporting Language (XBRL): (i) Consolidated Statements of Financial Position, (ii) Consolidated Statements of Operations and Other Comprehensive Income, (iii) Consolidated Statements of Cash Flows, and (iv) Notes to Consolidated Financial Statements.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB *	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

*** Filed herewith**

SIGNATURES

The Company hereby certifies that it meets all of the requirements for filing on Form 20-F and it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

DATED at Toronto, Ontario, Canada, this 29th day of July, 2021

PORTAGE BIOTECH INC.

By: /s/ Ian Walters
Title: Chief Executive Officer

By: /s/ Allan Shaw
Title: Chief Financial Officer

January 13, 2021

PORTAGE BIOTECH INC.

2021 EQUITY INCENTIVE PLAN

1. Purposes of the Plan.

This Plan is an amendment and restatement effective January 13, 2021 of the Portage Biotech Inc. 2020 Stock Option Plan, which has been renamed the 2021 Equity Incentive Plan. The purpose of this Plan is to develop the interest of the directors, officers, employees and consultants who provide on-going services to Portage Biotech Inc. (the "Corporation") and its subsidiaries in the growth and development of the Corporation by providing such persons with the opportunity to acquire an equity interest in the Company or to be paid incentive compensation and to better enable the Corporation and its subsidiaries to attract and retain persons of desired experience and ability.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Stock Appreciation Rights, Dividend Equivalent Rights, Restricted Stock, Restricted Stock Units and Cash-Based Incentive Awards.

2. Definitions. As used herein, the following definitions will apply:

(a) "Act" means the U.S. Securities Act of 1933, as amended, and the rules and regulations thereunder.

(b) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(c) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan or where Shares are, or will be, granted on exercise of any such Award.

(d) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Dividend Equivalent Rights, Restricted Stock, Restricted Stock Units or Cash-Based Incentive Awards.

(e) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(f) "Board" means the Board of Directors of the Company.

(g) "Cash-Based Incentive Award" means an Award denominated in cash that is granted under Section 10 of the Plan.

(h) "Cause" means:

(i) an unauthorized use or disclosure by the Participant of the Company's confidential information or trade secrets that causes material harm to the Company;

(ii) a material breach by the Participant of any agreement between the Participant and the Company;

(iii) a material failure by the Participant to comply with the Company's written policies or rules;

(iv) the Participant's conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State thereof;

(v) the Participant's gross negligence or willful misconduct;

(vi) a continuing failure by the Participant to perform assigned duties after receiving written notification of such failure from the Board; or

(vii) a failure by the Participant to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested the Participant's cooperation.

(i) "Change in Control" means shall mean

(i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity;

(ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power and outstanding shares immediately prior to such transaction do not own a majority of the outstanding voting power and outstanding shares or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction;

(iii) the sale of more than fifty percent of the Shares of the Company to an unrelated person, entity or group thereof acting in concert; or

(iv) any other transaction in which the owners of the Company's outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

(j) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein will be a reference to any successor or amended section of the Code.

(k) "Committee" means the compensation committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board, or by the compensation committee of the Board, in accordance with Section 4 hereof.

(l) "Common Stock" means the common stock of the Company.

(m) "Company" means Portage Biotech Inc., a Delaware corporation, or any successor thereto.

(n) "Consultant" means any natural person, including an advisor, engaged by the Company to render bona fide services to such entity, provided the services (i) are not in connection with the offer or sale of securities in a capital-raising transaction, and (ii) do not directly promote or maintain a market for the Company's securities.

(o) "Director" means a member of the Board.

(p) "Disability" means total and permanent disability as defined in Code Section 22(e)(3), provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(q) "Dividend Equivalent Right" means an Award entitling the grantee to receive credits based on dividends that would have been paid on Shares specified in the Dividend Equivalent Right (or other Award to which it relates) if such Shares had been issued to and held by the grantee.

(r) "Employee" means any person, including officers and Directors, employed by the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(s) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(t) "Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Award is reduced or increased. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(u) "Fair Market Value" means the fair market value of a Share as determined by the Administrator in good faith, provided, however, that if the Shares are listed on the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), Nasdaq Global Market, The New York Stock Exchange, Canadian Securities Exchange, or another national securities exchange or traded on any established market, the determination shall be made by reference to market quotations. If there are no market quotations for such date, the determination shall be made by

reference to the last date preceding such date for which there are market quotations. Such determination shall be conclusive and binding on all persons

(v) "Incentive Stock Option" means an Option that by its terms qualifies and is otherwise intended to qualify as an incentive stock option within the meaning of Code Section 422 and the regulations promulgated thereunder.

(w) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(x) "Option" means a stock option granted pursuant to the Plan.

(y) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e).

(z) "Participant" means the holder of an outstanding Award.

(aa) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(bb) "Plan" means this 2021 Equity Incentive Plan.

(cc) "Qualifying Director" means a Person who is, with respect to actions intended to obtain an exemption from Section16(b) of the Exchange Act pursuant to Rule 16b-3 under the Exchange Act, a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act.

(dd) "Restricted Stock" means Shares issued pursuant to an Award of Restricted Stock under Section 8 of the Plan or the early exercise of an Option.

(ee) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(ff) "Separation from Service" means the Separation from Service" as such term is defined in the Income Tax Regulations under Code Section 409A.

(gg) "Service Provider" means an Employee, Director or Consultant.

(hh) "Share" means a share of the Common Stock, as adjusted in accordance with Section 14 of the Plan.

(ii) "Stock Appreciation Right" means an Award, granted alone or in connection with an Option, that pursuant to Section 7 is designated as a Stock Appreciation Right.

(jj) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Code Section 424(f).

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to Section 14 of the Plan, the maximum number of Common Shares reserved for issuance at any time pursuant to this Plan shall not exceed 10% of the issued and outstanding Common Shares in the capital of the Corporation. The Shares may be authorized but unissued or reacquired. Subject to such overall limitation, the aggregated number of Shares that may be issued as Incentive Stock Options shall not exceed 10%.

(b) Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an Exchange Program, is forfeited, or is repurchased by the Company for an amount equal to the lower of (i) the Exercise Price of each Share being repurchased and (ii) the Fair Market Value of each Share being repurchased at the time the right of repurchase is exercised (such that the repurchase is effectively a forfeiture), the Shares that were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). With respect to Stock Appreciation Rights, only Shares actually issued pursuant to a Stock Appreciation Right will cease to be available under the Plan; all remaining Shares under Stock Appreciation Rights will remain available for future grant or sale under the Plan (unless the Plan has terminated). Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; except that Shares that are forfeited to the Company, including Shares that are effectively forfeited to the Company as the result of a Company repurchase, will become available for future grant under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Notwithstanding the foregoing and, subject to adjustment as provided in Section 14, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Code Section 422 and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan pursuant to Section 3(b).

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

(a) Administration of the Plan; Delegation The Plan shall be administered by the Administrator. To the extent required to comply with the provisions of Rule16b-3 promulgated under the Exchange Act (if the Board is not acting as the Committee under the Plan) it is intended that each member of the Committee shall, at the time such member takes any action with respect to an Award under the Plan that is intended to qualify for the exemptions provided by Rule 16b-3 promulgated under the Exchange Act be a Qualifying Director. However, the fact that a Committee member shall fail to qualify as a Qualifying Director shall not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan. Subject to Applicable Law, the Board or the Committee, in its discretion, may delegate all or part of its administrative duty and authority to a committee consistent of one or more officers of the Company, including the Chief Executive Officer, other than

with respect to grants to individuals who are subject to the reporting and other provisions of Section 16 of the Exchange Act or are members of a committee to which such authority is delegated..

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan (which forms may, for the avoidance of doubt, be different for each Service Provider to whom Awards are proposed to be granted hereunder);

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the terms and conditions of grant, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to institute and determine the terms and conditions of an Exchange Program;

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

(ix) to modify or amend each Award (subject to Section 19(c) of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(d));

(x) to allow Participants to satisfy withholding tax obligations in a manner prescribed in Section 14;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator; and

(xii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

(d) Indemnification. Neither the Board nor the Committee nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board, the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's articles or bylaws, and any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, and Restricted Stock Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Grant of Options. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Options in such amounts as the Administrator, in its sole discretion, will determine.

(b) Option Agreement. Each Award of an Option will be evidenced by an Award Agreement that will specify the terms and conditions of grant, the exercise price, the term of the Option, the number of Shares subject to the Option, the exercise restrictions, if any, applicable to the Option, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(c) Limitations. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. Notwithstanding such designation, however, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(c), Incentive Stock Options will be taken into account in the order in which they were granted, the Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted, and calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.

(d) Term of Option. The term of each Option will be stated in the Award Agreement; provided, however, that the term will be no more than ten (10) years from the date of grant thereof. In the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(e) Option Exercise Price and Consideration.

(i) Exercise Price. The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. In addition, in the case of an Incentive Stock Option granted to an Employee who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this Section 6(e)(i), Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a).

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) promissory note, to the extent permitted by Applicable Laws, (4) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided further that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (5) consideration received by the Company under a cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (6) by net exercise, (7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws, or (8) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator will consider if acceptance of such consideration may be reasonably expected to benefit the Company.

(f) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable tax withholding). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of

a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 14 of the Plan.

Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Resignation or Termination without Cause. If a Participant ceases to be a Service Provider, other than as the result of the Participant's termination for Cause or the Participant's death or Disability, the Participant may exercise his or her Option within ninety (90) days of termination, or such longer period of time as is specified in the Award Agreement or determined by the Administrator (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Termination for Cause. If a Participant ceases to be a Service Provider as the result of the Participant's termination for Cause or the Participant's resignation in anticipation of a termination for Cause, the Participant may not exercise his or her Option following such termination or resignation. Unless otherwise provided by the Administrator, a Participant who is terminated for Cause, or who resigns in anticipation of a termination for Cause, will automatically forfeit his or her Option in its entirety (including any vested portion). Such forfeited Option will terminate and the Shares covered by the Option will revert to the Plan. Any determination of whether a Participant resigned in anticipation of a termination for Cause or a Participant's employment or service is (or is deemed to have been) terminated for Cause shall be made by the Administrator in its sole discretion, which determination shall be final and binding. If, subsequent to a Participant's termination of employment or service, it is determined by the Administrator that the Participant's employment or service could have been terminated for Cause, the Administrator may deem such Participant's employment or service to have been terminated for Cause, and any Option held by the Participant shall be subject to the treatment applicable following a termination for Cause, including under any recapture, clawback or similar policy of the Company as may be in effect from time to time.

(iv) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within one (1) year of termination, or such longer period of time as is specified in the Award Agreement or determined by the Administrator (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent the Option is vested on the date of termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the

time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(v) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within one (1) year following the Participant's death, or within such longer period of time as is specified in the Award Agreement or determined by the Administrator (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary, provided such beneficiary has been designated prior to the Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Shares subject to any Award of Stock Appreciation Rights.

(c) Exercise Price and Other Terms. The per Share exercise price for the Shares that will determine the amount of the payment to be received upon exercise of a Stock Appreciation Right as set forth in Section 7(f) will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the terms and conditions of grant, the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(d) relating to the maximum term and Section 6(f) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

(ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

8. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine.

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the terms and conditions of grant, the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 8 or as the Administrator determines, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 8, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

9. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(e) Rights as a Shareholder. A grantee shall not have any rights as a shareholder of the Company until and unless the grantee is issued Shares upon settlement of Restricted Share Units; provided, however, that the grantee may be credited with Dividend Equivalent Rights with respect to the units underlying his or her Restricted Share Units, subject to such terms and conditions as the Administrator may determine.

(f) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

10. Cash-Based Incentive Awards. The Administrator may grant Cash-Based Incentive Awards under the Plan. A Cash-Based Incentive Award is an Award that entitles the grantee to a payment in cash upon the attainment of specified performance goals. The Administrator shall determine the maximum duration of the Cash-Based Incentive Award, the amount of cash to which the Cash-Based Incentive Award pertains, the conditions upon which the Cash-Based Incentive Award shall become vested or payable, and such other provisions as the Administrator shall determine. Each Cash-Based Incentive Award shall specify a cash-denominated payment amount, formula or payment ranges as determined by the Administrator. Payment, if any, with respect to a Cash-Based Incentive Award shall be made in accordance with the terms of the Award and may be made in cash.

11. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined

in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

12. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. For the purposes of the Plan, a Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

13. Transfer of Awards or Shares. Unless determined otherwise by the Administrator, Awards may not be sold, pledged, assigned, hypothecated, or otherwise transferred in any manner other than by will or by the laws of descent and distribution, and may be exercised, during the lifetime of the Participant, only by the Participant (or legal representative or guardian, in the event of the Participant's incapacity).

14. Adjustments; Dissolution or Liquidation; Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of shares of stock that may be delivered under the Plan and/or the number, class, and price of shares of stock covered by each outstanding Award.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Change in Control. In the event of a Change in Control, each outstanding Award will be treated as the Administrator determines (subject to the provisions of the following paragraph) without a Participant's consent. Such treatment may include, without limitation, that (i) Awards will be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (ii) upon written notice to a Participant, the Participant's Awards will terminate upon or immediately prior to the consummation of such Change in Control; (iii) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent

the Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment); (v) the replacement of such Award with other rights or property selected by the Administrator in its sole discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this subsection 14(c), the Administrator will not be obligated to treat all Awards similarly, including all Awards held by a Participant or all Awards of the same type.

If an Option or Stock Appreciation Right is not assumed or substituted in the event of a Change in Control, the Administrator may, in its discretion, elect to accelerate all unvested Shares subject to Options or Stock Appreciation Rights that are not assumed or substituted, and, in any event, will notify the Participant in writing or electronically that the Option or Stock Appreciation Right will be exercisable for a period of time determined by the Administrator in its sole discretion, and the Option or Stock Appreciation Right will terminate upon the expiration of such period.

For the purposes of this subsection 14(c), an Award will be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

Notwithstanding anything in this Section 14(c) to the contrary, an Award that vests, is earned or paid out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

Notwithstanding anything in this Section 14(c) to the contrary, if a payment under an Award Agreement is subject to Code Section 409A and if the change in control definition contained in the Award Agreement does not comply with the definition of "change of control" for purposes of a distribution under Code Section 409A, then any payment of an amount that is otherwise accelerated under this Section will be delayed until the earliest time that such payment would be permissible under Code Section 409A without triggering any penalties applicable under Code Section 409A.

15. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Board, in its sole discretion and pursuant to such procedures as the Administrator may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the statutory amount required to be withheld, provided the delivery of such Shares will not result in any adverse accounting consequences, as the Administrator determines in its sole discretion, or (iv) selling a sufficient number of Shares otherwise deliverable to the Participant through such means as the Administrator may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. The amount of the withholding requirement will be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

16. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

17. Clawback/Repayment. All Awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Committee and as in effect from time to time; and (ii) Applicable Law. Further, unless otherwise determined by the Committee, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Participant shall be required to repay any such excess amount to the Company.

18. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

19. Term of Plan. Subject to Section 23 of the Plan, the Plan will become effective upon its adoption by the Board. Unless sooner terminated under Section 20, it will continue in effect for a

term of ten (10) years from the later of (a) the effective date of the Plan, or (b) the earlier of the most recent Board or stockholder approval of an increase in the number of Shares reserved for issuance under the Plan.

20. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

21. Conditions Upon Issuance of Awards. Awards will not be granted unless the grant of such Award will comply with Applicable Laws. As a condition of the grant of an Award, the Company may require the person to whom such Award is granted to represent and warrant at the time of such grant that the grant to such person is permitted under Applicable Laws.

22. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that (i) the Shares are being purchased only for investment and without any intention to sell or distribute, or offer to sell or distribute, such Shares if, in the opinion of counsel for the Company, such a representation is required and (ii) the purchase of Shares is permitted under Applicable Laws.

23. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

24. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

25. . Governing Law. The Plan shall be governed by and construed in accordance with the internal laws of the British Virgin Islands applicable to contracts made and performed wholly within the State of Connecticut, without giving effect to the conflict of laws provisions thereof. EACH PARTICIPANT WHO ACCEPTS AN AWARD IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION, OR OTHER PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECTOF THE PARTICIPANT'S RIGHTS OR OBLIGATIONS HEREUNDER.

EXHIBIT 8.1

LIST OF SUBSIDIARIES

Name	Jurisdiction	Percentage of ownership
Stimunity S.A.	France	44%
SalvaRx Limited	BVI	100%
iOx Therapeutics Ltd.	UK	60%
Saugatuck Therapeutics	BVI	70%
Intensity Holdings Limited	BVI	100%
Saugatuck Rx LLC	USA	100%
SalvaRx LLC	USA	100%

EXHIBIT 12.1

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Ian Walters, Chief Executive Officer of Portage Biotech Inc., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc. for the fiscal year ended March 31, 2021.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting

Date: July 29, 2021

/s/ Ian Walters
By: Dr. Ian Walters
Title: Chief Executive Officer

EXHIBIT 12.2

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Allan Shaw, Chief Financial Officer of Portage Biotech Inc., certify that:

1. I have reviewed this Annual Report on Form 20-F of Portage Biotech Inc. for the fiscal year ended March 31, 2021.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions)

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: July 29, 2021

/s/ Allan Shaw
By: Allan Shaw
Title: Chief Financial Officer

EXHIBIT 13.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Ian Walters, Chief Executive Officer of Portage Biotech Inc. (the "Company"), hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(i) the Annual Report on Form 20-F of the Company for the fiscal year ended March 31, 2021 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 29, 2021

/s/ Ian Walters

By: Dr. Ian Walters
Title: Chief Executive Officer

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Company's Annual Report on Form 20-F. A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Annual Report on Form 20-F pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

EXHIBIT 13.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Allan Shaw, Chief Financial Officer of Portage Biotech Inc. (the "Company"), hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(i) the Annual Report on Form 20-F of the Company for the fiscal year ended March 31, 2021 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 29, 2021

/s/ Allan Shaw

By: Allan Shaw
Title: Chief Financial Officer

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Company's Annual Report on Form 20-F. A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies this Annual Report on Form 20-F pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

EXHIBIT 15.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statement of Portage Biotech Inc. and subsidiaries on Form F-3 [File No. 333-253468] of our report dated July 29, 2021, with respect to our audits of the consolidated financial statements of Portage Biotech Inc. as of March 31, 2021 and 2020 and for the years ended March 31, 2021, 2020 and 2019, which report is included in this Annual Report on Form 20-F of Portage Biotech Inc. for the year ended March 31, 2021.

/s/ Marcum LLP

Marcum LLP
Melville, NY
July 29, 2021